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Agricultural Research Service
Agricultural Stabilization and Conservation Service
Agriculture Department
Atomic Energy Commission
Civil Aeronautics Board
Civil Service Commission
Commodity Credit Corporation
Consumer and Marketing Service
Customs Bureau
Defense Department
Employment Security Bureau
Federal Aviation Administration
Federal Communications Commission
Federal Highway Administration
Federal Maritime Commission
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Food and Drug Administration
General Services Administration
Interstate Commerce Commission
Labor Department
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Securities and Exchange Commission
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(As of January 1, 1968)

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Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

Housing and Home Finance Agency

Section 213.3144 is amended to show that the position of Special Assistant to the Deputy Administrator is no longer excepted under Schedule A. Effective on publication in the FEDERAL REGISTER, § 213.3144 is revoked in its entirety.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954–58 Comp., p. 218)

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

[F.R. Doc. 68–8455; Filed, July 16, 1968, 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Temporary Boards and Commissions

Section 213.3199 is amended to show that positions at GS–15 and below in the National Commission on the Causes and Prevention of Violence are excepted under Schedule A until July 31, 1969. Effective on publication in the FEDERAL REGISTER, paragraph (b) is added to § 213.3199 as set out below.

§ 213.3199 Temporary Boards and Commissions.

* * * * *

(b) *National Commission on the Causes and Prevention of Violence.* (1) until July 31, 1969, positions at GS–15 and below.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954–58 Comp., p. 218)

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

[F.R. Doc. 68–8456; Filed, July 16, 1968; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Treasury Department

Section 213.3305 is amended to show that the position of Private Secretary to the Special Assistant to the Secretary (for Enforcement) is no longer excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (20) of paragraph (a) of § 213.3305 is revoked.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954–58 Comp., p. 218)

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

[F.R. Doc. 68–8457; Filed, July 16, 1968; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Department of Health, Education, and Welfare

Section 213.3316 is amended to show that the position of one of the two Confidential Secretaries to the Assistant Secretary for Education and the position of the Confidential Secretary to the Deputy Assistant Secretary for Health and Scientific Affairs are no longer excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (3) of paragraph (h) of § 213.3316 is revoked, and subparagraph (7) of paragraph (j) of the same section is amended as set out below.

§ 213.3316 Department of Health, Education, and Welfare.

* * * * *

(h) *Office of the Assistant Secretary for Health and Scientific Affairs.* * * *

(3) [Revoked].

* * * * *

(j) *Office of the Assistant Secretary for Education.* * * *

(7) One Confidential Secretary to the Assistant Secretary.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954–58 Comp., p. 218)

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

[F.R. Doc. 68–8454; Filed, July 16, 1968; 8:48 a.m.]

Title 7—AGRICULTURE

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

SUBCHAPTER C—SPECIAL PROGRAMS

[Amdt. 1]

PART 778—EXPORT WHEAT MARKETING CERTIFICATE REGULATIONS

Miscellaneous Amendments

Basis and purpose. The following amendment is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (secs. 379a to 379j, 52 Stat. 31, as amended 7 U.S.C. 1379a to 1379j), to provide changes in the Export Wheat Marketing Certificate Regulations. The amendment changes the time of day at which the Director will announce the cost of export marketing certificates and the time of day at which reports of intention to export wheat must be filed with the Director. Other changes of a minor nature are also included in the amendment. Since these provisions must be acted on immediately, or are needed immediately in the administration of the regulations, it is hereby found and determined that compliance with the notice, public procedure and 30-day effective day requirements of section 4 of the Administrative Procedure Act (60 Stat. 238, 5 U.S.C. 553), is impracticable and contrary to the public interest and that this amendment shall be effective as hereinafter provided.

The Export Wheat Marketing Certificate Regulations (32 F.R. 14727 and 32 F.R. 16251) are amended as follows:

1. Sections 778.3(q), 778.7 (a)(2) and (b)(2)(ii) and (ix), and 778.9 (a)(3) and (b) are amended by changing the time "3:30 p.m." to read "4:00 p.m." and the time "3:31 p.m." to read "4:01 p.m."

2. Section 778.9(c)(1) is amended by changing the time "4:30 p.m." to read "5:30 p.m."

3. Section 778.2 *Administration* is amended by changing the last sentence to read as follows: "Information pertaining to the regulations in this part may be obtained from the Director, Commodity Operations Division, ASCS, U.S. Department of Agriculture, Washington, D.C. 20250."

4. Section 778.3 *Definitions* is amended by changing paragraph (f) to read as follows:

(f) "Director" means the Director, Commodity Operations Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, or his designee. Any delegations of authority made by the Director, Procurement and Sales Division, ASCS, under these regulations prior to the effective date of this amendment shall continue in effect until superseded. Any delegations of authority made under these regulations to the Director, Procurement and Sales Division, ASCS, shall continue in effect as delegations to the Director, Commodity Operations Division until superseded.

Effective date. This amendment shall become effective at 3:31 p.m., e.d.t., on July 15, 1968.

Signed at Washington, D.C., on July 12, 1968.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 68–8543; Filed, July 15, 1968; 1:40 p.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 1479—CERTIFICATES OF INTEREST IN COMMODITY CREDIT CORPORATION PRICE-SUPPORT LOANS

Subpart B—Participation of Financial Institutions in a Pool of Price-Support Loans

Financial institutions have been permitted to participate in pools of price-support loans under the provisions of § 1421.3821 et seq., Title 7, Code of Federal Regulations, published in 29 F.R. 3614, as amended; § 1427.2235 et seq., Title 7, Code of Federal Regulations, published in 30 F.R. 7814, as amended; and a special announcement published in 32 F.R. 235. Participation by financial institutions after July 31, 1968, will be governed by the provisions of the following subpart of this part. The principal changes are to (1) create a single pool of all price-support loans, (2) permit participation only by application, (3) make the place of application the Kansas City ASCS Data Processing Center, (4) permit financial institutions to receive payment for the face amount of certificates at any Federal Reserve Bank or branch, and (5) provide procedures whereby financial institutions which have made advances to eligible producers on eligible cotton, or allowed credit to others who made such advances, pursuant to the Cotton Loan Program regulations, may collect interest for the period their funds are so advanced.

The title of this Part 1479 is amended to read "Certificates of Interest in Commodity Credit Corporation Price-Support Loans." Part 1479 is further amended as follows:

1. The existing subpart of this part is redesignated Subpart A—Special Series Certificates of Interest.

2. The following new Subpart B titled "Participation of Financial Institutions in a Pool of Price-Support Loans." is added:

Subpart B—Participation of Financial Institutions in a Pool of Price-Support Loans

Sec.

1479.20 General.
1479.21 Definitions of terms.
1479.22 Application for participation.
1479.23 Payment for face amount of certificates to be issued.
1479.24 Issuance of certificates.
1479.25 Rate of interest and basis of computing interest earned.
1479.26 Maturity date of certificates.
1479.27 Transfer of certificates to Federal Reserve Banks and between financial institutions.
1479.28 Purchase by CCC of outstanding certificates.
1479.29 Participation by making loan advances or allowing credit for loan advances on cotton.

AUTHORITY: The provisions of this Subpart B issued under secs. 4 and 5, 62 Stat. 1070, 1072, as amended; 15 U.S.C. 714 b and c.

§ 1479.20 General.

CCC will establish a single price-support loan pool composed of the unpaid balance of all loans made by CCC under price-support programs. Financial institutions will be given the opportunity to participate in the financing of the loans in such pool by purchasing from CCC an interest in such pool to be evidenced by a certificate of interest. CCC has statutory authority (15 U.S.C. 714b(i) and 713a–4) to borrow up to $14.5 billion and reserves a sufficient amount of this authority to redeem outstanding certificates of interest.

§ 1479.21 Definitions of terms.

(a) "CCC" means Commodity Credit Corporation, an agency and instrumentality of the United States, within the Department of Agriculture.

(b) "ASCS" means the Agricultural Stabilization and Conservation Service, an agency of the Department of Agriculture.

(c) "KCDPC" means the Kansas City ASCS Data Processing Center, Post Office Box 205, Kansas City, Mo. 64141.

(d) "Financial institution" means a bank in the United States which accepts demand deposits, an association organized pursuant to State law and supervised by State banking authorities, a production credit association, or any other bank, institution, association, or fund approved by the Treasurer, CCC.

(e) "Transit number" means the ABA transit number of a commercial bank and the transit number assigned by CCC to any other eligible financial institution.

(f) "Price-support loan pool" means a common fund of loans made under CCC price-support programs.

(g) "Certificate" means the CCC Certificate of Interest which evidences participation in the price-support loan pool. The participation is general; it does not relate to specific loans.

(h) "Federal Reserve Bank" means any Federal Reserve Bank or branch thereof.

§ 1479.22 Application for participation.

(a) Financial institutions may participate in the price-support loan pool by making application to:

Director, Data Processing Center, Agricultural Stabilization and Conservation Service, Post Office Box 205, Kansas City, Mo. 64141. Phone No.: 816/361–0860, Ext. 6521.

(b) Application may be made by telephone, telegram, or letter. Each application shall give the name, address and transit number of the applicant, and the amount of requested participation by certificate denominations. Except as otherwise provided in this part or announced by CCC, the minimum acceptable application shall be for $5,000 (the minimum amount for which a certificate will be issued) and applications for amounts above $5,000 shall be in multiples of $1,000.

(c) Applications may be made beginning 9 a.m., c.s.t. each Thursday morning, or on the next business day when Thursday is a national holiday, unless otherwise announced by CCC. Applications will be considered in the order received. Notification of acceptance or rejection of applications may be made by mail, by collect telegram at applicant's request, or by telephone. An acceptance number will be included in the notice of acceptance.

(d) CCC reserves the right to reject any application in whole or in part and to limit the total amount of participation by financial institutions in the price-support loan pool.

§ 1479.23 Payment for face amount of certificates to be issued.

Payment for the face amount of certificates for which the applicant has received notice of acceptance shall be made in immediately available funds at any Federal Reserve Bank for the account of CCC. Each remittance shall be designated for purchase of CCC certificates and be identified by the acceptance number.

§ 1479.24 Issuance of certificates.

On receipt of advice from the Federal Reserve Bank of payment pursuant to § 1479.23, KCDPC will issue certificates and forward them to the applicant by mail. The date of issuance shown on the certificates will be the date that payment was made to the Federal Reserve Bank for the account of CCC and the face amount of the certificates shall be equal to the amount of the payment.

§ 1479.25 Rate of interest and basis of computing interest earned.

(a) *Rate of interest.* Certificates shall earn interest at the rate of 5.875 percent yearly until such rate is increased or decreased by CCC in separate notices published in the FEDERAL REGISTER: *Provided,* That the effective date of any decrease in interest rate shall be at least 15 days after the date of publication of the notice.

(b) *Basis of computing interest earned.* Interest earned will be paid on a 365-day basis from and including the date of issuance shown on the certificate to, but not including, the maturity date, the date the certificate is purchased by CCC, or the date the certificate is to be presented to CCC for purchase pursuant to a call by CCC, whichever date first occurs.

§ 1479.26 Maturity date of certificates.

The maturity date of certificates shall be August 1 following the date of issuance, except that certificates issued after May 31 but before August 1 of any year shall mature on August 1 of the next year. If August 1 falls on a Saturday, Sunday, or national holiday, the maturity date of the certificate shall be the next succeeding business day.

§ 1479.27 Transfer of certificates to Federal Reserve Banks and between financial institutions.

(a) *Transfers to Federal Reserve Banks.* Certificates are eligible for discount or as security for advances at Federal Reserve Banks. Federal Reserve Banks may require the payee to endorse certificates accepted for discount or as security for advances: *Provided,* That on redemption, the certificates shall be reendorsed to payee. CCC will pay the face amount of unredeemed certificates, plus earned interest, to the Federal Reserve

Bank on presentation of such certificates to KCDPC.

(b) *Transfers between financial institutions.* Certificates may be transferred to another financial institution by endorsement and delivery. Financial institutions which acquire certificates by endorsement and delivery may transfer them to another financial institution or present them for purchase by CCC.

§ 1479.28 Purchase by CCC of outstanding certificates.

(a) *Presented to a Federal Reserve Bank.* Financial institutions may receive payment at any time for the face amount of certificates by endorsing and presenting them to a Federal Reserve Bank. The KCDPC will pay earned interest to the financial institution named as payee on the certificates.

(b) *Presented to KCDPC.* Financial institutions may receive payment at any time for the face amount of certificates plus earned interest by endorsing and presenting them directly to KCDPC.

(c) *On call by CCC.* CCC reserves the right to call in for payment at any time any outstanding certificates. Notice of call will be by mail to the payee named on each called certificate at least 15 days before the call date. Called certificates shall be presented for payment pursuant to paragraph (a) or (b) of this section on or before the call date.

(d) *By exchange.* On request at maturity, outstanding certificates, including those issued under § 1421.3821 et seq. and § 1427.2235 et seq. of this chapter and under 32 F.R. 235, may be exchanged for new certificates maturing on August 1 of the next year. Requests for exchanges of certificates issued under this regulation should be made to the Director, KCDPC. Requests for exchanges of all other certificates should be made in accordance with the regulations under which they were issued. CCC reserves the right to reject any request for exchange, in whole or in part. Interest will be paid to maturity date of certificates exchanged for new certificates. The new certificates will show August 1 as the date of issuance.

(e) *At maturity.* Maturing certificates to be purchased or exchanged by KCDPC should be tendered as soon as possible after July 15, but no exchange will be made on certificates tendered after August 15. Such purchase or exchange will take place at maturity or as soon as practicable thereafter.

§ 1479.29 Participation by making loan advances or allowing credit for loan advances on cotton.

(a) *Investment of funds.* A financial institution which has made advances to cotton producers, or allowed credit to another person or firm which made advances to cotton producers, under the provisions of the Cotton Loan Program regulations set forth in Part 1427 of this chapter, shall be deemed to have invested funds in the price-support loans as of the date of investment shown on the CCC draft issued in disbursement of the loans. The financial institution shall exchange such drafts for Certificates of Interest or present them for payment in accordance with paragraphs (b) and (c) of this section.

(b) *Exchange of drafts for certificates of interest.* The financial institution named as payee or joint payee on the drafts may obtain certificates in exchange for the drafts by presenting them to KCDPC promptly after receipt with a request for certificates. CCC may elect to pay the face amount and earned interest on any draft instead of issuing a certificate. Such payment will be made in accordance with paragraph (c) of this section. Unless otherwise specified in the request for certificates, all drafts presented at one time will be consolidated and one certificate will be issued for the total amount, except that drafts having investment dates before and after any change in the interest rate applicable to certificates will not be consolidated. If requested, certificates will be issued for the amounts of individual drafts or for designated amounts equal in total to the total amount of drafts, except that no certificate will be issued for less than $5,000. Certificates will be issued to another financial institution if requested. The issuance date of a certificate exchanged for an individual draft will be the date of investment shown on the draft. The issuance date of a certificate exchanged for two or more drafts will be the weighted average date of such drafts. The weighted average date will be determined by multiplying the face amount of each draft by the number of days from and including the date of investment to, but not including, the date the draft was received by KCDPC and dividing the sum of all such amounts by the total face value of all such drafts, to determine the average number of days the drafts were outstanding (fractions of ½ day or more will be raised to the next whole digit; fractions of less than ½ day will be disregarded) which will be subtracted from the date the drafts were received by KCDPC.

(c) *Payment of drafts not exchanged for certificates.* The financial institution named as payee or joint payee on the drafts may obtain payment for the face amounts of drafts and earned interest by presenting them directly to KCDPC with a request for payment. Payment for face amounts of drafts may also be obtained by presenting them through regular banking channels to the Federal Reserve Bank of Kansas City. Presentment for payment shall be made promptly after receipt. The presenting financial institution must obtain the endorsement of any joint payee on drafts. Earned interest on drafts presented through banking channels will be paid by KCDPC on receipt of a request from the financial institution. The request shall identify the serial numbers of such drafts and indicate the amounts of the drafts and the dates of investment. Interest will be paid on drafts at the rates and on the same basis as on certificates, from and including the date of investment shown on the draft to, but not including, the date of payment: *Provided,* That (1) if a draft is not presented promptly for payment and KCDPC notifies the financial institution to present the draft, interest will not be paid beyond the final date specified in the notice, and (2) interest will not be paid on any draft beyond July following the date of investment shown on the draft.

Signed at Washington, D.C., on July 11, 1968.

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

[F.R. Doc. 68-8446; Filed, July 16, 1968; 8:47 a.m.]

SUBCHAPTER C—EXPORT PROGRAMS

[Amdt. 1]

PART 1483—WHEAT AND FLOUR

Subpart—Wheat Export Program (GR-345) Terms and Conditions

MISCELLANEOUS AMENDMENTS

The terms and conditions of the Wheat Export Program (GR-345) (32 F.R. 14739 and 32 F.R. 16251) are amended as follows:

1. Sections 1483.104, 1483.106(t), 1483.111(b) (2) and (8), 1483.131 (b), and 1483.151(a) and (b) (5) are amended by changing the time "3:30 p.m." to read "4:00 p.m." and the time "3:31 p.m." to read "4:01 p.m."

2. Section 1483.152(a) is amended by changing the time "4:30 p.m." to "5:30 p.m."

3. Section 1483.106 *Definition of terms* is amended by changing paragraph (f) to read as follows:

(f) "Director" means the Director, Commodity Operations Division, Agricultural Stabilization and Conservation Service, Washington, D.C., or his designee. Any delegations of authority made by the Director, Procurement and Sales Division, ASCS, under the regulations in this subpart prior to the effective date of this amendment shall continue in effect until superseded. Any delegations of authority made under the regulations in this subpart to the Director, Procurement and Sales Division, ASCS, shall continue in effect as delegations to the Director, Commodity Operations Division until superseded.

4. Section 1483.185 *Place of submission of offers and reports* is amended by changing the address in paragraph (a) to read as follows:

Chief, Wheat Subsidy and Market Branch, Commodity Operations Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250.

(Secs. 4, 5, 62 Stat. 1070, 1072; sec. 407, 63 Stat. 1051, as amended; 15 U.S.C. 714 b, c, 7 U.S.C. 1427)

Effective date. This amendment shall become effective at 3:31 p.m., e.d.t., on July 15, 1968.

Signed at Washington, D.C., on July 12, 1968.

E. A. JAENKE,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 68-8544; Filed, July 15, 1968; 1:40 p.m.]

[Amdt. 13]

PART 1483—WHEAT AND FLOUR

Subpart—Flour Export Program (GR–346) Terms and Conditions

MISCELLANEOUS AMENDMENTS

The terms and conditions of the Flour Export Program—Cash Payment (GR–346) (25 F.R. 5816) as amended by 25 F.R. 9939, 25 F.R. 10758, 27 F.R. 1753, 27 F.R. 4863, 27 F.R. 10351, 29 F.R. 4667, 29 F.R. 12010, 30 F.R. 6771, 30 F.R. 15319, 31 F.R. 7817, 31 F.R. 14504, 32 F.R. 6342 and 33 F.R. 9 are further amended as follows:

§§ 1483.220, 1483.225, 1483.298 [Amended]

1. Sections 1483.220, 1483.225(a)(3) and 1483.298 are amended by changing the time "3:30 p.m." to read "4:00 p.m." and the time "3:31 p.m." to read "4:01 p.m."

2. Section 1483.298 is amended to read as follows:

§ 1483.298 "4.00 p.m. e.s.t. and 4:01 p.m. e.s.t."

"4:00 p.m. e.s.t." and "4:01 p.m. e.s.t." means 4:00 p.m. and 4:01 eastern standard time except that when Washington, D.C., is on daylight saving time "4:00 p.m. e.s.t." and "4:01 p.m. e.s.t." shall mean 4:00 p.m. and 4:01 p.m. daylight saving time.

§ 1483.278 [Amended]

3. Section 1483.278 "Submission of reports" is amended to change the address to read as follows:

Chief, Wheat Subsidy and Market Branch, Commodity Operations Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250.

4. Section 1483.288 "Director" is amended to read as follows:

§ 1483.288 "Director."

"Director" means the Director of the Commodity Operations Division, Agricultural Stabilization and Conservation Service, Washington, D.C., or his designee. Any delegations of authority made by the Director, Procurement and Sales Division, ASCS, under these regulations prior to the effective date of this amendment shall continue in effect until superseded. Any delegations of authority made under these regulations to the Director, Procurement and Sales Division, ASCS, shall continue in effect as delegations to the Director, Commodity Operations Division until superseded.

Effective date. This amendment shall become effective at 3:31 p.m., e.d.t., on July 15, 1968.

Signed at Washington, D.C., on July 12, 1968.

E. A. JAENKE,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 68–8545; Filed, July 15, 1968; 1:40 p.m.]

Chapter XVI—Consumer and Marketing Service (Food Stamp Program), Department of Agriculture

PART 1601—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Miscellaneous Amendments

Section 1601.6, paragraph (d), and § 1601.7, paragraph (b), relating to the issuance of coupons to eligible households and the financial liability of State agencies are amended to authorize issuance of food coupons by mail and to provide for the assumption of risk of loss by C&MS when coupons are mailed in accordance with C&MS instructions. As amended, said sections read as follows:

§ 1601.6 Methods of distributing, issuing, and accounting for coupons and receipts.

* * * * *

(d) The State agency shall arrange for the issuance of coupons to eligible households and for the collection of sums required from eligible households as payment therefor. Such issuance may be made through the facilities of the United States mail. However, when the State agency desires to have C&MS accept the risk of loss of nondelivery of coupons to eligible households after deposit of such coupons in the mail, the State agency shall issue coupons through the mail in accordance with instructions provided by C&MS. The frequency of the issuance of coupons shall be such as to encourage participation of eligible households, but, in any event, shall be no less often than monthly. The coupon allotment to be issued to any household, and the payments therefor, shall be in the amounts determined in accordance with § 1601.5.

* * * * *

§ 1601.7 Financial liabilities of the State agency.

* * * * *

(b) If C&MS determines that there has been a failure on the part of the State agency to account fully for coupons distributed to it, or the sums authorized to be collected by it in payment of the purchase requirement including the cash equivalent of any vouchers or warrants accepted by it in accordance with § 1601.6(c), the State agency shall, on demand by C&MS, pay to C&MS, in accordance with instructions issued by C&MS, the amount due as a result of such failure. In the event coupons are issued by mail at the risk of C&MS as provided in § 1601.6(d), the State agency will have accounted fully to C&MS for properly issued coupons while in the mail by mailing coupons and maintaining records of such mailings in accordance with instructions issued by C&MS.

* * * * *

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

JOHN A. SCHNITTKER,
Acting Secretary.

JULY 12, 1968.

[F.R. Doc. 68–8487; Filed, July 16, 1968; 8:50 a.m.]

Title 29—LABOR

Subtitle A—Office of the Secretary of Labor

PART 3—CONTRACTORS AND SUBCONTRACTORS ON PUBLIC BUILDING OR PUBLIC WORK FINANCED IN WHOLE OR IN PART BY LOANS OR GRANTS FROM THE UNITED STATES

Weekly Statement of Compliance Regarding Payment of Wages

Paragraph (b) of 29 CFR 3.3 is revised to read as set out below:

The provisions of section 4 of the Administrative Procedure Act (5 U.S.C. 553) which require notice of proposed rule making, opportunity for public participation, and delay in the effective date are not applicable, because this rule involves only matters that relate to public contracts. I do not believe that such procedures will serve a useful purpose here. This amendment shall, therefore, be effective on publication in the FEDERAL REGISTER.

§ 3.3 Weekly statement with respect to payment of wages.

* * * * *

(b) Each contractor or subcontractor engaged in the construction, prosecution, completion, or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the United States, shall furnish each week a statement with respect to the wages paid each of its employees engaged on work covered by this Part 3 and Part 5 of this chapter during the preceding weekly payroll period. This statement shall be executed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages, and shall be on form WH 348, "Statement of Compliance", or on an identical form on the back of WH 347, "Payroll (For Contractors Optional Use)" or on any form with identical wording. Sample copies of WH 347 and WH 348 may be obtained from the Government contracting or sponsoring agency, and copies of these forms may be purchased at the Government Printing Office.

* * * * *

Signed at Washington, D.C., this 11th day of July 1968.

WILLARD WIRTZ,
Secretary of Labor.

[F.R. Doc. 68–8425; Filed, July 16, 1968; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER A—ARMED SERVICES PROCUREMENT REGULATIONS

MISCELLANEOUS AMENDMENTS TO SUBCHAPTER

The following amendments to this subchapter are issued by direction of the Assistant Secretary of Defense (Installations and Logistics) pursuant to authority contained in Department of Defense Directive No. 4105.30, dated March 11, 1959 (24 F.R. 2260), as amended, and 10 U.S.C. 2202.

PART 1—GENERAL PROVISIONS

1. Section 1.201–14 is revised; new § 1.201–31 is added; and §§ 1.311 and 1.1002–6(a) are revised, as follows:

§ 1.201–14 Procuring activity.

Procuring activity includes for the Army: U.S. Army Materiel Command and its subordinate commands; U.S. Continental Army Command and its subordinate commands consisting of Zone of Interior Armies and Military District of Washington, U.S. Army; U.S. Army, Alaska; U.S. Forces Southern Command; U.S. Army Communications Zone, Europe; U.S. Army Hawaii; U.S. Army, Japan; National Guard Bureau; Office of the Chief of Engineers; Strategic Communications Command; Office of the Chief of Support Services; Office of The Surgeon General; U.S. Army Security Agency; Military Traffic Management and Terminal Service; and the SENTINEL System Organization; for the Navy: each Bureau, the Naval Material Command, the Office of the Deputy Chief of Naval Material (Procurement), the Naval Air Systems Command, the Naval Electronic Systems Command, the Naval Facilities Engineering Command, the Naval Ordnance Systems Command, the Naval Ship Systems Command, the Naval Supply Systems Command, the Office of Naval Research, the Navy Aviation Supply Office, the Military Sea Transportation Service, and the U.S. Marine Corps; for the Air Force: the Air Force Logistics Command and the Air Force Systems Command; for the Defense Supply Agency: the Office of the Deputy Director for Contract Administration Services; the Office of the Executive Director, Procurement and Production; the Defense Supply Centers; and the Defense Personnel Supply Center; for the Defense Communications Agency: The Headquarters, Defense Communications Agency; the Defense Commercial Communications Office; and the Defense Commercial Communications Office, Pacific; for the Defense Atomic Support Agency: Headquarters, Defense Atomic Support Agency. It also includes any other procuring activity hereafter established. The number and designation of particular procuring activities of any Military Department may be changed by directive of the Secretary.

§ 1.201–31 Supporting contract administration.

"Supporting contract administration" means the performance by another contract administration office of specific contract administration functions as required by the office to which the contract has been assigned for administration.

§ 1.311 "Buying in".

(a) "Buying in" refers to the practice of attempting to obtain a contract award by knowingly offering a price or cost estimate less than anticipated costs with the expectation of either (1) increasing the contract price or estimated cost during the period of performance through change orders or other means, or (2) receiving future "follow-on" contracts at prices high enough to recover any losses on the original "buy-in" contract. Such a practice is not favored by the Department of Defense since its long-term effects may diminish competition and it may result in poor contract performance. Where there is reason to believe that "buying in" has occurred, contracting officers shall assure that amounts thereby excluded in the development of the original contract price are not recovered in the pricing of change orders or of follow-on procurements subject to cost analysis.

(b) To avoid or minimize the opportunity for "buying in" on a procurement which is likely to be succeeded by one or more "follow on" procurements, the Government should obtain from the contractor a binding price commitment covering as much of the entire program concerned as is practicable. Such a commitment may be secured through employment of one of the following procurement techniques:

(1) Multiyear procurement, with a provision in the solicitation that a price may be submitted only for the total multiyear quantity (see § 1.322–2); or

(2) Priced options for additional quantities which, together with the quantities being firmly contracted for, equal the anticipated total program requirements (see § 1.1504).

(c) In addition to the use of the techniques noted in paragraph (b) of this section, it is important that other safeguards be provided against the contractor's recovering, through subsequent overpricing, from any initial loss situation due to "buying in." For example, see § 3.813 of this chapter with respect to the amortization of nonrecurring costs, and § 3.801–2(c) of this chapter concerning price quotations which the contracting officer considers unreasonable.

§ 1.1002–6 Paid advertisements in newspapers and trade journals.

(a) *Scope.* This section implements 5 U.S.C. 302(b); 44 U.S.C. 321, 322, and 324; and title 7, chapter 5, section 25, General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies.

* * * * *

PART 2—PROCUREMENT BY FORMAL ADVERTISING

2. In § 2.201, subparagraph (24) of paragraph (b) and subparagraph (1) of paragraph (c) are revised, and a new subparagraph (12) of paragraph (c) is added; and new paragraph (d) is added to § 2.205–1, as follows:

§ 2.201 Preparation of invitation for bids.

* * * * *

(b) * * *

(24) When the clause in § 7.104–62 is included in the contract and Table 2, in § 30.8 of this chapter does not list addresses or number of copies of the MIRR (DD Form 250) for required special distribution recipients, the applicable information (names, addresses, and number of copies) shall be included in the contract schedule.

(c) * * *

(1) Except when the Assistant Secretary of Defense (Installations and Logistics) has granted a waiver (see § 18.110 of this chapter) prior to solicitation, if the invitation contains one or more items subject to statutory cost limitation, a provision substantially as follows:

Cost limitation. A bid which does not contain separate bid prices for the items identified as subject to a cost limitation may be considered nonresponsive. A bidder by signing his bid certifies that each price bid on items subject to a cost limitation includes an appropriate apportionment of all applicable estimated costs, direct and indirect, as well as overhead and profit. Bids may be rejected which (i) have been materially unbalanced for the purpose of bringing affected items within cost limitations, or (ii) exceed the cost limitations unless such limitations have been waived by the Assistant Secretary of Defense (Installations and Logistics) prior to award. (APRIL 1968)

* * * * *

(12) *Additive or deductive items.* When it appears that funds available for a project may be insufficient for all the desired features of construction, the contracting officer may provide in the invitation for a first or base bid item covering the work generally as specified and for one or more additive or deductive bid items which progressively add or omit specified features of the work in a stated order of priority. In such case, the invitation shall include a provision substantially as set forth below, and the low bidder and the bid items to be awarded shall be determined as therein provided. The contracting officer, prior to the opening of bids, shall determine and record in the contract file the amount of funds available for the project. The amount so recorded shall be controlling for determining the low bidder but may be increased for determining the bid items to be awarded to him: *Provided,* That award on such combination of bid items does not exceed the amount offered by any other conforming responsible bidder for the same combination of bid items.

ADDITIVE OR DEDUCTIVE ITEMS (APRIL 1968)

The low bidder for purposes of award shall be the conforming responsible bidder offer-

ing the low aggregate amount for the first or base bid item, plus or minus (in the order of priority listed in the schedule) those additive or deductive bid items providing the most features of the work within the funds determined by the Government to be available before bids are opened. If addition of another bid item in the listed order of priority would make the award exceed such funds for all bidders, it shall be skipped and the next subsequent additive bid item in a lower amount shall be added if award thereon can be made within such funds. For example, when the amount available is $100,000 and a bidder's base bid and four succesive additives are $85,000, $10,000, $8,000, $6,000, and $4,000, the aggregate amount of the bid for purposes of award would be $99,000 for the base bid plus the first and fourth additives, the second and third additives being skipped because each of them would cause the aggregate bid to exceed $100,000. In any case all bids shall be evaluated on the basis of the same additive or deductive bid items, determined as above provided. The listed order of priority need be followed only for determining the low bidder. After determination of the low bidder as stated, award in the best interests of the Government may be made to him on his base bid and any combination of his additive or deductive bid for which funds are determined to be available at the time of the award: *Provided*, That award on such combination of bid items does not exceed the amount offered by any other conforming responsible bidder for the same combination of bid items.

§ 2.205–1 Establishment of lists.

* * * * *

(d) For special instructions relative to the establishment of a Research and Development Bidders Mailing List, see ASPR Supplement No. 4, "Procedures for Submission of Applications To Be Placed on Research and Development Bidders Mailing Lists."

PART 3—PROCUREMENT BY NEGOTIATION

3. In § 3.608–2(b)(1), subdivision (ii) is revised and subdivision (x) is revoked; and in § 3.1100–2(a), subparagraph (5) is revised, as follows:

§ 3.608–2 Order for supplies or services/request for quotations (DD Forms 1155, 1155r, 1155r–1; Standard Form 36; DD Form 1155c–1 and Standard Form 30).

* * * * *

(b) *Conditions for use.* (1) * * *

(ii) No clause covering the subject matter of any clause set forth in this subchapter, other than clauses set forth on DD Form 1155r and clauses referred to in subdivisions (iii) through (xv) of this subparagraph, in §§ 3.608–3, 3.608–4, 14.101–1, 14.302, 14.303, and 14.304 of this chapter are to be used.

* * * * *

(x) [Revoked]

* * * * *

§ 3.1100–2 Review of decision to lease.

(a) * * *

(5) Obtain approval of the leasing arrangement of the ADPE from the Senior ADPE policy official of the Department or Agency which predominantly generated the requirement for the contract end item; in the case of ADPE to be leased on a noncompetitive basis, the request for approval shall be forwarded to the Assistant Secretary of Defense (Installations and Logistics) through the Senior ADPE policy official. Approval action is not required for any lease of punched card machines (PCM's), or for lease of other automatic data processing equipment (ADPE) where the annual rental costs are less than $25,000.

* * * * *

PART 4—SPECIAL TYPES AND METHODS OF PROCUREMENT

4. Section 4.103 is revised; and a new Subpart B is added, as follows:

§ 4.103 Publicizing procurement actions and expanding sources.

(a) The Departments shall continually search for and develop information on sources (including small business concerns) competent to perform research and development. Advance publicity, including use of the Commerce Business Daily (see § 1.1003–4 of this chapter) to the fullest extent practicable, shall be given for this purpose. The search should include (1) a review of relevant data or brochures furnished by sources seeking research and development work and (2) a cooperative effort by technical personnel, small business specialists, and contracting officers to obtain information and recommendations with respect to potential sources and to consider the desirability of seeking other sources by publication of proposed procurements, in addition to the synopsis requirement.

(b) In addition to paragraph (a) of this section, and where the procurement mission warrants it, Research and Development Bidders Mailing Lists will be established by purchasing activities in accordance with ASPR Supplement No. 4, "Procedures for Submission of Applications To Be Placed on Research and Development Bidders Mailing Lists."

Subpart B—Exchange or Sale of Personal Property for Replacement Purposes

Sec.

4.200 Scope of subpart.
4.201 Applicability.
4.202 Definition.
4.203 Authorization.
4.204 Restrictions and limitations.
4.205 Procedures.
4.205–1 Offering property for exchange/sale or both.
4.205–2 Purchase request and certificate.
4.205–3 Sale of exchange/sale property.
4.205–4 Exchange of exchange/sale property.
4.205–5 Proceeds of sale.

AUTHORITY: The provisions of this Subpart B issued under sec. 2202, 70A Stat. 120; 10 U.S.C. 2202. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 4.200 Scope of subpart.

This subpart prescribes procurement policies and procedures governing the use by Department of Defense components of the exchange/sale authority of section 201(c) of the Federal Property and Administrative Services Act of 1949, 63 Stat. 384, as amended (40 U.S.C. 481 (c)), when exchange/sale is accomplished concurrently with procurement.

§ 4.201 Applicability.

This subpart is applicable to exchange/sale of U.S. Government-owned property located within and outside of the United States.

§ 4.202 Definition.

Exchange/sale property is property, not excess to the needs of the owning agency but eligible for replacement, which is offered for exchange or sale to apply the exchange allowance or proceeds of sale in whole or part payment for the replacement of similar items.

§ 4.203 Authorization.

Subject to the provisions of this subpart, in procuring replacement personal property within the United States or elsewhere, similar items may be exchanged or sold.

§ 4.204 Restrictions and limitations.

(a) The application of exchange allowances or proceeds of sale in whole or part payment for personal property procured is authorized when all of the following conditions apply:

(1) The items sold or exchanged are similar to the items procured (see paragraph (b) of this section for explanation of the word "similar").

(2) The items sold or exchanged are not excess, and the items procured are needed in the conduct of approved programs.

(3) Only one item is to be procured to replace one similar item.

(i) The exceptions to the one-for-one rule are:

(*a*) If a lesser or greater number of items must be procured to perform all or substantially all of the tasks in which the old items would otherwise be used; and

(*b*) In the case of parts or containers;

(ii) Detailed cross reference between the old and new item will not be required. In the absence of cross reference, however, there shall be made available to the General Accounting Office sufficient data to establish that the item procured was similar to the item exchanged or sold, that any exchange allowances or proceeds of sale applied in whole or part payment for property procured were in fact available for application, and that the transaction was otherwise in accordance with the provisions of this subpart.

(4) There has been at the time of exchange or sale (or at time of procurement if it precedes the sale) a written administrative determination to apply the exchange allowance or proceeds of sale in procuring property.

(5) The transaction will foster the economical and efficient accomplishment of an approved program.

(b) The items of personal property to be exchanged or sold and the item to be procured shall be deemed similar when:

(1) The items or parts to be procured are designed and constructed for the same specific purpose as the items or parts to be replaced; or

(2) Both constitute containers for items or parts which are similar within the meaning of subparagraph (1) of this paragraph.

(c) Items falling within any of the Federal Supply Classification Groups enumerated below shall not be eligible for handling under the provisions of this subpart.

FEDERAL SUPPLY CLASSIFICATION

Group No.	Group Identification
10	Weapons.
11	Nuclear ordnance.
12	Fire control equipment.
14	Guided missiles.
15	Aircraft; and airframe structural components.
16	Aircraft components and accessories.
17	Aircraft launching, landing, and ground handling equipment.
20	Ship and marine equipment.
22	Railway equipment.
31	Bearings.
32	Woodworking machinery and equipment, except lathes, milling machine, and saws, circular or band.
34	Metalworking machinery, except drill presses, lathes, milling machines, and saws, circular or band.
40	Rope, cable, chain, and fittings.
41	Refrigeration and air conditioning equipment.
42	Fire fighting, rescue and safety equipment.
44	Furnace, steam plant, and drying equipment; and nuclear reactors.
45	Plumbing, heating, and sanitation equipment.
46	Water purification and sewage treatment equipment.
47	Pipe, tubing, hose, and fittings.
48	Valves.
51	Hand tools.
53	Hardware and abrasives.
54	Prefabricated structures and scaffolding.
55	Lumber, millwork, plywood, and veneer.
56	Construction and building materials.
68	Chemicals and chemical products, except medicinal chemicals.
71	Furniture.
75	Office supplies and devices, except cards, tabulating.
83	Textiles, leather, and furs.
84	Clothing and individual equipment.

(d) This subpart shall not be construed to authorize:

(1) The procurement of personal property when such procurement is not otherwise authorized by law;

(2) The procurement of personal property in contravention of—

(i) Any restriction upon the procurement of a commodity or commodities; or

(ii) Any replacement policy or standard, prescribed by the President, the Congress, the Secretary of Defense, or by the Administrator of General Services Administration;

(3) Procurement of personal property directly from a vendor when its acquisition through General Services Administration (GSA) sources is required under subparts A, B, or C of Part 5 of this chapter (Federal Supply Schedule contracts, GSA Stores Depots, and Consolidated Purchasing Program; respectively). However, in acquiring an item or items from GSA sources in accordance with those subparts, the exchange allowance for, or proceeds from the sale of, similar items may be applied in whole or in part payment for the items being acquired;

(4) The sale, transfer, or exchange of excess, surplus or foreign excess personal property in connection with the procurement of personal property even though otherwise eligible;

(5) The sale or exchange of strategic and critical materials, unless such materials at any one location are in lots of less than the minimum quantities specified in Part 3, Chapter XV, of the Defense Disposal Manual (DoD 4160.21M) and the owning agency determines that there is no reasonable prospect of accumulating minimum quantities specified therein within 12 months;

(6) The sale or exchange of Atomic Energy Commission-controlled materials except in accordance with applicable regulations of the Atomic Energy Commission (see 10 CFR Parts 30, 40, and 70);

(7) The sale or exchange of narcotics, except in accordance with instructions contained in Part 3, Chapter XV, of the Defense Disposal Manual;

(8) The sale of personal property in new or unused condition in connection with the procurement of personal property;

(9) The sale or exchange of scrap materials in connection with the procurement of personal property;

(10) Even though otherwise eligible, the sale or exchange of property which was originally acquired from another agency as excess or surplus, unless such property has been placed in use by the acquiring agency for at least 1 year.

(e) This subpart does not apply to materials in the national stockpile (50 U.S.C. 90–98h), the supplemental stockpile (7 U.S.C. 1704(b)), or the Defense Production Act inventory (50 U.S.C App. 2093).

§ 4.205 Procedures.

§ 4.205–1 Offering property for exchange/sale or both.

(a) The objective shall be to obtain the maximum return to the Government from property sold or exchanged. Both cash and exchanged (trade-in) bids shall be solicited in each instance, except that:

(1) Items may be exchanged without solicitation of bids when the personal property sought may be procured without solicitation of bids under applicable laws and regulations;

(2) Cash bids need not be solicited when the items to be sold or exchanged may be disposed of without solicitation of bids under applicable laws and regulations;

(3) Only one type of bid (cash or trade-in) need be solicited when recent solicitation for identical items has produced only that type of offer indicating the futility of further soliciting any other type of offer. (Since market conditions frequency change, tests should be made at reasonable intervals to ascertain the appropriateness of the continued use of the one type solicitation.);

(4) Only one type of bid (cash or trade-in) need be solicited when solicitation for the other type of bid has proven clearly ineffective in reducing the cost of the acquisition; e.g., by reason of the commercial practice with respect to exchange or sale of such items (Test should be made at reasonable intervals to determine whether the use of the authority contained in this subparagraph may be continued.);

(5) Only one type of bid (cash) need be solicited when used vehicles are disposed of for replacement purposes under a consolidated vehicle purchase program.

(b) The following notation shall be included in the solicitation.

> The property described in items number ------, is being offered in accordance with the exchange/sale provisions of the section 201(c) of the Federal Property and Administrative Services Act of 1949, 63 Stat. 384 (40 U.S.C. 481(c)).

(c) Appropriate terms and conditions prescribed in Part 3, Chapter VII of the Defense Disposal Manual shall be included in the solicitation prefaced by a statement that such terms and conditions shall apply only as to any items for which cash bids or offers are made as distinguished from bids or offers of a trade-in allowance.

(d) If property located in a foreign country is offered for exchange/sale, the contracting officer shall comply with Chapter XVI of the Defense Disposal Manual in effecting any exchange/sale of such foreign property.

(e) A minimum of 14 calendar days should be allowed in continental United States for the inspection of property being offered for exchange/sale. For sales outside continental United States, the minimum inspection period should normally be 21 calendar days.

(f) The contracting officer may secure a bidders list, for use in connection with exchange/sale solicitations from the Defense Surplus Bidders Control Office at Defense Logistics Services Center.

§ 4.205–2 Purchase request and certificate.

In connection with a procurement involving exchange/sale, the purchase request must be accomplished with a certificate stating that:

(a) The property is eligible for exchange/sale within the terms of applicable statutes and regulations and specifying the restrictions and limitations on the offer for exchange/sale;

(b) The property has been offered to Federal agencies known to use or distribute such property and such agencies have not requested a transfer to them;

(c) The property has been rendered innocuous or demilitarized to the extent required by applicable regulations; and

(d) A written determination has been made to apply the exchange allowances or proceeds of sale in procuring the items covered by the purchase request.

§ 4.205–3 Sale of exchange/sale property.

A "sale" of exchange/sale property occurs when cash, as distinguished from a trade-in allowance, is received for such

property. When, pursuant to criteria in § 4.205–1(a) (3), (4), or (5), cash bids only are to be obtained for exchange/sale property, the sale of such property, properly designated as exchange/sale property (see § 4.205–1(b)), will be arranged with the disposal officer (not with the procuring contracting officer), in accordance with the Defense Disposal Manual. Proceeds will be handled as indicated in § 4.205–5.

§ 4.205–4 Exchange of exchange/sale property.

(a) The normal procedure applicable to a procurement coupled with an exchange/sale transaction is formal advertising (also referred to in § 4.205–1 as "solicitation of bids"); however, exchange/sale property may be listed for exchange on a negotiated procurement in the same solicitation which seeks proposals on the new (replacement) items being procured.

(b) If purchase of the new items is to be formally advertised (and except as provided in § 4.205–1(a)), each solicitation listing exchange/sale property, in addition to asking for prices for the new items being procured, shall ask for offers in terms of either cash or exchange (trade-in allowance) for the exchange/sale property listed. Also the solicitation in such cases should provide for award(s) on the basis or bases resulting in the best overall arrangement for the Government. Examples: If the lowest net price to the Government of the items to be procured (i.e., the price of the new items less the amount offered for the exchange/sale items either in cash or trade-in) results from an offer by a supplier of the new items who agrees to accept the exchange/sale items as a trade-in, a single award would be made which would cover both the acquisition by the Government of the new items and the disposal of the exchange/sale items by trade-in. If the lowest net price to the Government results from combining a low offered price from a supplier of the new items, and a high cash offer from a different offeror to purchase the exchange/sale items, two awards would be made—one for acquisition of the new items, and the other for sale of the exchange/sale property.

(c) If new items are to be acquired by negotiation under proper application of an authority set forth in §§ 3.201 through 3.217 of this chapter (10 U.S.C. 2304(a) (1) through (17)), exchange/sale property will be offered for exchange only (i.e., application of a trade-in allowance to the purchase price). Such negotiated disposal is authorized by the same authority as the acquisition (see § 4.205–1(a)(1)).

§ 4.205–5 Proceeds of sale.

Proceeds from sales of exchange/sale property which are transacted by a disposal officer will be handled as prescribed in Part 3, Chapter XI, paragraph I–3 of the Defense Disposal Manual. Such proceeds can then be used to apply to the acquisition of the new (replacement) items. Proceeds received by the procuring or administrative contracting officer from sale of exchange/sale property disposed of by the PCO or the ACO pursuant to this subpart shall be turned over to the appropriate finance officer properly identified as proceeds from exchange/sale property so that they may be applied to the purchase of new replacement items.

PART 5—INTERDEPARTMENTAL AND COORDINATED PROCUREMENT

5. A new paragraph (c) is added to § 5.200; §§ 5.701(b) and 5.703 are revised; and in § 5.1201–4, so much of the commodity list as pertains to Federal Supply Class Code 5821P is revised, as follows:

§ 5.200 Applicability.

* * * * *

(c) Any item used by commissaries for operation and maintenance that is available through local purchase at a price lower than from GSA stores depots.

* * * * *

§ 5.701 Authorization and policy relating to placing and filling orders.

* * * * *

(b) Each procuring activity, when it is in the interest of the Government to do so, may place delivery orders on DD Form 1155 (see § 3.608–6 of this chapter) with any other Government department or agency for supplies or services that any such requisitioned department or agency may be in a position to furnish or perform or to obtain by contract. Generally, an order for supplies or services will not be placed with a department or agency which is not in a position to furnish the supplies or is not equipped to perform the services, except than an order may be filled by means of an outside contract with a commercial source of supply if the order is placed by any one of the following: Department of the Army, Department of the Navy, Department of the Air Force, Department of the Treasury, Federal Aviation Administration, or Maritime Commission. An order for services shall not be placed with a department or agency when such services can be performed as conveniently or more cheaply by private contractors.

§ 5.703 Procuring helium under Public Law 86–777.

(a) It is the policy of the Department of Defense to obtain its requirements of helium from the Department of Interior either direct or through General Services Administration Federal Supply Schedule contracts.

(b) Department of Defense activities shall procure bulk helium requirements (tank car lots) direct from the Department of Interior (Bureau of Mines).

(c) Use of General Services Administration Federal Supply Schedule (FSG 68, Part III, section G) for procurement of helium in cylinders and trailers is mandatory on the Department of Defense activities. Prior to the award of Schedule contracts for helium, the General Services Administration will arrive at an understanding with the Department of Air Force, San Antonio Air Material Area, acting as the representative of the Department of Defense as to the acceptability of proposed FSS award prices.

§ 5.1201–4 Department of the Navy.

Federal supply class code	*Commodity*
*	* * * *
5821P------	Radio and Television Equipment Airborne. This partial FSC assignment applies only to the following commercially developed radio sets (The term "commercially developed" means that no Government funds were provided for development purposes): HF–101, 102, 103, 104, 105, 106, 107, 108, 109, 111 113; ARC–94, 102, 105, 110, 112, 119, 120; MRC–95, 108; VC–102, 104, 105, 106, 109, 110; and components of the foregoing including the 490T Antenna Coupler.
*	* * * *

PART 6—FOREIGN PURCHASES

6. In § 6.105, six items are added to the list of articles; and § 6.505(a) is revised, as follows:

§ 6.105 List of excepted articles, materials, and supplies.

* * * * *

Chestnuts.
Cover glass, microscope slide.
Hand sewing needles.
Leather, sheepskin, hair type.
Rosettes.
Swords and scabbards.

§ 6.505 Contract administration.

(a) When services are requested from the Defense Contract Administration Services on contracts to be performed in Canada, the request shall be directed to:

Defense Supply Agency, DCASO, Ottawa, Gillin Building, 141 Laurier Avenue, Ottawa 4, Ontario, Canada.

* * * * *

PART 7—CONTRACT CLAUSES

7. Sections 7.602–3, 7.602–4, 7.602–36, 7.602–44, and 7.602–46 are revised, as follows:

§ 7.602–3 Changes.

CHANGES (FEBRUARY 1968)

(a) The Contracting Officer may, at any time, without notice to the sureties, by written order designated or indicated to be a change order, make any change in the work within the general scope of the contract, including but not limited to changes:

(i) In the specifications (including drawings and designs);

(ii) In the method or manner of performance of the work;

(iii) In the Government-furnished facilities, equipment, materials, services, or site; or

(iv) Directing acceleration in the performance of the work.

(b) Any other written order or an oral order (which terms as used in this paragraph

(b) shall include direction, instruction, interpretation or determination) from the Contracting Officer, which causes any such change, shall be treated as a change order under this clause: *Provided,* That the Contractor gives the Contracting Officer written notice stating the date, circumstances, and source of the order and that the Contractor regards the order as a change order.

(c) Except as herein provided, no order, statement, or conduct of the Contracting Officer shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment hereunder.

(d) If any change under this clause causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work under this contract, whether or not changed by any order, an equitable adjustment shall be made and the contract modified in writing accordingly: *Provided, however,* That except for claims based on defective specifications, no claim for any change under (b) above shall be allowed for any costs incurred more than 20 days before the Contractor gives written notice as therein required: *And provided further,* That in the case of defective specifications for which the Government is responsible, the equitable adjustment shall include any increased cost reasonably incurred by the Contractor in attempting to comply with such defective specifications.

(e) If the Contractor intends to assert a claim for an equitable adjustment under this clause, he must, within 30 days after receipt of a written change order under (a) above or the furnishing of a written notice under (b) above, submit to the Contracting Officer a written statement setting forth the general nature and monetary extent of such claim, unless this period is extended by the Government. The statement of claim hereunder may be included in the notice under (b) above.

(f) No claim by the Contractor for an equitable adjustment hereunder shall be allowed if asserted after final payment under this contract.

In the foregoing clause, the period of "30 days" within which any claim for adjustment must be asserted may be varied in accordance with Departmental procedures. In accordance with 10 U.S.C. 2306(f), prior to the pricing of any change order that is expected to exceed $100,000 except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, the contracting officer shall require the contractor to furnish a Certificate of Current Cost or Pricing Data (see § 3.807–4 of this chapter) and shall assure that the contract includes or is modified to include a defective pricing data clause (see § 7.104–29).

§ 7.602–4 Differing site conditions.

DIFFERING SITE CONDITIONS (FEBRUARY 1968)

(a) The Contractor shall promptly, and before such conditions are disturbed, notify the Contracting Officer in writing of: (1) Subsurface or latent physical conditions at the site differing materially from those indicated in this contract, or (2) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in this contract. The Contracting Officer shall promptly investigate the conditions, and if he finds that such conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed as a result of such conditions, an equitable adjustment shall be made and the contract modified in writing accordingly.

(b) No claim of the Contractor under this clause shall be allowed unless the Contractor has given the notice required in (a) above: *Provided, however,* The time prescribed therefor may be extended by the Government.

(c) No claim by the Contractor for an equitable adjustment hereunder shall be allowed if asserted after final payment under this contract.

In accordance with 10 U.S.C. 2306(f), prior to the pricing of any modification pursuant to the "Differing Site Conditions" clause that is expected to exceed $100,000, except where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation, the contracting officer shall require the contractor to furnish a Certificate of Current Cost or Pricing Data (see § 3.807–4 of this chapter) and shall assure that the contract includes or is modified to include a defective pricing data clause (see § 7.104–29).

§ 7.602–36 Modification proposals—price breakdown.

The requirements of this clause are in addition to and do not limit the requirements of §§ 3.807–3 and 16.206 of this chapter for the submission of cost or pricing data on DD Form 633.

MODIFICATION PROPOSALS—PRICE BREAKDOWN (APRIL 1968)

The Contractor, in connection with any proposal he makes for a contract modification, shall furnish a price breakdown, itemized as required by the Contracting Officer. Unless otherwise directed, the breakdown shall be in sufficient detail to permit an analysis of all material, labor, equipment, subcontract, and overhead costs, as well as profit, and shall cover all work involved in the modification, whether such work was deleted, added or changed. Any amount claimed for subcontracts shall be supported by a similar price breakdown. In addition, if the proposal includes a time extension, a justification therefor shall also be furnished. The proposal, together with the price breakdown and time extension justification, shall be furnished by the date specified by the Contracting Officer.

§ 7.602–44 Commencement, prosecution and completion of work.

(a) Except as provided in paragraph (b) of this section, insert the following clause.

COMMENCEMENT, PROSECUTION AND COMPLETION OF WORK (JANUARY 1965)

The Contractor will be required to commence work under this contract within ------ calendar days after the date of receipt by him of notice to proceed, to prosecute said work diligently, and to complete the entire work ready for use not later than ----------. The time stated for completion shall include final clean-up of the premises.

(b) Where the completion date is expressed, not in a specified number of days after receipt of notice to proceed, but rather as a calendar day, which date is computed on the basis of the contractor receiving the notice to proceed by a certain day, add the following to the above clause:

The foregoing completion date is based on the assumption that the successful bidder will receive the notice to proceed by ----------. The Government will extend the completion date by the number of calendar days after the above date that the Contractor receives the notice to proceed, except to the extent that the delay in issuance of the notice to proceed results from the failure of the Contractor to execute the contract and give the required performance and payment bonds within the time specified in the bid. (APRIL 1968)

§ 7.602–46 Suspension of work.

SUSPENSION OF WORK (FEBRUARY 1968)

(a) The Contracting Officer may order the Contractor in writing to suspend, delay, or interrupt all or any part of the work for such period of time as he may determine to be appropriate for the convenience of the Government.

(b) If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted by an act of the Contracting Officer in the administration of this contract, or by his failure to act within the time specified in this contract (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in the cost of performance of this contract (excluding profit) necessarily caused by such unreasonable susepnsion, delay, or interruption and the contract modified in writing acordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent (1) that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor or (2) for which an equitable adjustment is provided for or excluded under any other provision of this contract.

(c) No claim under this clause shall be allowed (1) for any costs incurred more than 20 days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order), and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such susepnsion, delay, or interruption, but not later than the date of final payment under the contract.

8. New §§ 7.603–5 and 7.603–10 are added; § 7.603–27 is revised; and new §§ 7.603–48, 7.603–49, 7.603–50, 7.604–5, and 7.604–6 are added, as follows:

§ 7.603–5 Contract prices—bidding schedule.

Insert the following clause in contracts containing only unit prices for specified items.

CONTRACT PRICES-BIDDING SCHEDULE (APRIL 1968)

Payment for the various items listed in the Bidding Schedule shall constitute full compensation for furnishing all plant, labor, equipment, appliances, and materials, and for performing all operations required to complete the work in conformity with the drawings and specifications. All costs for work not specifically mentioned in the Bidding Schedule shall be included in the contract prices for the items listed.

§ 7.603–10 Required insurance.

In accordance with the requirements of § 10.405 of this chapter, insert the following clause. The number of days to be inserted in the clause shall be that prescribed by the law of the State in which the contract is to be performed. Where no time limit is specified by State law, a minimum of 10 days shall be inserted.

REQUIRED INSURANCE (APRIL 1968)

(a) The Contractor shall procure and maintain during the entire period of his performance under this contract the following minimum insurance.

Type Amount

(b) Prior to the commencement of work hereunder, the Contractor shall furnish to the Contracting Officer a certificate or written statement of the above required insurance. The policies evidencing required insurance shall contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of the Government in such insurance shall not be effective until _____ days after written notice thereof to the Contracting Officer.

(c) The Contractor agrees to insert the substance of this clause, including this paragraph (c), in all subcontracts hereunder.

§ 7.603–27 Variations in estimated quantities contracts.

Insert the following clause in contracts containing estimated quantity items:

VARIATIONS IN ESTIMATED QUANTITIES (APRIL 1968)

Where the quantity of a pay item in this contract is an estimated quantity and where the actual quantity of such pay item varies more than fifteen percent (15%) above or below the estimated quantity stated in this contract, an equitable adjustment in the contract price shall be made upon demand of either party. The equitable adjustment shall be based upon any increase or decrease in costs due solely to the variation above one hundred fifteen percent (115%) or below eighty-five percent (85%) of the estimated quantity. If the quantity variation is such as to cause an increase in the time necessary for completion, the Contracting Officer shall, upon receipt of a written request for an extension of time within ten (10) days from the beginning of such delay, or within such further period of time which may be granted by the Contracting Officer prior to the date of final settlement of the contract, ascertain the facts and make such adjustment for extending the completion date as in his judgment the findings justify.

§ 7.603–48 Progress charts and requirements for overtime work.

Insert the following clause in contracts having a performance time of 4 weeks or more.

PROGRESS CHARTS AND REQUIREMENTS FOR OVERTIME WORK (JANUARY 1965)

(a) The Contractor shall within 5 days or within such time as determined by the Contracting Officer, after date of commencement of work, prepare and submit to the Contracting Officer for approval a practicable schedule, showing the order in which the Contractor proposes to carry on the work, the date on which he will start the several salient features (including procurement of materials, plant and equipment) and the contemplated dates for completing the same. The schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion at any time. The Contractor shall enter on the chart the actual progress at such intervals as directed by the Contracting Officer, and shall immediately deliver to the Contracting Officer three copies thereof. If the Contractor fails to submit a progress schedule within the time herein prescribed, the Contracting Officer may withhold approval of progress payment estimates until such time as the Contractor submits the required progress schedule.

(b) If, in the opinion of the Contracting Officer, the Contractor falls behind the progress schedule, the Contractor shall take such steps as may be necessary to improve his progress and the Contracting Officer may require him to increase the number of shifts, or overtime operations, days of work, or the amount of construction plant, or all of them, and to submit for approval such supplementary schedule or schedules in chart form as may be deemed necessary to demonstrate the manner in which the agreed rate of progress will be regained, all without additional cost to the Government.

(c) Failure of the Contractor to comply with the requirements of the Contracting Officer under this provision shall be grounds for determination by the Contracting Officer that the Contractor is not prosecuting the work with such diligence as will insure completion within the time specified. Upon such determination the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part thereof, in accordance with the clause of the contract entitled "Termination for Default—Damages for Delay—Time Extensions."

§ 7.603–49 Airfield safety precautions.

Insert the following clause in contracts to be performed on or near airfields when it is desired to cover the subject matter thereof.

AIRFIELD SAFETY PRECAUTIONS (APRIL 1968)

(a) The operation of all ground equipment (mobile or stationary), the placement of all materials, and the performance of all work, upon and in the vicinity of all airfields, shall be done in accordance with this clause. The requirements of this clause are in addition to any other safety requirements of this contract.

(b) For purposes of this clause the following definitions shall apply.

(1) "Landing areas" means the following:

(i) The primary surfaces which are comprised of the surface of the runways, the runway shoulders, and the lateral safety zones (the length of each primary surface is the same as the runway length; the width of each primary surface is 2,000 feet (1,000 feet on each side of the runway centerline)[1]);

(ii) The "clear zones" beyond the ends of each runway—i.e., the extension of the "primary surface" for a distance of 1,000 feet beyond each end of each runway;

(iii) All taxiways plus the lateral clearance zones along each side for the length of the taxiways (the outer edge of each lateral clearance zone is laterally 250 feet from the far or opposite edge of the taxiway, i.e., a 75-foot-wide taxiway would have a combined width of taxiway and lateral clearance zones of 425 feet); and

(iv) All aircraft parking aprons plus the area 125 feet in width extending beyond each edge all around the aprons.

(2) "Safety precaution areas" means those portions of approach-departure clearance zones and transitional zones where placement of objects incident to contract performance might result in vertical projections at or above the approach-departure clearance surface or the transitional surface.

(A) The "approach-departure clearance surface" is an extension of the primary surface and the clear zone at each end of each runway, for a distance of 50,000 feet, first along an inclined (glide angle) and then along a horizontal plane, both flaring symmetrically about the runway centerline extended. The inclined plane (glide angle) begins in the clear zone 200 feet past the end of the runway (and primary surface) at the same elevation as the end of the runway, and continues upward at a slope of 50:1 (1 foot vertically for each 50 feet horizontally) to an elevation of 500 feet above the established airfield elevation; at that point the plane becomes horizontal, continuing at that same uniform elevation to a point 50,000 feet longitudinally from the beginning of the inclined plane (glide angle) and ending there. The width of the surface at the beginning of the inclined plane (glide angle) is the same as the width of the clear zone; thence it flares uniformly, reaching the maximum width of 16,000 feet at the end.

(B) The "approach-departure clearance zone" is the ground area under the approach-departure clearance surface.

(C) The "transitional surface" is a sideways extension of all primary surfaces, clear zones, and approach-departure clearance surfaces along inclined planes. The inclined plane in each case begins at the edge of the surface. The slope of the inclined plane is 7:1 (1 foot vertically for each 7 feet horizontally), and it continues to the point of intersection with the inner horizontal surface (which is the horizontal plane 150 feet above the established airfield elevation) or the outer horizontal surface (which is the horizontal plane 500 feet above the established airfield elevation), whichever is applicable.

(D) The "transitional zone" is the ground area under the transitional surface. (It adjoins the primary surface, clear zone and approach-departure clearance zone.)

(c) The Contractor shall report to the Contracting Officer before initiating any work and shall notify him of proposed changes of locations and operations.

(d) Neither equipment nor personnel shall use any runway for purposes other than aircraft operation without permission of the Contracting Officer unless the runway is closed by order of the Contracting Officer and marked as provided in (e) (2) below.

(e) (1) The Contractor shall place nothing upon the landing areas without authorization of the Contracting Officer.

(2) Unless otherwise authorized by the Contracting Officer, the Contractor shall outline those landing areas hazardous to aircraft, with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(3) Before entering any landing area, at an airfield where flying is controlled, additional permission must be obtained every time from the control tower operator, unless the landing area is marked as hazardous to aircraft in accordance with (2) above.

(4) All vehicles which the Contractor operates in landing areas shall be identified by means of a flag on a staff attached to and flying above the vehicle. The flag shall be 3 feet square and shall consist of a checkered pattern of international orange and white squares of 1 foot on each side (except that the flag may vary up to 10 percent from each of these dimensions).

(5) Unless otherwise authorized by the Contracting Officer, all other equipment and materials in the landing areas shall be

[1] At some airfields the width of the primary surfaces is 1,500 feet (750 feet on each side of the runway centerline). In such instances, substitute the proper width in the clause.

marked with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(6) Work shall be carried on so as to leave that portion of the landing area which is available to aircraft free from hazards, holes, piles of material, and projecting shoulders that might damage an airplane tire.

(f) (1) The Contractor shall place nothing upon the safety precaution areas without authorization of the Contracting Officer.

(2) Unless otherwise authorized by the Contracting Officer, all equipment and materials in safety precaution areas shall be marked with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(3) All objects, placed in safety precaution areas, which project above the approach-departure clearance surface or above the transitional surface must be provided at night with a red light or red lantern.

(g) The Contractor shall keep all paved surfaces, such as runways, taxiways, and hardstands, clean at all times and, specifically, free from small stones which might damage aircraft propellers or jet aircraft.

(h) While work is actually being performed on the airfield by the Contractor, the operation of mobile equipment shall be governed by the safety provisions above. At all other times all mobile equipment shall be removed to locations approved by the Contracting Officer at a distance of at least 750 feet from the runway centerline plus any additional distance necessary to insure compliance with the other provisions of this clause.

(i) Only those trenches may be opened for which material is on hand and ready for placing therein. As soon as practicable after material has been placed and work approved, trenches shall be backfilled and compacted as required by the contract. Meanwhile all hazardous conditions shall be marked and lighted in accordance with the other provisions of this clause.

§ 7.603–50 Quantity surveys.

(a) Except as provide in paragraph (b) of this section, insert the following clause in contracts containing unit price items where the specifications provide for payment based on surveys.

QUANTITY SURVEYS (APRIL 1968)

(a) The Govenment shall make original and final surveys and make computations to determine the quantities of work performed or finally in place.

(b) The Contractor shall make such surveys and computations as are necessary to determine the quantities of work performed or placed during each period for which a progress payment is to be made. All original field notes, computations and other records for the purpose of layout and progress surveys shall be recorded in duplicating field books, the original pages of which shall be furnished promptly in ring binders to the representatives of the Contracting Officer at the site of the work and shall be used by the Contracting Officer to the extent necessary in determining the proper amount of progress payments due the Contractor. Unless waived by the Contracting Officer in each specific case, quantity surveys made by the Contractor shall be made under the direction of a representative of the Contracting Officer.

(b) When Government personnel may not be available, it may be advisable to require the Contractor to make original and final quantity surveys as well as progress surveys. In this case, the following clause may be used in place of the clause in paragraph (a) of this section, with the approval of the Head of the Procuring Activity or his designee.

QUANTITY SURVEYS (APRIL 1968)

(a) The Contractor shall make such surveys and computations as are necessary to determine the quantities of work performed or placed during each period for which a progress payment is to be made. The Contractor shall also make original and final surveys. The Government will make such computations as are necessary to determine the quantities of work performed or finally in place. Unless waived by the Contracting Officer in each specific case, quantity surveys made by the Contractor shall be made under the direction of a representative of the Contracting Officer.

(b) All original field notes, computations, and other records of the Contractor for the purposes of layout, original, progress, and final surveys shall be recorded in duplicating field books, the original pages of which shall be furnished promptly in ring binders to the representative of the Contracting Officer at the site of the work and shall be used by the Contracting Officer to the extent necessary in determining the proper amounts of progress and final payments.

§ 7.604–5 Contractor-prepared network analysis system.

(a) A clause substantially as set forth in paragraph (c) of this section is authorized for use in accordance with instructions in paragraph (b) of this section. Since the clause is broad in scope, modifications thereto will be necessary to accommodate individual project requirements.

(b) (1) Paragraph (b)(2): The requirements pertaining to the identification of separate buildings and features and to the minimum number of activities may be deleted for projects where this information is not needed. This portion should always be used when more than one line item is being constructed under a single contract to provide data for Government costing purposes. The column showing the minimum number of activities per building or feature may be deleted if not considered necessary.

(2) Paragraph (b)(3): The requirement for time scaling the summary network diagram may be deleted. The use of time scaling provides a more easily comprehended diagram for those not intimately familiar with a project and hence is of value to higher level management. It is also of considerable value for evaluating the utilization of resources of manpower and equipment and the scheduling of those activities which have slack available. On the other hand, revisions are much more difficult to make on time scaled diagrams requiring considerable if not complete redrafting. This makes time scaling more expensive to maintain and may result in delays in submitting diagrams. The advantages to management as against the possibility of additional cost and delay in submission must be considered in deciding whether time scaling should be included. If time scaling is omitted, references thereto in paragraph (e) should also be deleted.

(3) Paragraphs (b)(4) and (b)(7): Any items may be included or deleted as project requirements and local computer capabilities indicate. It should be noted that many computer system programs are written so as to provide only part of the information listed, and it is probable that there is no single program which will provide all. The listings should be revised to require only the minimum necessary for project management.

(4) Paragraph (b)(6)(i): Two means of estimating the computing time required can be used, (i) based on normal work days (excluding Saturdays, Sundays, and holidays), or (ii) based on calendar days. This paragraph should be retained if the former method is to be used. If the latter method is to be used this paragraph should be deleted and the following inserted at the end of paragraph (b)(2): "In calculating activity durations, Saturdays, Sundays, holidays, and normal inclement weather should be considered."

(5) Paragraph (b)(6) (ii) and (iii): Requirements for manpower loading and list of equipment will be deleted unless the nature of the project is such as to make their inclusion necessary for proper surveillance by the resident engineer. When these requirements are deleted here, references thereto in other sections should also be deleted.

(6) Paragraph (c): The times allowed for the various submissions may be revised to fit individual project requirements based on project duration and complexity.

(7) Paragraph (e): The time for submission of periodic reports may be changed based on project requirements. Normally reports will be required twice a month with payments made once a month based on the work shown as accomplished in the last two reports.

(8) Paragraph (f): For partially completed activities a relatively broad estimate of the portion completed is normally adequate, for example, 25 percent, 50 percent, 75 percent, or 100 percent, and the clause may be changed accordingly. Due to the multiplicity of activities and their normally small dollar value, a more precise evaluation frequently may be impractical. On activities with significant costs a more precise estimate should be used.

(9) Paragraphs (g), (h), and (i): The sheet size of diagrams and number of copies of report to be submitted may be revised to suit individual project requirements.

(c) Contractor-prepared network analysis system:

CONTRACTOR-PREPARED NETWORK ANALYSIS SYSTEM (APRIL 1968)

The progress chart to be prepared by the Contractor pursuant to the General Provision entitled "Progress Charts and Requirements for Overtime Work" shall consist of a network analysis system as described below. In preparing this system the scheduling of construction is the responsibility of the Contractor. The requirement for the system is included to assure adequate planning and execution of the work and to assist the Contracting Officer in appraising the reasonableness of the proposed schedule and evaluating progress of the work.

(a) An example of one of the numerous acceptable types of network analysis systems is shown in Appendix I of Corps of Engineers Regulation ER 1–1–11 entitled "Network

Analyis System," single copies of which are available to bona fide bidders on request. Other systems which are designed to serve the same purpose and employ the same basic principles as are illustrated in Appendix I will be accepted subject to the approval of the Contracting Officer.

(b) The system shall consist of diagrams and accompanying mathematical analyses. The diagrams shall show elements of the project in detail and the entire project in summary.

(1) Diagrams shall show the order and interdependence of activities and the sequence in which the work is to be accomplished as planned by the Contractor. The basic concept of a network analysis diagram will be followed to show how the start of a given activity is dependent on the completion of preceding activities and its completion restricts the start of following activities.

(2) Detailed network activities shown on a detailed or sub-network diagram shall include, in addition to construction activities, the submittal and approval of samples of materials and shop drawings, the procurement of critical materials and equipment, fabrication of special material and equipment and their installation and testing. All activities of the Government that affect progress, and contract required dates for completion of all or parts of the work will be shown. The detail of information shall be such that duration times of activities will range from three (3) to thirty (30) days with not over two percent (2%) of the activities exceeding these limits. The activities which comprise the following separate buildings and features shall be separately identifiable by coding or use of sub-networks or both:

Building or feature	*Minimum number of activities*
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The selection and number of activities shall be subject to the Contracting Officer's approval. Detailed networks, when summary networks are also furnished, need not be time scaled but shall be drafted to show a continuous flow from left to right with no arrows from right to left. The following information shall be shown on the diagrams for each activity: Preceding and following event numbers, description of the activity, cost, and activity duration.

(3) Summary network. If the project is of such size that the entire network cannot be readily shown on a single sheet, a summary network diagram shall be provided. The summary network diagram shall consist of a minimum of 50 activities and a maximum of 150 activities, and shall be based on and supported by detailed diagrams. Related activities shall be grouped on the network. The critical path shall be plotted generally along the center of the sheet with channels with increasing float placed towards the top or bottom. The summary network shall be time scaled using units of approximately one-half inch equals 1 week or other suitable scale approved by the Contracting Officer. Weekends and holidays shall be indicated. Where slack exists, the activities shall be shown at the time when they are scheduled to be accomplished.

(4) The mathematical analysis of the network diagram shall include a tabulation of each activity shown on the detailed network diagrams. The following information will be furnished as a minimum for each activity:

(i) Preceding and following event numbers (numbers shall be selected and assigned so as to permit identification of the activities with bid items);

(ii) Activity description;

(iii) Estimated duration of activities (the best estimate available at time of computation);

(iv) Earliest start date (by calendar date);

(v) Earliest finish date (by calendar date);

(vi) Scheduled or actual start date (by calendar date);

(vii) Scheduled or actual finish date (by calendar date);

(viii) Latest start date (by calendar date);

(ix) Latest finish date (by calendar date);

(x) Slack or float;

(xi) Monetary value of activity;

(xii) Responsibility for activity (Prime contractor, subcontractors, suppliers, Government, etc.);

(xiii) Manpower required;

(xiv) Percentage of activity completed;

(xv) Contractor's earnings based on portion of activity completed; and

(xvi) Bid item of which activity is a part.

(5) The program or means used in making the mathematical computation shall be capable of compiling the total value of completed and partially completed activities and subtotals from separate buildings or feature listed in paragraph (b)(2).

(6) In addition to the tabulation of activities, the computation will include the following data:

(i) Identification of activities which are planned to be expedited by use of overtime or double shifts to be worked including Saturdays, Sundays, and holidays;

(ii) On-site manpower loading schedule;

(iii) A description of the major items of construction equipment planned for operations of the project. (The description shall include the type, number of units and unit capacities. A schedule showing proposed time equipment will be on the job keyed to activities on which equipment will be used shall be provided); and

(iv) Where portions of the work are to be paid by unit costs, the estimated number of units in an activity which was used in developing the total activity cost.

(7) The analysis shall list the activities in sorts or groups as follows:

(i) By the preceding event number from lowest to highest and then in the order of the following event number;

(ii) By the amount of slack, then in order of preceding event number;

(iii) By responsibility in order of earliest allowable start dates; and

(iv) In order of latest allowable start dates, then in order of preceding event numbers, and then in order of succeeding event numbers.

(c) Submission and approval of the system shall be as follows:

(1) A preliminary network defining the Contractor's planned operations during the first sixty (60) calendar days after notice to proceed will be submitted within ten (10) days. The Contractor's general approach for the balance of the project shall be indicated. Cost of activities expected to be completed or partially completed before submission and approval of the whole schedule should be included.

(2) The complete network analysis consisting of the detailed network mathematical analysis (on-site manpower loading schedule, equipment schedule) and network diagrams shall be submitted within forty (40) calendar days after receipt of notice to proceed.

(d) The Contractor shall participate in a review and evaluation of the proposed network diagrams and analysis by the Contracting Officer. Any revisions necessary as a result of this review shall be resubmitted for approval of the Contracting Officer within ten (10) calendar days after the conference. The approved schedule shall then be the schedule to be used by the Contractor for planning, organizing, and directing the work and for reporting progress. If the Contractor thereafter desires to make changes in his method of operating and scheduling he shall notify the Contracting Officer in writing stating the reasons for the change. If the Contracting Officer considers these changes to be of a major nature he may require the Contractor to revise and submit for approval, without additional cost to the Government, all or the affected portion of the detailed diagrams and mathematical analysis and the summary diagram to show the effect on the entire project. A change may be considered of a major nature if the time estimated to be required or actually used for an activity or the logic of sequence of activities is varied from the original plan to a degree that there is a reasonable doubt as to the effect on the contract completion date or dates. Changes which affect activities with adequate slack time shall be considered as minor changes, except that an accumulation of minor changes may be considered a major change when their cumulative effect might affect the contract completion date.

(e) The Contractor shall submit at intervals of fifteen (15) calendar days a report of the actual construction progress by updating the mathematical analyses. Revisions causing changes in the detailed network shall be noted on the summary network, or a revised issue of affected portions of the detailed network furnished. The summary network shall be revised as necessary for the sake of clarity. However, only the initial submission or complete revisions need be time scaled. Subsequent minor revisions need not be time scaled.

(f) The report shall show the activities or portions of activities completed during the reporting period and their total value as basis for the Contractor's periodic request for payment. Payment made pursuant to the General Provision entitled "Payments to Contractor" will be based on the total value of such activities completed or partially completed after verification by the Contracting Officer. The report will state the percentage of the work actually completed and scheduled as of the report date and the progress along the critical path in terms of days ahead or behind the allowable dates. If the project is behind schedule, progress along other paths with negative slack shall also be reported. The Contractor shall also submit a narrative report with the updated analysis which shall include but not be limited to a description of the problem areas, current and anticipated, delaying factors and their impact, and an explanation of corrective actions taken or proposed.

(g) Sheet size of diagrams shall be 30 by 42 inches. Each updated copy shall show a date of the latest revision.

(h) Initial submittal and complete revisions shall be submitted in six (6) copies.

(i) Periodic reports shall be submitted in four (4) copies.

§ 7.604–6 Government-prepared network analysis system.

(a) The clause in paragraph (b) of this section is authorized for use in accordance with the following instructions:

(1) Paragraph (a): This paragraph shall be used when the project is of long duration and a schedule of the first two months' operation is necessary for controlling the project until the "Construction Progress Schedule" is submitted. The blank will be filled in with the number of days desired. This paragraph will be deleted when the construction project is of short duration.

(2) Paragraph (b): Proper number of days for submittals shall be inserted by the contracting officer.

(3) Paragraph (c) (1) and (c) (2) shall be modified to agree with detail and type of network analysis system the Government proposes to prepare.

(b) Government-prepared network analysis system:

GOVERNMENT-PREPARED NETWORK ANALYSIS SYSTEM (APRIL 1968)

The progress chart prepared by the Contractor pursuant to the General Provision entitled "Progress Charts and Requirements for Overtime Work" will include the following:

(a) The Contractor shall submit to the Contracting Officer a chart showing the initial progress schedule covering the first sixty (60) days of his construction operations within _____ days after receipt by him of the Notice to Proceed.

(b) The Contractor shall submit a chart showing the construction progress schedule in accordance with the General Provision entitled "Progress Charts and Requirements for Overtime Work" for the entire work under this contract within _____ days after receipt of the Notice to Proceed.

(c) In addition to the above information the Contractor will also provide information for the Government to prepare and maintain a surveillance system and verify progress payments using the network analysis system of scheduling as described in Appendix I of the Corps of Engineers Regulation, ER 1-1-11, entitled "Network Analysis System," single copies of which are available to bona fide bidders upon request. In preparing this data the scheduling is the responsibility of the Contractor. The requirement is included to assure adequate planning and execution of the work and to assist the Contracting Officer in appraising the reasonableness of the proposed schedule and evaluating the progress of the work. The data shall include, but not be limited to:

(1) A description of the Contractor's detailed construction plan of the project including the cost or weighted value, the order and interdependence, and the estimated duration of the activities which make up the project. Data shall be in sufficient detail to permit preparation of the network and schedule analysis by the Government.

(2) Revisions and updating of the data on scheduling with reasons for the revisions, as required by the Contracting Officer, shall be furnished by the Contractor in a timely and progressive manner to assist the Government in keeping the network and schedule analysis in a current working status.

(d) Pursuant to the General Provision entitled "Payments to Contractor," progress payments will be made on the basis of weighted value or cost assigned to each activity or group of activities as related to the total contract cost of the activity.

9. New § 7.606-9 is added; § 7.606-18 is revised; in § 7.702-12, the clause heading and clause paragraph (e) are revised; and in § 7.702-26, the clause heading and clause paragraphs (c) (i) and (h) are revised, as follows:

§ 7.606-9 Use of excess and near-excess currency.

In accordance with the requirements of § 6.1110 of this chapter, insert the clause set forth therein.

§ 7.606-18 Airfield safety precautions.

Insert the following clause in contracts to be performed on or near airfields when it is desired to cover the subject matter thereof.

AIRFIELD SAFETY PRECAUTIONS (APRIL 1968)

(a) The operation of all ground equipment (mobile or stationary), the placement of all materials, and the performance of all work, upon and in the vicinity of all airfields, shall be done in accordance with this clause. The requirements of this clause are in addition to any other safety requirements of this contract.

(b) For purposes of this clause the following definitions shall apply.

(1) "Landing areas" means the following:

(i) The primary surfaces which are comprised of the surface of the runways, the runway shoulders, and the lateral safety zones (the length of each primary surface is the same as the runway length; the width of each primary surface is 2,000 feet (1,000 feet on each side of the runway centerline)[1]);

(ii) The "clear zones" beyond the ends of each runway—i.e., the extension of the "primary surface" for a distance of 1,000 feet beyond each end of each runway;

(iii) All taxiways plus the lateral clearance zones along each side for the length of the taxiways (the outer edge of each lateral clearance zone is laterally 250 feet from the far or opposite edge of the taxiway, i.e., a 75-foot-wide taxiway would have a combined width of taxiway and lateral clearance zones of 425 feet); and

(iv) All aircraft parking aprons plus the area 125 feet in width extending beyond each edge all around the aprons.

(2) "Safety precaution areas" means those portions of approach-departure clearance zones and transitional zones where placement of objects incident to contract performance might result in vertical projections at or above the approach-departure clearance surface or the transitional surface.

(A) The "approach-departure clearance surface" is an extension of the primary surface and the clear zone at each end of each runway, for a distance of 50,000 feet, first along an inclined plane (glide angle) and then along a horizontal plane, both flaring symmetrically about the runway centerline extended. The inclined plane (glide angle) begins in the clear zone 200 feet past the end of the runway (and primary surface) at the same elevation as the end of the runway, and continues upward at a slope of 50:1 (1 foot vertically for each 50 feet horizontally) to an elevation of 500 feet above the established airfield elevation; at that point the plane becomes horizontal, continuing at that same uniform elevation to a point 50,000 feet longitudinally from the beginning of the inclined plane (glide angle) and ending there. The width of the surface at the beginning of the inclined plane (glide angle) is the same as the width of the clear zone; thence it flares uniformly, reaching the maximum width of 16,000 feet at the end.

(B) The "approach-departure clearance zone" is the ground area under the approach-departure clearance surface.

(C) The "transitional surface" is a sideways extension of all primary surfaces, clear zones, and approach-departure clearance surfaces along inclined planes. The inclined plane in each case begins at the edge of the surface. The slope of the inclined plane is 7:1 (1 foot vertically for each 7 feet horizontally), and it continues to the point of intersection with the inner horizontal surface (which is the horizontal plane 150 feet above the established airfield elevation) or the outer horizontal surface (which is the horizontal plane 500 feet above the established airfield elevation), whichever is applicable.

(D) The "transitional zone" is the ground area under the transitional surface. (It adjoins the primary surface, clear zone and approach-departure clearance zone.)

(c) The Contractor shall report to the Contracting Officer before initiating any work and shall notify him of proposed changes of locations and operations.

(d) Neither equipment nor personnel shall use any runway for purposes other than aircraft operation without permission of the Contracting Officer unless the runway is closed by order of the Contracting Officer and marked as provided in (e) (2) below.

(e) (1) The Contractor shall place nothing upon the landing areas without authorization of the Contracting Officer.

(2) Unless otherwise authorized by the Contracting Officer, the Contractor shall outline those landing areas hazardous to aircraft, with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(3) Before entering any landing area at an airfield where flying is controlled, additional permission must be obtained every time from the control tower operator, unless the landing area is marked as hazardous to aircraft in accordance with (2) above.

(4) All vehicles which the Contractor operates in landing areas shall be identified by means of a flag on a staff attached to and flying above the vehicle. The flag shall be 3 feet square and shall consist of a checkered pattern of international orange and white squares of 1 foot on each side (except that the flag may vary up to 10 percent from each of these dimensions).

(5) Unless otherwise authorized by the Contracting Officer, all other equipment and materials in the landing areas shall be marked with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(6) Work shall be carried on so as to leave that portion of the landing area which is available to aircraft free from hazards, holes, piles of material, and projecting shoulders that might damage an airplane tire.

(f) (1) The Contractor shall place nothing upon the safety precaution areas without authorization of the Contracting Officer.

(2) Unless otherwise authorized by the Contracting Officer, all equipment and materials in safety precaution areas shall be marked with red flags by day, and with electric, battery-operated, low-intensity red flasher lights by night.

(3) All objects, placed in safety precaution areas, which project above the approach-departure clearance surface or above the transitional surface must be provided at night with a red light or red lantern.

(g) The Contractor shall keep all paved surfaces, such as runways, taxiways, and hardstands, clean at all times and, specifically, free from small stones which might damage aircraft propellers or jet aircraft.

(h) While work is actually being performed on the airfield by the Contractor, the operation of mobile equipment shall be governed by the safety provisions above. At all other times all mobile equipment shall be removed to locations approved by the Contracting Officer at a distance of a least 750 feet from the runway centerline plus any additional distance necessary to insure compliance with the other provisions of this clause.

(i) Only those trenches may be opened for which material is on hand and ready for placing therein. As soon as practicable after material has been placed and work approved,

[1] At some airfields the width of the primary surfaces is 1,500 feet (750 feet on each side of the runway centerline). In such instances substitute the proper width in the clause.

trenches shall be backfilled and compacted as required by the contract. Meanwhile all hazardous conditions shall be marked and lighted in accordance with the other provisions of this clause.

§ 7.702–12 Use and charges.

USE AND CHARGES (APRIL 1968)

* * * * *

(e) If the Contractor uses any item of the Facilities without authorization, the Contractor shall be liable for the full monthly rental, without credit, for such item for each month or part thereof in which such unauthorized use occurs: *Provided, however,* That the Secretary concerned may, in writing, waive the Contractor's liability for such unauthorized use if he determines that circumstances amounting to gross inequity justify the waiver. The acceptance of any rental by the Government hereunder shall not be construed as a waiver or relinquishment of any rights it may have against the Contractor growing out of the Contractor's unauthorized use of the Facilities or any other failure to perform this contract according to its terms.

* * * * *

§ 7.702–26 Disposition of the facilities.

DISPOSITION OF THE FACILITIES (APRIL 1968)

* * * * *

(c) * * *

(i) Abandon any such Facilities in place, and thereupon all obligations of the Government regarding such abandoned Facilities and the restoration or rehabilitation of the premises in and on which they are located shall cease; or

* * * * *

(h) Unless otherwise specifically provided in this contract, the Government shall not be obligated to the Contractor to restore or rehabilitate any property at Contractor's plant, except for restoration or rehabilitation costs caused by removal of the Facilities pursuant to paragraph (c)(ii) above. The Contractor agrees to indemnify the Government against all suits or claims for damages arising out of the Government's failure to restore or rehabilitate any property at the Contractor's plant or property of its subcontractors, except any such damage as may be occasioned by the negligence of the Government, its agents, or independent contractors.

10. New § 7.705–22 is added; § 7.802–2 is revised; and in § 7.802–4, the clause heading and clause paragraph (a) are revised, as follows:

§ 7.705–22 Facilities equipment modernization.

Insert the following clause in any bilateral modification of an existing facilities contract, and in any new facilities contract under which the Government provides modernized or replacement facilities.

FACILITIES EQUIPMENT MODERNIZATION (APRIL 1968)

(a) In consideration of the Government providing, as set forth in this contract, for modernization or replacement of Government-owned equipment being used or to be used by the Contractor in the performance of Government firm-fixed-price contracts or subcontracts, or fixed-price contracts or subcontracts with escalation, the Contractor agrees to return to the Government the net cost savings actually realized from the use of the modernized or replacement equipment on all such contracts or subcontracts entered into prior to the expiration of the 3-year period following the date such equipment is placed in production, except (i) formally advertised contracts entered into subsequent to the date such equipment is placed in production, and (ii) contracts or subcontracts which specifically provide that they have been priced on the basis of anticipated use of such equipment.

(b) (1) The Contractor shall maintain adequate records for the implementation of this clause. The Contractor shall make such records available at its office for inspection, audit or reproduction by any authorized representative of the Contracting Officer. Within fourteen (14) months after the modernized or replacement equipment has been placed in production, the Contractor shall file with the Administrative Contracting Officer cognizant of the Government production and research property four (4) completed copies of DD Form 1651 (Industrial Equipment Modernization Program—Post Analysis Report).

(2) When the Contractor authorizes a subcontractor to use the modernized or replacement equipment, he shall require the subcontractor to maintain records, to make them and additional information available to the Contracting Officer, and to file four (4) copies of DD Form 1651, in the manner prescribed in (1) above.

(c) Records shall generally be acceptable if they are maintained for the equipment under established accounting practices and permit a fair estimation of the net cost savings realized. Net cost savings realized shall be determined by a comparison of the Contractor's cost experience in the operation of the equipment before and after modernization.

(d) Amounts due the Government under this clause shall be returned by the Contractor, as directed by the Administrative Contracting Officer by:

(i) Credits to, or adjustment of the prices of, the related contracts, subcontracts, or purchase orders benefiting from the use of the modernized or replacement equipment; or

(ii) Payment to the Government through the Contracting Officer having cognizance of the Government production and research property; or

(iii) Such other means as may be mutually agreed to.

§ 7.802–2 Execution, commencement of work, and priority rating.

(This clause may be omitted when Standard Form 26 is used to award the letter contract.)

EXECUTION, COMMENCEMENT OF WORK, AND PRIORITY RATING (MARCH 1964)

The Contractor's acceptance of this order will be indicated by affixing its signature to three copies thereof and returning the executed copies to the Contracting Officer not later than _____. Upon acceptance by both parties, the Contractor shall proceed with performance of the work described herein, including procurement of necessary materials. An appropriate priority rating, in accordance with the Department of Defense Priorities and Allocation Manual, will be assigned to this letter contract.

§ 7.802–4 Payments clauses for letter contracts.

* * * * *

PAYMENTS OF ALLOWABLE COSTS PRIOR TO DEFINITIZATION OF CONTRACT (APRIL 1968)

(a) Pending the placing of the definitive contract referred to herein, the Government shall currently reimburse the Contractor for all allowable expenditures made hereunder at the following rates:

(i) One hundred percent (100%) of approved costs representing progress payments to Subcontractors under fixed-price type subcontracts, *Provided,* That payment by the Government to the Contractor shall not exceed seventy percent (70%) of the costs incurred by such Subcontractors.

(ii) One hundred percent (100%) of approved costs representing cost-reimbursement type subcontracts: *Provided,* That payments by the Government shall not exceed eighty-five percent (85%) of the costs incurred by such Subcontractors; and

(iii) Eighty-five percent (85%) of all other approved costs.

* * * * *

PART 10—BONDS, INSURANCE, AND INDEMNIFICATION

11. In § 10.404(a), the clause heading and clause paragraph (c)(3), (e), (f), (g), (h), and (i) are revised, and new clause paragraph (j) is added, as follows:

§ 10.404 Aircraft—ground and flight risk.

(a) * * *

GROUND AND FLIGHT RISK (APRIL 1968)

* * * * *

(c) * * *

(3) If the _____[1] finds that the Contractor has failed to act promptly to correct such conditions or has failed to correct such conditions within a reasonable time, he may terminate the Government's assumption of risk under this clause, as to any of the aircraft which is in the open under such conditions, such termination to be effective at 12:01 A.M. on the 15th day following the day of receipt by the Contractor of written notice thereof. If the Contracting Officer later determines that the Contractor acted promptly to correct such conditions or that the time taken by the Contractor was not in fact unreasonable, an equitable adjustment shall, notwithstanding paragraph (g) of this clause, be made in the contract price to compensate the Contractor for any additional costs he incurred as a result of termination of the Government's assumption of risk under this clause and the contract shall be modified in writing accordingly. Any dispute as to whether the Contractor failed to act promptly to correct such conditions, or as to the reasonableness of the time for correction of such conditions, or as to such equitable adjustment, shall be deemed to be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

* * * * *

(e) With the exception of damage to, or loss or destruction of aircraft in "flight," the Government's assumption of risk under this clause shall not extend to the first $1,000 of loss or damage resulting from each event separately occurring. The Contractor assumes the risk of and shall be responsible for the first $1,000 of loss of or damage to aircraft "in the open" or during "operation" resulting from each event separately occurring, except for reasonable wear and tear and except to the extent the loss or damage is caused by negligence of Government personnel. If the Government elects to require that the aircraft be replaced or restored by the Contractor to the condition in which it was immediately prior to the damage, the equitable adjustment in the price authorized by paragraph (i) below shall not include the dollar amount of the risk assumed by the Contractor under this paragraph. In the event the Government does not elect repair or replacement, the Contractor agrees to credit the contract price or pay the Government

$1,000 (or the amount of the loss if smaller) as directed by the Contracting Officer.

(f) A subcontractor shall not be relieved from liability for damage to, or loss or destruction of, aircraft while in his possession or control, except to the extent that the subcontract, with the prior written approval of the Contracting Officer, provides for relief of the subcontractor from such liability. In the absence of such approval, the subcontract shall contain appropriate provisions requiring the return of such aircraft in as good condition as when received, except for reasonable wear and tear or for the utilization of the property in accordance with the provisions of this contract. Where a subcontractor has not been relieved from liability for any damage, loss, or destruction of aircraft and any damage, loss, or destruction occurs, the Contractor shall enforce the liability of the subcontractor for such damage to, or loss or destruction of, the aircraft for the benefit of the Government.

(g) The Contractor warrants that the contract price does not and will not include, except as may be otherwise authorized in this clause, any charge or contingency reserve for insurance (including self-insurance funds or reserves) covering any damage to, or loss or destruction of, aircraft while in the open, during operation, or in flight, the risk of which has been assumed by the Government under the provisions of this clause, whether or not such assumption may be terminated as to aircraft in the open.

(h) In the event of damage to, or loss or destruction of, aircraft in the open, during operation, or in flight, the Contractor shall take all reasonable steps to protect such aircraft from further damage, separate damaged and undamaged aircraft, put all aircraft in the best possible order and, further, except in cases covered by (e) above, the Contractor should furnish to the ----------[1] a statement of:

(i) The damaged, lost, or destroyed aircraft;

(ii) The time and origin of the damage, loss, or destruction;

(iii) All known interests in commingled property of which aircraft are a part; and

(iv) The insurance, if any, covering any part of the interest in such commingled property.

Except in cases covered by (e) above, an equitable adjustment shall be made in the amount due under this contract for expenditures made by the Contractor in performing his obligations under this paragraph (h) and this contract shall be modified in writing accordingly.

(i) If prior to delivery and acceptance by the Government any aircraft is damaged, lost, or destroyed and the Government has under this clause assumed the risk of such damage, loss or destruction, the Government shall either (1) require that such aircraft be replaced or restored by the Contractor to the condition in which it was immediately prior to such damage, or (2) shall terminate this contract with respect to such aircraft. In the event that the Government requires that the aircraft be replaced or restored, an equitable adjustment shall be made in the amount due under this contract and in the time required for its performance, and this contract shall be modified in writing accordingly. If, in the alternative, this contract is terminated under this paragraph with respect to such aircraft and under this clause the Government has assumed the risk of such damage, loss, or destruction, the Contractor shall be paid the contract price for said aircraft (or, if applicable, any work to be performed on said aircraft) less such amounts as the Contracting Officer determines (1) that it would have cost the Contractor to complete the aircraft (or any work to be performed on said aircraft) together with anticipated profit, if any, on any such uncompleted work, and (2) to be the value, if any, of the damaged aircraft or any remaining portion thereof retained by the Contractor. The Contracting Officer shall have the right to prescribe the manner of disposition of the damaged, lost, or destroyed aircraft, or any remaining parts thereof; and, if any additional costs of such disposition are incurred by the Contractor, a further equitable adjustment will be made in the amount due to the Contractor. Failure of the parties to agree upon an equitable adjustment or upon the amount to be paid in the event of termination of the contract with respect to any aircraft, shall be a dispute concerning a question of fact within the meaning of the Disputes clause of this contract.

(j) In the event the Contractor is at any time reimbursed or compensated by any third person for any damage, loss, or destruction of any aircraft, the risk of which has been assumed by the Government under the provisions of this clause and for which the Contractor has been compensated by the Government, he shall equitably reimburse the Government. The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any such damage, loss, or destruction and, upon the request of the ----------,[1] shall at the Government's expense furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment or subrogation in favor of the Government) in obtaining recovery.

[1] In the foregoing clause, insert in contracts of the Department of the Army, the Department of the Navy, the Department of the Air Force, and in contracts to be administered by the Defense Contract Administration Services the activity designated in combined regulation identified as Air Force Regulation 55–22, Army Regulation 95–20, BUWEPS Instruction 3710.6A, Defense Supply Agency Regulation 8210.1, dated Nov. 18, 1964, subject, Requirements for Contractor Operating Procedures and Flight Crews, enclosure 1.

PART 12—LABOR

12. Sections 12.304 and 12.1003 are revised; and in § 12.1004(a), the clause heading and clause paragraph (5) are revised, as follows:

§ 12.304 Computation of overtime and liquidated damages.

When the hours worked during a single workweek by a laborer or mechanic exceed both 8 per calendar day and 40 per workweek, the number of overtime hours in excess of 8 per day and 40 per workweek shall be computed separately and the method resulting in the greater number of overtime hours shall be used to calculate the overtime compensation due the employee. When such calculation discloses underpayments, the method used to determine the underpayments shall also be used to determine liquidated damages. When underpayments are found and the number of overtime hours in excess of 8 per calendar day equals the number in excess of 40 per workweek, the number of calendar days, during which work in excess of 8 hours was performed, shall be used to compute liquidated damages. (For waiver or adjustment of liquidated damages, see § 18.704–16 of this chapter.)

§ 12.1003 Wage determinations and fringe benefits.

Minimum monetary wages and fringe benefits required under this Act will be determined by the Administrator of the Wage and Hour and Public Contracts Divisions of the Department of Labor. As such determinations are issued, appropriate distribution to procurement offices will be made. In addition, the Department of Labor plans to maintain a register of such determinations for public inspection at its national and regional offices which are listed in § 12.607. In the absence of advice to the contrary, purchasing offices shall use the minimum wage indicated in the notice of intention submitted pursuant to § 12.1005(a). If no determination has been issued, the contractor is required by paragraph (3) of the contract clause to pay not less than the minimum wage of $1.60 specified in section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

§ 12.1004 Contract clauses.

(a) * * *

SERVICE CONTRACT ACT OF 1965 (FEBRUARY 1968)

* * * * *

(5) The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services. Except insofar as a noncompliance can be justified as provided in 29 CFR 1516.1(c), this will require compliance with the applicable standards, specifications, and codes developed and published by the U.S. Department of Labor or any other agency of the United States and nationally recognized professional organizations including without limitation, the following:

National Bureau of Standards, U.S. Department of Commerce.
Public Health Service, U.S. Department of Health, Education, and Welfare.
Bureau of Mines, U.S. Department of Interior.
United States of America Standards Institute (American Standards Association).
National Fire Protection Association.
American Society of Mechanical Engineers.
American Society for Testing and Materials.
American Conference of Governmental Industrial Hygienists.

Information as to the latest standards, specifications and codes applicable to the contract is available at the office of the Director of the Bureau of Labor Standards, U.S. Department of Labor, Railway Labor Building, 400 First Street NW., Washington, D.C. 20212, or at any of the regional offices of the Bureau of Labor Standards as follows:

1. North Atlantic Region, 341 Ninth Avenue, Room 920, New York, N.Y. 10001 (Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont, New Jersey, and Puerto Rico).

2. Middle Atlantic Region, 1110–B Federal Building, Charles Center, 31 Hopkins Plaza, Baltimore, Md. 21202 (Delaware, District of Columbia, Maryland, North Carolina, Pennsylvania, Virginia, and West Virginia).

3. South Atlantic Region, 1371 Peachtree Street NE, Suite 723, Atlanta, Ga. 30309 (Alabama, Florida, Georgia, Mississippi, South Carolina, and Tennessee).

4. Great Lake Region, 848 Federal Office Building, 219 South Dearborn Street, Chicago, Ill. 60604 (Illinois, Indiana, Kentucky, Michigan, Minnesota, Ohio, and Wisconsin).

5. Mid-Western Region, 2100 Federal Office Building, 911 Walnut Street, Kansas City, Mo. 64106 (Colorado, Idaho, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, and Wyoming).

6. Western Gulf Region, 411 North Akard Street, Room 601, Dallas, Tex. 75201 (Arkansas, Louisiana, New Mexico, Oklahoma, and Texas).

7. Pacific Region, 10353 Federal Building, 450 Golden Gate Avenue, Box 36017, San Francisco, Calif. 94102 (Alaska, Arizona, California, Hawaii, Nevada, Oregon, Washington, and Guam).

* * * * *

PART 13—GOVERNMENT PROPERTY

13. Paragraph (g)(2) in § 13.301 is revised; in § 13.702(a), the clause heading and clause paragraph (j) are revised; and in § 13.703, the clause heading and clause paragraph (j) are revised, as follows:

§ 13.301 Providing facilities.

* * * * *

(g) * * *

(2) Approved by the Senior ADPE policy official of the Department or Agency which generated the requirement for the contract end item; in the case of ADPE to be acquired on a noncompetitive basis, the request for approval shall be forwarded to the Assistant Secretary of Defense (Installations and Logistics) through the Senior ADPE policy official. Approval action is not required for any acquisition of punched card machines (PCM's), or for acquisition of other ADPE where the purchase costs are less than $100,000.

§ 13.702 Government property clause for fixed-price contracts.

(a) * * *

GOVERNMENT PROPERTY (FIXED PRICE) (APRIL 1968)

* * * * *

(j) *Restoration of contractor's premises and abandonment.* Unless otherwise provided herein, the Government:

(i) May abandon any Government property in place, and thereupon all obligations of the Government regarding such abandoned property shall cease; and

(ii) Has no obligation to the Contractor with regard to restoration or rehabilitation of the Contractor's premises, neither in case of abandonment (paragraph (j)(i) above), disposition on completion of need or of the contract (paragraph (i) above), nor otherwise, except for restoration or rehabilitation costs which are properly included in an equitable adjustment under paragraph (b) above.

* * * * *

§ 13.703 Government property clause for cost-reimbursement contracts.

* * * * *

GOVERNMENT PROPERTY (COST-REIMBURSEMENT) (APRIL 1968)

* * * * *

(j) *Restoration of contractor's premises and abandonment.* Unless otherwise provided herein, the Government:

(i) May abandon any Government property in place, and thereupon all obligations of the Government regarding such abandoned property shall cease; and

(ii) Has no obligation to the Contractor with regard to restoration or rehabilitation of the Contractor's premises, neither in case of abandonment (paragraph (j)(i) above), disposition on completion of need or of the contract (paragraph (i) above), nor otherwise, except for restoration or rehabilitation costs caused by removal of Government property pursuant to paragraph (b) above.

* * * * *

14. In § 13.706, in paragraph (a) the clause heading and clause paragraphs (b)(1), (i), and (j) are revised, and all of paragraph (b) is revised; and in § 13.707(a) the clause heading and clause paragraphs (b)(1), (i), (j), and (k) are revised, and clause paragraph (l) is revoked, as follows:

§ 13.706 Government property clause for fixed-price type contracts with nonprofit institutions.

(a) * * *

GOVERNMENT PROPERTY (FIXED PRICE, NONPROFIT) (APRIL 1968)

* * * * *

(b) *Changes in government-furnished property.* (1) By notice in writing, the Contracting Officer may (i) decrease the property furnished or to be furnished by the Government under this contract, or (ii) substitute other Government-owned property for property to be furnished by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct with respect to the removal, shipping, and disposal of property covered by such notice.

* * * * *

(i) *Disposition of government property.* Upon completion or expiration of this contract, any Government property which has not been consumed in the performance of this contract, or which has not been disposed of as provided for elsewhere in this clause, or for which the Contractor has not otherwise been relieved of responsibility, shall be disposed of in the same manner, and subject to the same procedures, as is provided in paragraph (g) of the clause of this contract entitled "Termination for the Convenience of the Government" with respect to termination inventory. The proceeds of any such disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract, or shall otherwise be credited to the price or costs of the work covered by this contract, or shall be paid in such other manner as the Contracting Officer may direct. Pending final disposition of such property, the Contractor agrees to take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation thereof.

(j) *Removal of government property and abandonment.* If the Contractor determines any Government property to be in excess of his needs under this contract, such Government property shall be disposed of in the same manner as provided by paragraph (i) above, except that the Government may abandon any Government property in place and thereupon all obligations of the Government regarding such abandoned property shall cease. The Government has no obligation to the Contractor with regard to restoration or rehabilitation of the Contractor's premises, neither in case of abandonment, disposition pursuant to paragraph (i) above, nor otherwise, except for restoration or rehabilitation costs which are properly included in an equitable adjustment under paragraph (b) above.

(b) In accordance with § 4.116-4(d) of this chapter, the following alternative subparagraph (2) may be substituted for (c)(2) of the clause in paragraph (a) of this section:

(2) Notwithstanding subparagraph (1) above, the Contracting Officer may, at any time during the term of this contract, or upon completion or termination, transfer title to equipment to the Contractor upon such terms and conditions as may be agreed upon: *Provided,* That, the Contractor shall not under any Government contract, or subcontract thereunder, charge for any depreciation, amortization, or use of such equipment as is donated under this paragraph. Upon the transfer of title to equipment under this paragraph, such equipment shall cease to be Government property. Title to Government property, not otherwise transferred to the Contractor, shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personality by reason of affixation to any realty.

§ 13.707 Government property clause for cost-reimbursement type research and development contracts with nonprofit institutions.

(a) * * *

GOVERNMENT PROPERTY (COST-REIMBURSEMENT, NONPROFIT) (APRIL 1968)

* * * * *

(b) *Changes in Government-furnished property.* (1) By notice in writing, the Contracting Officer may (i) decrease the property furnished or to be furnished by the Government under this contract, or (ii) substitute other Government-owned property for property to be furnished by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct with respect to the removal, shipping, and disposal of property covered by such notice.

* * * * *

(i) *Disposition of government property.* Upon completion or expiration of this contract, or at such earlier dates as may be fixed by the Contracting Officer, any Government property which has not been consumed in the performance of this contract, or which has not been disposed of as provided for elsewhere in this clause, or for which the Contractor has not otherwise been relieved of responsibility, shall be disposed of in the same manner, and subject to the same procedures, as is provided in paragraph (g) of the clause of this contract entitled "Termination for the Convenience of the Government" with respect to termination inventory. The proceeds of any such disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract, or shall otherwise be credited to the cost of the work covered by

this contract, or shall be paid in such other manner as the Contracting Officer may direct. Pending final disposition of such property, the Contractor agrees to take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation thereof.

(j) *Removal of government property and abandonment.* If the Contractor determines any Government property to be in excess of his needs under this contract, such Government property shall be disposed of in the same manner as provided by paragraph (i) above, except that the Goverment may abandon any Government property in place and thereupon all obligations of the Government regarding such abandoned property shall cease. Unless otherwise provided herein, the Government has no obligation to the Contractor with regard to restoration or rehabilitation of the Contractor's premises, neither in case of abandonment, disposition pursuant to paragraph (i) above, nor otherwise, except the restoration or rehabilitation costs caused by removal of Government property pursuant to paragraph (b) above.

(k) *Communications.* All communications issued pursuant to this clause shall be in writing or in accordance with the "Manual for Military Standard Requisitioning and Issue Procedure (MILSTRIP) for Defense Contractors" (Appendix H, Armed Services Procurement Regulation).

(l) [Revoked].

* * * * *

PART 14—PROCUREMENT QUALITY ASSURANCE

15. Sections 14.101, 14.101–1, 14.101–2, and 14.101–3 are revised, and new §§ 14.101–4 and 14.101–5 are added, as follows:

§ 14.101 Types of contract quality requirements.

There are five basic categories of contract coverage for assuring conformance of products or services to contract requirements: (a) Not including any specific quality requirement in the contract, in which case the Government does not perform any procurement quality assurance actions at source, but instead relies on the contractor's internal control to obtain the supplies or services specified in the contract; (b) contractor responsibility provisions (§ 14.101–1); (c) standard inspection requirement (§ 14.101–2); (d) MIL–I–45208 Inspection System Requirement (§ 14.101–3); and, (e) MIL–Q–9858 Quality Program Requirement (§ 14.101–4).

§ 14.101–1 Contractor responsibility provisions.

Contractor responsibility provisions, making the contractor responsible for the inspection and test of products before offering them to the Government, are effected by:

(a) Citing in the contract Federal-Military Specifications which contain a "Responsibility for Inspection" clause in section 4, "Quality Assurance Provisions" of the Specifications;

(b) Citing in the contract Federal-Military drawings which carry a note relative to the contractor's responsibility for inspection and test;

(c) Including the following clause in the contract.

CONTRACTOR RESPONSIBILITY (APRIL 1968)

The Contractor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the contract conform to the drawings, specifications and contract requirements listed herein, including if applicable, the technical requirements for the manufacturers' part numbers specified herein.

§ 14.101–2 Standard inspection requirement.

Standard inspection requirement is a requirement that the contractor maintain an inspection system acceptable to the Government. This requirement is included in the standard inspection clauses (see, for example, paragraph (e) of the Inspection clause in § 7.103–5(a) of this chapter) and is not further defined by a Government specification. This requirement is appropriate when for reasons of practicability (e.g., purchase of a commercial item) or because of the nature of the supplies (i.e., the item serves a function that is not materially or consequentially related to military operations), it is not considered necessary to describe further what constitutes an acceptable inspection system.

§ 14.101–3 Inspection system requirement.

Inspection system requirement is a requirement, in addition to the standard inspection requirement, that the contractor establish and maintain an inspection system in accordance with a Government specification. This requirement shall be referenced in contracts when technical requirements are such as to require control of quality by inprocess as well as final end item inspection, including control of such elements of the manufacturing process as measuring and testing equipment, drawings and changes, inspection, documentation and records. The objectives and essential elements of an inspection system are prescribed in MIL–I–45208, which shall be referenced in contracts when an inspection system requirement has been established.

§ 14.101–4 Quality program requirement.

Quality program requirement is a requirement, in addition to the standard inspection requirement, that the contractor establish and maintain a quality program in accordance with a Government specification. Such a requirement shall be established when the technical requirements of the contract are such as to require control of work operations, in process controls, and inspection, as well as attention to other factors (e.g., organization, planning, work instructions, documentation control, advanced metrology). The objectives and essential elements of a quality program are prescribed in MIL–Q–9858 which shall be referenced in contracts when a quality program requirement has been established.

§ 14.101–5 Criteria for applying contract quality requirements.

(a) Suggested aids in proper selection of contract quality requirements:

(1) Classification by type of contract quality requirement:

(i) *No specific contract quality requirement.* Generally used in purchases under Subpart F, Part 3 of this chapter, where there is no specific obligation on the contractor for the performance of inspection and no Government procurement quality assurance actions can be performed at source.

(ii) *Contractor responsibility clause.* (See § 14.101–1.) Use of this requirement alone is restricted to purchases under Subpart F, Part 3 of this chapter.

(iii) *Standard inspection requirement.* (See § 14.101–2.) Must be used on all fixed price supply contracts over $2,500. It may be used alone or in conjunction with Contractor Responsibility clause on purchases under Subpart F, Part 3 of this chapter. It must be used with the MIL–I–45208 and MIL–Q–9858A.

(iv) *MIL–I–45208 and MIL–Q–9858A.* (See §§ 14.101–3 and 14.101–4.) Technical personnel should be consulted before a decision is made as to which of these specifications is to be used in a contract.

(2) Classification by contract item technical description:

(i) Commercial (catalogs, drawings, industrial standards).

(ii) Military-Federal (drawings, specifications).

(3) Classification by type of items:

(i) Complex items have quality characteristics, not wholly visible in the end item, for which contractual conformance must progressively be established through precise measurements, tests and controls accomplished during purchasing, manufacturing, assembly, and functional operations either as an individual item or in conjunction with other items.

(ii) Noncomplex items have quality characteristics for which simple measurement and test of the end item is sufficient to determine conformance to contract requirements.

(4) Classification by type of application:

(i) Critical: A critical application of an item is one in which the failure of the item could injure personnel or jeopardize a military mission. Critical items may be either:

(*a*) Peculiar, meaning items which have only one application, or

(*b*) Common, meaning items which have multiple applications.

Whether peculiar or common, purchases of critical items must have contract quality requirements.

(ii) Noncritical: A noncritical application is any application which is not critical. Noncritical items may also be either peculiar or common.

(b) Application of the criteria: Decisions must be made as to whether the item is commercial or Military-Federal, complex or noncomplex and whether its application is critical or noncritical, peculiar or common. Once these decisions are made the table below will indicate the proper contract quality requirement.

Item technical description	Kind of item	Application	Type of contract quality requirement
Commercial	Noncomplex	Noncritical Common.	§ 14.101(a).
Commercial	Noncomplex	Noncritical Peculiar.	§ 14.101(a).
Commercial	Noncomplex	Critical	§ 14.101(c).
Commercial	Complex	Noncritical Common.	§ 14.101(a).
Commercial	Complex	Noncritical Peculiar.	§ 14.101(c).
Commercial	Complex	Critical	§ 14.101(d).
Military-Federal	Noncomplex	Noncritical Common.	§ 14.101(c).
Military-Federal	Noncomplex	Noncritical Peculiar.	§ 14.101(c).
Military-Federal	Noncomplex	Critical	§ 14.101(d).
Military-Federal	Complex	Noncritical Common.	§ 14.101(c).
Military-Federal	Complex	Noncritical Peculiar.	§ 14.101(d).
Military-Federal	Complex	Critical	§ 14.101(c).

(c) The table in paragraph (b) of this section is intended for use as a guide in selecting the contract quality requirement normally considered appropriate for the given item criteria. However, where circumstances warrant, a contract quality requirement of a greater or lesser degree than that arrived at through use of this table may be specified by the PCO.

16. Section 14.301(b) is revised; the introductory text of § 14.302 is revised; and §§ 14.305–2(a), 14.305–3(a)(1), and 14.701 are revised, as follows:

§ 14.301 Quality assurance clauses.

* * * * *

(b) In purchases made by use of DD Form 1155 there generally is no requirement for the contractor to perform inspection; however, (1) the item may be purchased under a Federal or Military specification providing that the contractor is responsible for inspection, or (2) the nature of the item may make it desirable to include one or more of the clauses listed in §§ 14.101 and 14.302 through 14.304.

§ 14.302 Standard inspection clauses.

Where inspection is sufficient to assure that the supplies and services conform to contract requirements (see § 14.101–2), the appropriate standard inspection clause prescribed in the listing below shall be inserted in the contract:

* * * * *

§ 14.305–2 Government procurement quality assurance at source.

(a) When a contract requires the contractor to establish and maintain an inspection system or a quality program in accordance with § 14.101–3 or § 14.101–4, Government procurement quality assurance actions generally shall be performed at source.

* * * * *

§ 14.305–3 Government procurement quality assurance at destination.

(a) Government procurement quality assurance actions that can be performed at destination are normally limited to inspection of supplies. For many procurements, such inspection by the Government is sufficient. Supplies shall be inspected by the Government at destination when:

(1) They are purchased "off-the-shelf" and do not require technical inspection or no direct contract quality requirement is specified (§ 14.101–5);

* * * * *

§ 14.701 General.

When required or authorized by statute or executive agreement or by Department of Defense or Departmental mutual security program policies, and when requested through official channels, Government procurement quality assurance services shall be performed for friendly foreign governments and international agencies. Reimbursement will normally be required except for the Government of Canada. When such services are performed outside the United States, the levels of technical capability and the administrative procedures not already prescribed by statute, executive agreement, or Department of Defense or Military Department policy shall be in accordance with arrangements suitable and acceptable to U.S. country teams or commanders of unified and specified commands, as appropriate.

PART 15—CONTRACT COST PRINCIPLES AND PROCEDURES

17. Section 15.205–31(d) is revised to read as follows:

§ 15.205–31 Professional and consultant service costs—legal, accounting, engineering, and other.

* * * * *

(d) (CWAS–NA) Costs of legal accounting, and consulting services, and related costs, incurred in connection with organization and reorganization, defense of antitrust suits, and prosecution of claims against the Government, are unallowable. Costs of legal, accounting, and consulting services, and related costs, incurred in connection with patent infringement litigation, are unallowable unless otherwise provided for in the contract. (Also see § 15.205–23.)

PART 16—PROCUREMENT FORMS

18. New paragraph (d) is added to § 16.104–1; §§ 16.405–3(a), 16.702–5, 16.810–1, and 16.815 (a)(4) and (b) are revised; and new § 16.818 is added, as follows:

§ 16.104–1 General.

* * * * *

(d) *Identification of contract type.* When forms discussed in this section are prepared for execution as contract documents, or when the Standard Form 30 is being used as a contract modification document, the type of the contract shall be identified by inserting in the title block the alpha code corresponding to the types described as follows:

Code	Type of Contract
A	Fixed-Price Redetermination, Type A.
B	Fixed-Price Redetermination, Type B.
C	Fixed-Price Redetermination, Other.
J	Firm Fixed-Price.
K	Fixed-Price with Escalation.
L	Fixed-Price Incentive (with performance incentive).
M	Fixed-Price Incentive (without performance incentive).
S	Cost.
T	Cost-Sharing.
U	Cost-Plus-a-Fixed Fee.
V	Cost-Plus-Incentive Fee (with performance incentive).
W	Cost-Plus-Incentive Fee (without performance incentive).
X	Cost-Plus Award Fee.
Y	Time and Materials.
Z	Labor-Hour.

§ 16.405–3 Contract modification forms.

(a) *Modifications pursuant to provisions of contract.* Modifications affecting the price or time of performance of a construction contract may be made pursuant to the "Changes" and "Termination for Default—Damages for Delay—Time Extensions" clauses of this contract. In addition, for contracts where the invitations for bids or requests for proposals were issued prior to February 1, 1968, modifications affecting price or time of performance may be made pursuant to the "Changed Conditions" clause included in such contracts. For contracts where the invitations for bids or requests for proposals were issued on or after February 1, 1968, modifications affecting price or time of performance may be made pursuant to the "Differing Site Conditions" clause included in such contracts. In any of the above cases, such modifications shall be accomplished on Standard Form 30. The reason for the proposed modification should be stated e.g., reasons for changes, existence of changed conditions or differing site conditions, causes of delay and excusability. If the modification is pursuant to the "Changes" clause, the details of the change should be set forth. If the time of performance is increased or decreased, the extension or decrease should be stated definitely or a statement made that the time for performance remains unchanged. If the contract price is ininceased or decreased, the increase or decrease should be stated definitely or a statement made that the contract price remains unchanged. The contractor should be requested to indicate his acceptance on Standard Form 30. Three copies of Standard Form 30 should be sent to the contractor with instructions to return the original and one copy.

* * * * *

§ 16.702–5 Inventory Schedules (DD Forms 542, 543, 544, 545, and 832).

The DD Form 832 (Termination Inventory Schedule E—Short Form) is prescribed for use by contractors to support settlement proposals submitted on DD Form 831. For other inventory schedule forms to support settlement proposals submitted on DD Forms 540, 541, and 547, see 16–818.

§ 16.810–1 General.

Standard Form 129 shall be used in connection with the establishment and maintenance of bidders lists as prescribed in § 2.205 of this chapter and for research and development in ASPR Supplement No. 4, "Procedures for Submission of Applications To Be Placed on Research and Development Bidders Mailing Lists." Supplemental Information, where required, may be obtained by using DD Form 558–1 (Bidders Mailing List Application Supplement).

§ 16.815 Contract data requirements list (DD Form 1423).

(a) * * *

(4) To specify data requirements in solicitations for proposals in sufficient detail to provide a basis for a full, clear, and firm understanding between the Government and the contractor with respect to the total data requirements at the time the contract is placed. This requirement may be satisfied by a contractual provision for the right to defer the selection, ordering, or delivery of technical data specified in the contract.

* * * * *

(b) DD Form 1423 or its mechanized equivalent shall be used whenever data is required to be delivered under a contract, and shall constitute the sole contractual list of requirements for the amounts and kinds of data required. When DD Form 1423 is used, it will be completed and furnished to the contracting officer by the personnel responsible for determining the data requirements of the contract. The reverse side of the form contains instructions for offerors to follow in entering on the form the price group and estimated price for each item of data.

§ 16.818 Inventory Schedules (DD Forms 542, 543, 544, and 545).

The following forms are prescribed for inventory for disposition and to support use by contractors to report contractor settlement proposals submitted on DD Form 540, 541, or 547:

(a) DD Form 542 (Inventory Schedule A—Metals in Mill Product Form) and DD Form 542c (Continuation Sheet);

(b) DD Form 543 (Inventory Schedule B—Raw Materials) and DD Form 543c (Continuation Sheet);

(c) DD Form 544 (Inventory Schedule C—Work in Process) and DD Form 544c (Continuation Sheet); and

(d) DD Form 545 (Inventory Schedule D—Dies, Jigs, Fixtures, etc., and Special Tools) and DD Form 545c (Continuation Sheet).

PART 17—EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE

19. Paragraph (a) of § 17.207–3 is revised to read as follows:

§ 17.207–3 Records.

* * * * *

(a) Army activities, to the Office of Contract Adjustments, Office of the Assistant Secretary of the Army (Installations and Logistics);

* * * * *

PART 18—PROCUREMENT OF CONSTRUCTION AND CONTRACTING FOR ARCHITECT-ENGINEER SERVICES

20. Sections 18.115, 18.117–2(b)(3), and 18.201 are revised to read as follows:

§ 18.115 Construction contracts with design architect-engineers.

No contract for construction of a project shall be awarded to the firm which designed the project or to its subsidiaries or affiliates, except with the approval of the Secretary of the Department concerned. (See Part 141 of this chapter.) The Architect-Engineer shall be informed of this restriction prior to the commencement of negotiations for his service.

§ 18.117–2 Distribution of performance reports.

* * * * *

(b) * * *

(3) Director of Procurement and Production, Air Force Logistics Command (Attention: MCPPL), Wright-Patterson Air Force Base, Dayton, Ohio 45433.

* * * * *

§ 18.201 Types of contracts.

Generally, contracts for construction shall be formally advertised and be of the firm fixed-price type. Fixed price contracts for such work may be either lump sum contracts for the total work or for defined parts of the work, or unit price contracts in which a unit price is paid for specified quantity units of work such as cubic yards of earth or concrete or square yards of pavement, or a combination of both. Lump sum contracting shall be used in preference to unit price contracting except where (a) large quantities of work such as grading, paving, outside utilities or site preparation are involved, (b) quantities cannot be determined in advance of contracting within limitations that would permit a lump sum bid without a substantial contingency, (c) quantities may change significantly during construction, or (d) bidders would have to expend unusual effort in making take-off's of quantities. Fixed-price contracts with escalation may be used where escalation clauses are customary in contracts for particular items if the omission of the clause would preclude a significant number of firms from bidding, or would likely result in the inclusion of unwarranted contingencies, unreasonably increasing the cost to the Government. The escalation clauses in § 7.106 of this chapter may be used, adapted to the particular procurement.

PART 22—SERVICE CONTRACTS

21. Section 22.603–13 is revised to read as follows:

§ 22.603–13 Permits and licenses.

PERMITS AND LICENSES (APRIL 1968)

(a) Bidder certifies that he and any subcontractors have those valid permits, operating or other authorizations required by Federal, State, or foreign regulatory bodies to perform services called for herein.

(b) ICC Operating Authority Number -------

(c) If any authorization is revoked or withdrawn during the life of the contract, the Contractor shall immediately notify the Contracting Officer of such fact in writing.

[Rev. 27, ASPR, Apr. 15, 1968] (Sec. 2202, 70A Stat. 120; 10 U.S.C. 2202 Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

For the Adjutant General.

J. W. HURD,
Colonel, AGC, Comptroller, TAGO.

[F.R. Doc. 68–8477; Filed, July 16, 1968; 8:49 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 78—BRUCELLOSIS

Subpart D—Designation of Modified Certified Brucellosis Areas, Public Stockyards, Specifically Approved Stockyards and Slaughtering Establishments

MODIFIED CERTIFIED BRUCELLOSIS AREAS

Pursuant to § 78.16 of the regulations in Part 78, as amended, Title 9, Code of Federal Regulations, containing restrictions on the interstate movement of animals because of brucellosis, under sections 4, 5, and 13 of the Act of May 29, 1884, as amended; sections 1 and 2 of the Act of February 2, 1903, as amended, and section 3 of the Act of March 3, 1905, as amended (21 U.S.C. 111–113, 114a–1, 120, 121, 125), § 78.13 of said regulations designating modified certified brucellosis areas is hereby amended to read as follows:

§ 78.13 Modified certified brucellosis areas.

The following States, or specified portions thereof, are hereby designated as modified certified brucellosis areas:

Alabama. The entire State;
Alaska. The entire State except Chirikof Islands;
Arizona. The entire State;
Arkansas. The entire State;
California. The entire State;
Colorado. The entire State;
Connecticut. The entire State;
Delaware. The entire State;
Florida. Baker, Bay, Bradford, Calhoun, Citrus, Clay, Collier, Columbia, Dade, Dixie, Duval, Escambia, Flagler, Franklin, Gadsden, Gilchrist, Gulf, Hamilton, Hendry, Hernando, Holmes, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Monroe, Nassau, Okaloosa, Orange, Pasco, Pinellas, Putnam, Santa Rosa, Sarasota, Sumter, Suwannee, Taylor, Union, Volusia, Wakulla, Walton, and Washington Counties;
Georgia. The entire State;
Hawaii. Honolulu, Kauai, and Maui Counties;
Idaho. The entire State;
Illinois. The entire State;
Indiana. The entire State;
Iowa. The entire State;
Kansas. The entire State;
Kentucky. The entire State;
Louisiana. Ascension, Assumption, Bienville, Claiborne, East Baton Rouge, Iberia, Iberville, Jackson, Jefferson, Lafayette, Lafourche, Lincoln, Livingston, Orleans, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vernon, Washington, Webster, West Baton Rouge, West Feliciana, and Winn Parishes;
Maine. The entire State;
Maryland. The entire State;
Massachusetts. The entire State;
Michigan. The entire State;
Minnesota. The entire State;
Mississippi. Alcorn, Amite, Attala, Benton, Bolivar, Calhoun, Chickasaw, Choctaw, Claiborne, Clarke, Clay, Coahoma, Copiah, Covington, DeSoto, Forrest, Franklin, George, Greene, Grenada, Hancock, Harrison, Hinds, Humphreys, Itawamba, Jackson, Jasper, Jefferson, Jefferson Davis, Jones, Kemper, Lafayette, Lamar, Lauderdale, Lawrence, Leake, Lee, Lincoln, Lowndes, Marion, Monroe, Montgomery, Neshoba, Newton, Noxubee, Oktibbeha, Pearl River, Perry, Pike, Pontotoc, Prentiss, Quitman, Rankin, Scott, Simpson, Smith, Stone, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Walthall, Washington, Wayne, Webster, Wilkinson, Winston, and Yalobusha Counties;
Missouri. The entire State;
Montana. The entire State;
Nebraska. Adams, Antelope, Arthur, Banner, Boone, Buffalo, Burt, Butler, Cass, Cedar, Chase, Cheyenne, Clay, Colfax, Cuming, Custer, Dakota, Dawson, Deuel, Dixon, Dodge, Douglas, Dundy, Fillmore, Franklin, Frontier, Furnas, Gage, Gosper, Greeley, Hall, Hamilton, Harlan, Hayes, Hitchcock, Howard, Jefferson, Johnson, Kearney, Keith, Kimball, Knox, Lancaster, Madison, Merrick, Nance, Nemaha, Nuckolls, Otoe, Pawnee, Perkins, Phelps, Pierce, Platte, Polk, Red Willow, Richardson, Saline, Sarpy, Saunders, Seward, Sherman, Sioux, Stanton, Thayer, Thurston, Valley, Washington, Wayne, Webster, Wheeler, and York Counties;
Nevada. The entire State;
New Hampshire. The entire State;
New Jersey. The entire State;
New Mexico. The entire State;
New York. The entire State;
North Carolina. The entire State;
North Dakota. The entire State;
Ohio. The entire State;
Oklahoma. Adair, Alfalfa, Atoka, Beaver, Beckham, Bryan, Canadian, Cherokee, Choctaw, Cimarron, Coal, Craig, Creek, Delaware, Ellis, Garfield, Grant, Greer, Harmon, Harper, Haskell, Jackson, Johnston, Kay, Kingfisher, Kiowa, Latimer, Le Flore, Logan, McClain, McCurtain, McIntosh, Major, Marshall, Mayes, Murray, Muskogee, Noble, Nowata, Okfuskee, Oklahoma, Okmulgee, Osage, Ottawa, Pawnee, Payne, Pontotoc, Pushmataha, Rogers, Sequoyah, Texas, Wagoner, Washington, Washita, Woods, and Woodward Counties;
Oregon. The entire State;
Pennsylvania. The entire State;
Rhode Island. The entire State;
South Carolina. The entire State;
South Dakota. Beadle, Bennett, Brookings, Brown, Buffalo, Butte, Campbell, Clark, Clay, Codington, Corson, Custer, Day, Deuel, Edmonds, Fall River, Faulk, Grant, Haakon, Hamlin, Hand, Hanson, Harding, Jackson, Jerauld, Jones, Kingsbury, Lake, Lawrence, Lincoln, McCook, McPherson, Marshall, Meade, Mellette, Miner, Minnehaha, Moody, Pennington, Perkins, Potter, Roberts, Sanborn, Shannon, Spink, Todd, Turner, Union, Walworth, Washabaugh, Yankton, and Ziebach Counties; and Crow Creek Indian Reservation;
Tennessee. The entire State;
Texas. Andrews, Archer, Armstrong, Atascosa, Bailey, Bandera, Baylor, Bell, Bexar, Blanco, Borden, Bosque, Brewster, Briscoe, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Camp, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comal, Comanche, Concho, Coryell, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dawson, Deaf Smith, Dickens, Dimmit, Donley, Duval, Eastland, Ector, Edwards, El Paso, Erath, Falls, Fisher, Floyd, Foard, Freestone, Gaines, Garza, Gillespie, Glasscock, Gray, Guadalupe, Hale, Hall, Hamilton, Hansford, Hardeman, Hartley, Haskell, Hays, Hemphill, Hidalgo, Hockley, Hood, Howard, Hudspeth, Hutchinson, Irion, Jack, Jeff Davis, Jim Hogg, Jim Wells, Jones, Karnes, Kendall, Kent, Kimble, King, Kinney, Knox, Lamb, Lampasas, Lee, Limestone, Lipscomb, Live Oak, Llano, Loving, Lubbock, Lynn, Martin, Mason, Maverick, McCulloch, McLennan, Medina, Menard, Midland, Milam, Mills, Mitchell, Moore, Morris, Motley, Navarro, Newton, Nolan, Ochiltree, Oldham, Orange, Palo Pinto, Parker, Parmer, Pecos, Potter, Presidio, Randall, Reagan, Real, Reeves, Roberts, Runnels, Saline, San Augustine, San Saba, Schleicher, Scurry, Shackelford, Shelby, Sherman, Smith, Somervell, Starr, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terrell, Terry, Throckmorton, Tom Green, Travis, Upton, Uvalde, Val Verde, Ward, Washington, Wheeler, Wichita, Wilbarger, Williamson, Wilson, Winkler, Yoakum, Young, Zapata, and Zavala Counties;
Utah. The entire State;
Vermont. The entire State;
Virginia. The entire State;
Washington. The entire State;
West Virginia. The entire State;
Wisconsin. The entire State;
Wyoming. The entire State;
Puerto Rico. The entire area; and
Virgin Islands of the United States. The entire area.

(Secs. 4, 5, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791–792, as amended, sec. 3, 33 Stat. 1265, as amended, sec. 2, 65 Stat. 693; 21 U.S.C. 111–113, 114a–1, 120, 121, 125; 29 F.R. 16210, as amended; 9 CFR 78.16)

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

The amendment adds the following additional areas to the list of areas designated as modified certified brucellosis areas because it has been determined that such areas come within the definition of § 78.1(l): Orange County in Florida; Sabine, St. Bernard, and St. Martin Parishes in Louisiana; Claiborne and Lafayette Counties in Mississippi; Beckham County in Oklahoma; and Hemphill, Navarro, Newton, Orange, Smith, and Starr Counties in Texas.

The amendment imposes certain restrictions necessary to prevent the spread of brucellosis in cattle and relieves restrictions presently imposed. It should be made effective promptly in order to accomplish its purpose in the public interest and to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under the administrative procedure provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedure with respect to the amendment are impracticable and contrary to the public interest, and good cause is found for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 12th day of July 1968.

G. H. WISE,
Acting Director, Animal Health Division, Agricultural Research Service.

[F.R. Doc. 68–8486; Filed, July 16, 1968; 8:50 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airspace Docket No. 67–EA–72]

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

Alteration of Control Zone and Transition Area

On page 14666 of the FEDERAL REGISTER for October 21, 1967, the Federal Aviation Administration published proposed regulations which would alter the Harrisburg, Pa., control zone and 700-foot floor transition area. These regulations were then published on page 20705 of the FEDERAL REGISTER for December 22, 1967, as adopted rules. However, in the publication on December 22, 1967, only the reprint of the Harrisburg, Pa., transition area was published. The purpose of this rule is to republish the rules so as to permit a printing of both the control zone and transition area as they were adopted effective February 1, 1968.

Issued in Jamaica, N.Y., on June 28, 1968.

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

WAYNE HENDERSHOT,
Acting Director, Eastern Region.

1. Amend § 71.171 of Part 71 of the Federal Aviation Regulations by deleting

in the description of the Harrisburg, Pa., control zone "40°11'39" N., 76°45'39" W. of Olmsted AFB", and substitute therefor, "40°11'35" N., 76°45'47" W. of Olmsted State Airport"; delete the words "Olmsted TACAN 118° radial" and all thereafter and substitute therefor, "centerline of Olmsted State Airport Runway 13 extended from the Olmsted State Airport 5-mile radius zone to 5 miles southeast of the end of the runway."

2. Amend § 71.181 of Part 71 of the Federal Aviation Regulations by deleting the description of the Harrisburg, Pa., 700-foot floor transition area and insert in lieu thereof the following:

HARRISBURG, PA.

That airspace extending upward from 700 feet above the surface within a 12-mile radius of a point 40°13'24" N., 76°52'39" W.; within 5 miles south and 8 miles north of the Harrisburg-York State Airport ILS localizer west course extending from the 12-mile radius area to 12 miles west of the OM; within 5 miles north and 8 miles south of the Harrisburg VOR 280° radial extending from the 12-mile radius area to 12 miles west of the VOR; within a 9-mile radius of the center, 40°11'35" N., 76°45'47" W. of Olmsted State Airport, Middletown, Pa.; within 5 miles north and 8 miles south of the Olmsted State Airport ILS localizer northwest course extending from the 12-mile radius area to 12 miles northwest of the OM; and within 2 miles each side of the centerline of Olmsted State Airport Runway 13 extended from the 9-mile radius area to 9 miles southeast of the end of the runway.

[F.R. Doc. 68-8428; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-SO-45]

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

Alteration of Control Zone and Transition Area

The purpose of these amendments to Part 71 of the Federal Aviation Regulations is to alter the Savannah, Ga., control zone and transition area.

The Savannah control zone is described in § 71.171 (33 F.R. 2058).

The Savannah transition area is described in § 71.181 (33 F.R. 2137).

In the control zone description, an extension is predicated on the Savannah VORTAC 245° radial.

In the transition area description, an extension is predicated on the Savannah VORTAC 065° radial.

Because of a change in the procedure turn radial from 065° to 061° and the final approach radial from 245° to 241° of the AL-38-VOR-RWY-27 standard instrument approach procedure, due to conversion to the new Terminal Instrument Procedures (TERPs), it is necessary to alter the descriptions accordingly.

Since these amendments are minor in nature and impose no additional burden on the public, notice and public procedure hereon are unnecessary and the amendments may become effective without regard to the 30-day statutory period.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., July 18, 1968, as hereinafter set forth.

In § 71.171 (33 F.R. 2058), the Savannah, Ga., control zone is amended as follows: "* * * within 2 miles each side of the Savannah VORTAC 245° radial * * *" is deleted and "* * * within 2 miles each side of the Savannah VORTAC 241° radial * * *" is substituted therefor.

In § 71.181 (33 F.R. 2137), the Savannah, Ga., transition area is amended as follows: "* * * within 2 miles each side of the Savannah VORTAC 065° radial * * *" is deleted and "* * * within 2 miles each side of the Savannah VORTAC 061° radial * * *" is substituted therefor.

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

Issued in East Point, Ga., on July 5, 1968.

JAMES G. ROGERS,
Director, Southern Region.

[F.R. Doc. 68-8429; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-CE-55]

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

Alteration of Control Zone and Transition Area

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Grand Island, Nebr., control zone and transition area.

The Grand Island, Nebr., ILS is being decommissioned and the instrument approach procedure predicated on the ILS will be canceled effective on the decommissioning date. Since controlled airspace for the protection of aircraft executing this canceled procedure is no longer required, it is necessary to alter the Grand Island control zone and transition area to delete this airspace from the designations.

Since the proposed alteration will reduce the existing designated Grand Island control zone and transition area it will not impose any additional burden on any person. Therefore, notice and public procedure hereon will be unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended effective August 22, 1968, as hereinafter set forth:

(1) In § 71.171 (33 F.R. 2058), the following control zone is amended to read:

GRAND ISLAND, NEBR.

Within a 5-mile radius of Grand Island Municipal Airport (latitude 40°58'05" N., longitude 98°18'20" W.); within 2 miles each side of the Grand Island VORTAC 360° radial, extending from the 5-mile radius zone to 8 miles north of the VORTAC; and within 2 miles each side of the Grand Island VORTAC 304° radial, extending from the 5-mile radius zone to 8 miles northwest of the VORTAC.

(2) In § 71.181 (33 F.R. 2137), the following transition area is amended to read:

GRAND ISLAND, NEBR.

That airspace extending upward from 700 feet above the surface within a 9-mile radius of Grand Island Municipal Airport (latitude 40°58'05" N., longitude 98°18'20" W.); within 5 miles east and 8 miles west of the Grand Island VORTAC 360° radial, extending from the 9-mile radius area to 12 miles north of the VORTAC; and within 5 miles northeast and 8 miles southwest of the Grand Island VORTAC 304° radial, extending from the 9-mile radius area to 12 miles northwest of the VORTAC; and that airspace extending upward from 1,200 feet above the surface within the arc of a 17-mile radius circle centered on the Grand Island VORTAC, extending from the Grand Island VORTAC 273° radial clockwise to the Grand Island VORTAC 084° radial; within the arc of a 27-mile radius circle centered on the Grand Island VORTAC, extending from the Grand Island VORTAC 084° radial clockwise to the Grand Island VORTAC 273° radial; and within 5 miles east and 8 miles west of the Grand Island VORTAC 360° radial, extending from the 17-mile radius area to the south edge of V-172, excluding the portion which overlies the Hastings, Nebr., transition area.

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

Issued at Kansas City, Mo., on June 28, 1968.

DANIEL E. BARROW,
Acting Director, Central Region.

[F.R. Doc. 68-8430; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-SO-48]

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

Alteration of Transition Area

The purpose of these amendments to Part 71 of the Federal Aviation Regulations is to alter the Miami, Fla., transition area.

The Miami transition area is described in § 71.181 (33 F.R. 2137).

In the description, a portion of the transition area is predicated on the "old Tamiami Airport" and reference is made to the "new Tamiami Airport." Additionally, the geographic coordinate for the Fort Lauderdale-Hollywood International Airport is shown as "lat. 26° 04'25" N., long. 80°09'10" W."

Because of the deactivating of the old Tamiami Airport, the commissioning of the new Tamiami Airport, and a change in the Fort Lauderdale-Hollywood International Airport geographic coordinate to "lat. 26°04'15" N., long. 80°09' 15" W.", it is necessary to alter the transition area description to reflect these changes.

Since these amendments are either editorial or less restrictive in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective immediately, as hereinafter set forth.

In § 71.181 (33 F.R. 2137), the Miami, Fla., transition area is amended as follows:

"* * * within a 4-mile radius of the old Tamiami Airport, Fla. (lat. 25°45'

15'' N., long. 80°22'35'' W.); * * *" is deleted.

"* * * within an 8-mile radius of the new Tamiami Airport, Fla. * * *." is deleted and "* * * within an 8-mile radius of Tamiami Airport, Fla. * * *." is substituted therefor.

"* * * within a 7-mile radius of Fort Lauderdale - Hollywood International Airport (lat. 26°04'25'' N., long. 80°09'10'' W.); * * * is deleted and "* * * within a 7-mile radius of Fort Lauderdale-Hollywood International Airport (lat. 26°04'15'' N., long. 80°09'15'' W.); * * * is substituted therefor.

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

Issued in East Point, Ga., on July 5, 1968.

JAMES G. ROGERS,
Director, Southern Region.

[F.R. Doc. 68-8433; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-WE-48]

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

Alteration of Transition Area

On May 30, 1968, a notice of proposed rule making was published in the FEDERAL REGISTER (33 F.R. 7884) stating that the Federal Aviation Administration proposed to amend Part 71 of the Federal Aviation Regulations by altering the description of the Riverton, Wyo., transition area. Interested persons were given 30 days in which to submit written comments, suggestions, or objections.

No objections have been received and the proposed amendment is hereby adopted without change.

Effective date. This amendment shall be effective 0901 G.m.t., September 19, 1968.

Issued in Los Angeles, Calif., on July 8, 1968.

LEE E. WARREN,
Acting Director, Western Region.

In § 71.181 (33 F.R. 2246) the Riverton, Wyo., transition area is amended to read as follows:

RIVERTON, WYO.

That airspace extending upward from 700 feet above the surface within a 7-mile radius of Riverton Municipal Airport (latitude 43°03'45'' N., longitude 108°27'15'' W.), and within 5 miles north and 8 miles south of the Riverton VOR 291° radial extending from the VOR to 12 miles west of the VOR; that airspace extending upward from 1,200 feet above the surface within a 25-mile radius of the Riverton VOR, within 10 miles east and 7 miles west of the Riverton VOR 016° radial, extending from the 25-mile radius area to 38 miles north of the VOR, and that airspace within 5 miles each side of the Riverton VOR 288° radial extending from the 25-mile radius area to 30 miles west of the VOR.

[F.R. Doc. 68-8434; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-SW-35]

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

Alteration of Transition Areas

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Big Spring, Tex., and San Angelo, Tex., transition areas.

On May 25, 1968, a notice of proposed rule making was published in the FEDERAL REGISTER (33 F.R. 7727) stating the Federal Aviation Administration proposed to alter the Big Spring, Tex., and San Angelo, Tex., transition areas.

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

Subsequent study revealed a need to add a small triangle of airspace to the south boundary of the proposed San Angelo, Tex., transition area 1,200-foot portion addition to provide controlled airspace for low-level T-38 training flights. This is being accomplished by changing the proposed coordinates "lat. 30°57'00'' N., long. 101°05'00'' W." to "lat. 30°51'00'' N., long. 101°05'00'' W." There are no airports located within this triangle. Since this change is minor in nature and will impose no undue burden on any person, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., September 19, 1968, as herein set forth.

(1) In § 71.181 (33 F.R. 2150), the Big Spring, Tex., transition area 7,500-foot portion is amended by deleting "* * * 101°00'00'' W. * * *" and substituting therefor "* * * 101°05'00'' W. * * *."

(2) In § 71.181 (33 F.R. 2250), the San Angelo, Tex., transition area is amended in part by deleting "* * * within 2 miles each side of the San Angelo ILS localizer southwest course extending from the 8-mile radius area to 8 miles southwest of the OM * * * lat. 31°02'40'' N., long. 100°45'55'' W. * * *" and substituting therefor "* * * within 5 miles northwest and 8 miles southeast of the San Angelo ILS localizer southwest course extending from the OM to 12 miles southwest * * * lat. 30°57'00'' N., long. 100°37'30'' W., to lat. 30°51'00'' N., long. 101°05'00'' W., to lat. 31°28'40'' N., long. 101°05'00'' W. * * *."

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

Issued in Fort Worth, Tex., on July 3, 1968.

A. L. COULTER,
Acting Director, Southwest Region.

[F.R. Doc. 68-8435; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68-WA-11]

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

PART 75—ESTABLISHMENT OF JET ROUTES

Alteration of Federal Airways, Jet Routes, Designated Reporting Points, and Transition Areas; Correction

On June 26, 1968, F.R. Doc. 68-7531 was published in the FEDERAL REGISTER (33 F.R. 9334) and amended Parts 71 and 75 of the Federal Aviation Regulations by changing the name of the Boulder, Nev., VORTAC to Boulder City, Nev., wherever it appeared in various airspace assignments. These amendments were effective immediately. It was intended that the description of J-110 also be altered. However, it was inadvertently omitted from this document. Corrective action is taken herein.

In consideration of the foregoing, F.R. Doc. 68-7531 is amended effective immediately by adding paragraph 5.i., as hereinafter set forth.

5.i. In the text of J-110, "Boulder, Nev.;" is deleted and "Boulder City, Nev.;" is substituted therefor.

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

Issued in Washington, D.C., on July 5, 1968.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-8436; Filed, July 16, 1968; 8:47 a.m.]

[Airspace Docket No. 68-WE-52]

PART 73—SPECIAL USE AIRSPACE

Alteration of Restricted Area

The purpose of this amendment to Part 73 of the Federal Aviation Regulations is to extend the time of designation of the Gila Bend, Ariz., Restricted Area R-2304 from "Sunrise to Sunset, Monday through Friday" to "Sunrise to 2400 local time, Monday through Friday."

The Department of the Air Force has stated that increased training requirements essential to support of Southeast Asia operations necessitate use of R-2304 during night hours up to midnight local time. Night ground attack training by Combat Crew Training Wings from Luke AFB and Davis-Monthan AFB requires an average of 20 nights per month using an average of 10 range periods of 30 minutes duration each night.

Since the Air Force has stated that an urgent military need exists to accomplish the additional training, the Administrator finds that notice and public procedure hereon are impractical and the amendment may be made effective in less than 30 days.

In consideration of the foregoing, Part 73 of the Federal Aviation Regulations is amended, effective immediately, as hereinafter set forth.

In § 73.23 (33 F.R. 2300) the Gila Bend, Ariz., Restricted Area R–2304 is amended by deleting "Time of designation: Sunrise to sunset, Monday through Friday." and substituting therefor "Time of designation: Sunrise to 2400 local time, Monday through Friday."

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

Issued in Washington, D.C., on July 5, 1968.

FERRIS J. HOWLAND,
Acting Director, Air Traffic Service.

[F.R. Doc. 68–8432; Filed, July 16, 1968; 8:46 a.m.]

[Airspace Docket No. 68–WA–13]

PART 75—ESTABLISHMENT OF JET ROUTES

Alteration of Jet Route

The purpose of this amendment to Part 75 of the Federal Aviation Regulations is to alter the description of the United States segment of J/HL–500 from Sault Ste. Marie, Mich., to North Bay, Ontario, Canada, to reflect the recent realignment of the Canadian segment.

Since this action is minor and editorial in nature, and is depicted on aeronautical charts, the Administrator has determined that notice and public procedure thereon is unnecessary and that the amendment may be made effective immediately.

In consideration of the foregoing, Part 75 of the Federal Aviation Regulations is amended effective immediately as hereinafter set forth.

Section 75.100 (33 F.R. 2349) is amended as follows: In the text of Jet Route No. 500 "Gore Bay, Ontario, RR;" is deleted and "North Bay, Ontario, Canada;" is substituted therefor.

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

Issued in Washington, D.C., on July 5, 1968.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68–8431; Filed, July 16, 1968; 8:46 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. C–1110]

PART 13—PROHIBITED TRADE PRACTICES

Winn-Dixie Stores, Inc.

Subpart—Acquiring corporate stocks or assets: § 13.5 *Acquiring corporate stock or assets.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 7, 38 Stat. 731, as amended; 15 U.S.C. 18) [Modified order to cease and desist, Winn-Dixie Stores, Inc., Jacksonville, Fla., Docket C–1110, June 24, 1968]

Order modifying a consent order dated September 14, 1966, 31 F.R. 13080, which prohibited a chain grocery firm from acquiring any grocery stores without Commission approval, by limiting prohibited acquisitions to grocery chains with (1) five or more stores, (2) annual sales over $5 million, or (3) a combined market share of over 5 percent in any trade area.

The modified order to cease and desist, is as follows:

It is ordered, That this matter be, and it hereby is, reopened.

It is further ordered, That the order issued in this matter on September 14, 1966, be, and it hereby is, modified to read as follows:

It is ordered, That, for a period of ten (10) years from November 14, 1966, Winn-Dixie Stores, Inc., shall not (A) merge with or acquire, directly or indirectly, through subsidiaries, or in any other manner, except with the prior approval of the Commission upon written application, the whole or any part of any grocery store (an establishment classified in Industry No. 5411, Standard Industrial Classification Manual, 1967 revision, or a grocery department in a non-food store), where such acquisition or merger involves (1) five or more grocery stores, (2) annual grocery store sales of more than five (5) million dollars, or (3) combined (respondent and the grocery stores to be acquired or merged) grocery store sales of more than five (5) percent of total grocery or food store sales in any city or county in the United States; and (B) without sixty (60) days prior notification to the Commission, merge with or acquire, directly or indirectly, through subsidiaries or in any other manner, any grocery store establishment for which prior approval is not required pursuant to subparagraph A.

Within thirty (30) days from the effective date of this order, and annually thereafter until it has fully complied with this order, Winn-Dixie Stores, Inc., shall submit a verified written report to the Federal Trade Commission setting forth in detail the manner and form in which it intends to comply, is complying, or has complied with this order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each person having authority to approve grocery store acquisitions and mergers.

Issued: June 24, 1968.

By the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 68–8478; Filed, July 16, 1968; 8:49 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Magazine Sponsored Contest To Win a House

§ 15.266 Magazine sponsored contest to win a house.

(a) The Commission rendered an advisory opinion advising a magazine publisher that there would be no objection to a proposal to give purchasers or readers the opportunity to participate in a contest to win a house if implemented in the manner outlined below.

(b) The plan as presented was to give the reader, whether a purchaser or not, the opportunity to participate in a competitive contest to win a house. The contestant was to send in a numbered coupon clipped from the magazine with a written answer of 50 words or less to a question as, for example, "Why do I believe in democracy?" The answer was to be judged by an independent panel, with the best essay being declared the winner. The contest was to take place every 3 months, at a prefixed date, in a public community event. The purpose of the number was to identify the contestant, with the judges knowing only the numbers of the participants and not their names.

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

Issued: July 16, 1968.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 68–8342; Filed, July 16, 1968; 8:45 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Legality of Describing Green Tourmaline as "Emerald Green Tourmaline" or "Precious Tourmaline"

§ 15.267 Legality of describing green tourmaline as "Emerald Green Tourmaline" or "Precious Tourmaline".

(a) The Commission was requested to render an advisory opinion as to the legality of describing green tourmaline as "Emerald Green Tourmaline" or as "Precious Tourmaline". The stone involved in the request was said to contain chromium, the same coloring agent which produces emerald when it occurs in beryl, and the stone resembled emerald in appearance.

(b) The Commission advised that it was of the opinion that the words "emerald" and "precious" may not be used in connection with the word "tourmaline" to describe the stone in question.

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

Issued: July 16, 1968.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA,
Secretary.

[F.R. Doc. 68–8343; Filed, July 16, 1968; 8:45 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Agreement Not To Advertise Prices

§ 15.268 Agreement not to advertise prices.

(a) The Commission rendered an advisory opinion in which it stated that a joint agreement among competitors to refrain from price advertising would constitute a violation of section 5 of the Federal Trade Commission Act.

(b) The request which prompted the Commission's opinion stemmed from a proposal to use the following language in an association's standards of ethics: "Advertising of rates or comparison of competitor's rates or charges, is prohibited on the basis that such advertising demeans the profession."

(c) The present code now in effect uses the word "discouraged" in lieu of the word "prohibited."

(d) In ruling that such a provision would be illegal, the Commission said: "* * * since price difference and price comparison may be valuable stimulants to competition, any agreement to suppress the advertising of the two would constitute an agreement in restraint of trade violative of section 5 of the Federal Trade Commission Act."

(e) "Moreover, as to the present use of the word 'discouraged' in the code now in effect, you are informed that any agreement to 'discourage' advertising of rates or rate comparison would also be in restraint of trade and violative of section 5 of the Federal Trade Commission Act. The Commission is aware that you have not requested this advice, and indeed under the Commission's rules an advisory opinion is usually considered inappropriate because the practice is one which is already engaged in; however, since your adoption of this rule has come to the attention of the Commission, the Commission would be remiss in not suggesting its discontinuance."

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

Issued: July 16, 1968.

By direction of the Commission.

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

[F.R. Doc. 68–8344; Filed, July 16, 1968; 8:45 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Pooling of Allowances for Purposes of Joint Advertising

§ 15.269 Pooling of allowances for purposes of joint advertising.

(a) The Commission was requested to render an advisory opinion concerning the legality of a proposal by a group of independent retailers to pool the advertising allowances due the members for purposes of joint advertising.

(b) Under the proposal, all money earned by the members under the suppliers' cooperative advertising programs would be assigned to the group in a collective advertising effort for the suppliers. Each supplier would receive, on the basis of the amount of money earned from him by all members of the group, radio advertising through the medium of 3 minute programs, each of which would have 1 minute of time available for the suppliers' commercial messages. The content of the 1 minute commercial would be governed by the suppliers themselves and would not be connected in any way with the retailers' advertising.

(c) As part of the proposal, for each program a supplier receives the retailers would receive broadcast time on the same stations for their message, which would be institutional in nature and would extol the advantages of dealing with independent retailers. Under this type of advertising program, it would not be possible to mention individual dealers nor will prices be mentioned in such advertising.

(d) The opinion advised that the Commission could see no objection to the proposal on the understanding that the fund used by or on behalf of the participating group to purchase advertising space will consist only of the aggregate of advertising allowances properly available to the members individually under the terms of section 2(d) of the Clayton Act, as amended by the Robinson-Patman Act. In brief, that section prohibits the payment by sellers of allowances to some customers which are not made available on proportionally equal terms to all competing customers. In this connection, the opinion further advised that it would be unlawful if the combined power of the group was used to induce from the suppliers allowances greater than those to which the individual members were entitled under such section.

(38 Stat. 717, as amended; 15 U.S.C. 41–58; 49 Stat. 1526; 15 U.S.C. 13, as amended)

Issued: July 16, 1968.

By direction of the Commission.

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

[F.R. Doc. 68–8345; Filed, July 16, 1968; 8:45 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Necessity for Disclosing Country of Origin of Imported Ski

§ 15.270 Necessity for disclosing country of origin of imported ski.

(a) The Commission was requested to render an advisory opinion as to the marking requirements applicable to a ski which is imported from abroad in an unfinished state and which would have to have the decal and the top finish applied in this country, as well as the final process for finishing the bottom or the running surface.

(b) The opinion advised that in the Commission's view it will be necessary to disclose the country of origin of this ski in a clear and conspicuous manner to prospective purchasers at the point of sale.

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

Issued: July 16, 1968.

By direction of the Commission.

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

[F.R. Doc. 68–8346; Filed, July 16, 1968; 8:45 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER A—GENERAL

PART 1—REGULATIONS FOR THE ENFORCEMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND THE FAIR PACKAGING AND LABELING ACT

Exemption of Wheat Flour From Certain Labeling Requirements

In the matter exempting wheat flour from certain labeling requirements of the regulations (21 CFR Part 1) for the enforcement of the Fair Packaging and Labeling Act:

A notice of proposed rule making in the above-identified matter was published in the FEDERAL REGISTER of February 17, 1968 (33 F.R. 3139), based on a petition submitted by the Millers' National Federation, Washington, D.C. 20004. Twenty-one favorable and two adverse comments were received in response to the proposal.

Based on consideration of the comments received and other relevant information, the Commissioner of Food and Drugs concludes that the proposed amendment should be adopted as set forth below. The Commissioner also concludes that since there was no opportunity for wheat flour manufacturers to make label changes during the pendency of the exemption proposal, any wheat flour label changes made necessary by the regulations under the Fair Packaging and Labeling Act (21 CFR Part 1) should be made before July 1, 1969, rather than before July 1, 1968.

Accordingly, pursuant to the provisions of the Fair Packaging and Labeling Act (secs. 5(b), 6(a), 80 Stat. 1298, 1299; 15 U.S.C. 1453, 1455) and the Federal Food, Drug, and Cosmetic Act (sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371), and under the authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120): *It is ordered*, That § 1.1c(a) be amended by adding thereto a new subparagraph, as follows:

§ 1.1c Exemptions from required label statements.

* * * * *

(a) *Foods.* * * *

(8) Wheat flour products, as defined by §§ 15.1, 15.10, 15.20, 15.30, 15.50, 15.60, 15.70, 15.75, 15.80, and 15.90 of this chapter, packaged:

(i) In conventional 2-, 5-, 10-, 25-, 50-, and 100-pound packages are exempt

from the placement requirement of § 1.8b(f) that the declaration of net contents be located within the bottom 30 percent of the area of the principal display panel of the label; and

(ii) In conventional 2-pound packages are exempt from the dual new-contents declaration requirement of § 1.8b(j) provided the quantity of contents is expressed in pounds.

* * * * *

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in six copies.

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 5(b), 6(a), 80 Stat. 1298, 1299; 15 U.S.C. 1458, 1455; sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371)

Dated: July 8, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-8491; Filed, July 16, 1968; 8:50 a.m.]

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in the Feed and Drinking Water of Animals or for the Treatment of Food-Producing Animals

CARBARSONE (NOT U.S.P.)

An order was published in the FEDERAL REGISTER of February 1, 1968 (33 F.R. 2441), establishing a food additive regulation, § 121.310, to provide for the safe use of carbarsone (not U.S.P.) in turkey feed. The order was in response to a petition (FAP 6D1830) submitted by Whitmoyer Laboratories, Inc., 19 North Railroad Street, Myerstown, Pa. 17067.

The petitioner has submitted a request that the specification in § 121.310 regarding potassium chloride be changed to read "potassium or sodium chloride." Having considered the petitioner's request, the data submitted in the petition, and other relevant information, the Commissioner of Food and Drugs concludes that as a completion of action on the petition the regulation should be amended as requested.

Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under the authority delegated to the Commissioner (21 CFR 2.120), § 121.310(a) is amended by changing the specification "Potassium chloride (dry basis)" to read as follows:

§ 121.310 Carbarsone (not U.S.P.).

* * * * *

(a) * * *

	Percent
* * *	* * *
Potassium or sodium chloride (dry basis).	4.5 maximum.
* * *	* * *

* * * * *

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

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

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

Dated: July 10, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-8490; Filed, July 16, 1968; 8:50 a.m.]

Title 23—HIGHWAYS AND VEHICLES

Chapter II—Vehicle and Highway Safety

[Docket No. 1-22; Motor Vehicle Safety Standard No. 115]

PART 255—INITIAL FEDERAL MOTOR VEHICLE SAFETY STANDARDS

Vehicle Identification Number; Passenger Cars

A proposal to amend § 255.21 of Part 255, Federal Motor Vehicle Safety Standards, by adding a new standard, Vehicle Identification Number—Passenger Cars, was published in the FEDERAL REGISTER on December 28, 1967 (32 F.R. 20866).

Interested persons have been afforded an opportunity to participate in the making of the standard. Their comments and other available information have been carefully considered.

The Administrator has concluded that prevention and deterrence of passenger car thefts would substantially reduce the number and seriousness of motor vehicle accidents. Available evidence shows that cars operated by unauthorized persons are far more likely to cause unreasonable risk of accidents, personal injuries and deaths than those which are driven by, or with the permission of, their owners. The incidence of theft and the risk of accidents attributable thereto is increasing. According to a recent study by the Department of Justice, an estimated 94,000 stolen cars were involved in accidents in 1966, and more than 18,000 of these accidents resulted in injury to one or more people. 18.2 percent of the stolen cars became involved in accidents, and 19.6 percent of the stolen-car accidents caused personal injury. The same study predicted that automobile thefts in 1967 would total about 650,000; about 100,000 of these stolen cars would be expected to become involved in accidents. Comparing these figures with statistics for cars which are not stolen, the approximate accident rate for stolen cars would be some 200 times the rate for other cars. Thus, a reduction in the incidence of auto theft would meet the need for motor vehicle safety. It would not only reduce the number of injuries and deaths among those who steal cars, it would also protect the many innocent members of the public who are killed and injured by stolen cars each year.

In its report, "The Challenge of Crime in a Free Society," the President's Commission on Law Enforcement and Administration of Justice noted the rising cost of auto thefts in lives and dollars, highlighted the need for measures to reduce auto thefts and suggested that "The responsibility could well be assigned to the National Highway Safety Agency as part of its program to establish safety standards for automobiles." (pp. 260-261).

The Administrator has decided that the problem of reducing the incidence of automobile thefts should be attacked on a two-pronged basis. On one hand, physical impediments should be placed in the path of potential thieves; to accomplish this, a Motor Vehicle Safety Standard on Theft Protection—Passenger Cars has been promulgated. That standard prescribes automobile equipment which tends physically to defeat an attempted theft. It is equally important to interpose psychological deterrents to automobile theft. A unique identification number affixed to each car in a uniform location and readable from outside the car would serve as such a deterrent. The present standard requires manufacturers to install such a number in each passenger car. When so installed, it will enable law enforcement agencies to find stolen cars and apprehend car thieves with much greater

facility than now exists. By confronting a potential thief with the promise of swift and sure apprehension, compliance with the standard will deter him from making off with someone else's automobile. All law enforcement agencies, as well as many other organizations concerned with the rising incidence of car thefts, that responded to the notice of proposed rule making endorsed the concept of a visible identification number embodied in the standard. Many of these groups said that the standard would promote efforts to curb unauthorized use of passenger cars. The Administrator has therefore concluded that issuance of the standard will protect the public against the unreasonable risk of accidents stemming from widespread automobile theft.

The Administrator has carefully considered the contention, which some manufacturers advanced, that the standard might actually increase the risk of automobile theft because a thief, armed with ready access to the car's identification number, might thereby obtain a key for its ignition lock. The acquisition of master or identical keys procured through knowledge of a vehicle's identification number is a lengthy and arduous process. Hence, it is a technique that is rarely, if ever, used by amateur thieves whose activities create the greatest risk of stolen-car accidents. Furthermore, as a practical matter, it is possible to utilize this technique only with respect to a relatively small number of cars. The Theft Protection standard, effective January 1, 1970, will result in a larger number of combinations for ignition locks, and this should substantially reduce the effectiveness of master keys. In addition, improved key-control measures can prevent thieves from acquiring duplicate keys simply by knowing the vehicle identification number. On balance, therefore, the Administrator does not agree with those who argue that the standard will not result in an overall reduction in the number of automobile thefts.

The Administrator also rejects the contention that the standard is unnecessary because of the almost universal requirement that all automobiles must bear at least one license plate. Experience has shown that ordinary license plates, located on the outside of a car and installed with screws, are often removed and replaced with other plates. Knowing only the number of the license plates sold to the owner of the stolen car, the police have no sure way of identifying the car when other plates have been attached to it. The standard attempts to overcome this problem by requiring that the car's identification number be affixed with relative permanency.

In addition to license-plate requirements, the laws of many States contain provisions relating to identifying numbers on motor vehicles. The primary purpose of these State-law requirements is to facilitate the issuance and transfer of titles to motor vehicles. So far as the Administrator is aware, no State provides for a number which is readable from outside a vehicle without opening a door, hood or other part of the vehicle. These State requirements are neither safety standards, nor do they relate directly to the prevention of motor vehicle thefts or the apprehension of thieves. Consequently, the Administrator has concluded that the standard will have no preemptive effect upon such State laws.

Several changes have been made in the form of the standard as it appeared in the notice of proposed rule making. A number of comments objected to the requirement, as stated in the notice, that the vehicle identification number must "provide permanent legibility" on the ground that it was unrealistic and unattainable. In response to these comments, the requirement was deleted. The term "permanent structure" was defined to clarify its meaning, in the light of a number of submissions which indicated that some manufacturers were confused about the parts of the automobile that were included within the meaning of the term.

Some comments questioned the requirement that the number must be affixed in such a manner that "removal, replacement, or alteration of the number will show evidence of tampering." The requirement has been deleted. The standard now provides that the number must either be sunk into or embossed upon each car's permanent structure or upon a separate plate that is permanently affixed to the permanent structure. The term "permanently affixed" is used in section 114 of the National Traffic and Motor Vehicle Safety Act, and it was retained in the standard notwithstanding contentions that it was not sufficiently definitive.

The portion of the notice pertaining to readability of the number (paragraph S4.4) was amended to include the conditions under which the number must be readable. This provision was also redrafted to make it clear that the number must be readable from a position outside the vehicle without moving any part of the vehicle. This precludes placing the number in a location such that, in order to read it, a door, trunk lid or other portion of the car's body must be opened.

In consideration of the foregoing, § 255.21 of Part 255, Federal Motor Vehicle Safety Standards, is amended by adding Standard No. 115, as set forth below, effective January 1, 1969.

(Secs. 103, 119, National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392, 1407); delegation of authority of April 24, 1968)

Issued in Washington, D.C., on July 3, 1968.

LOWELL K. BRIDWELL,
Federal Highway Administrator.

MOTOR VEHICLE SAFETY STANDARD NO. 115

VEHICLE IDENTIFICATION NUMBER—PASSENGER CARS

S1. *Purpose and Scope.* This standard specifies requirements for vehicle identification numbers to reduce the incidence of accidents resulting from unauthorized use.

S2. *Application.* This standard applies to passenger cars.

S3. *Definition.* "Vehicle identification number" means a number consisting of arabic numerals, roman letters, or both, which the manufacturer assigns to the vehicle for identification purposes.

S4. *Requirements.*

S4.1 Each passenger car shall have a vehicle identification number.

S4.2 The vehicle identification numbers of two vehicles manufactured by a manufacturer within a 10-year period shall not be identical.

S4.3 The vehicle identification number of each passenger car shall be sunk into or embossed upon either a part of the vehicle (other than the glazing) that is not designed to be removed except for repair or a separate plate which is permanently affixed to such a part.

S4.4 The vehicle identification number shall be located inside the passenger compartment and shall be readable, without moving any part of the vehicle, through the vehicle glazing under daylight lighting conditions by an observer having 20/20 vision (Snellen) whose eyepoint is located outside the vehicle adjacent to the left windshield pillar.

Effective date: January 1, 1969.

[F.R. Doc. 68-8445; Filed, July 16, 1968; 8:47 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 101—Federal Property Management Regulations

SUBCHAPTER G—TRANSPORTATION AND MOTOR VEHICLES

PART 101-38—MOTOR EQUIPMENT MANAGEMENT

Code Designations; Exemptions; Guidelines Covering Preventive Maintenance of Government-Owned Motor Vehicles; and GSA Form 1020

This amendment adds the agency code designation for the Defense Contract Audit Agency; revises the unlimited exemptions granted the Department of Agriculture to include motor vehicles of the Packers and Stockyards Administration; prescribes agency requirements and guidelines covering a preventive maintenance program for Government-owned motor vehicles; and revises GSA Form 1020, U.S. Government Certificate of Ownership of a Motor Vehicle.

Subpart 101-38.3—Official Government Tags

Section 101-38.304-1 is amended by the addition of the following agency code designation in alphabetical order:

§ 101-38.304-1 Code designations.

* * * * *

Defense Contract Audit Agency---------- DA.

* * * * *

Subpart 101–38.6—Exemptions From Use of Official U.S. Government Tags and Other Identification

Section 101–38.602(b) is revised to read as follows:

§ 101–38.602 **Unlimited exemptions.**

* * * * * *

(b) *Department of Agriculture.* Motor vehicles which the Forest Service, Agricultural Research Service, Consumer and Marketing Service, and the Packers and Stockyards Administration designate for use in the conduct of investigative or law enforcement activities.

* * * * * *

Subpart 101–38.10 is added to read as follows:

Subpart 101–38.10—Preventive Maintenance of Motor Vehicles

Sec.

101–38.1000 Scope of subpart.
101–38.1001 Applicability.
101–38.1002 Agency requirements.
101–38.1003 Guidelines.
101–38.1004 Reporting of preventive maintenance programs.
101–38.1005 Assistance to agencies.

AUTHORITY: The provisions of this Subpart 101–38.10 issued under sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).

Subpart 101–38.10—Preventive Maintenance of Motor Vehicles

§ 101–38.1000 **Scope of subpart.**

This subpart prescribes agency requirements and guidelines covering a preventive maintenance program for Government-owned motor vehicles.

§ 101–38.1001 **Applicability.**

This subpart is applicable to all Government-owned motor vehicles of a holding agency located in the United States, its Territories, or possessions, except for motor vehicles required for the transportation of personnel or cargo for the direct support of combat or tactical operations, or for training of troops for such operations.

§ 101–38.1002 **Agency requirements.**

All holding agencies shall establish a preventive maintenance program wherever Government-owned motor vehicles are operated.

§ 101–38.1003 **Guidelines.**

(a) The guiding principles inherent in a preventive maintenance program must encompass a recorded, systematic procedure for the servicing and inspection of motor vehicles to ensure their safe and economical operating condition throughout the period of use and to meet warranty requirements. Servicing and inspection work may be performed by Government personnel, by commercial shops, or a combination of both.

(b) To assist Federal agencies engaged in motor vehicle operations, a step-by-step procedure for performing preventive maintenance has been published by the General Services Administration. The Guide for Preventive Maintenance of Motor Vehicles, dated April 1967, outlines procedures for a preventive maintenance program for the systematic servicing and inspection of Government motor vehicles on a time or mileage basis, and suggests Optional forms and formats as are necessary for recordkeeping purposes.

§ 101–38.1004 **Reporting of preventive maintenance programs.**

Copies of existing preventive maintenance programs for Government-owned motor vehicles, revisions to programs, and new programs shall be submitted by holding agencies to the General Services Administration, Transportation and Communications Service, Motor Equipment Management Division—TMM, Washington, D.C. 20405.

§ 101–38.1005 **Assistance to agencies.**

The General Services Administration will furnish comments and suggestions with respect to programs submitted by agencies, and will make available motor equipment management technicians, at no cost, to assist agencies in establishing or revising their preventive maintenance program.

Subpart 101–38.49—Forms and Reports

Section 101–38.4902 is revised to illustrate the October 1967 edition of GSA Form 1020.

§ 101–38.4902 **GSA Form 1020: U.S. Government Certificate of Ownership of a Motor Vehicle.**

NOTE: GSA Form 1020 is filed as part of the original document. Holding agencies may obtain GSA Form 1020 from the General Services Administration, Transportation and Communications Service, Motor Equipment Management Division—TMM, Washington, D.C. 20405, upon furnishing adequate proof of Government ownership.

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

Effective date. These regulations are effective upon publication in the FEDERAL REGISTER.

Dated: July 10, 1968.

J. E. MOODY,
Acting Administrator of General Services.

[F.R. Doc. 68–8479; Filed, July 16, 1968; 8:49 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Bureau of Customs

[19 CFR Part 1]

BRIDGEPORT, HARTFORD, NEW HAVEN, AND NEW LONDON, CONN., PORTS OF ENTRY

Proposed Extension of Limits

JULY 10, 1968.

It has been determined that less costly, and more timely Customs service can be provided to the importing and traveling public through extending the present limits of the ports of Bridgeport, Hartford, New Haven, and New London, Conn. The extension will also provide a larger geographical area through which the importing and traveling public can be served.

Accordingly, notice is hereby given that under the authority vested in the President by section 1 of the Act of August 1, 1914, 38 Stat. 623 (19 U.S.C. 2), which was delegated to the Secretary of the Treasury by the President by Executive Order No. 10289, September 17, 1951 (3 CFR, Ch. II), and pursuant to authorization given to me by Treasury Department Order No. 190, Rev. 5 (33 F.R. 5811), it is proposed to extend the present geographical limits of the Bridgeport, Hartford, New Haven, and New London ports of entry in the Bridgeport, Conn., Customs district (Region I).

Under this proposal the extension of the geographical area of the Port of Bridgeport shall comprise all of the territory within the boundaries of the cities and towns of:

Bridgeport, Norwalk, Westport, Fairfield, Stratford, and Milford, including any independent cities and towns located therein, in the State of Connecticut;

the port of Hartford shall comprise all of the territory within the boundaries of the cities and towns of:

Hartford, Newington, East Hartford, West Hartford, Windsor, East Windsor, South Windsor, and Windsor Locks, including any independent cities and towns located therein, in the State of Connecticut;

the port of New Haven shall comprise all of the territory within the boundaries of the cities and towns of:

New Haven, Orange, North Haven, East Haven, and West Haven, including any independent cities and towns located therein, in the State of Connecticut;

and the port of New London shall comprise all of the territory within the boundaries of the cities and towns of:

New London, Waterford, and Groton, including any independent cities and towns located therein, in the State of Connecticut.

It is further proposed to amend § 1.2 (c) of the Customs Regulations to reflect these changes.

Data, views, or arguments concerning this proposal may be addressed to the Commissioner of Customs, Bureau of Customs, Washington, D.C. 20226. To assure consideration of such communications, they must be received in the Bureau of Customs not later than 30 days after publication of this notice in the FEDERAL REGISTER. No hearings will be held.

[SEAL] JOSEPH M. BOWMAN,
Assistant Secretary of the Treasury.

[F.R. Doc. 68-8452; Filed, July 16, 1968; 8:47 a.m.]

[19 CFR Part 1]

MINNEAPOLIS-ST. PAUL PORT OF ENTRY

Proposed Consolidation of Ports of Minneapolis and St. Paul, Minn.

JULY 10, 1968.

It has been determined that Customs service can be more economically and efficiently provided by the consolidation into a single port of entry of the existing ports of Minneapolis and St. Paul, Minn. This consolidation would in no way adversely affect service to the importing and traveling public, and would allow for savings in cost through better utilization of personnel and consolidation of administrative and operational functions.

Accordingly, notice is hereby given that under the authority vested in the President by section 1 of the Act of August 1, 1914, 38 Stat. 623 (19 U.S.C. 2), which was delegated to the Secretary of the Treasury by the President by Executive Order No. 10289, September 17, 1951 (3 CFR, Ch. II), and pursuant to authorization given to me by Treasury Department Order No. 190, Rev. 4 (30 F.R. 15769), it is proposed to revoke the designation of Minneapolis and St. Paul as ports of entry in the Minneapolis, Minn., Customs district (Region IX), and simultaneously establish a new port of entry to be known as "Minneapolis-St. Paul" in the Minneapolis, Minn., Customs district (Region IX), and to amend § 1.2(c) of the Customs Regulations to reflect this change.

The geographical area of the new Minneapolis-St. Paul port of entry shall comprise the present area of the ports of Minneapolis and St. Paul in the Minneapolis, Minn., district (Region IX), as described in Treasury Decision 68-92 (33 F.R. 5089).

Data, views, or arguments with respect to this proposal may be addressed to the Commissioner of Customs, Washington, D.C. 20226. To insure consideration of such communications, they must be received in the Bureau not later than 30 days from the date of publication of this notice in the FEDERAL REGISTER. No hearing will be held.

[SEAL] JOSEPH M. BOWMAN,
Assistant Secretary.

[F.R. Doc. 68-8451; Filed, July 16, 1968; 8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 906]

ORANGES AND GRAPEFRUIT GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

Container and Pack Regulations

Consideration is being given to the following proposals, as hereinafter set forth, of the container and pack regulations (Subpart—Container and Pack Requirements), which were recommended by the Texas Valley Citrus Committee, established pursuant to the marketing agreement, as amended, and Order No. 906, as amended (7 CFR Part 906), regulating the handling of oranges and grapefruit grown in the Lower Rio Grande Valley in Texas. This program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

All persons who desire to submit written data, views, or arguments in connection with the proposal should file the same with the Hearing Clerk, Room 112A, U.S. Department of Agriculture, Washington, D.C. 20250, not later than the 15th day after the publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The proposals are to terminate § 906.311 (7 CFR 906.311; 32 F.R. 13113; 33 F.R. 848) of Subpart—Container and Pack Requirements, and to substitute therefor, the following new § 906.340:

§ 906.340 Container and pack regulations.

(a) *Order.* Except as otherwise provided herein or by, or pursuant to, the provisions of Marketing Agreement No. 141, as amended, and this part, regulating the handling of oranges and grapefruit grown in the Lower Rio Grande Valley in Texas, no handler shall, on and after August 15, 1968, handle any fruit unless such fruit is in one or more of the following containers, and the pack of such fruit conforms to all applicable requirements of this section:

(1) *Containers.* (i) Closed wirebound wooden box with inside dimensions of 16¼ x 10¼ x 10¼ inches, described in Freight Container Tariff 2G as container No. 3672;

(ii) Closed fully telescopic fiberboard carton with inside dimensions of 16½ x 10¾ x 9½ inches, described in Freight Container Tariff 2G as container No. 6506;

(iii) Closed fully telescopic fiberboard carton with inside dimensions of 19¾ x 13½ x 13 inches: *Provided,* That the cover section and bottom section each has a Mullen or Cady test of at least 250 pounds;

(iv) Bags having a capacity of 5, 8, or 20 pounds of fruit;

(v) Closed fiberboard carton with inside dimensions of 19¾ x 13 inches and of a depth from 12½ to 13½ inches: *Provided,* That the container has a Mullen or Cady test of at least 250 pounds and the container is used only for the shipment of six 8-pound bags of fruit;

(vi) Closed fiberboard carton with inside dimensions of 20 x 13¼ inches and of a depth from 9¾ to 10¾ inches: *Provided,* That the container has a Mullen or Cady test of at least 250 pounds and the container is used only for the shipment of eight 5-pound bags of fruit;

(vii) Closed fiberboard carton with inside dimensions of 13¼ x 10½ x 7¼ inches: *Provided,* That the container has a Mullen or Cady test of at least 200 pounds;

(viii) Such other types and sizes of containers as may be approved by the Texas Valley Citrus Committee for testing in connection with a research project conducted by or in cooperation with the said committee: *Provided,* That the handling of each lot of fruit in such test containers shall be subject to prior approval, and under the supervision, of the Texas Valley Citrus Committee; and

(ix) Those containers which on July 31, 1968, were authorized under § 906.311 *Container and pack regulations,* as then in effect (§ 906.311; 32 F.R. 13113; 33 F.R. 848) but which do not meet the requirements specified in this section may be used: *Provided,* That a handler had such containers on hand on July 31, 1968, and he obtains written approval from the Texas Valley Citrus Committee prior to his use of such containers.

(2) *Pack regulations*—(i) *Oranges.* Oranges, when in any box, bag, or carton, shall be of a size within the diameter limits specified for one of the following pack sizes and when packed in boxes or cartons shall be packed in accordance with the requirements of standard pack, except that not to exceed 10 percent, by count, of such oranges may be outside such diameter limits:

Pack sizes	Diameter limits in inches	
	Minimum	Maximum
100		
125	3 7/16	3 13/16
163	3 3/16	3 9/16
200	2 15/16	3 5/16
252	2 13/16	3 1/16
288	2 7/16	2 13/16
324	2 5/16	2 9/16
	2 3/16	2 5/16

(ii) *Grapefruit.* Grapefruit, when in any box, bag, or carton, shall be of a size within the diameter limits specified for the various pack sizes for standard pack set forth in Table I of the U.S. Standards for Grapefruit (Texas and States other than Florida, California, and Arizona), (§§ 51.620–51.658 of this title) or be of a size within the diameter limits of the pack size specified in this paragraph, and when in boxes or cartons shall be packed in accordance with the requirements of standard pack, except that not to exceed 10 percent, by count, of such grapefruit may be outside such diameter limits:

Pack size	Diameter limits in inches	
	Minimum	Maximum
46	4 5/16	5

(b) *Nonapplicability.* The provisions of this section shall not apply to gift packages of fruit.

(c) *Meaning of terms.* Terms used in the amended marketing agreement and this part shall, when used herein, have the same meaning as given to such terms in said amended marketing agreement and this part; and terms relating to grade, pack, standard pack, and diameter, when used herein, shall have the same meaning as given to such terms in the U.S. Standards for Oranges (Texas and States other than Florida, California, and Arizona) (§§ 51.680–51.712 of this title), and the U.S. Standards for Grapefruit (Texas and States other than Florida, California, and Arizona) (§§ 51.620–51.658 of this title), as applicable; and "closed" means closed in accordance with good commercial practices.

Dated: July 12, 1968.

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

[F.R. Doc. 68-8488; Filed, July 16, 1968; 8:50 a.m.]

[7 CFR Part 965]

TOMATOES GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

Expenses and Rate of Assessment

Consideration is being given to the approval of the expenses and rate of assessment hereinafter set forth which were recommended by the Texas Valley Tomato Committee, established pursuant to Marketing Order No. 965. Said marketing order regulates the handling of tomatoes grown in the counties of Cameron, Hidalgo, Starr, and Willacy in Texas (Lower Rio Grande Valley) and is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

All persons who desire to submit written data, views, or arguments in connection with these proposals may file the same in quadruplicate with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than 5 days after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)). The proposals are as follows:

§ 965.209 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred by the Texas Valley Tomato Committee, established pursuant to Marketing Order No. 965, for its maintenance and functioning, and for such other purposes as the Secretary determines to be appropriate, during the fiscal period ending July 31, 1968, will amount to $400.

(b) There shall be no assessments charged during said fiscal period.

(c) The terms used in this section shall have the same meaning as when used in Marketing Order No. 965 (Part 965).

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

Dated: July 12, 1968.

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

[F.R. Doc. 68-8448; Filed, July 16, 1968; 8:47 a.m.]

[7 CFR Part 991]

HOPS OF DOMESTIC PRODUCTION

Expenses of Hop Administrative Committee and Rate of Assessment for 1968–69 Marketing Year

Notice is hereby given of a proposal regarding expenses of the Hop Administrative Committee for the 1968–69 marketing year and rate of assessment for that marketing year, pursuant to §§ 991.55 and 991.56 of Order No. 991, as amended (7 CFR Part 991; 33 F.R. 7229), regulating the handling of hops of domestic production. The marketing order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The Hop Administrative Committee has unanimously recommended for the 1968–69 marketing year beginning August 1, 1968, a budget of expenses in the total amount of $140,000 and a rate of assessment of 0.25 cent per pound of salable hops. Expenses in that amount and the rate of assessment are specified in the proposal hereinafter set forth.

All persons who desire to submit written data, views or arguments in connection with the aforesaid proposal should file the same, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the eighth day after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the

Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The proposal is as follows:

§ 991.303 Expenses of the Hop Administrative Committee and rate of assessment for the 1968–69 marketing year.

(a) *Expenses.* Expenses in the amount of $140,000 are reasonable and likely to be incurred by the Hop Administrative Committee during the marketing year beginning August 1, 1968, for its maintenance and functioning and for such purposes as the Secretary may, pursuant to the provisions of this part, determine to be appropriate.

(b) *Rate of assessment.* The rate of assessment for said marketing year, payable by each handler in accordance with § 991.56, is fixed at 0.25 cent per pound of salable hops.

Dated: July 12, 1968.

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

[F.R. Doc. 68-8489; Filed, July 16, 1968; 8:50 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 68-SW-47]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations to alter the Hope, Ark., transition area. A northerly transition area extension is proposed to provide airspace protection for aircraft executing a new instrument approach procedure proposed for Hope Municipal Airport, Hope, Ark. The existing southwesterly transition area extension is based on the Texarkana VORTAC 058° true (051° magnetic) radial. The proposed northerly extension is based on a 347° true (340° magnetic) bearing from the Hope RBN.

Interested persons may submit such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Division, Southwest Region, Federal Aviation Administration, Post Office Box 1689, Fort Worth, Tex. 76101. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Chief, Air Traffic Division. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested persons at the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, Fort Worth, Tex. An informal docket will also be available for examination at the Office of the Chief, Air Traffic Division.

It is proposed to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth.

In § 71.181 (33 F.R. 2137, 5143), the Hope, Ark., transition area is amended to read:

HOPE, ARK.

That airspace extending upward from 700 feet above the surface within a 6-mile radius of Hope Municipal Airport (lat. 33°43'06" N., long. 93°39'30" W.), within 2 miles each side of the Texarkana VORTAC 058° radial extending from the 6-mile radius area to 17 miles northeast of the Texarkana VORTAC; and within 2 miles each side of a 347° bearing from the Hope RBN (lat. 33°43'40" N., long. 93°39'10" W.) extending from the 6-mile radius area to 8 miles north of the RBN.

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

Issued in Fort Worth, Tex., on July 2, 1968.

A. L. COULTER,
Acting Director, Southwest Region.

[F.R. Doc. 68-8439; Filed, July 16, 1968; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 67-EA-120]

ADDITIONAL CONTROL AREA, TRANSITION AREA, AND REPORTING POINTS

Proposed Designations and Alteration

The Federal Aviation Administration is considering amendments to Part 71 of the Federal Aviation Regulations which would:

1. Designate additional Control Area No. 1149 as that airspace within tangent lines drawn from the circumference of a 5-statute-mile radius circle centered on the Norfolk, Va., VORTAC 088° T (095° M) radial at long. 75°32'00" W. to the circumference of a 15-statute-mile radius circle centered on the Norfolk, Va., VORTAC 088° T (095° M) radial on the west boundary of the New York Oceanic Control Area at lat. 36°57'30" N., long. 73°00'00" W., excluding the portion below 2,000 feet MSL outside the United States.

2. Alter the Norfolk, Va., transition area by redesignating part of the eastern boundary of the 1,200-foot portion as extending south along the west boundary of Warning Area W-386 to lat. 37°00'00" N., long. 75°32'00" W.; thence to lat. 36°49'25" N., long. 75°32'00" W.; thence west and southerly along the north and west boundary of Warning Area W-72 to lat. 36°19'00" N., long. 75°44'45" W.

3. Designate the Croaker Intersection VHF high altitude reporting point as the intersection of the Norfolk, Va., VORTAC 088° T (095° M) and Sea Isle, N.J., VORTAC 146° T (155° M) radials.

4. Designate the Croaker Intersection LF reporting point as the intersection of the Weeksville, N.C., radio beacon 073° T (080° M) bearing and the west boundary of the New York Oceanic Control Area at lat. 36°57'30"N., long. 73°00'00" W.

The designation of additional Control Area 1149 would provide a route with controlled airspace to enhance the control and safety of air traffic operating between coastal airports and the offshore operating areas east of Norfolk.

The alteration of the Norfolk transition area will permit the eastern boundary to adjust to the boundary adjustments proposed for Warning Areas W-72 and W-386 are proposed in non-rule-circular 67-DCA-61NR.

The designation of the Croaker Intersection VHF and low frequency reporting points will require all aircraft operating over Croaker INT to report their position for air traffic control purposes.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the United States is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly, and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has

consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Eastern Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y. 11430. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

These amendments are proposed under the authority of sections 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510) and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on July 9, 1968.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 68-8440; Filed, July 16, 1968; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 68-CE-57]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Butler, Mo.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief.

Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

A new public use instrument approach procedure has been developed for the Butler, Mo. Memorial Airport utilizing the Butler VORTAC as a navigational aid. Consequently, it is necessary to provide controlled airspace protection for aircraft that will be executing this approach procedure by designating a 700-foot floor transition area at Butler, Mo. The new procedure will become effective concurrently with the designation of the transition area.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (33 F.R. 2137), the following transition area is amended to read:

BUTLER, MO.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Butler Memorial Airport (latitude 38°17'-30" N., longitude 94°20'00" W.); and within 2 miles each side of the Butler, Mo., VORTAC 259° radial, extending from the 5-mile radius area to the VORTAC.

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

Issued at Kansas City, Mo., on June 28, 1968.

DANIEL E. BARROW,
Acting Director, Central Region.

[F.R. Doc. 68-8441; Filed, July 16, 1968; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 68-CE-58]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Neosho, Mo.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief.

Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

A new public use instrument approach procedure has been developed for the Neosho, Mo., Memorial Airport using the Neosho VOR as a navigational aid. Consequently, it is necessary to provide controlled airspace protection for aircraft that will be executing this approach procedure by designating a transition area at Neosho, Mo. The new procedure will become effective concurrently with the designation of the transition area.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (33 F.R. 2137), the following transition area is amended to read:

NEOSHO, MO.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Neosho Memorial Airport (latitude 36°48'-40" N., longitude 94°23'10" W.); and within 2 miles each side of the Neosho, Mo., VOR 308° radial, extending from the 5-mile radius area to 8 miles northwest of the VOR; and that airspace extending upward from 1,200 feet above the surface within 5 miles northeast and 8 miles southwest of the Neosho VOR 308° radial, extending from the VOR to 12 miles northwest of the VOR, excluding the portion which overlies the Joplin, Mo., transition area.

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

Issued at Kansas City, Mo., on June 28, 1968.

DANIEL E. BARROW,
Acting Director, Central Region.

[F.R. Doc. 68-8442; Filed, July 16, 1968; 8:47 a.m.]

Federal Railroad Administration

[49 CFR Part 180]

[Docket No. HM-6; Notice No. 68-4]

TRANSPORTATION OF HAZARDOUS MATERIALS BY PIPELINE

Notice of Proposed Rule Making

The Hazardous Materials Regulations Board is considering amending Part 180 of the Hazardous Materials Regulations of the Department of Transportation to set forth design, construction, operation, and maintenance, and test requirements to apply to any carrier transporting hazardous materials (other than water

or natural or artificial gas) by pipeline in interstate or foreign commerce.

Interested persons are invited to participate in the making of the proposed rule by submitting such written information, views, or arguments as they may desire. Communications should identify the docket number [HM–6] and be submitted in duplicate to the Secretary, Hazardous Materials Regulations Board, Department of Transportation, 400 Sixth Street SW., Washington, D.C. 20590. All communications received on or before November 12, 1968, will be considered before taking final action on the proposed rule. Comments filed after that date will be considered so far as practicable. The proposal contained in this notice may be changed in the light of comments received. All comments received will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested parties.

Procedural rules. On May 22, 1968, the Hazardous Materials Regulations Board adopted a new Part 170 "Rule-making Procedures of the Hazardous Materials Regulations Board" to Title 49 of the Code of Federal Regulations (33 F.R. 8277). New Part 170, which took effect July 1, 1968, applies to all rule-making activities concerning hazardous materials. This proposed rule-making action will therefore be subject to the procedural rules set forth in Part 170. Any person who desires a copy of that part may obtain one by writing to the Secretary of the Hazardous Materials Regulations Board at the above address.

Paragraph (c) of § 170.1 states in part "The signature of the Board member issuing a notice or adopting a regulation for a mode of transportation determines the applicability of that notice or rule to that mode of transportation * * *." Since the authority to regulate pipelines has been delegated to the Federal Railroad Administration (§ 1.4(d)(6) of the regulations of the Office of the Secretary), this notice is signed only by the Administrator of the Federal Railroad Administration.

Historical background — Legislative background. Although it had the authority for many years before 1960, the Interstate Commerce Commission did not adopt any safety regulations applicable to the oil pipeline industry. In 1960, apparently through inadvertence, Congress deleted this authority. In 1965, the oil pipeline industry asked Congress to restore Federal authority so that there would be a single Federal regulation instead of conflicting local regulations.

Regulatory background. The Interstate Commerce Commission issued a notice on October 5, 1965 (30 F.R. 13266) instituting a proceeding for the purpose of formulating regulations for the safe transportation by pipeline of explosives and other dangerous articles. In response to that notice (which amounted to an advance notice of proposed rule making) the Interstate Commerce Commission received over 25 comments including three major code recommendations. After evaluating the comments received, the Commission on January 16, 1967, issued a notice of proposed rule making (32 F.R. 1098) setting forth specific proposals for a Part 180 to be added to Title 49 of the Code of Federal Regulations. In issuing that notice, the Commission stated that, in the time available, it was not possible to develop a complete set of regulations and therefore the proposed Part 180 contained only general regulations explaining the purpose, scope and applicability and a subpart on accident reporting. The Commission stated that ultimately the proposed Part 180 would cover design, materials, construction, nondestructive testing, operations, and maintenance of new systems, and would also cover requirements for pipeline constructed before the effective date of the regulation.

Before the Commission took final action on this notice, jurisdiction to regulate the transportation of explosives and other dangerous articles was transferred, effective April 1, 1967, to the Department of Transportation (section 6 (e)(4) and (f)(3)(A) of the Department of Transportation Act, 49 U.S.C. 1655 (e)(4) and (f)(3)(A)). By § 1.4(d)(6) of Part 1 of the regulations of the Office of the Secretary of Transportation this authority was, so far as it relates to pipelines, delegated to the Administrator of the Federal Railroad Administration. On June 16, 1967, the Federal Railroad Administration issued a final rule adopting Part 180 virtually as proposed by the Interstate Commerce Commission (32 F.R. 9228) to become effective September 6, 1967. The effective date was subsequently postponed (32 F.R. 12851) and ultimately a revised Part 180 was adopted effective December 31, 1967 (32 F.R. 16040).

General description of proposed Part 180—carriers by pipeline.—This proposed Part 180 sets forth (Subparts C through G) design, construction, operation, and maintenance, and testing subparts, such as the Interstate Commerce Commission originally indicated would be forthcoming. The general provisions (proposed Subpart A) and the accident reporting provisions (proposed Subpart B) that took effect December 31, 1967, are restated in a slightly revised manner for the following reasons: (1) For ease of review of the entire proposed Part 180 by all interested parties; and (2) to make minor changes in the provisions already adopted consistent with the substance, style, and format of the remaining proposed subparts.

The substantive requirements proposed in Subparts C through G are based on all information now available, including comments submitted by interested parties as a result of the notices discussed above and material developed in numerous meetings with industry personnel and other interested persons, conducted both before and after establishment of the Department of Transportation.

Many of the provisions of the proposed regulation are based on existing industry standards. Some provisions propose higher standards, where it appears that an increased level of safety is both desirable and achievable. The final regulation will be based on all information available at the time it is issued, including comments received on this notice.

Subparts C through G are directed to pipelines constructed with steel pipe. Although information to prescribe standards for pipe made with other materials is not presently available, the proposed regulation will not impede the use of other materials. Section 180.8 would permit the use of pipelines constructed with other materials when the use of those materials will not lower safety standards. As the need is demonstrated, and as the necessary information becomes available, general requirements will be proposed for pipe made of materials other than steel. Commenters are requested to submit any available information, with respect to materials other than steel, that would be helpful in developing future regulations.

These proposed regulations are general "performance" type requirements rather than detailed "specification" type requirements of the type previously issued for the transportation of hazardous materials. By proposing regulations in this manner, the desired safety objective can be reached without impeding future industry innovations. The goal is the safe transportation of certain materials through pipelines; the regulation relates to the goal, not the means used to achieve the goal.

As indicated previously, many of the provisions of the proposed regulation are based on existing industry standards. However, in certain areas there seems to be justification for going beyond present industry practice. It appears reasonable to require some proof that a pipeline, that may have been installed many years ago, is capable of withstanding a pressure in excess of its normal operating pressure. There will be differences of opinion (1) as to whether there should be periodic requalification and (2) if requalification is desirable, whether it should be by hydrostatic testing or some other means of evaluation. Comments should cover both of these points.

Thus, while the proposed regulation follows industry practices and codes in many areas, this does not mean that they will be followed in the future. As accident reports are received, as accidents are investigated, and as operating experience is gained, problems will be identified and regulatory changes will be made to solve the problems.

Cost/benefit determination. Every safety regulation has a cost factor, either a direct purchase-and-operation cost or an indirect cost resulting from operating at less than maximum efficiency. Every safety regulation (if it is justified) has a benefit factor, the increase in safety to the public. Although the cost of complying with a regulation is initially borne by the pipeline carrier, the ultimate cost is paid by the public in the higher cost of the delivered product. Thus, from the point of view of the regulatory agency, the cost/benefit determination is whether the safety benefit to the public justifies

the cost to the public (recognizing that the two "publics" are never precisely the same).

Comments on each of the proposals in this notice should include a cost/benefit analysis. For example, look at the proposal to limit operating pressure to a level, including surge pressure, that will result in a stress not exceeding 72 percent of the specified minimum yield strength (proposed § 180.406). Present industry practice is to operate up to the 72 percent limit and to allow a 10 percent increase for surge pressure. Would the safety benefit to the public of the lower operating pressure justify the increased cost of the product resulting from the reduced productivity of the pipeline? What accidents have occurred while surge pressure was producing a stress greater than 72 percent of specified minimum yield strength? Did these accidents result from the surge pressure? Or from some external cause? Based on experience, what is the probability of surge pressure, which produces a stress higher than 72 percent of specified minimum yield strength, causing future accidents? What is the probability of harm to the public as a result of these accidents? How much would this proposal cost the national economy? What would be the cost/benefit of limiting surge pressure to 5 percent over operating pressure?

Subpart A—General and Subpart B—Accident Reporting. As indicated above, these subparts are for the most part as previously adopted. Subpart A contains new proposed definitions for Administrator, carrier, component, hazardous material, internal design pressure, line section, maximum operating pressure, offshore and surge pressure.

The proposed definition of "hazardous material" would replace the present definition of "dangerous goods". This proposed change is consistent with the recent proposal by the Hazardous Materials Regulations Board to adopt a definition of "hazardous material" in section 171.8 that would apply to 49 CFR Parts 171–190 (HM Docket No. 3, Notice No. 68–2 issued February 16, 1968, 33 F.R. 3382). Final action on the definition proposed in this notice will be consistent with the final action taken by the Hazardous Materials Regulations Board as a result of Notice No. 68–2.

Subpart C—Design Requirements. The proposed design requirements would apply to all new construction and to any replacement, relocation, or other change of existing pipeline facilities constructed with steel pipe.

As indicated previously, the proposed design requirements are set forth as performance requirements rather than as detailed specifications. Though stated differently, the minimum performance level set by the proposed design requirements is as high or higher than the present recommended industry standards as set forth in the various industry codes. One of the main differences between the proposed design requirements and present industry practice relates to relationship of maximum operating pressure to a 72 percent stress level. This item is discussed elsewhere in this preamble.

Subpart D—Construction. The proposed construction requirements would apply to all new construction, and to relocation, replacement, or any other alterations of existing systems constructed with steel pipe.

Pipeline location. Proposed § 180.210 would prohibit the construction of any pipeline within 50 feet of any private dwelling or any industrial building, or place of public assembly, unless the pipe is buried at least 24 inches deeper than would otherwise be required. Is there need for additional protection in populated areas? If so, are there alternative means of providing the necessary additional protection, such as concrete slabs or casing? Would operation at a lower stress level in populated areas be a feasible alternative? What is the experience in those localities that have required reduced operating pressure in populated areas? What are the results of studies of this subject?

Nondestructive testing of girth welds. Under proposed § 180.234(d), each girth weld made during construction would have to be nondestructively tested over its entire circumference. What are the risks inherent in not testing each girth weld? Is it within the public interest to take risks in this area of construction? What are the alternatives to the 100 percent test requirement?

Location of values. Proposed § 180.260 requires the installation of valves at specific locations along the right-of-way, such as at each lateral take-off from a trunk line. This proposal would provide a means for limiting the escape of the commodity in the event of line failure. Is each of the specific proposed valve requirements reasonable? Are there other locations where a valve should be required? Are additional safeguards needed wherever a pipeline transverses a populated area or a watershed that provides water for human consumption?

Subpart E—Hydrostatic Testing. This proposed subpart would require the hydrostatic testing of each newly installed pipeline system, and of each replacement or relocation of existing pipe constructed with steel pipe. The carrier would be required to test the system or the appropriate portion thereof for at least 24 hours at a test pressure of at least 140 percent of the maximum operating pressure used by the operator. Under proposed § 180.406, the operator could not choose a maximum operating pressure that would produce a stress greater than 72 percent of the specified minimum yield strength of 72 percent of the lowest known yield strength of any pipe in the line, if specified minimum yield strength is not known. In addition, by virtue of the formula in proposed § 180.106 the internal design pressure could not produce a stress greater than 72 percent of the yield strength. Thus, the test pressure need not exceed the specified minimum yield strength or known yield strength of the pipe, as applicable. The test pressure could be less than 72 percent of the yield strength of the pipe (specified minimum or other), if the carrier should choose a lower maximum operation pressure.

Thus, as proposed, the hydrostatic test requirement would relate to the pressure at which the carrier proposed to operate, rather than to a fixed figure such as the internal design pressure or the specified minimum yield strength. Is this the proper method for establishing the required test pressure? If so, is 140 percent of maximum operating pressure reasonable? What are the practical alternatives?

Subpart F—Operation and Maintenance. This proposed subpart would prescribe minimum requirements for operating and maintaining pipeline systems constructed with steel pipe.

Maximum operating pressure. As indicated above, maximum operating pressure is a pressure chosen by the carrier for the safe operation of a pipeline system. Under proposed § 180.406, the maximum operating pressure could not exceed a pressure that produces a stress greater than 72 percent of the yield strength.

Until a hydrostatic test is performed under Part 180, § 180.406 would permit operation at a pressure which produces a stress up to 72 percent of the yield strength, plus a 10 percent allowance for surge. After the hydrostatic test, there would be no allowance above 72 percent of the yield strength (specified minimum or other) for surge. Each pipeline carrier would have to choose a maximum operating pressure low enough to allow for surges or other pressure variations from normal operation so that when these variations do occur, the pressure does not produce a stress greater than 72 percent of yield. In addition to cost/benefit comments on 72 percent with surge and 72 percent plus 10 percent allowance for surge, comments would be appropriate on 72 percent plus 5 percent for surge, or any other pressure limitation. Since control of surge pressure is crucial to compliance with this proposal, comments should discuss the reliability of presently available surge control devices.

Cathodic protection of existing pipelines. Proposed section 180.414 would require each carrier, within 3 years after the effective date of the adopted regulation, to cathodically protect each pipeline that is externally coated and that is not already cathodically protected. Within 5 years, each carrier would be required to replace and to cathodically protect corroded pipe. Each carrier would be required to conduct a survey within 1 year for any pipeline that is upgraded by an increase in pressure. Comments should cover the feasibility of these proposals and possible alternatives that would achieve the desired level of safety.

Subpart G—Qualification and Requalification of Pipeline. This proposed subpart prescribes testing requirements for the qualification and requalification of pipelines constructed with steel pipe. The requirements for requalification for pipelines that have previously successfully withstood a hydrostatic test of at least 110 percent of the internal design pressure are divided between pipelines constructed on or before December 31, 1958, and those constructed thereafter.

For those pipelines constructed after December 31, 1958, a requalification test would be required within 15 years after the latest test. For pipelines constructed on or before December 31, 1958, the first requalification test would be required no later than 10 years after the latest test or before December 31, 1974, whichever is later. For pipelines that have never been hydrostatically tested to at least 110 percent of internal design pressure, the qualification test would be required no later than 5 years after the effective date of the adopted regulation. In each case a requalification test would be required at periodic intervals not to exceed 10 years. The procedures for each test would be the same as the hydrostatic test procedures proposed in Subpart E.

Since pipeline systems remain in service for many decades, there appears to be a need for periodic testing of the capability of the system to transport hazardous materials safely. The proposed qualification and requalification tests are designed to fit this need. Are there other tests, or are there inspection procedures, that could achieve the same objectives at less cost and with less disruption on the use of a pipeline system? What is the likely effect of testing old pipe? Should there be different test procedures for welded pipe than for coupled pipe? If so, how and where should they differ? Is there any justification for lowering the required test pressure for old pipe? If so, what should be the test pressure?

Miscellaneous questions. It is realized that proposed Part 180 does not exhaust the potential requirements that could be applied to the transportation of hazardous materials by pipeline. As stated previously, these proposed requirements are minimum requirements. Many pipeline carriers may already be designing, constructing, and operating their pipelines to higher standards and it is expected that many will do so in the future. However, as further information (such as the accident reports filed under present Part 180) reveals the need for additional regulations, additional notices of proposed rule making will be issued.

The areas discussed below are not specifically covered in the regulations proposed at this time. However, comments would help in determining whether these are problems that require regulatory solution.

High voltage direct current. The transmission of electric bulk power over long distances by direct current will soon be a reality with the proposed construction of the Pacific Northwest-Southwest Intertie HVDC system in the States of Washington, Oregon, California, and Nevada. The transmission of electric bulk power by direct current can pose serious corrosion control problems since direct current, which causes external corrosion on buried metal structures, will be flowing as stray current between electrodes constructed for the system. Corrosion control requirements directed at the problem of HVDC may be necessary in the future. Comments should suggest possible methods of minimizing the corrosive effects of HVDC.

Construction of pipeline on bridges and through tunnels. The construction of pipelines on bridges and through tunnels could present safety hazards, but such construction could be the most desirable route from the safety as well as the economic viewpoint. For example, construction of a pipeline over a mountain or under water could result in a greater potential hazard than construction in a tunnel or on a bridge. In fact, construction of a bridge specifically designed to carry both vehicular traffic and a pipeline might be the safest available route. What are the advantages and disadvantages of constructing pipelines over bridges and through tunnels? What precautions should be required?

Effective date of proposed regulations. No effective date is proposed for the various requirements contained in this notice of proposed rule making. Industry would need a reasonable period of time, probably no less than 120 days, to comply with most of the proposed requirements. Some requirements, particularly those relating to design and construction, may require longer lead time. It is probable that the proposed requirements will be made applicable on a phased basis. For example, the operation and maintenance subpart could apply 120 days, while the construction subpart could apply 180 days, after adoption. Comments should cover effective dates for the various requirements, indicating the problems that would arise from early compliance and the time required to solve those problems.

In consideration of the foregoing, it is proposed to amend Title 49, Chapter I of the Code of Federal Regulations by adding the following new Part 180.

This proposal is made under the authority of sections 831–835 of title 18, United States Code, and section 6 (e) (4) and (f) (3) (A) of the Department of Transportation Act (49 U.S.C. 1655 (e) (4) and (f) (3) (A)) and § 1.4(d) (6) of the regulations of the Office of the Secretary of Transportation.

Issued in Washington, D.C., on July 12, 1968.

A. SHEFFER LANG,
Administrator,
Federal Railroad Administration.

PART 180—CARRIERS BY PIPELINE

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Subpart A—General

§ 180.1 Scope.

(a) Except as provided in paragraph (b) of this section, this part prescribes rules governing the transportation of hazardous materials by pipeline in interstate or foreign commerce.

(b) This part does not apply to—

(1) Transportation by pipeline of water or natural or artificial gas;

(2) Transportation through a pipeline by gravity; and

(3) Pipelines that operate at a stress level of 20 percent or less of the specified minimum yield strength of the line pipe in the system.

§ 180.2 Definitions.

As used in this part—

"Administrator" means the Administrator of the Federal Railroad Administration of the Department of Transportation or any person to whom he has delegated authority in the matter concerned.

"Barrel" means a unit of measurement equal to 42 U.S. gallons at 60°.

"Carrier" means a pipeline carrier subject to sections 831–835 of title 18, United States Code.

"Component" means any part of a pipeline which may be subjected to pump pressure including but not limited to: Pipe, valves, elbows, tees, flanges, and closures.

"Hazardous material" means any material which, because of its potentially hazardous nature, requires control of those hazards during transportation to assure adequate safety and the transportation of which is covered by Parts 172 and 173 of this chapter and also includes petroleum.

"Internal design pressure" means the maximum pressure allowable, including surge pressure, as determined by analysis of the pipeline system during design.

"Line section" means a continuous run of pipe between any pressure pump station and the next booster station, between a pump station and terminal or working tankage, between a pump station and a block value, or between block valves.

"Maximum operating pressure" means a pressure not more than the "internal design pressure" that is the maximum pressure established by the carrier for the safe operation of a pipeline under normal or steady state conditions.

"Offshore" means beyond the line of ordinary low water along that portion of the coast of the United States that is in direct contact with the open seas and beyond the line marking the seaward limit of inland waters.

"Petroleum" includes but is not limited to: Crude oil, natural gasoline, liquefied petroleum gas (LPG), and liquid petroleum products.

"Pipe" or "line pipe" means a tube, usually cylindrical, through which a commodity flows from one point to another.

"Pipeline system" or "pipeline" means all parts of a carrier's physical facilities through which hazardous materials move including, but not limited to: Line pipe, valves, and other appurtenances connected to line pipe, pumping units, fabricated assemblies associated with pumping units, metering and delivery stations and fabricated assemblies therein, and carrier-controlled breakout tankage.

"Specified minimum yield strength" means the minimum yield strength, expressed in pounds per square inch, prescribed by the specification under which the material is purchased from the manufacturer.

"Stress level" means the level of tangential or hoop stress, usually expressed as a percentage of specified minimum yield strength.

"Surge pressure" means pressure produced by a change in velocity of the moving stream that results from shutting down a pump station or pumping unit, closure of a valve, or any other blockage of the moving stream.

§ 180.3 Matter incorporated by reference.

(a) There are incorporated by reference in this part all materials referred to in this part that are not set forth in full in this part. These materials are hereby made a part of this regulation. Materials subject to change are incorporated as they are in effect on the date of adoption of this part, unless the reference to them provides otherwise.

(b) All incorporated materials are available for inspection in the Docket Room, Room 304, 400 Sixth Street SW., Washington, D.C. In addition materials incorporated by reference are available as follows:

(1) American Petroleum Institute (API), 1271 Avenue of the Americas, New York, N.Y. 10020.

(2) American Society of Mechanical Engineers (ASME), United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.

(3) American Welding Society (AWS), 33 West 39th Street, New York, N.Y. 10017.

(4) Manufacturers Standardization Society of the Valve and Fittings Industry, 420 Lexington Avenue, New York, N.Y. 10017.

(5) United States of America Standards Institute (USAS), 10 East 40th Street, New York, N.Y. 10016.

(c) The full title for the publications incorporated by reference in this part are as follows:

(1) American Petroleum Institute:

(i) API Standard 6D is titled "API Specification for Steel Gate, Plug, Ball, and Check Valves for Pipeline Service."

(ii) API Standard 1104 is titled "Standard for Welding Pipe Lines and Related Facilities".

(2) ASME Code is the American Society of Mechanical Engineers Boiler and Pressure Vessel Code.

(3) AWS A3.0 is titled "AWS Definitions—Welding and Cutting".

(4) MSS Standard Practice SP–48 is titled "Steel Butt-Welding Fittings (26 inch and larger)".

(5) United States of America Standards Institute:

(i) USAS B16.9 is titled "Wrought Steel Butt-Welding Fittings".

(ii) USAS B31.4 is titled "Liquid Petroleum Transportation Piping Systems."

§ 180.4 Acceptable petroleum commodities for transportation by pipeline.

A carrier may transport by pipeline any petroleum that will not damage the pipeline so as to create an undue hazard to persons or property.

§ 180.6 Transportation of hazardous material other than petroleum.

(a) Except for petroleum, no carrier may transport any hazardous material by pipeline, unless the carrier notifies the Administrator, in writing, with the information listed in paragraph (b) of this section, at least 90 days before the date the transportation is to begin. If the Administrator determines that the transportation of the hazardous material by pipeline in the manner proposed would be unduly hazardous, he will, befor expiration of the 90 days, order the carrier, in writing, not to transport the hazardous material until further notice. As soon as practicable after issuance of such an order, the Administrator will initiate appropriate action to determine whether and in what manner the hazardous material may be transported by pipeline without undue hazard.

(b) The notice submitted to the Administrator by the carrier must state the chemical name, common name, hazard classification determined in accordance with Part 173 of this chapter, properties, and characteristics of the hazardous material to be transported. It must also include design specifications, including maximum operating pressures, for the pipeline through which the hazardous material is to be transported.

§ 180.8 Transportation of hazardous material in pipelines constructed with other than steel pipe.

After effective date of amendment no carrier may transport any hazardous material through a pipe that is constructed with material other than steel unless the carrier has notified the Administrator, in writing, indicating the

commodity to be transported and the material used in construction of the pipeline. If the Administrator determines that the transportation of the hazardous material in the manner proposed would be unduly hazardous he will order the carrier, in writing, not to transport the hazardous material in the proposed manner until further notice.

§ 180.10 Responsibility of carrier for compliance with this part.

A carrier may make arrangements with another person for the performance of any action required by this part. However, the carrier is not thereby relieved from the responsibility for compliance with any requirement of this part.

Subpart B—Accident Reporting

§ 180.25 Scope.

This subpart prescribes rules governing the reporting of any failure in a pipeline system subject to this part, in which there is a liquid or vapor release of the commodity transported resulting in any of the following:

(a) Explosion or fire not intentionally set by the carrier.

(b) Loss of 50 or more barrels of liquid.

(c) Escape to the atmosphere of more than 5 barrels per day of liquified petroleum gas or other commodity which vaporizes upon release to the atmosphere.

(d) Death of any person.

(e) Bodily harm to any person resulting in one or more of the following:

(1) Loss of consciousness.

(2) Necessity to carry the person from the scene.

(3) Necessity for medical treatment.

(4) Disability which prevents the discharge of normal duties or the pursuit of normal activities beyond the day of the accident.

(f) Property damage of at least $1,000 to other than the carrier's facilities, based upon actual cost or reliable estimates.

§ 180.26 Immediate notice of fatal accidents.

Whenever the death of any person as the result of an accident required to be reported under this subpart occurs before the carrier has filed a report under § 180.30, the carrier shall immediately, after it becomes aware of the death, notify the Administrator, by telegraph or telephone, or at least the following:

(a) Name and address of the carrier.

(b) Date, time, and exact location of the accident.

(c) The number of persons killed and the number injured.

(d) A brief description of the accident.

§ 180.30 Accident reporting.

Each carrier that experiences an accident in the United States required to be reported under this subpart, shall, as soon as practicable but not later than 15 days after discovery of the accident, prepare and file an accident report, on DOT Form 7000–1 or a facsimile, with the Administrator, Federal Railroad Administration, Department of Transportation, Washington, D.C. 20591. The carrier shall file two copies of each report and shall retain one copy at its principal place of business.

§ 180.31 Instructions for preparing DOT Form 7000–1.

(a) Each carrier shall prepare each report of an accident on DOT Form 7000–1 or a facsimile, in accordance with the following instructions:

(1) *General.* Each applicable item must be marked or filled in as fully and as accurately as information accessible to the carrier at the time of filing the report will permit.

(2) *Part A.* Enter name as it is filed with the Interstate Commerce Commission. If the carrier's name is not filed with the Commission, enter the complete corporate name of the carrier. Enter the address of the carrier's principal place of business including ZIP code.

(3) *Part B, Item 1.* Enter the date the accident occurred or was discovered. If the accident was not discovered on the date it occurred, state this fact on the back of the form.

(4) *Part B, Item 2.* Enter the exact time in hours and minutes (i.e., 10:15) if known or a time range (i.e., 10–11) if exact time is not known. If the accident was not discovered on the date it occurred, enter the time it was discovered and state this fact on the back of the form as in Part B, Item 1.

(5) *Part B, Item 3.* Enter all three names, State, county, city, or town, in or near which accident occurred.

(6) *Part B, Item 4.* Mark the appropriate box. If "other" is marked, state clearly on form what part of the pipeline system.

(7) *Part B, Item 5.* If the accident occurred in an uninhabited area, such as woods, cultivated field, swamp, etc., so state clearly on the form under Item 5. If not, attach a sketch to the form showing the part of the pipeline system where the accident occurred, and the location of the accident as related to significant landmarks. Each item shown on the sketch must be clearly and distinctly marked to identify it. Approximate distances from accident location to all landmarks shown on the sketch must be indicated.

(8) *Part C.* Mark the appropriate box or boxes. If applicable, mark more than one box. If "other" is marked, state clearly on form the exact origin of the liquid or vapor release.

(9) *Part D.* Mark the appropriate box. If "other" is marked, clearly state the cause of the accident.

(10) *Part E.* Indicate a number under each heading including "0" if none. Report deaths, even if previously reported in accordance with § 180.26.

(11) *Part F, Items 1 and 2.* Report only material in the pipeline system that was actually damaged such as pipe, valves, or fittings. Do not include cost of commodity which was lost due to the accident or fittings used during repair which became permanently attached to the system. The dollar value of damage should be based on replacement at present day costs.

(12) *Part F, Items 3 and 4.* This is damage to property other than that of the carrier. Dollar value must be actual or the best estimate available.

(13) *Part G, Item 1.* State the commonly used name of the commodity, such as fuel oil, regular gasoline, liquified petroleum gas. If the commodity name is one not commonly used, state the name here and give a brief description of it under "Account of Accident by Responsible Official of Carrier".

(14) *Part G, Item 3.* State the year facility was installed or the best estimate possible. Pipe is excluded as the year of installation is required in Item 4 of Part H.

(15) *Part H.* Mark appropriate boxes and state information required in all items of this part only if the accident occurred in line pipe. If the accident occurred in any other part of the pipeline system, omit this part.

(16) *Part I.* Mark appropriate boxes and state information required in all items of this part if the accident was caused by corrosion in any component of the pipeline system. In Item 4, state the length of time between the type of tests, such as pipe-to-soil potential, stated in Item 5.

(17) *Part J.* Complete all three items only if the accident was caused by equipment rupturing the pipeline. In Item 2, all the information stated on the closest line marker must be shown.

(b) In addition to the requirements of paragraph (a) of this section, in the space provided after Part J, the carrier shall enter an account of the accident containing the most reliable information to which the carrier has access at the time of reporting, sufficiently detailed and complete to convey an understanding of the accident. This account may be continued on an extra sheet of paper if more space is needed.

(c) At the bottom of the back of DOT Form 7000–1, the carrier shall state the name and title of the pipeline official responsible for compiling and filing the report along with the telephone number at which this official can be reached, and the date the report was completed.

§ 180.32 Changes in or additions to accident report.

Whenever a carrier receives any changes in the information reported or additions to the original report on DOT Form 7000–1 it shall immediately file a supplemental report with the Administrator.

§ 180.33 Carrier assistance in investigation.

If the Department of Transportation investigates an accident, the carrier involved shall make available to the representative of the Department all records and information that in any way pertain to the accident, and shall afford all reasonable assistance in the investigation of the accident.

§ 180.34 Supplies of accident report DOT Form 7000–1.

Each carrier shall maintain an adequate supply of forms that are a facsimile

of DOT Form 7000–1 to enable it to promptly report accidents. The Department will, upon request, furnish specimen copies of the form.

Subpart C—Design Requirements

§ 180.100 Scope.

This subpart prescribes minimum design requirements for new pipeline systems constructed with steel pipe and for relocating, replacing, or other change to existing systems constructed with steel pipe.

§ 180.102 Ambient temperature.

Each carrier shall choose material for components for the temperature environment in which the components will be used so that the pipeline will maintain its structural integrity.

§ 180.104 Variations in pressure.

If, within a pipeline system, two or more components are to be connected at a place where one will operate at a higher pressure than another, the carrier shall design the system so that any component that operates at the lower pressure will not be overstressed.

§ 180.106 Internal pressure design: Minimum wall thickness.

(a) Each carrier shall, in designing each of its pipeline systems, determine the minimum wall thickness for internal pressure design in accordance with the following formula:

$$t=\frac{PD}{2SE}$$ where—

D=nominal outside diameter in inches;
E=longitudinal joint factor determined under paragraph (b) of this section;
P=internal design pressure; p.s.i.g.;
S=maximum allowable stress value, p.s.i., determined under paragraph (c) of this section; and
t=wall thickness in inches.

(b) The longitudinal joint factor "E" used in paragraph (a) of this section is determined by the following table:

Specification	Pipe type	E
ASTM A 53	Seamless	1.00
	Electric-resistance-welded	1.00
	Furnace lap-welded	0.80
	Furnace butt-welded	0.60
ASTM A 106	Seamless	1.00
ASTM A 134	Electric fusion (arc) welded single or double pass.	0.80
ASTM A 135	Electric resistance-welded	1.00
ASTM A 139	Electric fusion welded single or double pass.	0.80
ASTM A 155	Electric fusion welded	1.00
ASTM A 211	Spiral welded pipe	0.80
ASTM A 381	Electric fusion welded, double submerged arc welded.	1.00
API 5L	Seamless	1.00
	Electric resistance-welded	1.00
	Electric flash welded	1.00
	Submerged arc welded	1.00
	Furnace lap welded	0.80
	Furnace butt welded	0.60
API 5LX	Seamless	1.00
	Electric resistance welded	1.00
	Electric flash welded	1.00
	Submerged arc welded	1.00
API 5LS	Electric resistance welded	1.00
	Submerged arc welded	1.00

If a carrier proposes to use pipe for which no longitudinal joint factor is set forth in this paragraph, the carrier must first obtain the Administrator's approval of the factor the carrier proposes to use.

(c) The maximum allowable stress value "S" in paragraph (a) of this section is 72 percent of the specified minimum yield strength or, if the specified minimum yield strength is unknown, 72 percent of the yield strength determined under § 180.114(a). However, for pipe that has been cold worked to meet the specified minimum yield strength and is later heated to at least 600° F. (excluding girth welds) the maximum allowable stress value is 54 percent of the specified minimum yield strength.

(d) The wall thickness (t) determined under this section is the minimum wall thickness. In determining the final wall thickness the carrier shall consider any external pressure and loads, as required by §§ 180.108 and 180.110.

§ 180.108 External pressure.

Each carrier shall, in designing each of its pipeline systems, provide for any external pressure that will be exerted on the pipe.

§ 180.110 External loads.

(a) Each carrier shall, in designing each of its pipeline systems, provide for anticipated external loads (e.g. earthquakes, vibration, thermal expansion and contraction). In providing for expansion and flexibility, the carrier shall design in accordance with section 419 of USAS B31.4—1966.

(b) Each carrier shall provide support for its pipe and other components, so that the support does not cause excess localized stresses. Each carrier shall, in designing attachments to its pipe, compute the added stress to the wall of the pipe and compensate for that stress.

§ 180.112 New pipe.

Each carrier shall comply with the following whenever it is to install any new pipe in a pipeline system:

(a) The pipe must be made of steel of the carbon, low alloy-high strength, or alloy type that is able to withstand the internal pressures and external loads and pressures anticipated for the pipeline system.

(b) The pipe must be made in accordance with a written pipe specification that sets forth the chemical requirements for the pipe steel and mechanical tests for the pipe to provide for pipe suitable for the use intended.

(c) Each length of pipe with an outside diameter of at least four inches must be marked, setting forth the specification to which it was made, the specified minimum yield strength, and the pipe size. The marking must be applied in a manner that does not injure the pipe and that is visible until installation of the pipe. On mill-coated pipe, marking may be placed over the coating.

§ 180.114 Used pipe.

Each carrier shall comply with § 180.112 (a) and (b) and the following whenever it is to install any used pipe in a pipeline system:

(a) The pipe must be of a known specification and the joint efficiency must be determined under § 180.106(b). In addition, it must be of known specified minimum yield strength, or the yield strength must be determined by section 437.6.6 of USAS B31.4–1966.

(b) There must be no buckles, pits of a depth more than 5 percent of the nominal wall thickness, cracks, grooves, gouges, dents, or other visual surface defects that might reduce the strength of the pipe.

(c) Each girth weld must be nondestructively inspected in accordance with § 180.234.

§ 180.116 Valves.

Each carrier shall comply with the following when it is to install any valve in a pipeline system:

(a) The valve must be of a sound engineering design.

(b) Materials subject to the internal pressure of the pipeline system, including welded and flanged ends, must be compatible with the pipe or fittings to which the valve is attached.

(c) Each part of the valve that will be in contact with the commodity stream must be made of materials that are compatible with each commodity that it is anticipated will flow through the pipeline system.

(d) Each valve must be both hydrostatically shell tested and hydrostatically seat tested without leakage to at least the requirements set forth in section 5, API Standard 6D, 1964 Edition.

(e) Each valve must be equipped with a device that clearly indicates the opened, closed, and any other valve position.

(f) Each valve and each extension on a valve, must be marked with at least the following:

(1) Manufacturer's name or trade name.

(2) Maximum working pressure to which the valve may be subjected.

(3) Body material designation (the end connection material, if more than one type is used).

(4) The nominal valve size.

§ 180.118 Fittings—requirement for butt welding.

Each carrier shall comply with the following when it is to use any fittings (such as elbows, returns, tees, crosses, caps, reducers) in a pipeline system:

(a) The fitting must meet the marking, end preparation, and the bursting strength requirements of USAS B16.9–1964, or MSS Standard Practice SP 48, 1956 Edition, depending on pipe size.

(b) There must be no buckles, dents, cracks, gouges, or other defects in the fitting that might reduce the strength of the fitting.

(c) The fitting must be suitable for the intended service and be at least as strong as the pipe and other fittings in the pipeline system to which attached.

§ 180.120 Changes in direction: Provision for internal passage.

Each carrier shall, in designing each of its pipeline systems, design it so that

components that accomplish a change in direction within the pipeline system are of a radius that readily allows the passage of pipeline scrapers, spheres, and internal inspection equipment.

§ 180.122 Fabricated branch connections.

Each carrier shall, in designing each of its pipeline systems, ensure that the addition of any fabricated branch connections will not reduce the strength of the pipeline system.

§ 180.124 Closures.

Each carrier shall ensure that any closures to be installed in its pipeline system comply with the ASME Code, Section VIII for Unfired Pressure Vessels, 1965 Edition, and have pressure and temperature ratings at least equal to those of the pipe to which the closure is attached.

§ 180.126 Flange connection.

Each carrier shall ensure that each component of the flange connection is compatible with each other component and that the connection as a unit is suitable for the service in which it is to be used.

§ 180.128 Station piping.

Each carrier shall ensure that any pipe, to be installed in a station that is subject to system pressure, meets the applicable requirements of this part.

§ 180.130 Fabricated assemblies.

Each carrier shall ensure that each fabricated assembly to be installed in a pipeline system meets the applicable requirements of this part.

§ 180.132 Above ground tanks.

Each carrier shall, in designing any above ground tank, design it to withstand the internal pressures produced by the commodity to be stored therein and to withstand any anticipated external loads, consistent with accepted industry standards.

Subpart D—Construction

§ 180.200 Scope.

This subpart prescribes minimum requirements for constructing new pipeline systems with steel pipe, and relocating, replacing, or other change to existing systems constructed with steel pipe.

§ 180.202 Specifications: Compliance therewith and with design requirements.

(a) Each carrier shall, before beginning any pipeline construction have a written set of specifications that covers all phases of the proposed construction. The specifications must include provisions for design and construction consistent with the requirements of this part and must cover all phases of the work to be performed.

(b) Each carrier shall perform the construction work on each pipeline system covered by this part in accordance with the specifications required by paragraph (a) of this section and in accordance with the design requirements of Subpart C of this part.

§ 180.204 Inspection—general.

Each carrier shall provide for inspection to ensure installation in accordance with the requirements of this subpart. No carrier may use any person to perform inspections unless that person has been trained and is qualified in the phase of construction he is to inspect.

§ 180.206 Material inspection.

No carrier may install any pipe or other component in its pipeline system unless it has been visually inspected immediately before installation to assure that it is not damaged in a manner that could impair its strength or reduce its serviceability.

§ 180.208 Welding of supports and braces.

No carrier may weld any support or brace directly to pipe that will be operated at a pressure of more than 100 p.s.i.g.

§ 180.210 Pipeline location.

(a) Each carrier shall select its pipeline right-of-way so as to avoid, as far as practicable, areas containing private dwellings, industrial buildings, and places of public assembly.

(b) No carrier may locate a pipeline within 50 feet of any private dwelling, or any industrial building or place of public assembly in which persons work, congregate, or assemble, unless it is to be laid at a depth to provide at least 24 inches additional cover to that prescribed in § 180.248.

§ 180.212 Bending of pipe.

Each carrier that makes any field bends, shall make them in accordance with the following:

(a) The bend must be accomplished by a cold bending method that produces a smooth uniform bend with a minimum radius in accordance with the following table:

Pipe size (OD) inches:	*Minimum radius of bend in pipe diameters*
12¾ and smaller	18
14	21
16	24
18	27
20 and larger	30

(b) The pipe must be free from buckling, cracks, or any other mechanical damage and must conform after bending to the profile of the completed ditch.

(c) There must be no wrinkle bends or mitered bends (not including deflections up to 3° that are caused by misalignment).

(d) No girth weld may be placed inside the bending shoe.

(e) Pipe containing a weld seam must be bent so that the seam is located near the neutral axis.

§ 180.214 Welding: General: Record keeping.

(a) No carrier may weld any component except in compliance with this section and §§ 180.216 through 180.234. For the purposes of the welding requirements in this subpart the welding term definitions in AWS A3.0–1961 apply.

(b) Before beginning any welding each carrier shall establish written welding procedures that it has tested to assure that when followed will produce sound, ductile welds that comply with at least the applicable requirements of this subpart. The carrier shall keep detailed records of the tests performed to demonstrate the adequacy of that procedure.

§ 180.216 Distance between welds.

No carrier may make any welds that are closer than—

(a) Two inches, in the case of adjacent fillet welds or a fillet weld and a butt weld;

(b) Twelve inches, between parallel butt welds in the case of pipe of 24 inches or more in diameter; or

(c) One half of the pipe diameter, but not less than four inches, between parallel butt welds in the case of pipe of less than 24 inches in diameter.

This section does not apply to manufactured welded fittings such as anchor flanges and reducers.

§ 180.218 Welding: Seam offset and seam location.

No carrier may weld pipe lengths unless the seams on adjacent pipe lengths are offset so that when installed in a ditch, the seam is located in the top half of the circumference.

§ 180.220 Welds: filler metal.

No carrier may use any filler metal unless it is at least equal in strength to the pieces being welded and will fuse the pieces together.

§ 180.222 Welders: Testing.

No carrier may use any welder who has not been tested and found to qualify under section 3, API Standard 1104, January 1968 Edition.

§ 180.224 Welding: Weather.

No carrier may perform any welding under weather conditions that would impair the quality of the completed weld.

§ 180.226 Welding: Arc burns.

(a) No pipeline carrier may—

(1) Leave an arc burn unrepaired; or

(2) Weld a ground to the pipe or fitting being welded.

(b) A carrier may repair an arc burn by completely removing the notch by grinding, if the grinding does not reduce the wall thickness by more than 5 percent of the specified minimum wall thickness. If a notch is not repairable by grinding, the carrier shall remove a cylinder of the pipe large enough to remove the notch.

§ 180.228 Welding inspection: Standards of acceptability.

Each carrier shall inspect the welding process to ensure compliance with the applicable requirements of this subpart. The carrier shall supplement visual inspection with destructive and nondestructive testing. The acceptability of visual inspection and of nondestructive testing is determined according to the

standards in section 6, API Standard 1104, January 1968 edition.

§ 180.230 Welds: Repair of defects.

No carrier may repair a weld that is found unacceptable under § 180.228 unless—

(a) There are no cracks in the weld;

(b) The segment of the weld to be repaired was not previously repaired; and

(c) The weld is inspected after repair to assure its acceptability.

§ 180.232 Welds: Removal of defects.

A carrier shall remove a cylinder of the pipe containing the weld, and rebevel the ends whenever—

(a) The weld contains one or more cracks;

(b) The weld is not acceptable under § 180.228 and is not repaired; or

(c) The weld was repaired and the repair did not meet the requirements of § 180.228.

§ 180.234 Welds: Nondestructive testing; retention of records.

(a) A carrier may test a weld nondestructively by any process that will clearly indicate any defects in the weld.

(b) The carrier shall perform any nondestructive testing of welds—

(1) In accordance with a written set of procedures it has established for nondestructive testing; and

(2) With personnel that have been trained in the established procedures and in the use of the equipment employed in the testing.

(c) The carrier shall establish procedures that will ensure the proper interpretation of each weld inspection to assure compliance with § 180.228.

(d) During construction of a pipeline the carrier shall nondestructively test each girth weld over its entire circumference.

(e) Each carrier shall retain at its principal place of business for at least 3 years after the line is placed in operation each record relating to the nondestructive testing of welds, including the developed film if radiography is used with, so far as practicable, the location of each weld.

§ 180.236 External corrosion protection: General.

Each carrier shall provide for the protection of each component in the pipeline system against external corrosion for the life of the pipeline system.

§ 180.238 External coating.

No carrier may bury any pipeline system component unless that component has an external protective coating that—

(a) Is designed to mitigate corrosion on the buried component;

(b) Is bonded tightly to the metal surface;

(c) Is sufficiently ductile to resist cracking;

(d) Has enough strength to resist damage due to handling and soil stress; and

(e) Supports any supplemental cathodic protection.

If a barrier type is used it must be waterproof and provide high electrical resistance.

§ 180.240 Protection of coating.

The carrier shall inspect all coated pipe immediately before the installation and shall repair any damage discovered.

§ 180.242 Cathodic protection system.

(a) Each carrier shall have a cathodic protection system for all buried facilities to prevent corrosion deterioration that might result in structural failure. It shall also have a test procedure to determine whether cathodic protection has been achieved.

(b) The carrier shall install a cathodic protection system not later than 1 year after completing the construction.

§ 180.244 Test leads.

(a) Except for offshore pipelines, each carrier shall install electrical test leads used for corrosion control or electrolysis testing at intervals frequent enough to ensure obtaining electrical measurements that will indicate the adequacy of its cathodic protection.

(b) The carrier shall install the test leads so that—

(1) Enough looping or slack is provided so that the test lead will not be unduly stressed or broken during backfilling;

(2) Each lead is attached to the pipe so as to prevent stress concentration on the pipe; and

(3) Each lead installed in a conduit is suitably insulated from the conduit.

§ 180.246 Installation of pipe in a ditch.

The carrier shall ensure that all pipe installed in a ditch is installed in a manner that minimizes the introduction of stresses that would reduce the mechanical strength of the pipe.

§ 180.248 Cover over buried pipeline.

(a) Unless specifically exempted in this subpart, the carrier shall bury all pipe so that it is below the level of cultivation for the area through which the pipe traverses. Except as provided in paragraph (b) of this section, the carrier shall install the pipe so that the cover between the top of the pipe and the ground level, road bed, or river bottom, as applicable, is at least the depth contained in the following table for the applicable location:

Location	Cover (inches)	
	For normal excavation	For rock excavation [1]
Industrial, commercial, and residential areas	36	30
Crossing of bodies of water with a width of at least 100 feet from high water mark to high water mark	48	36
Drainage ditch at public roads and railroad crossings	36	36
Any other area	30	18

[1] Rock excavation is excavation that requires blasting.

(b) If it is impracticable to comply with the minimum cover requirement of paragraph (a) of this section, the carrier may provide less cover if enough additional protection, such as a concrete slab or casing is installed to provide equivalent protection.

§ 180.250 Clearance between pipe and underground structures.

No carrier may install any pipe underground unless there is at least 12 inches between the outside of the pipe and the extremity of any other underground structure, except that for drainage tile the minimum clearance may be less than 12 inches but not less than 2 inches.

§ 180.252 Backfilling.

The carrier shall perform backfilling in a manner that protects any pipe coating and provides firm support for the pipe.

§ 180.254 Above ground components.

(a) A carrier may install any component above ground in the following situations, if it complies with the applicable requirements of this part:

(1) Overhead water crossing.

(2) Short span over a gully.

(3) Scraper trap or block valve.

(4) In any area under the direct control of the carrier.

(5) In any area inaccessible to the public because of the terrain.

(b) The carrier shall construct each component covered by this section so that it is protected from the forces that would be exerted by the anticipated loads.

§ 180.256 Crossing of railroads and highways.

Each carrier shall install pipe that crosses under a railroad or a public road as close as practicable to 90° to the centerline of the railroad or public road but not less than 30° to the centerline. The carrier shall construct each railroad or highway crossing so that the pipe is protected from the dynamic forces that would be exerted by the anticipated maximum allowable gross traffic loads.

§ 180.258 Valves: General.

The carrier shall ensure that each valve installed in a pipeline system is installed in a location that is accessible to its authorized employees and that is protected from damage or tampering.

§ 180.260 Valves: Location.

The carrier shall install a valve at each of the following locations:

(a) On the suction end and on the discharge end of a pump station in a manner that permits isolation of the pump station.

(b) On each line entering or leaving a tank farm in a manner that permits isolation of the tank farm from other facilities.

(c) On each main line at locations along the pipeline system appropriate for the terrain in open country, and at locations that will minimize damage from accidental product discharge near cities and other populated areas, but in no case further apart than 10 miles.

(d) On each lateral take-off from a trunk line in a manner that permits

shutting off the lateral without interrupting the flow in the trunk line.

(e) On each side of each water crossing at least 100 feet wide from high water mark to high water mark.

(f) On each side of a reservoir holding water for human consumption.

§ 180.262 Pumping equipment.

(a) The carrier shall provide for adequate ventilation in the pump station to prevent the accumulation of explosive vapors. The carrier shall install warning devices that will warn of the presence of explosive vapors in the pumping station.

(b) The carrier shall provide for the following in each pump station:

(1) Safety devices that prevent overpressuring of pumping equipment, including auxiliary equipment within the pumping station.

(2) A device for the emergency shutdown of each pumping station.

(3) If required to actuate safety devices, an auxiliary power supply.

(c) No carrier may use a pumping station for other than testing until it has tested each safety device under conditions approximating actual operations and found that the device functions properly.

(d) No carrier may install any pumping equipment—

(1) On any property that is not under its exclusive control; and

(2) Closer than 50 feet from the property line.

(e) The carrier shall install adequate fire protection at each pump station. If the fire protection system installed requires the use of pumps, the carrier shall provide motive power for those pumps that is separate from that provided for the station power.

§ 180.264 Above ground storage and working tankage.

(a) The carrier shall provide a means for containing the commodity in the event of spillage or tank failure.

(b) The carrier shall provide adequate protection for tankage areas to protect against unauthorized entry.

(c) The carrier shall provide normal and emergency relief venting for each tank.

§ 180.266 Construction records.

The carrier shall maintain at its principal place of business for the life of each facility a complete record showing—

(a) The number of girth welds, including the number rejected and the disposition of each rejected weld;

(b) The amount, location, and cover of each size of pipe installed;

(c) The location of each crossing of another pipeline;

(d) The location of each buried utility crossing;

(e) The location of each overhead crossing; and

(f) The location of each valve, weighted pipe, corrosion test station, or other item connected to the pipe.

Subpart E—Hydrostatic Testing

§ 180.300 Scope.

This subpart prescribes minimum hydrostatic test requirements for new and existing pipeline systems constructed with steel pipe.

§ 180.302 General requirements.

(a) No carrier may operate a new pipeline system, or return to operation a pipeline system that has been relocated, qualified, or requalified, or in which pipe has been replaced, until the new pipeline system or that part that has been relocated, replaced, qualified, or requalified has been hydrostatically tested in accordance with this subpart with no leakage found.

(b) In conducting the hydrostatic test the carrier shall—

(1) Maintain, for at least 24 hours, a test pressure throughout that part of the system being tested that is at least 140 percent of the maximum operating pressure for that part of the system being tested; and

(2) After 24 hours relieve the test pressure and then repressure to the test pressure, allowing the pressure to stabilize, to check for cyclic failure.

§ 180.304 Testing of components.

In conducting the hydrostatic test required by § 180.302 the carrier shall test all pipe and fittings attached thereto including components in the system that were factory assembled if they are a part of new construction or a major replacement. However, if a component is the only item being replaced or added to the pipeline system, a hydrostatic test after installation is not required if the manufacturer certifies that the component was hydrostatically tested at the factory to at least the pressure required by § 180.302(b).

§ 180.306 Test medium.

(a) Except as provided in paragraph (b) of this section, the carrier shall use as the test medium water that is sufficiently aklaline that it will not damage the steel surfaces and that is free of sedimentary material.

(b) If the entire pipeline section being tested is located outside of any city or other populated area and if there are no persons (other than those conducting the test) within 1,000 feet of the test section, the carrier may use liquid petroleum of a type that will not vaporize if released to the atmosphere.

§ 180.308 Testing of tie-in.

The carrier shall test all pipe associated with tie-ins as required by §180.302 either with the section to be tied-in or separately.

§ 180.310 Records.

(a) The carrier shall make a record of each hydrostatic test performed under this subpart (including the reasons for any failure during a test) and shall keep that record, at his principal place of business, for the useful life of the facility tested.

(b) The carrier shall include in the record, recording gauge charts, dead weight tester data, and a profile of the pipeline on which the elevation and test sites over the entire length of the pipeline are indicated. Each chart must include at least—

(1) The carrier's name, the name of the carrier's employee responsible for making the test, and the name of the test company used, if any;

(2) The date and time of the test;

(3) The average test pressure;

(4) The test medium;

(5) A description of the facility tested; and

(6) An explanation of any discontinuities in the pressure on any chart.

Subpart F—Operation and Maintenance

§ 180.400 Scope.

This subpart prescribes minimum requirements for operating and maintaining pipeline systems constructed with steel pipe.

§ 180.402 General requirements.

(a) Each carrier shall establish and maintain current written procedures to ensure the safe operation and maintenance of its pipeline systems in accordance with this part, including the procedures to be followed during normal and abnormal operations and during emergencies.

(b) No carrier may operate or maintain its pipeline systems at a level of safety lower than that required by this subpart and the procedures it is required to establish under paragraph (a) of this section.

(c) Whenever a carrier discovers any condition that could adversely affect the safe operation of its pipeline system it shall correct it within a reasonable time. However, if the condition is of such a nature that it presents a hazard to persons or property, the carrier may not operate the affected part of the system until it has corrected the unsafe condition.

(d) No carrier may operate any pipeline system constructed after [effective date of this part] unless it was designed and constructed as required by this part.

§ 180.404 Maps and records.

(a) Each carrier shall maintain current maps of its pipeline systems that must include at least the following information:

(1) Location and identification of all major facilities.

(2) All public roads, railroads, river crossings, and crossings with buried or overhead foreign facilities.

(3) The maximum operating pressure of each pipeline.

(4) The diameter, grade, type, and wall thickness of all pipe.

(b) Each carrier shall maintain daily operating records that indicate at least the discharge pressures at each pump station and any unusual operations of a facility. The carrier shall retain these records at its principal place of business for at least 3 years.

(c) The carrier shall maintain records that include at least the following:

(1) The date, location, and description of each repair made to its pipeline systems.

(2) A record of each inspection or test required by this part.

The carrier shall retain each record for the useful life of that part of the pipeline system to which it relates.

§ 180.406 Limit on operating pressure.

(a) No carrier may operate any pipeline, that is hydrostatically tested after [effective date of this amendment], at a pressure that is more than the maximum operating pressure, which was used as the base for the hydrostatic test. However, the operating pressure may not exceed a pressure that produces a stress greater than 72 percent of the specified minimum yield strength or 72 percent of the lowest known yield strength of any pipe in the line, if specified minimum yield strength is not known.

(b) No carrier may operate a pipeline, that has not been hydrostatically tested under this part, at a pressure that produces a stress greater than 72 percent of the specified minimum yield strength of the material used or 72 percent of the lowest known yield strength of any pipe in the line, if specified minimum yield strength is not known, plus a 10 percent allowance for surge pressure or other pressure variations from normal operations. The carrier shall provide adequate controls and protective equipment so that the pressure rise due to surge pressure and other variations from normal operations at any point in the pipeline system does not exceed 10 percent.

§ 180.408 Communications.

The carrier shall have a communication system that ensures the transmission of information required for the safe operation of the pipeline system.

§ 180.410 Line markers.

(a) After [1 year after the effective date of this amendment] the carrier shall have line markers over each buried line in accordance with the following:

(1) Markers must be located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.

(2) The marker must state at least the following: "Warning" "Petroleum (or the name of the product transported) Pipeline" (in lettering at least 1 inch high with an approximate stroke of ¼ inch on a background of sharply contrasting color), the name of the carrier and a telephone number where the carrier can at all times be reached. In addition, markers at navigable river crossings must contain the words "Do Not Anchor" with lettering not less than 12 inches high with an approximate stroke of 1 inch on a background of sharply contrasting color.

(b) The carrier shall provide line marking at locations where the line is above ground in areas that are accessible to the public.

§ 180.412 Inspection of rights-of-way and of crossings under navigable waters.

(a) At least once during each 2-week period the carrier shall inspect each line in its pipeline system to observe at least the surface conditions on or adjacent to the pipeline right-of-way.

(b) Except for offshore pipelines, at least once during each 5-year period the carrier shall inspect each crossing of 100 feet or more under a navigable waterway to determine that no part of the pipe is exposed.

§ 180.414 Cathodic protection of existing pipelines.

(a) Except as provided in paragraph (c) of this section, each pipeline in existence on [the effective date of this amendment] with an external surface coating material that is not cathodically protected shall be so protected within 3 years after that date.

(b) Except as provided in paragraph (c) of this section, bare pipelines in existence on [the effective date of this amendment] shall be electrically surveyed within a 5-year period after that date to reveal areas in which active corrosion is taking place. However, the carrier shall survey those sections of pipeline that are upgraded by an increase in pressure within 1 year after that date. If the pipe is found to be pitted so that the original wall thickness is reduced by 10 percent or more, the carrier shall replace the pipe with coated pipe that meets the requirements of this part. In any areas where there is corrosion pitting, the carrier shall provide cathodic protection.

(c) Tank farms and buried pumping station piping existing on [the effective date of this amendment] with or without an external surface coating material shall be cathodically protected within 3 years after that date.

§ 180.416 External corrosion control: Inspections and surveys: Maintenance of test stations: Protection of exposed pipe.

(a) At least once during each 12-month period each carrier shall inspect each underground facility in its pipeline system that is under cathodic protection to determine whether the protection complies with § 180.242.

(b) The carrier shall maintain the test leads required by § 180.244 in such a condition that electrical measurements can be obtained to ensure adequate protection.

(c) At least once during each 2-month period, each carrier shall inspect each of its cathodic protection rectifiers.

(d) At least once during each 12-month period each carrier shall electrically inspect pipe in its pipeline system that is not coated, or that is not cathodically protected, and shall study leak records for that segment, to determine if additional protection is needed.

(e) Whenever any buried pipe is exposed for any reason, the carrier shall examine the pipe for evidence of external corrosion. If the carrier finds that there is active corrosion, that the surface of the pipe is generally pitted, or that corrosion has caused a leak, it shall investigate further to determine the extent of the corrosion.

(f) Each carrier shall clean and coat, with material suitable for the prevention of atmospheric corrosion, and shall thereafter maintain, each component in its pipeline system that is exposed to the atmosphere.

(g) If pipe is found to be pitted so that the original wall thickness is reduced by 10 percent or more, the carrier shall replace the length of pipe so corroded, with coated pipe that meets the requirements of this part.

§ 180.418 Internal corrosion control.

(a) No carrier may transport any commodity through its pipeline systems if that commodity would corrode the pipe or other components of the system, unless it has investigated the corrosive effect of the commodity on the system and has taken adequate steps to control corrosion.

(b) If a carrier uses corrosion inhibitors to control internal corrosion, it shall use inhibitors in sufficient quantity to protect the entire part of the system that the inhibitors are designed to protect and shall use coupons or other monitoring equipment. If inhibitors are used, the carrier shall, at least once during each 6-month period, examine coupons or other types of monitoring equipment to determine inhibitor effectiveness.

(c) Whenever any pipe is removed from the pipeline for any reason, the carrier shall inspect the internal surface for evidence of corrosion. If the original wall thickness of the pipe has been reduced by 10 percent or more, the carrier shall investigate adjacent pipe to determine the extent of the excess corrosion and shall replace the corroded pipe with pipe that meets the requirements of this part.

§ 180.420 Valve maintenance.

(a) Each carrier shall maintain each valve, necessary for the safe operation of its pipeline systems, in good working order at all times.

(b) At least once during each 6-month period each carrier shall inspect each main line valve to determine that it is functioning properly.

(c) Each carrier shall protect each valve from unauthorized operation and from vandalism.

§ 180.422 Pipeline repairs.

(a) Each carrier shall, in making repairs to its pipeline systems, ensure that the repairs are made in a safe manner, and are made so as to prevent damage to persons or property.

(b) No carrier may use any pipe, valve, or fitting, for replacement in repairing pipeline facilities, that is not designed and constructed as required by this part.

§ 180.424 Pipe movement.

No carrier may perform any work on the pipeline that necessitates moving the pipe, until the line section involved is isolated to eliminate the flow of commodity. The carrier shall not move any

pipeline containing commodities that vaporize upon release to the atmosphere.

§ 180.426 Scraper and sphere facilities.

No carrier may use a launcher or receiver that is not equipped with a relief device capable of safely relieving pressure in the barrel before insertion or removal of scrapers or spheres. The carrier shall use a suitable device to indicate that pressure has been relieved in the barrel or shall provide a means to prevent insertion or removal of scrapers or spheres if pressure has not been relieved in the barrel.

§ 180.428 Overpressure safety devices.

(a) At least once during each 6-month period each carrier shall inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

§ 180.430 Firefighting equipment.

Each carrier shall maintain adequate firefighting equipment at each pump station, terminal, and tank farm. The equipment must be—

(a) In proper operating condition at all times;

(b) Plainly marked so that its identity as firefighting equipment is clear; and

(c) Located so that it is easily accessible.

§ 180.432 Storage vessels.

At least once during each 12-month period each carrier shall inspect each storage vessel (including atmospheric and pressure tanks).

§ 180.434 Signs.

Each carrier shall maintain caution signs visible to the public around each pumping station, terminal, or tank farm. Each sign shall contain the name of the carrier and an emergency telephone number to contact.

§ 180.436 Security of facilities.

Each carrier shall protect each pumping station, terminal, and tank farm and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

§ 180.438 Smoking or open flames.

Each carrier shall prohibit smoking and open flames in each pump station area and each terminal or tank farm area where there is a possibility of the leakage of dangerous goods or of the presence of vapors from dangerous goods.

Subpart G—Qualification and Requalification of Pipelines

§ 180.500 Scope.

This subpart prescribes minimum testing requirements for the qualification and requalification of pipelines constructed with steel pipe.

§ 180.502 Requalification of pipelines.

(a) After the applicable date determined under paragraph (b), (c), or (d) of this section, no carrier may operate a pipeline system until it has qualified or requalified that system by a hydrostatic test in accordance with § 180.302.

(b) In the case of line sections constructed after 1958 that have previously successfully withstood a hydrostatic test of at least 1.1 times the internal design pressure for the line section, the carrier shall requalify the line section no later than 15 years after the date of the latest test and at least once during each 10-year period thereafter.

(c) In the case of line sections constructed before 1959 that have previously successfully withstood a hydrostatic test of at least 1.1 times the internal design pressure for the line section, the carrier shall requalify the line section no later than 10 years after the date of the latest test, or before December 31, 1974, whichever is later, and at least once during each 10-year period thereafter.

(d) In the case of line sections that have never been subjected to a hydrostatic test of at least 1.1 times the internal design pressure for the line section, the carrier shall qualify the line section no later than 5 years after [effective date of amendment] and at least once during each 10-year period thereafter.

§ 180.504 Maintenance test of pipelines.

Within 5 years after [effective date of amendment] and at least once during each 5-year period thereafter, the carrier shall analyze the maintenance records for each line section. The carrier shall retain its most recent analysis for examination by the Administrator. After examination and evaluation, the Administrator will determine if the condition of any particular line section requires retesting. If retesting is required, the Administrator will so notify the carrier, and the carrier shall perform a retest within one year after the notification unless the Administrator requires the test to be performed sooner.

§ 180.506 Records.

Not later than [6 months after effective date of amendment] each carrier shall prepare, and thereafter maintain and keep open for inspection at his principal place of business, a record of each line section that is subject to this subpart. These records must show the location of each of the line sections by State and county, date constructed, the diameter, wall thickness, type of pipe, and yield strength of the pipe. These records must also include appropriate data to indicate when line sections were hydrostatically tested. In any case in which this information is not available for tests performed before [effective date of amendment] the carrier shall certify that the tests were performed and his records shall so indicate.

[F.R. Doc. 68-8453; Filed, July 16, 1968; 8:48 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 73]

[Docket No. 18248; FCC 68-713]

TELEVISION BROADCAST STATIONS

Table of Assignments; Fort Smith, Ark.

In the matter of amendment of § 73.606 (b) of the Commission's rules and regulations, Television Table of Assignments (Fort Smith, Ark.); Docket No. 18248, RM-1297.

1. Notice is hereby given of proposed rule making to assign Channel 40 to Fort Smith, Ark.

2. George T. Hernreich trading as KFPW Broadcasting Co., filed a petition on April 29, 1968, requesting the assignment of Channel 40 to Fort Smith, Ark. Hernreich applied for Channel 24 at Fort Smith (BPCT-3937), but a comparative hearing was ordered because Broadcasters Unlimited filed a mutually exclusive application for the channel (BPCT-3936); see Docket Nos. 18046 and 18047. Petitioner desires to avoid the hearing and to bring additional service to Fort Smith at the earliest time possible. Additional facts are adduced to support its view that a third channel (in addition to Channels 5 and 24) should be assigned there.

3. Fort Smith is the third largest city in Arkansas (population 52,991, 1960 Census; a special 1967 census disclosed a population of 66,716). Fort Smith is located in Sabastian County, the fourth most populous in Arkansas (66,685 persons, 1960 Census). It is stated that Fort Smith has had substantial growth in the last two decades (1940 population 36,584 and a 1950 population of 47,942). Fort Smith has only one local television outlet Station KFSA-TV, Channel 5. No other Grade B or better coverage is available except from KTUL-TV, Tulsa, Channel 8, whose Grade B contour includes part of the city. It is also stated that Fort Smith is located in an area of natural resources and is the shopping center of a large area with an effective 1966 buying income of $443 million. Petitioner states that Fort Smith is one of the leading manufacturing cities in Arkansas: 110 new outlets have been established in the past 11 years and 325 manufacturers have expanded over the same period. This expansion, which is anticipated to continue, is the result of development of the Arkansas River for navigation. Supporting engineering data, which has been verified by the staff, discloses that Channel 40 may be assigned in full compliance with all mileage separation requirements. Also this is an area where an ample supply of channels is

available to supply any foreseeable needs. It would appear therefore that the public interest would be served by the assignment of Channel 40 to Fort Smith.

4. Accordingly, pursuant to authority in sections 4(i), 303, and 307(b) of the Communications Act of 1934, as amended, it is proposed to amend § 73.606(b) of the Commission's rules and regulations by adding Channel 40 at Fort Smith, Ark.

5. Pursuant to applicable procedures set out in § 1.415 of the Commission's rules, interested parties may file comments on or before August 19, 1968, and reply comments on or before August 29, 1968. 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.

6. In accordance with the provisions of § 1.419 of the Commission's rules, an original and 14 copies of all written comments, replies, pleadings, briefs, or other documents shall be furnished the Commission.

Adopted: July 10, 1968.

Released: July 12, 1968.

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

[F.R. Doc. 68-8461; Filed, July 16, 1968; 8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Oil Import Administration

[32A CFR Ch. X]

[Oil Import Reg. 1 (Rev. 5)]

OIL IMPORT REGULATION

Allocation of Imports; Low Sulphur Residual Fuel Oil, Districts I–IV

On page 7822 of the FEDERAL REGISTER for May 29, 1968 (33 F.R. 7822), and on page 8777 of the FEDERAL REGISTER for June 15, 1968 (33 F.R. 8777), there appears a notice of rule making which sets forth in general terms certain amendments which the Secretary of the Interior proposes to make to Oil Import Regulation 1, as amended, respecting low sulphur residual fuel oil in Districts I–IV. This notice of proposed rule making states that all comments, suggestions, or objections with respect to the proposed plan shall be filed with the Administrator, Oil Import Administration, Washington, D.C. 20240, on or before June 14, 1968. On page 8777 of the FEDERAL REGISTER for June 15, 1968 (33 F.R. 8777), this date was extended to July 15, 1968. In order to assure adequate time for all interested parties to comment this date is further extended to August 5, 1968.

ELMER L. HOEHN,
Administrator,
Oil Import Administration.

JULY 12, 1968.

[F.R. Doc. 68-8582; Filed, July 16, 1968; 11:14 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

CHIEF, DIVISION OF ADMINISTRATION, WYOMING STATE OFFICE, ET AL.

Delegation of Authority Regarding Contracts and Leases

JULY 10, 1968.

State Director, Wyoming; Supplement to Bureau of Land Management Manual 1510.

A. Pursuant to delegation of authority contained in Bureau Manual 1510–03B2c, the

Chief, Division of Administration, State Office.
Administrative Officer, State Office.
District Managers.
District Administrative Officers.

are authorized:

1. To enter into contracts with established sources for supplies and services, excluding capitalized equipment, regardless of amount, and

2. To enter into contracts on the open market for supplies and materials, excluding capitalized equipment, not to exceed $2,500 per transaction ($2,000 for construction), provided that the requirement is not available from established sources.

B. District Managers may limit the authority granted above.

C. This cancels and supersedes authority delegated on May 20, 1964 and published on page 7251, FEDERAL REGISTER of June 3, 1964.

ED PIERSON,
State Director.

[F.R. Doc. 68–8422; Filed, July 16, 1968; 8:45 a.m.]

[S 1673]

CALIFORNIA

Notice of Proposed Withdrawal and Reservation of Lands

JULY 8, 1968.

The Corps of Engineers, Sacramento District, Department of the Army, Sacramento, Calif., has filed an application Serial Number S 1673, for the proposed withdrawal of lands described below, subject to valid existing rights, from prospecting, location, and entry under the mining laws (30 U.S.C., Ch. 2) and from leasing under the mineral leasing laws.

The land involved in the application lies in Mariposa County and is patented, having been patented under the Stock-raising Homestead Act of December 29, 1916 (36 Stat. 862), as amended, with a reservation of all minerals to the United States.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, U.S. Department of the Interior, room 4201, U.S. Courthouse and Federal Building, 650 Capitol Mall, Sacramento, Calif. 95814.

The Department's regulations (43 CFR 2311.1–3(c)) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

MOUNT DIABLO MERIDIAN

T. 8 S., R. 18 E.,
Sec. 10, S½NE¼SE¼ and S½N½NE¼SE¼;
Sec. 11, S½NE¼NW¼SW¼, NW¼NE¼NW¼SW¼, NW¼NW¼SW¼, S½NW¼SW¼, S½NE¼SW¼, S½S½N½NE¼SW¼, S½NW¼SE¼, S½S½N½NW¼SE¼, and S½NE¼SE¼SE¼;
Sec. 12, N½SW¼SW¼, SE¼SW¼, E½SW¼NE¼SW¼, SE¼NE¼SW¼, SW¼NW¼SE¼, S½NW¼NW¼SE¼, E½NW¼SE¼, NE¼SE¼, E½SW¼NE¼, and SE¼NE¼.

The areas described aggregate approximately 332.50 acres.

JESSE H. JOHNSON,
Acting Chief, Lands Adjudication Section.

[F.R. Doc. 68–8424; Filed, July 16, 1968; 8:45 a.m.]

[Serial No. I–2332]

IDAHO

Notice of Proposed Withdrawal and Reservation of Lands

JULY 10, 1968.

The Department of Agriculture has filed an application, Serial Number I–2332 for the withdrawal of the lands described below, from all forms of appropriation under the public land laws, including the mining laws but not the mineral leasing laws, subject to valid existing rights.

The applicant desires the land for public purposes as a streamside zone on the St. Joe National Forest.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, Department of the Interior, room 334, Federal Building, 550 West Fort, Boise, Idaho 83702.

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

He will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the Department of Agriculture.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant it, a public hearing will be held at a convenient time and place which will be announced.

The lands involved in the application are:

BOISE MERIDIAN, IDAHO

ST. JOE NATIONAL FOREST

St. Joe River—Sherlock Creek-California Creek Streamside Zone

T. 42 N., R. 9 E.,
Sec. 1, W½NE¼ and W½ of lot 1, SE¼SE¼SW¼NE¼, W½NE¼SE¼NE¼, W½SE¼NE¼, W½SE¼SE¼NE¼, NE¼NE¼SE¼SW¼, S½NE¼SE¼SW¼, NE¼SW¼SE¼SW¼, S½SW¼SE¼SW¼, SE¼SE¼SW¼, W½NE¼NE¼SE¼, NW¼NE¼SE¼, N½SW¼NE¼SE¼, SW¼SW¼NE¼SE¼, E½NW¼SE¼, SE¼SW¼NW¼SE¼, N½SW¼SE¼, N½SW¼SW¼SE¼, SW¼SW¼SW¼SE¼, NW¼NW¼SE¼SE¼;
Sec. 3, S½SW¼SW¼SE¼, SW¼SE¼SW¼SE¼;
Sec. 5, SW¼NW¼SW¼NW¼, SW¼SW¼NW¼, S½SE¼SW¼NW¼, SW¼SW¼SE¼NW¼, NW¼NW¼NE¼SW¼, S½NW¼NE¼SW¼, SW¼NE¼SW¼, NE¼NW¼SW¼, N½NW¼NW¼SW¼, E½SE¼NW¼SW¼, E½E½SW¼SW¼, W½SE¼SW¼;

Sec. 6, NW¼NW¼, S½NW¼, SW¼, NW¼SE¼, and S½SE¼ of lot 1, NE¼ and NE¼SE¼ of lot 2, NE¼SE¼NE¼, N½NW¼SE¼NE¼, SE¼NW¼SE¼NE¼, N½SE¼SE¼NE¼, SE¼SE¼SE¼NE¼;

Sec. 7, E½NE¼NE¼SE¼, SE¼NE¼SE¼, E½NE¼SW¼SE¼, SE¼SW¼SE¼, SE¼SE¼;

Sec. 8, NW¼NE¼NW¼, N½SW¼NE¼NW¼, SW¼SW¼NE¼NW¼, E½NW¼NW¼, E½SW¼NW¼NW¼, E½SW¼NW¼, E½NW¼SW¼NW¼, SW¼SW¼NW¼, W½W¼SE¼NW¼, N½NE¼NW¼SW¼, SW¼NE¼NW¼SW¼, W½NW¼SW¼, NW¼SE¼NW¼SW¼, W½NW¼SW¼SW¼, NW¼SW¼SW¼SW¼;

Sec. 9, E½SE¼NE¼SE¼, S½SE¼SW¼SE¼, NE¼SE¼SE¼, SE¼NW¼SE¼SE¼, S½SE¼SE¼;

Sec. 10, SW¼SW¼NE¼NE¼, E½NW¼NE¼, E½SW¼NE¼, N½SW¼SW¼NE¼, NE¼NE¼SE¼NE¼, S½NE¼SE¼NE¼, NW¼NW¼SE¼NE¼, S½NW¼SE¼NE¼, S½SE¼NE¼, NE¼NE¼NE¼NW¼, S½NE¼NE¼NW¼, S½NW¼NE¼NW¼, S½SE¼NW¼NW¼, E½SW¼NW¼, SE¼NW¼SW¼NW¼, E½SW¼SW¼NW¼, SW¼SE¼NW¼, N½SE¼SE¼NW¼, SW¼SE¼SE¼NW¼, NW¼NE¼NE¼SW¼, N½NW¼NE¼SW¼, NW¼SW¼, NW¼NE¼SW¼, SW¼NW¼NE¼SW¼, NW¼SW¼, N½NE¼SW¼SW¼, SW¼NE¼SW¼SW¼, NW¼SW¼SW¼, N½SW¼SW¼SW¼, SW¼SW¼SW¼SW¼, N½N½NE¼SE¼, N½NE¼NW¼SE¼;

Sec. 11, SW¼NW¼NE¼NE¼, S½NE¼NE¼, S½NE¼NW¼NE¼, NW¼NW¼NW¼NE¼, S½NW¼NW¼NE¼, S½NW¼NE¼, N½NE¼SE¼NE¼, NE¼NW¼SE¼NE¼, NE¼NE¼NW¼, SE¼NW¼NE¼NW¼, SW¼NE¼NW¼, N½SE¼NE¼NW¼, SW¼SE¼NE¼NW¼, SE¼SE¼NW¼NW¼, N½SW¼NW¼, NW¼SW¼SW¼NW¼, N½NW¼SE¼NW¼, SW¼NW¼SE¼NW¼;

Sec. 12, N½SW¼NE¼NW¼, NW¼SE¼NE¼NW¼, NE¼NW¼NW¼, NE¼NW¼NW¼NW¼, S½NW¼NW¼NW¼, SW¼NW¼NW¼, N½SE¼NW¼NW¼;

Sec. 16, N½NE¼NE¼NE¼, SW¼NE¼NE¼NE¼, NW¼NE¼NE¼, N½SW¼NE¼NE¼, SW¼SW¼NE¼NE¼, NW¼NE¼, N½NE¼SW¼NE¼, SW¼NE¼SW¼NE¼, NW¼SW¼NE¼, S½N½NE¼NW¼, S½NE¼NW¼, S½N½NW¼NW¼, S½NW¼SW¼NW¼, N½SE¼NW¼NW¼;

Sec. 17, S½SE¼NE¼NE¼, S½NE¼, S½SW¼NW¼, NE¼SE¼NW¼, E½NW¼SE¼NW¼, S½SE¼NW¼, N½N½NE¼SW¼, N½N½NW¼SW¼, N½N½NE¼SE¼, N½N½NW¼SE¼;

Sec. 18, NE¼NE¼, E½NW¼NE¼, NE¼SW¼NE¼, N½SE¼SW¼NE¼, SE¼SE¼SW¼NE¼, W½NE¼SE¼NE¼, NW¼SE¼NE¼, S½SE¼NE¼, E½NE¼NE¼SE¼, W½NW¼NE¼SE¼, N½S½NE¼SE¼, NE¼NE¼NW¼SE¼.

Totaling approximately 1437 acres.

T. 43 N., R. 9 E.,

Sec. 31, SE¼SW¼NE¼, NW¼SW¼SE¼NE¼, S½SW¼SE¼NE¼, NW¼NE¼SE¼, W½SW¼NE¼SE¼, NE¼NW¼SE¼, S½NW¼NW¼SE¼, S½NW¼SE¼, SW¼SE¼, NW¼NW¼SE¼SE¼, SW¼SW¼SE¼SE¼;

Sec. 36, SE¼SE¼NE¼SE¼, NE¼SE¼SE¼, SE¼NW¼SE¼SE¼, SW¼SE¼SE¼, W½SE¼SE¼SE¼.

Totaling 142.5 acres.

T. 43 N., R. 10 E.,

Sec. 15, SE¼NE¼SW¼, S½SW¼SW¼, SE¼SW¼;

Sec. 21, NE¼NE¼NE¼;

Sec. 22, N½NW¼NW¼;

Sec. 26, SW¼NE¼NW¼SE¼ (Less the portion overlapping the south boundary of the Contention claim, Patented Solace Group (MS2396) Approximately 0.8 acres), W½NW¼SE¼ (Less the portion overlapping the south boundary of the Contention claim, Patented Solace Group (MS2396) Approximately 2.0 acres), W½SE¼NW¼SE¼, W½SW¼SE¼;

Sec. 35, W½E½NW¼NE¼, W½NW¼NE¼, W½E½SW¼NE¼, W½SW¼NE¼.

Totaling approximately 205 acres.

The areas described aggregate approximately 1,784 acres in Shoshone County, Idaho.

ORVAL G. HADLEY,
Manager, Land Office.

[F.R. Doc. 68-8423; Filed, July 16, 1968; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

WYOMING

Designation of County Within Great Plains Area Where Great Plains Conservation Program is Specifically Applicable

For the purpose of making contracts based upon an approved plan of farming operations pursuant to the act of August 7, 1956 (70 Stat. 1115, 16 U.S.C. 590p(b)), as amended, the following county in the following State is designated as susceptible to serious wind erosion by reason of its soil types, terrain, and climatic and other factors.

WYOMING

Niobrara.

Done at Washington, D.C., this 11th day of July 1968.

JOHN A. BAKER,
Assistant Secretary.

[F.R. Doc. 68-8447; Filed, July 16, 1968; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

GEIGY INDUSTRIAL CHEMICALS

Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 8B2312) has been filed by Geigy Industrial Chemicals, Division of Geigy Chemical Corp., Ardsley, N.Y. 10502, proposing an amendment to § 121.2520 *Adhesives* (21 CFR 121.2520) to provide for the safe use of tetrakis [methylene (3,5-di-*tert*-butyl-4-hydroxyhydrocinnamate)] methane as an optional component in food-packaging adhesives.

Dated: July 8, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-8492; Filed, July 16, 1968; 8:50 a.m.]

HETEROCHEMICAL CORP.

Amended Notice of Filing of Petition for Food Additive Menadione Dimethylpyrimidinol Bisulfite

In the FEDERAL REGISTER of May 7, 1968 (33 F.R. 6891), notice was given that a petition had been filed by the Heterochemical Corp., 111 East Hawthorne Avenue, Valley Stream, N.Y. 11580, proposing the issuance of a food additive regulation to provide for the safe use of from 2 to 20 grams of menadione dimethylpyrimidinol bisulfite in poultry feed as a nutritional supplement for the prevention of vitamin K deficiency.

Notice is given pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)) that said petition as amended proposed the issuance of a regulation to provide for the safe use of the additive in the feed of warm-blooded four-footed animals and for its use in the drinking water of poultry.

Dated: July 10, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-8493; Filed, July 16, 1968; 8:50 a.m.]

MUCOLYTIC AEROSOL PREPARATIONS CONTAINING TYLOXAPOL OR SODIUM ETHASULFATE

Drugs for Human Use, Drug Efficacy Study Implementation Announcement

The Food and Drug Administration has evaluated reports received from the National Academy of Sciences—National Research Council, Drug Efficacy Study Group, on the following preparations:

1. Alevaire (tyloxapol 0.125 percent); Winthrop Products, Inc., 90 Park Avenue, New York, N.Y. 10016.

2. Alevaire (tyloxapol 0.125 percent); Winthrop Laboratories, Division of Sterling Drug, 90 Park Avenue, New York, N.Y. 10016.

3. Tergemist (sodium ethasulfate 0.125 percent; potassium iodide 0.1 percent); Abbott Laboratories, 14th and Sheridan Road, North Chicago, Ill. 60064.

The Academy reports state that these articles are ineffective in that there is no evidence that tyloxapol or sodium ethasulfate in the amount present in these

preparations has any effect on secretions in the lung other than that of water in thinning secretions by simple dilution. Further, the concentration of potassium iodide in the Tergemist preparation is too low to contribute to the claimed effectiveness of the drug.

The Food and Drug Administration concurs in the opinions expressed by the Academy and concludes that there is a lack of substantial evidence that either Alevaire or Tergemist will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in its labeling.

Accordingly, the Commissioner of Food and Drugs intends to initiate proceedings to withdraw approval of the new-drug applications for Alevaire and Tergemist.

Prior to initiating such action, however, the Commissioner invites the holders of the new-drug applications for Alevaire and Tergemist, as well as any person who may be adversely affected by removal of these drugs from the market, to submit any pertinent data bearing on the proposal within 30 days from the date of publication of this announcement in the FEDERAL REGISTER. Any such data should be addressed to the Special Assistant for Drug Efficacy Study Implementation, Bureau of Medicine, Food and Drug Administration, 200 "C" Street SW., Washington, D.C. 20204.

This announcement is made to give persons who may be adversely affected by withdrawal of the drugs from the market notice of the proposed action based on the evaluation of these articles.

The holders of the new-drug applications for these drugs have been mailed a copy of the NAS–NRC report. Any other interested person may obtain a copy of the NAS–NRC reports on Alevaire or Tergemist by writing to the Food and Drug Administration, Press Relations Office, 200 "C" Street SW., Washington, D.C. 20204.

This notice is issued pursuant to the authority vested in the Secretary of Health, Education, and Welfare, by the Federal Food, Drug, and Cosmetic Act (secs. 502, 505, 52 Stat. 1050–53, as amended; 21 U.S.C. 352, 355) and delegated to the Commissioner (21 CFR 2.120).

Dated: July 9, 1968.

HERBERT L. LEY, Jr.,
Commissioner of Food and Drugs.

[F.R. Doc. 68-8494; Filed, July 16, 1968; 8:51 a.m.]

[Docket No. FDC-D-111; NDA No. 14-241]

UNIMED, INC.

Serc Tablets; Notice of Opportunity for Hearing

Notice is hereby given to Unimed, Inc., Morristown, N.J. 07960, that the Commissioner of Food and Drugs proposes to issue an order under the provisions of section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355 (e)) withdrawing approval of new-drug application Number 14–241 and all amendments and supplements thereto held by Unimed, Inc., for the drug Serc tablets (betahistine hydrochloride) on the grounds that:

1. New information before the Food and Drug Administration with respect to this drug evaluated together with the evidence available when the application was approved show that there is a lack of substantial evidence that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling thereof; and

2. Investigation by the Food and Drug Administration indicates that the application contains untrue statements of material facts about the status of some of the patients involved in the clinical trials, the drugs they were given, and the results obtained.

Specifically, new evidence concerning a clinical investigation of Serc tablets reported by Joseph Charles Elia, M.D., Reno, Nev., conducted under the sponsorship of Unimed, Inc., and submitted by the applicant as evidence of the effectiveness of the drug, which study was evaluated as providing the substantial evidence of effectiveness essential to the approval of the new-drug application, reveals that the study is so defective in its execution as to render it inadequate as a basis on which it can fairly and responsibly be concluded by experts, qualified by scientific training and experience to evaluate the effectiveness of the drug involved, that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in its labeling; in that:

A. The study is deficient in essential diagnostic and baseline observations for the study condition Meniere's Syndrome.

B. The study data do not present full information concerning concomitant treatment for the study condition and, in the majority of patients, for concurrent medical problems.

C. The study data give a frequency and severity for vertiginous episodes in some patients which is disparate from that reported by these patients on personal interview.

D. The report of investigation contains statements of useful results observed in some of the patients being treated with the drug which for reasons specified in A, B, and C above are not valid.

The Commissioner also proposes under the provisions of section 505(d) of the act (21 U.S.C. 355(d)) to refuse to approve all supplements pending on new-drug application number 14–241 for the drug Serc tablets on the grounds that there is a lack of substantial evidence before him with respect to such drug to show that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof.

In accordance with the provisions of section 505 of the act (21 U.S.C. 355) and the regulations promulgated thereunder (21 CFR Part 130), the Commissioner will give the applicant and any interested person who would be adversely affected by an order withdrawing such approval an opportunity for a hearing at which time such persons may produce evidence and arguments to show why approval of new-drug application number 14–241, as amended and supplemented, should not be withdrawn and approval of the pending supplements to the new-drug application should not be refused.

Within 30 days from the date of publication of this notice in the FEDERAL REGISTER, such persons are required to file with the Hearing Clerk, Department of Health, Education, and Welfare, Office of the General Counsel, Food and Drug Division, room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, a written appearance electing whether:

1. To avail themselves of the opportunity for a hearing; or

2. Not to avail themselves of the opportunity for a hearing.

If such persons elect not to avail themselves of the opportunity for a hearing, the Commissioner without further notice will enter a final order withdrawing the approval of the new-drug application and all amendments and supplements thereto and refusing to approve the pending supplements. Failure of such persons to file such a written appearance of election within 30 days following the date of publication of this notice in the FEDERAL REGISTER will be construed as an election by such persons not to avail themselves of the opportunity for a hearing.

The hearing contemplated by this notice will be open to the public except that any portion of the hearing that concerns a method or process that the Commissioner finds is entitled to protection as a trade secret will not be open to the public, unless the respondent specifies otherwise in his appearance.

If such persons elect to avail themselves of the opportunity for a hearing by filing a timely written appearance of election, a hearing examiner will be named by the Commissioner and he shall issue a written notice of the time and place for the hearing.

This notice is issued under the authority contained in the Federal Food, Drug, and Cosmetic Act (sec. 505, 52 Stat. 1052, as amended; 21 U.S.C. 355) and delegated to the Commissioner (21 CFR 2.120).

Dated: July 8, 1968.

HERBERT L. LEY, Jr.,
Commissioner of Food and Drugs.

[F.R. Doc. 68-8495; Filed, July 16, 1968; 8:51 a.m.]

Social and Rehabilitation Service

[Interim Policy Statement No. 2]

MEDICAL ASSISTANCE PROGRAM

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to

sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States, on May 24, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

1. *Subject.* Change of date on which State plans must meet certain financial participation requirements.

2. *Purpose.* To implement section 1902(a)(2) of the Social Security Act as amended by Public Law 90-248.

3. *State plan requirements.* Effective July 1, 1969, a State plan for medical assistance must:

a. Provide that State funds will be used to pay all of the non-Federal share of the total expenditures under the plan; or

b. If there is local financial participation, provide a method of apportioning State and Federal funds among the political subdivisions on an equalization or other basis that will assure that lack of funds from local sources does not result in lowering the amount, duration, scope, or quality of care and services or level of administration under the plan in any part of the State.

4. *Federal financial participation.* Not applicable.

1. *Subject.* Increased Matching for Professional Personnel.

2. *Purpose.* To implement section 1903(a)(2) of the Social Security Act as amended by Public Law 90-248.

3. *State plan requirements.* Not applicable.

4. *Federal financial participation.* With respect to expenditures made after December 31, 1967, Federal financial participation at 75 percent is available for the compensation of skilled professional medical personnel, and staff directly supporting such personnel, of the State agency or any other public agency, in the administration of the medical assistance program at the State or local level, and for their training and educational leave with respect to title XIX.

Subject. Payments for Medical Services and Care by a Third Party.

Purpose. To implement sections 1902(a)(25) and 1903(d)(2) of the Social Security Act.

State plan requirements. Effective April 1, 1968, a State plan for medical assistance must provide that:

1. The State or local agency will take reasonable measures to ascertain any legal liability of third parties arising after March 31, 1968, for medical care and services included under the plan, the need for which arises out of injury, disease, or disability of applicants for or recipients of medical assistance.

2. The State or local agency, in determining whether medical assistance is payable, will treat any third party liability as a current resource when such liability is found to exist and payment by the third party has been made or will be made within a reasonable time.

3. The State or local agency will not withhold payment in behalf of an eligible individual because of the liability of a third party when such liability or the amount thereof cannot be currently established or is not currently available to pay the individual's medical expense.

4. The State or local agency will seek reimbursement from a third party for assistance provided when the party's liability is established after assistance is granted and in any other case in which the liability of a third party existed, but was not treated as a current resource.

Federal financial participation. The State may claim Federal financial participation in expenditures for medical assistance made in accordance with the provisions for consideration of income and resources in the approved State plan. Accordingly, since the liability of a third party is considered as a resource, the State may not include, in the amount claimed, payments made for medical care and services rendered recipients, arising out of injury, disease, or disability, to the extent that: (1) The third party liability constituted a current resource but was disregarded when such payments were made, (2) the agency failed to take reasonable steps to collect reimbursement from a third party whose liability was subsequently established, or (3) the agency received funds from a third party in satisfying his liability to the recipient.

The term "third party" includes an individual, institution, corporation, public or private agency who is or may be liable to pay all or part of the medical cost of injury, disease, or disability of an applicant or recipient of medical assistance.

The Federal Government will receive its pro rata share of any funds received in instances representing reimbursements from third parties, if Federal participation has been claimed.

Subject. Title XIX—New Optional Inclusion of "Essential Persons" under Plans Approved Under Titles I, X, XIV, and XVI.

Purpose. To implement section 1905(a) of title XIX of the Social Security Act, as amended.

State plan requirements. None.

Federal financial participation. Effective with respect to payments made on or after January 2, 1968, Federal financial participation is available in the costs of medical care and services provided to:

A spouse of a recipient of financial assistance under a plan approved under title I, X, XIV, or XVI, who is living with and has been determined, in accordance with the State plan, to be essential to the well-being of such recipient, and whose needs are taken into account in determining the amount of financial assistance provided to such recipient.

[F.R. Doc. 68-8496; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 3]

EMERGENCY ASSISTANCE PROGRAM—AFDC

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States, on May 24, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

Subject. Emergency Assistance to Needy Families With Children.

Purpose. To implement sections 403(a)(5) and 406(e) of the Social Security Act.

Regulations—A. *Requirements for state plans.* A State plan under title IV, part A, providing for emergency assistance to needy families with children must:

(1) Specify the eligibility conditions imposed for the receipt of emergency assistance. These conditions may be more liberal than those applicable to other parts of the plan. (See B(1) below for scope of Federal financial participation.)

(2) Specify if migrant workers with families will be included and, if emergency assistance will not be available to them statewide, the part or parts of the State in which it will be provided.

(3) Specify the emergency needs that will be met, whether mass feeding or clothing distribution are included, and the methods of providing payments, medical care, and other remedial care.

(4) Specify which of the following services will be provided: information, referral, counseling, securing family shelter, child care, legal services, and any other services that meet needs attributable to the emergency or unusual crisis situations.

(5) Provide that emergency assistance will be given forthwith.

B. *Federal financial participation.* Beginning with the effective date of approval of the amendment to the State plan for AFDC which provides for emergency assistance to needy families with children pursuant to section 406(e) of the Act:

(1) Federal financial participation is available for emergency assistance to or on behalf of a needy child under the age of 21 and any other member of the household in which he is living if—

(a) Such child is (or, within 6 months prior to the month in which such assistance is requested, has been) living with any of the relatives specified in section 406(a)(1) of the Act in a place of residence maintained by one or more of such relatives as his or their own home,

(b) Such child is without resources immediately accessible to meet his needs,

(c) The emergency assistance is necessary to avoid destitution of such child or to provide living arrangements for him in a home, and

(d) His destitution or need for living arrangements did not arise because he or such relative refused without good cause to accept employment or training for employment.

(2) The rate of Federal financial participation in expenditures during a quarter as emergency assistance in accordance with the provisions of an approved State plan is:

(*a*) 50 percent of the total amount of such expenditures which are in the form of money payments, payments in kind, or such other payments as the State agency specifies, including loans and vendor payments, or medical or remedial care recognized under State law, with respect to or on behalf of individuals described in (1); and 50 percent of the total amount expended for administration, including costs incurred in determining eligibility, in the payment process, and for other related administrative activities,

(*b*) 75 percent of the total amount of such expenditures which are for the following services provided to individuals described in B(1), directly by staff of the agency, or by purchase from other sources: Information, referral, counseling, securing family shelter, child care, legal services, and any other services that meet needs attributable to the emergency or unusual crisis situations.

Federal matching is available only for emergency assistance which the State authorizes during one period of 30 consecutive days in any 12 consecutive months, including payments which are to meet needs which arose before such 30-day period or are for such needs as rent which extend beyond the 30-day period. Another condition for Federal participation is that the State has a reasonable method of determining the value of goods in kind or services provided for emergency assistance.

[F.R. Doc. 68-8497; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 4]

NEED-REQUIREMENTS FOR STATE PUBLIC ASSISTANCE PLANS

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States, on May 31, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

1. *Subject.* Need, Requirements for State Public Assistance Plans.

2. *Purpose.* A. to replace with updated, simplified material the policies on Need in Handbook IV-3000 to IV-3200 including the following policy revisions:

(1) Item (3)(C)(2)(i) to assure that available income and resources for current needs considered in relation to the State's standards of assistance will first be applied to maintenance costs;

(2) Item (3)(D)(8) to provide a less complex method for determining monthly earned income than currently exists; and

(3) Item (3)(C)(4)(ii) to provide that grants such as scholarships, in addition to loans, will not be included as income when they are obtained and used under conditions that preclude their use for current living costs.

B. To implement the 1967 Social Security Amendments as follows: Sections 402(a) (7) and (8), 402(a)(23), 2(a)(10)(A), 1002(a)(8)(C), 1402(a)(8)(A), 1602(a)(14)(D), 1109, and 1119 and Public Law 90-222, Economic Opportunity Amendments of 1967, section 109.

3. *Requirements for state plans.* A State plan for OAA, AFDC, AB, APTD, or AABD must, as specified below:

A. *General.* Provide that the determination of need and amount of assistance for all applicants and recipients will be made on an objective and equitable basis and all types of income will be taken into consideration in the same way, except where specifically authorized by Federal statute.

B. *Standards of assistance.* 1. Specify a Statewide standard, expressed in money amounts, to be used in determining (i) the need of applicants and recipients and (ii) the amount of the assistance payment.

2. Provide that by July 1, 1969, a State's standard of assistance for the AFDC program will have been adjusted to reflect fully changes in living costs since such standards were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted.

3. Provide that the standard will be uniformly applied throughout the State.

4. Include the method used in determining needs, which must be one of the three methods described in "Guides and Recommendations" or a comparable method which meets the conditions specified in such guides and is approved by the Assistance Payments Administration.

5. If the State agency includes special need items in its standard, (i) describe those that will be recognized, and the circumstances under which they will be included, and (ii) provide that they will be considered in the need determination for all applicants and recipients requiring them.

6. If the State chooses to establish the need of the individual on a basis that recognizes, as essential to his well-being, the presence in the home of other needy individuals,

(i) Specify the persons whose needs will be included in the individual's need, and

(ii) Provide that the decision as to whether any individual will be recognized as essential to the recipient's well-being shall rest with the recipient.

C. Income and resources—OAA, AFDC, AB, APTD, AABD. 1. Specify the amount and types of real and personal property, including liquid assets, that may be reserved, i.e., retained to meet current and future needs while assistance is received on a continuing basis. In addition to the home, personal effects, automobile and income producing property allowed by the agency, the amount of real and personal property, including liquid assets, that can be reserved for each individual recipient shall not be in excess of $2,000. Policies may allow reasonable proportions of income from businesses or farms to be used to increase capital assets, so that income may be increased.

2. Provide that, in establishing financial eligibility and the amount of the assistance payment:

(i) All income and resources, after policies governing the allowable reserve, disregard or setting aside of income and resources have been applied, will be considered in relation to the State's standard of assistance, and will first be applied to maintenance costs;

(ii) Income and resources will be reasonably evaluated;

(iii) Only such net income as is actually available for current use on a regular basis will be considered, and only currently available resources will be considered;

(iv) Effective July 1, 1968, current payments of assistance will not be reduced because of prior overpayments unless the recipient has income or resources currently available in the amount by which the agency proposes to reduce payment; except that where there is evidence which clearly establishes that a recipient wilfully withheld information about his income or resources, such income or resources may be considered in the determination of need to reduce the amount of the assistance payment in current or future periods; and

(v) If agency policies provide for allocation of the individual's income as necessary for the support of his dependents, such allocation shall not exceed the total amount of their needs as determined by the statewide standard.

3. Provide that no inquiry will be made of the amount of earnings of a child under 14 years of age.

4. Provide that, in determining the availability of income and resources, the following will not be included as income:

(i) Income equal to expenses reasonably attributable to the earning of income;

(ii) Loans and grants, such as scholarships, obtained and used under conditions that preclude their use for current living costs; and

(iii) Home produce of an applicant or recipient, utilized by him and his household for their own consumption.

5. Provide that agency policies assure that when support payments by absent parents have been ordered by a court, a regular amount of income is available monthly to meet the determined needs of the mother and children, whether or not the support payments are received regularly, and the agency does not delay or reduce public assistance payments on the basis of assumed support which is not actually available.

6. If the State agency holds relatives responsible for the support of applicants and recipients,

(i) Include an income scale for use in determining whether responsible relatives have sufficient income to warrant expectation that they can contribute to the support of applicants or recipients, which income scale exceeds a minimum level of living and at least represents a minimum level of adequacy that takes account of the needs and other obligations of the relatives; and

(ii) Provide that no request will be made for contributions from relatives whose net cash income is below the income scale. In family groups living together, income of the spouse is considered available for his spouse and income of a parent is considered available for children under 21.

7. If the State agency establishes policy under which assistance from other agencies and organizations will not be deducted in determining the amount of assistance to be paid, provide that no duplication shall exist between such other assistance and that provided by the public assistance agency. In such complementary program relationships,

nonduplication shall be assured by provision that such aid will be considered in relation to:

(i) The different purpose for which the other agency grants aid, such as vocational rehabilitation;

(ii) The provision of goods and services that are not included in the statewide standard of the public assistance agency, e.g., a private agency might provide money for special training for a child or for medical care when the public assistance agency does not carry this responsibility; or housing and urban development relocation adjustment payments for items not included in assistance standards; or

(iii) The fact that public assistance funds are insufficient to meet the total amount of money determined to be needed in accordance with the statewide standard. In such instances, grants by other agencies in an amount sufficient to make it possible for the individual to have the amount of money determined to be needed, in accordance with the public assistance agency standard, will not constitute duplication.

8. Provide that payment will be based on the determination of the amount of assistance needed and that, if full individual payments are precluded by maximums or insufficient funds, adjustments will be made by methods applied uniformly statewide.

9. Provide that the agency will establish and carry out policies with reference to applicants' and recipients' potential sources of income that can be developed to a state of availability.

D. *Disregard of income common to OAA, AFDC, AB, APTD, or AABD.* 1. If the State chooses to disregard income from all sources before applying other provisions for disregarding income, specify the amount that is first to be disregarded, but not more than $7.50 ($5 in AFDC) per month, of any income of an individual, child, or relative claiming assistance. All income must be included such as social security or other benefits, earnings, contributions from relatives, or other income the individual may have.

2. Provide that, in determining need and the amount of the assistance payment, the following will be disregarded:

(i) The first $85 plus one-half of the excess over $85 of payments made to or on behalf of an individual or to or on behalf of any other person, for any month, under title I or II of the Economic Opportunity Act of 1964 or under any program assisted under such titles. (Effective July 1, 1968, not applicable to AFDC; effective July 1, 1969, not applicable to OAA, AB, APTD, or AABD.)

(ii) Training incentive payments and expense allowances made to an individual or to any other person under the Manpower Development and Training Act of 1962, as amended. (Effective July 1, 1968, not applicable to AFDC.)

(iii) The value of the coupon allotment under the Food Stamp Act of 1964 in excess of the amount paid for the coupons.

(iv) The value of the U.S. Department of Agriculture donated foods (surplus commodities).

With respect to 2(i) above, the disregard of income under titles I and II of the Economic Opportunity Act applies to payments made to individuals who are beneficiaries of assistance under programs such as:

Job Corps Programs (title I, part A).
Work-Training Programs (title I, part B).
Work-Study Programs (title I, part C).
Community Action Programs (title II).
Voluntary Assistance Programs for Needy Children (title II).

Meaning of term "Payments":

The term "payments" as used in title VII of the Economic Opportunity Act of 1964, as amended, refers to amounts paid to individuals who are beneficiaries of assistance under that act. It does not refer to amounts paid to regular employees as normal compensation for services primarily performed in the administration of Economic Opportunity Act programs. Payments made to beneficiaries are to be disregarded in determining the public assistance eligibility of anyone else except to the extent such payments are made available for that person's support. Any payments made to a spouse or parent are assumed to be made available for family support.

In order to assure a uniform application of title VII, the following applies:

(a) Enrollee or Student Participation in Title I Projects: Job Corps (title I–A of the Act) and Neighborhood Youth Corps (title I–B) enrollees are to be treated as beneficiaries, as are students employed under the College Work-Study Program (title I–C).

(b) Eligibility Under Other Programs:

Payment to individuals under community action programs and certain other programs sometimes qualify as benefit payments for purposes of title VII.

Payment to Trainees—Community action trainees are individuals enrolled in community action training programs who do not engage in substantial work activities and do not receive their payments in the form of wages. All payments to such persons in connection with their training should be treated as benefit payments for purposes of title VII.

Payments to Resident Non-Professionals and Individuals Enrolled in Other Combined Work-Training Programs—Resident nonprofessionals and individuals enrolled in other combined work-training programs will be designated by the community action agency or the delegate operating the program. If the program is operated independently of a community action agency, the organization operating the program will make the determination. In the event the State welfare agency disagrees with the determination provided by the designating agency, it should discuss the matter with the Community Action Division at the OEO Regional Office level. If the matter cannot be settled there, it will be presented to the Social and Rehabilitation Service and the Community Action Program at the headquarters level for resolution.

Grantee personnel policies, developed and issued in accordance with CA Memo 23–A include criteria for determining which individuals qualify as resident nonprofessionals or are in other combined work-training programs, and provide for recording of such determination in appropriate personnel records. As a matter of standard practice, resident nonprofessionals and individuals who are in other combined work-training programs are so advised and informed of the impact on their welfare payment.

Individuals are designated as nonprofessionals or are otherwise selected for combined work-training programs primarily on the basis of residence in a target area or membership in the target population. Examples of resident nonprofessionals are health aides, teacher aides, neighborhood workers, foster grandparents, survey workers or persons who work in similar capacities. Combined work-training programs include the following: Community Employment and Betterment Programs which includes Operation Mainstream; New Careers Programs; Special Impact Programs which are funded under title I–D of the Act; and Concentrated Employment Programs.

Such persons are regarded as beneficiaries only on a partial and temporary basis. Accordingly, any payment from the above programs up to $150 for any month is regarded as a benefit payment to which the exemption under title VII applies. A person is entitled to the title VII exemption for a total of 12 calendar months which need not be consecutive. If an individual is retained after the 12-month period, he is regarded as a regular employee, and his payments, thereafter, whether for full-time or part-time work, are considered to be wages not subject to the exemptions under title VII. The 12-month period is retroactive to the beginning of the employment.

Situations will arise when a State or local assistance agency determines that payments under the Economic Opportunity Act which have been disregarded in accordance with title VII should not have been disregarded. Such changed determinations are not to be used by the State or local assistance agency as a basis for attempted recovery or adjustment of overpayments made by them in the past. When a State or local public assistance agency determines that an individual is eligible for assistance according to existing instructions for title VII interpretation, any subsequent issuances which reverse this decision will not be the basis for audit exception.

3. Provide that income and resources which are disregarded or set aside will not be taken into consideration in determining the need of any other individual for assistance except in the case of payments under the Economic Opportunity Act, which will be considered to the extent they are made available to or for another individual.

4. Provide that the agency, in determining the amount of an individual's monthly earned income, will deduct all work expenses, personal and nonpersonal, from gross income in arriving at the amount to be disregarded, and will take into consideration all remaining income in determining need and the amount of assistance.

E. *Disregard of earned income—definition.* For purposes of disregarding earned income the agency policies will include:

1. A definition of "earned income" in accordance with the following:

(i) It encompasses income in cash or in kind earned by a needy individual through the receipt of wages, salary, commissions, or profit from activities in which he is engaged as a self-employed individual or as an employee. Such earned income may be derived from his own employment, such as a business enterprise, or farming; or derived from wages or salary received as an employee. It includes earnings over a period of time for which settlement is made at one given time, as in the instance of sale of farm crops, livestock, or poultry.

In considering income from farm operation, the option available for reporting under OASDI, namely the "cash receipts and disbursements" method, i.e., a record of actual gross, of expenses, and of net, is an individual determination and is acceptable also for public assistance.

(ii) With reference to commissions, wages, or salary, the term "earned income" means the total amount, irrespective of personal expenses, such as income-tax deductions, lunches, and transportation to and from work, and irrespective of expenses of employment which are not personal, such as the cost of tools, materials, special uniforms, or transportation to call on customers.

(iii) In the instance of self-employment, the term "earned income" means the total profit from business enterprise, farming, etc., resulting from a comparison of the gross income received with the "business expenses," i.e., total cost of the production of the income. Personal expenses, such as income-tax payments, lunches, and transportation to and from work, are not classified as business expenses.

The above definition excludes the following from "earned income":

Returns from capital investment with respect to which the individual is not himself

actively engaged, as in a business (for example, under most circumstances, dividends and interest would be excluded from "earned income"); Benefits (not in the nature of wages, salary, or profit) accruing as compensation, or reward for service, or as compensation for lack of employment; (for example, pensions and benefits, such as United Mine Workers' benefits or veterans' benefits).

With regard to the degree of activity, earned income is income produced as a result of the performance of services by a recipient; in other words, income which the individual earns by his own efforts, including managerial responsibilites, would be properly classified as earned income, such as management of capital investment in real estate. Conversely, for example, in the instance of capital investment wherein the individual carries no specific responsibility, such as where rental properties are in the hands of rental agencies and the check is forwarded to the recipient, the income would not be classified as earned income.

Reserves accumulated from earnings are given no different treatment than reserves accumulated from any other source.

2. Provision for disregarding earned income for the period during which it is earned, rather than when it is paid, in cases of lump-sum payment for services rendered over a period of more than 1 month.

F. *Disregard of earned income applicable only to OAA, APTD, or AABD.* If the State chooses to disregard earned income, specify the amount to be disregarded of the first $80 per month of income that is earned by an aged or disabled individual claiming OAA, APTD, or AABD, who is not blind, but not more than $20 per month plus one-half of the next $60 of such earned income.

G. *Disregard of income and resources applicable only to APTD and AABD.* If the State chooses to disregard income (which may be additional to the income disregarded under F above) or resources for a disabled individual to achieve the fulfillment of a plan of self-support, provide that the amounts of additional income and resources will not exceed that found necessary for the period during which the individual is actually undergoing vocational rehabilitation, and specify the period, not in excess of 36 months, for which such amounts are to be disregarded.

H. *Disregard of income and resources applicable only to AB, AABD.* Provide that, in determining the need of individuals who are blind,

1. The first $85 per month of earned income of the individual plus one-half of earned income in excess of $85 per month will be disregarded; and

2. If the individual has a plan for achieving self-support, such additional income and resources as are necessary to fulfill such plan will be disregarded for a period not in excess of 12 months. Such additional income and resources may be disregarded for an additional period not in excess of 24 months (for a total of 36 months), as specified in the State plan.

I. *Disregard of income applicable only to AFDC.* 1. Effective until the State plan includes item 3 below, not later than July 1, 1969, if the State chooses to disregard earned income of dependent children under age 18, specify the amount that is to be disregarded, but not more than $50 per month of income which is earned by any such child and not more than a total of $150 per month of earned income of all such dependent children living together in the same home.

2. Provide through June 30, 1968, that in determining the need of any individual under the plan, the State agency will disregard, for a period of not less than 12 months, the first $85 earned by him or any other person in any month of such period for services rendered to any program assisted under title I of the Elementary and Secondary Education Act of 1965.

If the State chooses to disregard the earnings for a period in excess of 12 months, specify the total period, not in excess of 24 months, for which such earnings will be disregarded.

3. Effective July 1, 1969, and may at any time after January 1, 1968, provide that the following income will be disregarded:

(i) All of the earned income of any child receiving AFDC if the child is a full-time student or part-time student who is not a full-time employee.

A student is one who is attending a school, college, or university or a course of vocational or technical training designed to fit him for gainful employment and includes a participant in the Job Corps program under the Economic Opportunity Act. A full-time student must have a school schedule that is equal to a full-time curriculum. A part-time student must have a school schedule that is equal to at least one-half of a full-time curriculum.

(ii) The first $30 of the total of earned income for a month of all other individuals whose needs are included in the family grant, plus one-third of the remainder of their earned income for the month; except that

(A) The State agency will not disregard earned income for a month of any one of the persons in a family as provided in item (ii) if such a person (1) terminated his employment or reduced his earned income without good cause within the period of 30 days preceding such month; or (2) refused without good cause within the period of 30 days preceding such month to accept employment in which he is able to engage which is offered through the public employment offices of the State, or is otherwise offered by an employer if the offer of such employer is determined by the State or local agency administering the State plan, after notification by him, to be a bona fide offer of employment; and

(B) The State agency will not disregard earned income for a month of the persons in a family as provided in item (ii) if the income of such persons for such month exceeds their need as determined without application of any provisions for disregarding or setting aside of income unless for any 1 of the 4 preceding months their needs were met by an AFDC payment.

Effective July 1, 1968, earned income for purposes of this provision includes training allowances under MDTA, payments under the Economic Opportunity Act, including payments to beneficiaries of assistance under that Act, or earnings under title I of the Elementary and Secondary Education Act, but does not include incentive payments or earnings derived from participation in Institutional and Work Experience Training or Special Work Projects under the Work Incentive Programs established under part C of title IV of the Social Security Act.

4. If any portion of an AFDC family's income is to be conserved for the future identifiable needs of a child, specify the needs and amount and type of income to be conserved and provide that such amount will be reasonable for the purpose for which it is being conserved.

4. *Federal financial participation.* Federal participation will be available in financial assistance payments made on the basis that all income of the needy individual, together with the assistance payment, do not exceed the State's defined standard of assistance, and available resources of the needy individuals do not exceed the limits under the State plan.

Federal participation is available within the maximums specified in the Federal law, when the payments do not exceed the amount determined to be needed under the statewide standard, and are made in accordance with the State method for determining the amount of the payment.

Federal participation is available in financial assistance payments made on the basis of the need of the individual. This basis may include consideration of needy persons living in the same home with the recipient when such other persons are within the State's policy as essential to his well-being. Persons living in the home who are "essential to the well-being of the recipient," as specified in the State plan, will govern as the basis for Federal participation (see Guides and Recommendations). When the State includes persons living outside the home or persons not in need, Federal participation is not available for that portion of financial assistance payments attributable to such persons, and the State's claims must, therefore, identify the amounts of any such nonmatchable payments.

The amount of the payments by the agency to the recipient representing support payments received by the agency is not subject to Federal financial participation. The normal procedure followed under these circumstances is to pay the gross needs amount and claim this amount for Federal financial participation and then handle the support payment as a refund and adjust the Federal share on this basis.

Federal financial participation in vendor payments for home repairs. With respect to expenditures made after December 31, 1967, expenditures to a maximum of $500 are subject to Federal financial participation at 50 percent for repairing the home owned by an individual who is receiving aid or assistance (other than Medical Assistance to the Aged) under a State plan for OAA, AFDC, AB, APTD, or AABD if—

1. Prior to making the expenditures the agency determined that:

(i) The home is so defective that continued occupancy is unwarranted;

(ii) Unless repairs are made the recipient would need to move to rental quarters; and

(iii) The rental cost of quarters for the recipient (including the spouse living with him in such home and any other individual whose needs were considered in determining the recipient's need) would exceed (over a period of 2 years) the repair costs needed to make such home habitable together with other costs attributable to continued occupancy of such home.

2. No expenditures for repair of such home were made previously pursuant to a determination as described in 1. This does not preclude more than one payment made at the time repairs are made pursuant to the determination, e.g., separate payments to the roofer, the electrician, and the plumber.

3. Expenditures for home repairs are authorized in writing by a responsible agency person, records show the eligible person in whose behalf the home repair expenditure was made, and there is sufficient evidence that the home repair was performed.

[F.R. Doc. 68-8498; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 5]

UTILIZATION REVIEW OF CARE AND SERVICES

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim

policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States on June 7, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

1. *Subject.* Utilization Review of Care and Services—section 237 of Public Law 90–248.

2. *Purpose.* To implement the provisions of section 1902(a)(30) of the Social Security Act as amended.

3. *State plan requirements.* Effective April 1, 1968, a State plan for medical assistance must:

a. Provide that a process(es) of utilization review is established for each item of care or service listed in section 1905(a) that is included in the State's medical assistance program.

(1) The function of supervising the performance of utilization reviews may be delegated to that agency(ies) which fulfills this function under title XVIII for those items of care and service provided under both titles XVIII and XIX and for which utilization review is required under title XVIII. The single State agency and the agency(ies) to which the supervision function is delegated must work closely together in order to accommodate their mutual utilization review requirements. Such delegation is encouraged to avoid duplication of effort and expense and to achieve uniformity of utilization review requirements and methods. Such common effort is a means of striving for efficiency and economy in administration. Any State not delegating this function should advise the Department of Health, Education, and Welfare of its reasons for not doing so.

(2) For all items of care or service for which utilization review is not delegated under a(1) above, the Medical Assistance Unit of the single State agency will perform utilization reviews itself and/or supervise those utilization reviews which may be performed by agents for the State Government, or by agencies of local governments, or by individual provider organizations or institutions. (See c(1) below.)

(3) Utilization review requirements for title XVIII will be considered as meeting title XIX requirements for providers participating under title XVIII.

b. Provided that the Medical Assistance Unit of the single State agency is responsible for all utilization review plans and procedures under the medical assistance program.

c. Proivde that, if utilization review is performed as in a(2) above, the following will be met in each utilization review plan:

(1) The activities of utilization review will be performed by a utilization review committee with representation appropriate to the medical care or service to be reviewed. Determination of committee composition and selection of committee membership will be made at the point where utilization review will be performed.

(a) A physician member may not review cases in which he is the attending physician or in which he has (or has had) significant professional responsibility.

(b) The committee must include at least one member who does not have a direct financial interest in the facility under review.

(2) Utilization review will be performed on a statistically significant sample or other basis of admissions, duration of stays, number of visits, number and kinds of prescriptions, relation of tests or medications to diagnosis, etc., as determined appropriate to the medical care or service under scrutiny. Utilization review will be made within the context of medical necessity (including both over and under utilization), appropriateness, and availability of facilities and services.

(3) The utilization review process will not limit itself to isolated cases, but will encompass patterns of overall utilization within an institution, or in a service area, or in a provider's total workload, etc., as appropriate to the medical care or service under scrutiny.

(4) A utilization review plan will be developed by the agency, organization, or institution which determines the committee composition (see sec. c (1)). Each plan developed by an agent, organization, or institution other than the single State agency will be submitted to the Medical Assistance Unit of the single State agency for approval. In all cases, a utilization review plan will describe:

(a) Objectives.

(b) Authority, responsibility, accountability.

(c) Organization.

(i) Composition of committee and subgroups, if any.

(ii) Frequency of meetings.

(iii) Format and/or description of records and minutes.

(d) Definitions.

(e) Data.

(i) Methods of case selection.

(ii) Relationship of UR to title XIX claims administration and Medical Assistance Unit of the single State agency.

(f) Arrangements for committee reports, recommendations, and follow-up.

(g) Responsibilities of related administrative staff in support of utilization review.

(5) A utilization review committee will maintain appropriate records and prepare regular reports of its activities and findings. The State Medical Advisory Committee will advise the responsible Medical Assistance Unit of any recommendations or requirements on utilization review, consolidated reporting, etc. The Medical Assistance Unit of the single State agency will maintain surveillance of the committees' activities and provide appropriate consultation to committees in order to insure adequate functioning.

4. *Federal financial participation.* Not applicable.

[F.R. Doc. 68–8499; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 6]

REASONABLE CHARGES

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States, on June 7, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

1. *Subject.* Reasonable Charges—section 237 of Public Law 90–248.

2. *Purpose.* To implement the provisions of section 1902(a)(30) of the Social Security Act, as amended.

3. *State plan requirements.* Effective April 1, 1968, a State plan for medical assistance must:

a. Include a description of the policy and the methods to be used in establishing payment rates for each type of care or service listed in section 1905(a) that is included in the State's medical assistance program.

Any limitations or ceilings on reimbursement imposed by these requirements may be waived by the Secretary with respect to experiments conducted under the provisions of section 402, Public Law 90–248, Incentives for Economy Experimentation.

b. Provide that payments for care or service will be based on assurance that (1) the medical care or service rendered was medically necessary, and (2) that the claim is not in excess of the "ceilings" incorporated in the "Requirements" hereinafter described.

c. Provide that the State's claim paying process will include a systematic review on at least a statistically significant sample basis to assure that the two conditions for payment identified in b above have been met.

d. Provide that the single State agency will take whatever measures are necessary to assure appropriate audit of records wherever reimbursement is based on costs of providing care or service, or fee plus costs of materials.

e. Describe the methods which will be used to establish ceiling limitations for the following services. The State may pay less than ceiling except for (1) below:

(1) Inpatient Hospital Services:

(a) For each hospital also participating in the Health Insurance for the Aged program under title XVIII of the Social Security Act, apply the same standards and principles and the method of computing reimbursement currently applicable to such hospital under title XVIII.

(b) For each hospital not participating in the title XVIII program, apply the standards and principles described in sections 1–1 through 1–12 of "Principles of Reimbursement for Provider Costs" (HIM–5 Revised) issued by Social Security Administration, and either (i) one of the methods of computing payments described therein, or (ii) the "Gross RCC Method" of payment applied as follows: The total allowable annual inpatient

cost of operating a hospital is divided by the total annual charges for inpatients; the resulting percentage is applied to the bill of each inpatient under the medical assistance program.

(2) Drugs:

(a) The ceiling for payment for legend items, drugs for which a prescription is required under Federal law will be the lower of:

(i) Actual acquisition cost of the drug plus a fixed fee. The fixed fee should be established by analysis of pharmacy operational data which includes such components as overhead, professional services, and a fair margin of profit. Indices to be considered should include annual average salaries of pharmacists in the State, and payment practices of other third-party organizations, including other Federal programs.

(ii) The amount usually paid the pharmacist or dispensing physician by the general public for the drug.

The foregoing does not apply to payment for drugs in institutions where drugs are included in a reimbursement formula.

(b) The ceiling for payment for nonlegend items will be the pharmacist's over-the-counter price to the public.

(c) The above methods will not apply where a public agency makes bulk purchases of drugs. In such cases, payment will be made in accordance with the Governmental statutes and regulations governing such purchases.

(d) The use of a formulary is optional, as are provisions for use of therapeutically equivalent generic drugs. Where either is employed, there must be standards for quality, safety, and effectiveness under the supervision of professional personnel.

(3) Other Services:

A determination shall be made of the reasonable charges for such services. The State in determining the upper limits of reasonable charges shall take into consideration the usual payments received by the providers (for furnishing similar services) from private patients, from intermediaries and carriers for Social Security Administation, and from other third-party insuring organizations for comparable services to regular policyholders and subscribers. In making payments, the State shall take into consideration the prevailing payments in the locality for similar services.

4. *Federal financial participation.* Federal financial participation is available for payments within the above ceilings in accordance with the provisions of the State plan.

[F.R. Doc. 68-8500; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 7]

RECIPIENT COUNT

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which were announced, in a policy statement with binding effect on States, on June 7, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

1. *Subject.* Recipient count.

2. *Purpose.* To implement the provisions with respect to the recipient count pursuant to sections 3, 403, 1003, 1118, 1121, 1403, and 1603 of the Social Security Act and the amendments made by sections 203, 205, 207, and 250 of Public Law 90-248.

3. *Regulation.* Federal Financial Participation.

Pursuant to the formulas in the Social Security Act it is necessary to identify expenditures that may be included in claims for Federal financial participation. Except as stated in the following, the quarterly statement of expenditures and recoveries which is required for OAA, AFDC, AB, APTD, and AABD must include, as a part of the basis for computing the amount of Federal participation in such expenditures, the number of eligible recipients each month. However, where the State is making claims under section 1118 of the Act or under optional provisions for Federal sharing specified in the various sections below no recipient count is involved. Vendor payments for medical care may not be considered if the State has a title XIX plan. The procedures for determining recipient count are set forth below:

a. For each adult category under title I, X, XIV, or XVI, the recipient count for any month may include:

1. Eligible recipients who receive money payments or in whose behalf protective payments are made for that month, plus

2. Other eligible recipients in whose behalf vendor payments for medical care are made during that month, plus

3. Other eligible recipients in whose behalf payments are made for institutional services in intermediate care facilities for that month. However, if the State elects under section 1121(c) of the Social Security Act to receive matching on the basis of the Federal medical assistance percentage for these payments, then they cannot be included for the purpose of the recipient count.

b. For title IV, Part A, the recipient count for any month may include:

1. Eligible recipients in families which receive a money payment (including payments for work performed under a community work and training program until June 30, 1968, or under the work incentive program, after March 31, 1968) for that month, plus

2. Other eligible recipients in families in whose behalf vendor payments for medical care are made during that month, plus

3. Eligible children in foster care not otherwise counted in whose behalf a foster care payment or vendor payment for medical care is made in such month, plus

4. Eligible recipients in families not otherwise counted in whose behalf protective or non-medical-vendor assistance payments are made for such month, not to exceed 10 percent of the total recipients counted under items (1), (2), and (3).

The 10 percent limitation does not apply with respect to individuals for whom protective or non-medical-vendor payments are made pursuant to section 402(a)(19)(F) because there has been a refusal without good cause to accept employment, work or training.

In AFDC, the recipient count for a family may include all eligible children, plus the eligible relative with whom the children are living. When at least one of the children in a family is eligible due to the incapacity of his own parent in the home, the recipient count may include all eligible children and the two eligible relatives with whom the children are living, if their needs were included in computing the assistance payment and they are married to each other. In the context of deprivation by reason of incapacity, the term "parent" means the natural or adoptive parent. A stepparent can be counted as the second eligible adult recipient only when he is the legal spouse of the child's own parent. Beginning January 1, 1968, the unemployment of a mother is no longer a basis for eligibility under the Aid to Families with Dependent Children program. When at least one of the children in a family is eligible due to the unemployment of his father in the home, the recipient count may include all eligible children and two eligible relatives if the needs of both were included in computing the assistance payment and they are married to each other. In the context of deprivation by reason of unemployment, the term "father" means the natural or adoptive father. A stepmother can be counted as the second eligible adult recipient only when she is the legal spouse of the unemployed father.

The recipient count for a month in which only a vendor payment is made for medical services furnished to any eligible child in the family, to any eligible relative with whom the child is living, or to any of the "essential persons", may include all eligible recipients in the family in the month that the medical service was received.

Where there are two or more dependent children living in a place of residence with two other persons who are not married to each other and each of such other persons is a relative who has responsibility for the care and control of one or more of the dependent children, there may be two separate AFDC families for purposes of aid and recipient count, if neither of such persons is the parent of all the dependent children.

c. Recipient count involving two categories—where a vendor payment is made for medical services rendered to an individual in a month in which he was eligible only under one federally aided program, the payment may be included as assistance and the recipient may be counted under such program in the month of payment, even though at the time of such vendor payment the individual may be receiving assistance and including in the recipient count under another federally aided program.

d. An "essential person" or other ineligible person who is living with the eligible person may not be counted as a recipient.

[F.R. Doc. 68-8501; Filed, July 16, 1968; 8:51 a.m.]

[Interim Policy Statement No. 8]

STATE PLAN REQUIREMENTS FOR SERVICE PROGRAMS TO CHILDREN AND FAMILIES UNDER PARTS A AND B OF TITLE IV OF THE SOCIAL SECURITY ACT

Notice of Interim Policies and Requirements

Notice is hereby given that the regulations set forth below (made pursuant to sec. 1102 of the Social Security Act, 42 U.S.C. 1302) prescribe certain interim policies and requirements for Social and Rehabilitation Service programs which

were announced, in a policy statement with binding effect on States, on June 10, 1968, by the Administrator, Social and Rehabilitation Service. Interested persons who wish to submit comments, suggestions, or objections pertaining thereto may present their views in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, D.C. 20201, within a period of 30 days from the date of publication of these interim policies and requirements in the FEDERAL REGISTER. The final regulations will be codified in Title 45 of the Code of Federal Regulations.

Dated: June 18, 1968.

[SEAL] MARY E. SWITZER,
Administrator, Social and Rehabilitation Service.

Approved: July 10, 1968.

WILBUR J. COHEN,
Secretary.

INTERIM POLICIES AND REQUIREMENTS

STATE PLAN REQUIREMENTS FOR SERVICE PROGRAMS TO CHILDREN AND FAMILIES UNDER PARTS A AND B OF TITLE IV OF THE SOCIAL SECURITY ACT

Introduction. This material describes those sections of a State Public Welfare Plan which relate to the provision of services to children and families under Parts A and B, Title IV, of the Social Security Act as well as the general rules governing the provision of services and the manner in which they are to be provided.

The State's Service Program Plan for Title IV–A is an integral part of the plan submitted by the State to cover its program of Aid to Families With Dependent Children. Approval of the Service Plan depends upon the submission of a satisfactory plan covering other AFDC requirements. Many of the provisions of the remainder of the plan will be applicable to the Service Plan (e.g., single State agency, statewideness, and opportunity for fair hearing).

Similarly, the State's Service Program Plan for Title IV–B relates to the State's Basic Plan for Child Welfare Services. The provisions of the Basic Plan will be applicable to the State's Service Program Plan for Title IV–B (e.g., single State agency and merit system).

States may, in their discretion prepare either a combined plan for services under Title IV–A and IV–B or a separate service plan for each of the parts. In either case, there must be coordination of program and administration between the two parts.

Use of AFDC and CWS funds. The Congress has made quite specific its intention that Federal and State agencies take vigorous action to reduce the need for AFDC. To that end it has required a comprehensive plan be put into effect for training recipients for employment. Similarly, it has authorized strengthening of existing service programs as well as initiation of certain required service programs designed to strengthen family life and promote child development. SRS, therefore, encourages States to view Title IV–A as the vehicle for providing a full range of services to those families needing services who are on AFDC rolls as well as necessary services to families who have been or are likely to become eligible for AFDC.

Title IV–B, Child Welfare Services funds should be used to strengthen and broaden other significant community service programs. They can be concentrated on those types of services for which Title IV–A funds are not available or which are necessary to meet the needs of families who are neither actual nor former nor potential AFDC recipients.

Timetable. Approved State service plans will remain in effect until amended. However, States will be required to update certain portions of the service plan by May 15 of the second year following approval of the plan. An annual budget estimate on approved forms and progress report based on the approved service plan must also be submitted by May 15 of each year. The annual progress report must include information on progress, major obstacles and significant developments. Amendments to the plan or budget should be submitted at least 30 days prior to making any material changes in the plan.

Categories of policies and requirements. The policies and requirements for a State service plan fall into the categories listed below and are described in the numbered sections.

Sec. I.—Required organizational and administrative provisions.
Sec. II.—Mandatory services which must be provided.
Sec. III.—Other recommended services which may be provided under one or both parts.

Where requirements differ between Title IV–A and Title IV–B the materials below so indicate.

In addition, there are other regulations which govern the operation of Title IV–A and IV–B service programs.

Sec. IV.—Other required actions which must be taken.
Sec. V.—Conditions of Federal financial participation.

Planned improvements. Both Title IV–A and IV–B call for planned improvements in the scope, coverage, and quality of services. It is recognized that the baseline of available services may vary from State to State. Therefore, the requirements below are generally stated in terms of a goal to be reached with flexibility given to the State to determine a reasonable timetable for fully meeting a goal.

In the case of Title IV–B (Child Welfare Services) States must progressively improve their services so that by July 1, 1975, they will be available in all political subdivisions of the State for all children in need thereof.

In most cases the plan requirement has been worded so as to require that the State service plan:

(a) Provide specific information as to its planned improvements over a 3-year period.

For example: During 1969 new career positions will be established for 50 low-income persons. This number will increase to 250 by 1971.

(b) Periodically, at least every two years, update its timetable of planned improvements toward the goals stated in the regulations.[1]

It is recognized that the planned improvements may require additional action by the State legislature with respect to the second or third years.

On the basis of information provided by the States, it can be expected that Federal minimum requirements for scope, coverage and quality may be periodically reviewed and revised in order to assure progression by all States toward the objectives set by the Congress.[2]

[1] Simplified formats for updating will be provided at a later date.

[2] It is contemplated that States will receive notice of planned changes in minimum requirements 1 year in advance of their effective date.

Cooperation with SRS officials. This approach to plan requirements presumes that extensive innovations and improvements in the operation of service programs will be required over the next three years. The Regional Social and Rehabilitation Service (SRS) Commissioners and their Child Welfare Representatives stand ready to assist States in planning and implementing changes. Similarly, SRS stands ready to reconsider any of its own policies which limit States in introducing program innovations. In the case of Title IV–B requirements the State must develop the State plan and annual budget jointly with the SRS Child Welfare representative and, in order to expedite plan approval, they are urged to consult in advance on Title IV–A as well.

Uses of State plan. The State plans will be used by SRS as a basis for program reporting, evaluation and auditing. It is expected that States will take all necessary steps to insure that service programs are implemented in accordance with the State plan and that all Federal requirements are met. Isolated individual variations in practice from the State plan will not generally be treated as a violation of the Federal requirement although they may result in audit exceptions. Repeated or widespread failure to conform to the approved State plan is a serious matter and can lead to withdrawal of Federal funds.

Federal regulations. The materials in this introduction as well as those which follow in section I–V constitute the Federal regulations for service programs under Parts A and B, Title IV, of the Social Security Act. The regulation consists of a statement of policy, timetable for full implementation, and description of plan materials required. The policy is stated in the main paragraph or paragraphs of each subsection of sections I–V. Indented paragraphs describe the timetable established for compliance with the policy requirement and any special types of material which must be submitted as a part of the State plan. The State plan must include for each subsection information adequate to demonstrate that the policy will be complied with.

Example of Format

Policy	"There must be activities to prevent or reduce the incidence of birth out of wedlock * * *."
Timetable and required plan materials.	The State plan must demonstrate that the service will be available during the first year and indicate the planned improvements over the next two years.

STATE SERVICE PLAN REQUIREMENTS

I. *Required organizational and administrative provisions.* (A) All services must be provided by or under the supervision of a single organizational unit at both State and local levels.[3] The single organizational unit must be so structured that all parts of the services program are under the policy control of its chief officer. Within the single organizational unit the same subunits must be responsible for setting service policies and furnishing services for both AFDC and CWS families. Specific services may be delegated within the agency for services common to other groups (e.g., homemakers) or contracted, provided that this does not tend to create differences in the quality of services

[3] AFDC and CWS programs that were legally authorized to be administered by separate agencies on January 2, 1968 may remain separate.

for AFDC and CWS recipients. The single State unit must be responsible for program supervision of local departments.

This requirement must be met by July 1, 1968. The State service plan must describe the form of organization of the single organizational unit, its relation to the overall welfare agency, and the distribution of responsibilities among the major organizational divisions within the unit.

(B) The functions of arranging or providing services[4] to individuals should, to be maximum extent feasible, be performed by persons other than those who investigate or determine eligibility for, or provide, financial and medical assistance. Adequate numbers of full-time staff must be assigned to service functions under conditions which will prevent their time from being diverted to eligibility or other nonservice functions.

The plan must include information on the estimated numbers of professional personnel who will be assigned both assistance eligibility and service functions during the next year and the planned improvements over the following years. It must also explain those situations in which it is infeasible to separate functions.

(C) The State must establish an advisory committee on AFDC and CWS programs. This committee shall advise the principal policy setting and administrative officials of the agency. The committee must include representatives of other State agencies concerned with services; recipients of assistance or services or representatives of such recipients (who must constitute at least one-third of the membership of the Advisory Committee); representatives of professional, civic or other public or private organizations; and, private citizens interested and experienced in service programs. Recipients or their representatives must be selected in a manner that will assure that they are representative of the total recipient population.

The advisory committee must have adequate opportunity for meaningful participation in both policy development and program administration. When other advisory committees are established by the State the views of the State Advisory Committee should be obtained as to inclusion of recipient representation.

In those States where the program is locally administered, the local political subdivision must also establish a comparable advisory committee except that in jurisdictions with very small assistance caseloads a State may prescribe an alternate procedure for participation.

States must make such financial arrangements as will make it possible for recipients to participate in the work of the advisory committees. Similarly, the advisory committee must have such staff assistance from within the welfare agency and such independent technical assistance as will enable it to make effective judgments on the AFDC and CWS programs.

There must be an advisory committee on day care services. The State may establish a separate advisory committee on day care or may designate all or part of the Advisory Committee on AFDC and CWS Programs to perform that function. In either event, the day care advisory group must have at least one-third of its membership drawn from recipients or recipient representatives. It must also include representatives of other State agencies concerned with day care or related services and persons representative of professional or civic or other public or nonprofit private agencies, organizations or groups concerned with the provision of day care.

The State Plan must describe the structure and functions of the Advisory Committee on AFDC and CWS Programs. It must describe a system for selecting recipient representatives, within 90 days after plan approval, by:

(a) appointment of persons from panels nominated by recipient organizations; or

(b) direct or indirect election of recipient representatives; or

(c) other appropriate procedures approved by the Regional SRS Commissioner.

(D) No later than July 1, 1969, nonprofessional[5] positions must be established to assist in the provision of services. Recipients of assistance or other low income persons must be given preference for such positions. The agency must examine its staffing pattern to determine whether jobs can be restructured so as to offer opportunities for nonprofessionals. Persons employed in nonprofessional positions must have opportunities for training and a reasonable proportion must serve in positions where there is an opportunity for advancement in accordance with their abilities. Employment of nonprofessionals for service positions must be appropriately consistent with the personnel and career plan for the entire agency. The question of including or exempting nonprofessional positions under the State merit system must be determined in accordance with applicable Federal regulations on the State merit systems. Responsibility for the nonprofessional program must be assigned to a specific individual (who may be the person responsible for such activity on an agencywide basis).

The plan must indicate the position assigned responsibility for the nonprofessional program, the steps being taken to restructure positions, and describe the types and numbers of nonprofessionals to be employed in the first year and improvements to be made in the 2 succeeding years. The plan must also explain how nonprofessionals will be related to the State merit system and will participate in the agency's career development program.

(E) Adequate numbers of personnel drawn from social work and other appropriate disciplines must be available both to develop and supervise services and to provide directly specialized services.

There must be an adequate system of career development and progression for such individuals.

The plan must provide specific information on the proposed staffing pattern describing the professional positions and indicating the qualifications which will be acceptable for each category of position, and the planned changes in staffing over a 3-year period. It must also describe the career development and progression system. The plan must also describe the numbers and types of professional staff providing direct services to clients. Where the number of professionals performing both services and eligibility functions results in a caseload or workload higher than that in effect during fiscal year 1968 there must be an explanation of how quality of service will be maintained (e.g., changes in procedures, use of nonprofessionals for certain less demanding functions or purchase of services formerly provided directly).

(F) No later than July 1, 1969, volunteers of all ages and specifically including senior citizens and young people wherever feasible, must be used in the provision of services and assisting appropriate advisory committees. Responsibility for the effective operation of volunteer programs must be assigned to a specific individual who may be the person with overall responsibilities for volunteer programs in the State agency. There must be provision for reimbursement of expenses of volunteers in appropriate cases.

The plan must indicate the position to which responsibility has been assigned and describe the planned improvements in utilization of volunteers over a 3-year period.

(G) (1) There must be maximum utilization of and coordination with other public and voluntary agencies providing services similar to or related to the services provided under the plan where such services are available without additional cost.

(2) States must give thorough consideration to the use of other public and voluntary agencies as service contractors in appropriate cases. The State's use of such agencies must be based on a determination that required program standards will be met and a comparison of the effectiveness with which the services are likely to be rendered and the anticipated costs thereof.

The plan must show specific examples of the ways in which public and voluntary agencies will be used.

(H) Plans must be made to (a) make such organizational and administrative changes as are necessary to improve the delivery and utilization of services, and (b) to simplify administrative requirements.

A specific work plan must be submitted indicating organizational and administrative matters to be examined and the method of study during the next year.

(I) Staff development on a continuing, progressive, and comprehensive basis must be provided for all staff responsible for the development and provision of services. Such training must be carried out within the framework of an overall agency training program.

A specific staff development plan for the next year must be included.

(J) There must be an opportunity for applicants and recipients to appeal under the fair hearing policy denial of or exclusion from a service program, failure to take account of recipient choice in assignment to a program, or a determination that the individual must participate in a service program. The results of appeals must be formally recorded and made available to the State advisory committee. In addition there must be a system through which recipients may present grievances about the operation of the service program.

The State Plan must describe the systems for appeals and grievances.

II. Mandatory services which must be provided to all appropriate persons (Items A-H applicable to Title IV–A plans—Items H and I applicable to Title IV–B)

NOTE: In preparing those items required for secs. II and III of the State plan which deal with services, the plan must be specific in its description of the services to be provided or purchased, the persons to whom they will be available and the manner of providing them, including an explanation of whether they will be provided by a State agency or other public agency, or by contract with a private nonprofit or proprietary organization. The plan must also show the scope or quality of service during the next year and planned improvements over the following 2 years. "Appropriate" persons, in the case of Title IV–A means all persons whose needs are considered in determining the financial needs of the family and who need the particular service. In the case of Title IV–B, "appropriate" means persons for whom the

[4] Service responsibilities include service at intake, i.e., providing information, screening and referral within the agency and community for all families and children seeking agency help. Service also includes determining need for specific services. Activities which are necessary for determining eligibility for medical or financial assistance are not considered service activities.

[5] The terms nonprofessional and subprofessional have, as used here, the same meaning and either term may be used in the State plan. A nonprofessional position, for these purposes, is one which does not require formal educational qualifications above the high school level. In many cases there will be no formal educational requirement.

welfare department has accepted responsibility to provide services.

(A) A plan and program of service must be developed and maintained on a continuous basis for each family and child who requires services. Such plans must be developed in cooperation with the family and must be responsive to the needs of each individual within the family while taking account of the relation of individual needs to the functioning of the family as a whole. The family plan must be realistic in terms of services which can be made available. It must include for each appropriate family member a specific action-oriented series of activities and services designed to maintain and strengthen family life, foster child development and achieve permanent and adequately compensated employment. The plan must be reviewed as often as necessary, but at least annually to assure that it is being effectively implemented.

The paragraphs which follow describe the required objectives and content of the family plan. In each case the requirements are drawn from the description of services in Title IV. The intention of the law is with certain noted exceptions to authorize the broadest range of useful services.

The first stage in preparation of family plans is to screen the entire caseload and to identify those persons who are immediately referrable for training and employment. Detailed family plans must be prepared for this group on a priority basis.

With respect to family and child welfare services in the family plan, the full range of services which may be included is described in Sec. III–A.

With respect to employment the family plan shall include but need not be limited to:

Identifying the individual's current readiness or potential for employment or training;

Determining whether individuals are appropriate for referral to the Work Incentive Program; [6]

Making general and specialized diagnostic assessments (e.g., vocational, rehabilitation, education, medical, and psychological) of health, learning and other limitations that prevent involvement in employment or training. The assessment shall include necessary medical evaluations unless adequate information is already available;

Action to insure that training and employment lead to stability of employment in jobs which take full advantage of the individual's potential;

Financing of additional expenses reasonably attributable to participation in training;

Providing assistance with family problems which limit training and employability;

Provision for utilization of public and voluntary agencies in the fields of vocational rehabilitation, health, vocational, and other education. Special attention should be given to the capabilities of rehabilitation centers and workshops, community action agencies, neighborhood centers, and similar organizations.

By July 1, 1969, a detailed family plan must be completed for each family with members who can reasonably expect to be placed in employment or training. Detailed family plans must also be completed within 6 months for families coming on the rolls who have a member referrable for employment or training. Detailed family plans must be developed for other families needing services no later than the succeeding year or within 1 year after the family is added to the rolls.

[6] See interim policies and requirements issued April 19, 1968, for description of WIN policies.

Each family plan must include a specific series of actions or services which can be taken to meet the needs of the family. The State plan must also describe the extent to which the required services will be available during the first year and the extent to which they will be improved in the next 2 years. The State plan must also include a copy of the policies governing preparation of the basic family plan.

(B) Child care services, including in home or out of home services, must be available or provided to all persons referred to and accepted in the Work Incentive Program. Such care must be suitable for the individual child and the parents must be involved in selecting the care. Such services must be maintained until the person is reasonably able to make other satisfactory child care arrangements. In home services must meet standards established by the State agency. Day care services must comply with the standards of the Federal Interagency Requirements for Day Care and the requirements in sec. 422 (a) (1) (B) (i)–(vi) of the Social Security Act. Child care must be provided as a service rather than through assistance payments.

The State plan must indicate the child care services to be provided WIN parents and the improvements to be made over the next 2 years.

(C) There must be a program to prevent or reduce the incidence of births out of wedlock and to otherwise strengthen family life. Services to prevent and reduce births out of wedlock must be extended progressively to all appropriate adults and youths with initial priority for mothers who have had children born out of wedlock within the 2 preceding years or who are currently pregnant out of wedlock and youths living in conditions immediately conducive to births out of wedlock. Services must also be provided for fathers of such children.

The State plan must demonstrate that the required program and services will be available during the first year and indicate the planned improvements over the next 2 years.

(D) Family planning services must be offered and provided to those individuals wishing such services including medical contraceptive services (diagnosis, treatment, supplies, and follow-up), as well as social and educational services. Services must be available without regard to marital status, age, or parenting. The individual must have a choice as to method and source of service. Acceptance of services must be voluntary on the part of the individual and may not be a prerequisite or impediment to eligibility for the receipt of any other service or aid under the plan. Medical services must be provided in accordance with the standards of other State programs providing medical services for family planning (e.g., maternal and child health services).

The plan must demonstrate that services will be available within the first year and must indicate the plans for program improvement over the next 2 years.

(E) Services must be provided to:

(1) Assist children to obtain education in accordance with their capacities;

(2) Improve family living through assisting parents to overcome homemaking and housing problems;

(3) Assist in reuniting families;

(4) Assist parents in money management; including consumer education;

(5) Assist parents in child rearing;

(6) Offer education for family living;

(7) Provide, where needed, for protective or vendor payments.

The State plan must demonstrate that the required services will be available during the first year and indicate the planned improvements over the next 2 years.

(F) Protective services must be provided and there must be a specific plan whereby the State or local agency will bring cases of child protection, abuse, neglect, or exploitation to the attention of appropriate courts or law enforcement agencies. The same criteria for referral to courts or law enforcement agencies must be used as are used by the State or local agency for all other parents and children. There must be continued cooperation with such courts and officials to assist in planning for the child to serve his best interests.

The State plan must demonstrate that protective services will be in effect during the first year and indicate how they will be improved in the next 2 years.

(G) States must provide assistance to families and children through (a) identifying needs for preventive and remedial medical services, (b) locating organizations or individuals who are willing to provide quality services on a dignified basis, and (c) helping to solve any problems which may prevent them from obtaining needed medical services and from making optimum use of the services available.

The State plan must describe the steps which will be taken to meet these requirements during the first year and the planned improvements over the next 2 years.

(H) Agencies must provide leadership to and participate in the development of community resources which are necessary to the achievement of program objectives.

The State plan must describe the kinds of activities being undertaken this year and the planned improvement in the next 2 years as well as the organization and staffing being provided to accomplish these objectives.

(I) In respect to child welfare services the state plan must provide a satisfactory showing each year of establishing, extending and strengthening child welfare services in one or more of the following dimensions: (a) covering additional political subdivisions; (b) reaching additional children in need of services; (c) expanding the range of services provided; and (d) improving the quality of services through additional trained child welfare personnel.

The State plan must specify the ways in which this is being accomplished and indicate reasonable progress towards achieving a comprehensive program in all jurisdictions by July 1, 1975.

III. Other recommended services which may be provided (Applicable to Title IV–A and Title IV–B plans as indicated)

NOTE: See Note under section II. The material under section III must also indicate the differences, if any, in availability of a service to current, former and potential AFDC families and Child Welfare Services recipients.

(A) The State plan should in addition to meeting those requirements specified in section II, provide all necessary services for the child and family. The full range of family services in AFDC is contained in the following definition:

Services to a family or any member thereof for the purpose of preserving, rehabilitating, reuniting, or strengthening the family, and such other services as will assist members of a family to attain or retain capability for the maximum self-support and personal independence.

The full range of child welfare services in AFDC and CWS is contained in the following definitions:

(1) Services which supplement or substitute for parental care and supervision for the purpose of preventing, remedying, or assisting in the solution of problems which may result in the neglect, abuse, exploitation, or delinquency of children;

(2) Protecting and caring for homeless, dependent, or neglected children;

(3) Protecting and promoting the welfare of children of working mothers; and

(4) Otherwise protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or where needed, the provision of adequate care of children away from their homes in foster family homes or day care or other child care facilities.

Services under Title IV–B must be available on the basis of need for services and shall not be denied on the basis of financial need, legal residence, social status or religion. Families shall participate in the development of plans and services for them and shall have the right to accept or reject such plans and services.

Day care must meet the standards of the Federal Interagency Day Care Requirements and sec. 422(a)(1)(B)(i)–(vi) of the Social Security Act. This section requires in essence that: (a) there must be cooperative arrangements with State health and education agencies, (b) there must be an advisory committee on day care, (c) there must be a determination that day care is in the best interests of the child and that provision must be made for determining, on an objective basis, the ability of families to pay for part or all of the cost of day care and for payment of reasonable fees by families able to pay, (d) that in selecting areas which will receive day care funds the State must use a reasonable and objective method of determining the priorities of need, including special emphasis for low-income persons, and (e) that day care must be provided in facilities licensed by the State or approved as meeting the standards for such licensing, and (f) there must be involvement of parents in the care of the child, in improvement of the health of the child, and in development of the child.

The State plan must describe the scope, coverage, and quality of each service to be provided in the first year and indicate planned improvements or additions over the next 2 years. It must also specify the priority criteria to be used in providing Title IV–B day care funds and the policies governing payment of fees.

(B) Emergency assistance in the form of services to needy families with children may be provided. If Title IV–A funds are used the separate policy instructions on emergency services apply. The limitations in these policies do not apply to the use of Title IV–B funds. Emergency services must be planned and staffed so as to assure immediate accessibility and prompt response. (Applicable to Title IV–A and Title IV–B.)

The State plan must specify the nature of such services, the groups of children and families eligible for such services, and the eligibility of migrant families.

(C) Where the Work Incentive Program has not been initiated in a local jurisdiction, or is inadequate in scope or size to meet the needs of recipients, educational and training services may be provided. Where the WIN program has been initiated there must be agreement with the Labor Department that services are not available to these recipients. Full use must be made of services available through the Employment Service.

The State plan must describe the services to be provided in the first year and any planned increases or reductions (due to initiation of WIN) during the next 2 years.

IV. *Other required actions which must be taken.* (A) The State agency must furnish the Secretary with such reports and evaluations as he may specify, showing the scope, results and costs of services for individuals and families.

The State plan must indicate a willingness to supply such reports and evaluations.

(B) Effective January 1, 1969, the State agency must provide to the Secretary information on any parents of AFDC children whose location is unknown and who are failing to comply with existing court orders for support payments, or against whom petitions for orders have been filed.

The State plan must indicate willingness to provide such information.

(C) Effective January 1, 1969, the State agency must cooperate with other State agencies administering AFDC in locating parents of an AFDC child against whom a support petition has been filed and in securing compliance by a parent residing in the former agency's State.

The State plan must indicate a willingness to cooperate.

(D) A program must be instituted for establishing paternity for children born out of wedlock and for securing financial support for them and for all other children receiving AFDC who have been deserted by their parents or other legally liable persons. There must be a single staff unit in the State agency and in large local agencies to administer this program. There must be a plan of cooperation with courts and law enforcement officials and the agency must provide information aimed at locating putative fathers, establishing paternity and other matters of common concern. Procedures must be established and carried out by the welfare agency to determine the potential of putative or absent parents for providing financial support. The files of the Social Security Administration are available to State agencies when other efforts have failed to provide the necessary information on the address of a parent. There must be provision for the utilization of reciprocal arrangements with other States to obtain or enforce court orders for support. In developing plans for cooperation with courts and law enforcement officials, there must be agreement that the information provided by the State or local agency will be used only for the purpose intended. Financial arrangement must be made for reimbursement to courts and law enforcement officials found necessary for them to undertake services beyond those usually provided in such cases.

The State plan must demonstrate that the required procedures and services will be in effect during the first year.

(E) The State must provide adequate assistance to and monitoring of local agencies and service contractors to insure that the plan requirements are being met and funds are being appropriately and effectively used. A written record of the performance of service contractors shall be prepared at least annually and made available upon request of Federal officials.

The State plan must describe how assistance to and monitoring and evaluation of performance will be provided for all local agencies and service contractors.

(F) Provision must be made to allocate the costs of (a) providing services under the Child Welfare Services program; (b) providing services under AFDC; (c) administering the AFDC program including determining eligibility for financial or medical assistance.

The State plan must explain how such costs will be distinguished and accounted for.

V. Federal Financial Participation—Services Under Title IV—Parts A and B.

The following content deals separately with Federal financial participation in the costs of services under the AFDC and Child Welfare Services programs because these programs have different legal provisions governing the extent of Federal Funding. However, there are no differences in the kinds of services or methods of providing services under these two programs.

A. Title IV–A–(AFDC)—Federal Financial Participation.

(1) *Rate of reimbursement.* Beginning with the effective date of approval of the amended State plan for AFDC, pursuant to section 402(a) (14) and (15) of the Act, Federal Financial participation will be available at the rate of 75 per centum (85 percent until July 1, 1969) in expenditures, as found necessary by the Secretary for the proper and efficient administration of the plan, for the services described in sections II and III of these regulations and included in the approved State plan. Training and staff development costs are reimbursable only at the rate of 75 percent.

(2) *Medical and assistance costs.* Federal financial participation under this section will not be available in expenditures for subsistence and other assistance items or for medical or remedial care or services, except (a) for subsistence and medical care when they are provided as essential components of a comprehensive service program of a facility and their costs are not separately identifiable, such as, in a rehabilitation center, a day care facility or a maternity home; (b) for medical and remedial care and services as part of family planning services; (c) for required medical examinations for child care staff, when not otherwise available; (d) for identifying medical problems of children in child care facilities; or (e) for medical diagnosis and consultation when necessary to carry out service responsibilities, e.g., for recipients under consideration for referral to training and employment programs.

(3) *Vocational rehabilitation services.* Federal financial participation is not available in the costs of providing services for the disabled as defined in the Vocational Rehabilitation Act except pursuant to an agreement with the State agency administering the vocational rehabilitation program. This applies to provision of services by staff of the agency and purchase.

(4) *Persons eligible for service.* Federal financial participation is available under this section only for services provided to

a. A child or relative who is receiving aid under the plan and to any essential person living in the same home as such relative and child,

b. Any child or relative who is applying for aid under the plan,

c. Any child or relative who has been an applicant for or recipient of such aid. Counseling and casework services may be provided to any child or relative who has formerly received aid. Other services may be provided to any child or relative who has received aid within the previous 2 years or who qualifies under item 4 below.

d. Any child or relative who is likely to become an applicant for or recipient of such aid, i.e.,

(i) Any child or relative eligible for medical assistance under the State's title XIX plan;

(ii) Any child or relative who would be eligible for financial assistance if the earnings exemption granted to recipients applied to them;

(iii) Any child or relative who is likely, within 5 years, to become a recipient of AFDC (the fact that the furnishing of services may decrease the likelihood that the individual will become a recipient of aid does not affect the availability of Federal financial participation); and

(iv) Families that are at or near dependency level including those in low-income neighborhoods and among other groups that might otherwise include more AFDC cases where such services are provided on a group basis.

e. Information and referral service provided to any individual requesting such services.

(5) *Sources for furnishing services.* Federal financial participation is available under this section for services furnished:

1. By State or local agency staff, i.e., full- or part-time employed staff; and volunteers, or

2. By purchase, contract or other cooperative arrangements with public or private agencies or individuals, provided that such services are not available without cost from such agencies.

(6) *Kinds of expenses included.* Federal financial participation may be claimed in the costs of services on account of the following items:

a. State and local agency staff, including staff of all kinds engaged in developing and carrying out the agency's service responsibilities, both professional, subprofessional, including recipients and other workers of low income, and volunteers. This includes payment of personal services, costs of clerical and other supporting staff, and all related expenses necessary for the provision of services, e.g., travel, per diem, postage, communications, equipment and reimbursed costs of volunteers. Cost of space is included for staff giving full time to services, such as units of service staff. Costs of agency membership in appropriate organizations and costs of travel to participate in meetings concerned with services are also included.

Reimbursement under Title IV–A is available only at a 50-percent rate for staff time or related costs incurred in connection with determining eligibility for financial and medical assistance; or for those staff at the State and local level who are responsible for developing, planning or evaluating services, unless such persons are performing full time on those functions with relation to service programs, in which case the 75 percent (or 85 percent) rate is applicable. In the case of individuals performing both service and financial or medical assistance functions, States may claim reimbursement at the following rates:

Fiscal Year 1969—75%
Fiscal Year 1970—60%
Fiscal Year 1971 and thereafter—50%

b. Cost of equipment, materials and supplies for use in providing services.

c. Travel and related costs for children and parents to obtain consultation, medical and other services.

d. Costs of staff in providing services related to foster care, i.e., recruitment, study and approval of foster family homes, services to children in foster care and their parents, and work with foster parents. Vendor payments for foster care are assistance payments and are, therefore, not subject to the service rate of Federal financial participation.

e. Costs of services provided in behalf of families and children, e.g., community planning; assuring accessibility to entitled resources; and studies of service needs and results.

f. Costs of State and local advisory committees including expenses of attending meetings, supportive staff and other technical assistance.

g. Costs of certain services to assist individuals to achieve employment and self-sufficiency: [7]

(i) Payments for additional expenses of individuals that are attributable to their participation in training or work experience projects, e.g., transportation, lunches, uniforms.[8]

(ii) Costs of medical examinations that are necessary to determine physical and mental health conditions for training or employment.

(iii) Costs of education and training pursuant to section III–C.

h. Costs of operation of agency services facilities, solely engaged in the provision of services. Costs may include expenditures for staff; space, including minor remodeling, heat, utilities, and cleaning furnishings; program supplies, equipment and materials; food and food preparation; and liability and other insurance protection. Costs of construction and major renovations are not included. Appropriate distribution of costs is necessary when other agencies use such facilities for the provision of their services, such as in comprehensive neighborhood service centers.

(7) Federal Financial Participation in Costs of Activities and Services to Secure Support and Establish Paternity:

a. Federal financial participation at the 50 percent rate is available in the costs of reimbursing courts and law enforcement officials for their increased effort or additional staff time in assisting the State or local agency in respect to its program to secure support and establish paternity. Such reimbursement is for costs that are specific to carrying out any of the following activities which the State agency believes will contribute to optimum results in securing support and establishing paternity:

(i) Consultation to State and local agencies on appropriateness of cases for court action to secure support or establish paternity;

(ii) Consultation to State and local agencies on the development of evidence for court hearings;

(iii) Developing information as to the location of parents and other legally liable persons, when all location efforts of the State or local agency have failed;

(iv) Consultation and participation in the development of support on a voluntary basis; and follow-up services on court orders for support;

(v) Costs in presenting support and paternity actions to the court.

(vi) Necessary fees for court judicial actions, when these are not waived.

Costs of the judiciary system, apprehension and arrest are excluded.

NOTE: Costs of court and other officials providing training to public welfare staff may be included as staff development costs.

b. The costs of State or local agencies for agency activities related to the collection of support and accounting for such funds and determining the effect of support funds on eligibility or assistance payments are not subject to Federal financial participation at the service rate of 75 percent (85 percent). The 50 percent rate applies to such costs.

c. No Federal financial participation is available in the costs of agency staff engaged in apprehension, arrests or enforcement activities.

d. Federal financial participation is available at the 75 percent (85 percent) rate in the costs of agency staff engaged in locating and planning with deserting or putative fathers; assessing potentials and determining appropriate actions; developing voluntary support; assisting relatives to file petitions for the establishment of paternity; reuniting families; and cooperative planning with appropriate courts and law enforcement officials; provided such activities are carried out as a part and within the objectives of the total service plan for individual families.

(8) *Emergency services.* Federal financial participation in the costs of providing emergency assistance in the form of services to needy families with children is available at the rate of 75 percent, with the effective date of approval of the amended State plan including such services.

B. *Title IV–B (CWS)—Federal financial participation*—(1) *Federal share.* The Federal share of service programs under Title IV–B shall be at the rate specified in or promulgated pursuant to section 423 of the Act.

(2) *Person eligible for service.* Title IV–B funds may be used to serve all families and children in need of services as determined by the welfare agency. Services must be made available without respect to whether the recipients are on the AFDC rolls and no system may be established giving priority to AFDC recipients.

(3) *Sources for services.* Federal financial participation is available under this section for services furnished.

a. By State or local agency staff, i.e., full- or part-time employed staff; and volunteers, or

b. By purchase, contract or other cooperative arrangements with public or private agencies or individuals.

(4) *Kinds of expenses included.* Federal financial participation is available for the costs of personnel, travel, per diem, postage, communications, equipment, reimbursed costs of volunteers, rent, renovations, training and education, merit system, operations, costs of administration and all other items of expenditure which can be demonstrated to be essential to carrying out services.

C. Expenditures for certain functions under both Parts A and B of Title IV shall be in accordance with the following policies:

(1) Employee benefit costs; as described in "Federal Participation in Costs of Employee Benefit Systems."

(2) Organization memberships; as described in "Federal Participation in Costs of State Agency Memberships in Organizations."

(3) Occupancy or maintenance of space; as described in "Expenditures by States of Granted Funds for Occupancy and Maintenance of Space."

D. The amount of funds available for services under Title IV–A is dependent upon the availability of matching State funds. Funds available under Title IV–B are dependent upon the availability of matching State funds, but may not exceed the amount available under the allotment formula prescribed by law.

The State annual budget plan for Title IV–A and IV–B must assure the Federal share will, in the case of Title IV–B, be within the State allotments.

[F.R. Doc. 68–8502; Filed, July 16, 1968; 8:52 a.m.]

[7] See II–A last paragraph, p. 18 and V–A (3), p. 32 regarding services for the disabled and relationship to State agency administering vocational rehabilitation.

[8] Not applicable to individuals earning wages (including employment or on the job training) since such expenses will be deducted in determining net income.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

AREA OFFICE AT NORTHWAY, ALASKA

Notice of Closing

Notice is hereby given that on or about August 1, 1968, the Area Office at Northway, Alaska, will be closed. Services to the public formerly provided by this office will be provided by the Area Office in Fairbanks, Alaska. This information will be reflected in the FAA Organization Statement the next time it is reissued.

(Sec. 313(a), 72 Stat. 752; 49 U.S.C. 1354)

Issued in Anchorage, Alaska, on June 24, 1968.

LYLE K. BROWN,
Director, Alaskan Region.

[F.R. Doc. 68–8443; Filed, July 16, 1968; 8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-106]

OREGON STATE UNIVERSITY

Notice of Issuance of Amended Facility License

The Atomic Energy Commission ("the Commission") has issued Amendment No. 8, as set forth below, to Facility License No. R-51. The license authorizes the Oregon State University to possess and operate its Model AGN-201, Serial No. 114, nuclear research reactor facility on its campus in Corvallis, Oreg. The amendment, effective as of the date of issuance, incorporates Technical Specifications for operation of the facility and revises the license in its entirety (1) to consolidate the provisions of various amendments and an order, (2) to restate the reporting requirements, and (3) to expand the record keeping section in accordance with the University's application for amendment notarized February 29, 1968.

The Commission has found that prior public notice of proposed issuance of this amended license is not necessary in the public interest since the operation of the reactor in accordance with the terms of the amended license does not involve significant hazard considerations different from those previously evaluated.

Within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER, the applicant may file a request for a hearing, and any person whose interest may be affected by the issuance of this amended license may file a petition for leave to intervene. Requests for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's rules of practice, 10 CFR Part 2. If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue a notice of hearing or an appropriate order.

For further details with respect to this amendment, see (1) the licensee's application for license amendment notarized February 29, 1968, (2) a related Safety Evaluation prepared by the Division of Reactor Licensing, and (3) the Technical Specifications, all of which are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of item (2) above may be obtained at the Commission's Public Document Room or upon request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Director, Division of Reactor Licensing.

Dated at Bethesda, Md., this 28th day of June 1968.

For the Atomic Energy Commission.

DONALD J. SKOVHOLT,
Assistant Director for Reactor Operations, Division of Reactor Licensing.

AMENDED FACILITY LICENSE

[License No. R-51, Amdt. 8]

The Atomic Energy Commission ("the Commission") has found that:

a. The application for license, as amended, complies with the requirements of the Atomic Energy Act of 1954, as amended (hereinafter, "the Act"), and the Commission's regulations set forth in Title 10, CFR, Chapter I;

b. The reactor has been constructed in conformity with Construction Permit CPRR-80 and will operate in conformity with the application and in conformity with the Act and the rules and regulations of the Commission;

c. There is reasonable assurance that the reactor can be operated at the designated location without endangering the health and safety of the public;

d. Oregon State University is technically and financially qualified to operate the reactor and to assume financial responsibility for payment of Commission charges for special nuclear material and to undertake and carry out the proposed activities in accordance with the Commission's regulations;

e. The issuance of this license, as amended, will not be inimical to the common defense and security or to the health and safety of the public; and

f. Oregon State University is a nonprofit educational institution and will use the reactor for the conduct of educational activities, and is therefore exempt from the financial protection requirement of subsection 170a of the Act. The University has executed an indemnity agreement pursuant to 10 CFR Part 140.

Facility License No. R-51, as amended, is hereby amended in its entirety to read:

1. This license applies to the Model AGN-201, Serial No. 114, homogeneous nuclear reactor (herein "the reactor") which is owned by Oregon State University (hereinafter, "the licensee" or "Oregon State University") and located on its campus in Corvallis, Oreg., and is described in the licensee's application for license dated April 29, 1958, and subsequent amendments thereto including recent amendment notarized February 29, 1968 (herein "the application"), and which was authorized for construction under Construction Permit No. CPRR-80.

2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Oregon State University:

A. Pursuant to Section 104c of the Act and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the reactor as a utilization facility at the designated location in Corvallis, Oreg., in accordance with the procedures and limitations described in the application and in this license;

B. Pursuant to the Act and Title 10, CFR, Chapter I, Part 70, "Special Nuclear Material," to receive, possess and use up to 700 grams of contained uranium-235 in connection with operation of the reactor; and

C. Pursuant to the Act and Title 10, CFR, Chapter I, Part 30, "Rules of General Applicability to Licensing of Byproduct Material," to possess, but not to separate, such byproduct material as may be produced by operation of the reactor.

3. This license shall be deemed to contain and be subject to the conditions specified in Part 20, §30.34 of Part 30, §§ 50.54 and 50.59 of Part 50, and § 70.32 of Part 70 of the Commission's regulations; is subject to all applicable provisions of the Act and rules, regulations, and orders of the Commission now or hereafter in effect, and is subject to the additional conditions specified or incorporated below:

A. *Maximum power level.* The Oregon State University may operate the reactor at steady state power levels up to a maximum of 100 milliwatts (thermal).

B. *Technical specifications.* The Technical Specifications contained in Appendix A to this license[1] (hereinafter "the Technical Specifications") are hereby incorporated in this license. The licensee shall operate the reactor in accordance with the Technical Specifications. No changes shall be made in the Technical Specifications unless authorized by the Commission as provided in 10 CFR 50.59.

C. *Reports.* In addition to reports otherwise required under this license and applicable regulations:

(1) The licensee shall inform the Commission of any incident or condition relating to the operation of the reactor which prevented or could have prevented a nuclear system from performing its safety function as described in the Technical Specifications or in the hazards summary report (hereinafter, "safety analysis report"). For each such occurrence, the licensee shall promptly notify by telephone or telegraph the Director of the appropriate Atomic Energy Commission Regional Compliance Office listed in Appendix D of 10 CFR Part 20 and shall submit within ten (10) days a report in writing to the Director, Division of Reactor Licensing (hereinafter "the Director, DRL"), with a copy to the Regional Compliance Office.

(2) The licensee shall report to the Director, DRL, in writing within thirty (30) days of its observed occurrence any substantial variance disclosed by operation of the reactor from performance specifications contained in the safety analysis report or the Technical Specifications.

(3) The licensee shall report to the Commission in writing within thirty (30) days of its occurrence any significant change in transient or accident analysis, as described in the safety analysis report.

D. *Records.* In addition to those otherwise required under this license and applicable regulations, the licensee shall keep the following records:

(1) Reactor operating records, including power levels and periods of operation at each power level.

(2) Records of experiments installed including description, reactivity worths, locations, exposure time, total irradiation, and any unusual events involved in their performance and in their handling.

(3) Records showing radioactivity released or discharged into the air or water beyond the effective control of the licensee as measured at or prior to the point of such release or discharge.

(4) Records of emergency shutdowns and inadvertent scrams, including reasons therefor.

(5) Records of maintenance operations involving substitution or replacement of reactor equipment or components.

(6) Records of tests and measurements performed pursuant to the Technical Specifications.

4. This license, as amended, is effective as of the date of issuance and shall expire at midnight, November 13, 1978, unless sooner terminated.

Date of Issuance: June 28, 1968.

For the Atomic Energy Commission.[1]

DONALD J. SKOVHOLT,
Assistant Director for Reactor Operations, Division of Reactor Licensing.

[F.R. Doc. 68-8449; Filed, July 16, 1968; 8:47 a.m.]

[1] This item was not filed with the Office of the Federal Register but is available for inspection in the Public Document Room of the Atomic Energy Commission.

ASSISTANT GENERAL MANAGER FOR MILITARY APPLICATION ET AL.

Notice of Basic Compensation

Pursuant to the provisions of 5 U.S.C. 5364, the salaries of the following positions, established by the Atomic Energy Act of 1954, as amended, were adjusted from $27,055 to $28,000 per annum, effective July 14, 1968:

Title of position	Authorizing section of Atomic Energy Act of 1954, as amended
Assistant General Manager for Military Application, and Program Division Directors.	Section 25a.
Director, Division of Inspection.	Section 25c.
Executive Management Positions.	Section 25d.

Dated: July 10, 1968.

F. T. HOBBS,
Acting Secretary.

[F.R. Doc. 68-8450; Filed, July 16, 1968; 8:47 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 18255; Order 68-7-50]

AIR CARRIER DISCUSSIONS

Order Regarding Commodity Description and Numbering System

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 11th day of July 1968.

By joint petition filed June 3, 1968, the air-carrier participants in Official Air Freight Tariff No. 5-B (tariff),[1] request authority from the Board to continue the joint discussions previously authorized by the Board[2] concerning a commodity description and numbering system. The prior authority for such discussions expired with June 1, 1968.

In support of their petition, the carriers assert that discussions have been held pursuant to the authorization granted, and considerable work has been done in "translating" the commodity descriptions presently used in the tariff into the Worldwide Air Cargo Commodity Classification (WACCC), the commodity description and numbering system adopted by the International Air Transport Association (IATA) and based on the Standard International Trade Classification (SITC). Neither the discussion nor the "translation" processes have apparently been completed. At the present time, the participants have before them for study alternative proposals, in the form of draft agreements, which contemplate either complete or partial adoption of the WACCC system for use in the reissued tariff. In the meantime, completion of the "translation" has been delayed, first by the need for further clarification of certain of the descriptions presently published in the tariff, and also by the necessity of awaiting the final revision of WACCC by the IATA working group—a process which is stated to have been only recently completed, the results of which are to be published early next month. In addition, certain of the participants have expressed an intention to conduct certain tests in order to satisfy themselves as to the practicability of the WACCC system for domestic use. As a result, the carriers state that further consideration and discussion is needed, and request that the authorization granted by Order No. E-26092 be extended for a period of not less than 6 months from June 1, 1968.

No objections to the proposed extension have been filed with the Board.

Upon consideration of the petition and other relevant matters, the Board will grant the extension sought.

As required by the Board in its prior orders, the carriers have filed with the Board minutes of their meetings. It is apparent that a high degree of coordination with IATA is necessary in this area and that the delays in IATA progress prevent prompt resolution of the domestic efforts. It therefore appears reasonable to provide the domestic carriers a further opportunity to pursue their effort to a conclusion. The Board notes, however, that there are numerous technical difficulties being experienced in the translation of existing domestic specific commodity descriptions into the SITC-based WACCC. For example, the minutes of the carriers' meeting of March 5-6, 1968, are accompanied by a listing of those domestic descriptions which are (a) "matched" in the existing WACCC; (b) not matched, but for which "similar" descriptions are available in WACCC; and (c) those for which even no near-equivalent can be found in WACCC. While we appreciate that it may be difficult to develop a perfect translation in every instance, replacing for example, such broad domestic descriptions as "electronic equipment," we are more concerned with avoiding changes in the rates paid by the shipping public than we are with preserving the initial sanctity of the SITC-based WACCC system. In this regard, the Board has previously said that our authorization shall not extend to any discussions of rates or rate levels.[3] The Board would therefore expect that the carriers would give serious and careful consideration to the full protection of existing domestic and international commodity descriptions and their accompanying rates by embodying, at least initially, appropriate equivalents in the WACCC.

With regard to the implementation of the WACCC, the Board expects that the initial WACCC and all subsequent amendments thereto shall be filed with the Board as agreements pursuant to section 412 of the Act, and approved by the Board prior to being placed into effect and/or filed in domestic or international tariff form.[4] The Board also notes that implementation of the WACCC system in tariff form might be an opportune time to remedy the alternative rate application problems which result from the publication of rates on both generic and specific commodity descriptions in the same market, but at varying minimum weights. The carriers might give careful consideration to the publication of specific commodity rates at all standard weight-breaks in the market, thus removing any doubt as to the applicable rate, irrespective of quantity, as well as removing the inherent discrimination in any pricing system which relies upon the tariff interpretation skill of the reader. In addition, as previously noted by the Board[5] in conjunction with IATA's efforts to develop the WACCC, our authorization herein should not be construed as an approval of the commodity descriptions or as authority to depart from the provisions of Part 221 of the Board's economic regulations which govern the filing of tariffs.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly section 204(a), 412, and 414 thereof:

It is ordered, That:

1. The expiration date of the authority in paragraph 1 of Order E-25193, dated May 25, 1967, is extended to December 31, 1968; and

2. All other provisions of Orders E-25193 and E-26092 shall remain unchanged.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-8482; Filed, July 16, 1968; 8:50 a.m.]

[Docket No. 16862; Order 68-7-55]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order on Show Cause Proceeding

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of July 1968.

The Board by Order E-23120, adopted January 13, 1966,[1] provided the air carrier members of the International Air Transport Association (IATA) and other interested persons a period of time for the filing of comments in support of or in opposition to the adoption by the Board

[1] Airline Tariff Publishers, Inc., Agent, Tariff CAB No. 12.

[2] Order E-26092, dated Dec. 8, 1967, extending the expiration date previously granted by Order E-25193, dated May 25, 1967.

[3] Order E-25193, supra.

[4] The Board has been furnished initial draft copies of the WACCC in alphabetical as well as numerical form, and would expect that both issues would be filed as tariffs and made available to users that desire them. The Board would also expect that the initial agreement filing of the WACCC would be accompanied by a tabulation showing the transition from existing commodity descriptions and tariff item numbers to proposed descriptions and numbers to facilitate analysis and approval of the new classification system.

[5] Order E-25527 dated Aug. 15, 1967.

[1] As modified by Order E-23235, adopted Feb. 14, 1966.

of certain new or revised conditions[2] to its approval pursuant to section 412 of the Federal Aviation Act of 1958, as amended (the Act) of the IATA Articles of Association (Articles)[3] and the IATA Provisions for the Regulation and Conduct of the Traffic Conferences (Provisions).[4]

The conditions proposed in the initial order in this proceeding were designed essentially (1) to provide the Board with documentation on certain additional activities of IATA; (2) to supplement information normally suplied on conference resolutions with additional supporting data; and (3) to cause the establishment of a subscription service through which forwarders, agents, shippers, and others interested in or affected by IATA actions could purchase copies of resolutions and related documents.

Comments in support of the Board's proposed action were filed by American Express Co., American Society of Travel Agents (ASTA), Air Freight Forwarders Association (AFFA), and Seaboard World Airlines, Inc. (Seaboard), an IATA member. Joint comments agreeing with the Board's objectives but raising questions on certain aspects of the Board's proposal were filed by Braniff Airways, Inc., Eastern Air Lines, Inc., Delta Air Lines, Inc., Northwest Airlines, Inc., Pan American World Airways, Inc., Pan American—Grace Airways, Inc., and Trans World Airlines, Inc. (the carriers).

In consideration of such comments and the Board's need for information essential to its decisional processes, the Board has concluded that it should modify its proposed conditions on its approval of the articles and provisions in the manner set forth in the appendix.[5]

The Board's order proposed that the air carrier members of IATA establish a subscription service through which resolutions and certain related documents would be made available to interested persons upon written request and payment of an appropriate fee. In this respect we note that the Traffic Advisory Committee has authorized the implementation of a subscription service through which subscribers may purchase, on an annual basis, certain documents, papers, and materials to be mailed postage prepaid as and on or about the time when they are distributed to members of IATA, upon payment of an annual fee of $500. Under the terms of the purchase contract the subscriber is entitled to obtain exclusively for its use and information and that of its employees or agents (and in case a subscriber is an association or organization comprised of members, solely for the use and information of such members) available additional copies of any of the categories of documents, papers, and materials upon payment to IATA of applicable charges therefor in accordance with the current scale of charges for such additional copies as established by IATA.

Upon consideration of the foregoing, the Board has determined that IATA's establishment of the subscription service meets the purpose and intent of condition 9 as proposed by Order E–23120.[6]

In view of the foregoing, the Board finds that the public interest requires that continued approval of the articles and provisions be made subject to the conditions set forth in the appendix hereto.[7]

Accordingly, it is ordered:

That Agreements CAB 389, 1046, and 1175, as amended, be and they hereby are approved subject to the conditions set forth in the appendix hereto.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

APPENDIX

IATA ARTICLES OF ASSOCIATION (AGREEMENTS CAB 389 AND 1046)

1. That approval of the Articles shall not be construed to constitute approval or disapproval of any subsequent contract entered into, or any specific action taken pursuant to said Articles; and

2. That the U.S. air carrier members of IATA shall file with the Board such documents and other data as the Board may direct.

Provisions for the Regulation and Conduct of the Traffic Conferences of IATA (Agreement CAB 1175)

1. That approval of the Provisions shall not constitute approval of any agreement, action, or recommended practice of any of the traffic conferences or permanent conference committees created by and acting pursuant to the agreement;

2. That the U.S. air carrier members of IATA shall submit to the Board for appropriate action all recommended practices, agreements, and resolutions adopted by IATA and each of its conferences and permanent conference committees;

3. That approval of the Provisions shall not constitute approval of participation of any air carrier in any traffic conference which reaches an agreement fixing rates, fares, or charges that are put into effect by such air carrier prior to the submission thereof and approval by the Civil Aeronautics Board;[1]

4. That irrespective of the IATA schedule for the receipt of agenda material, nothing shall prevent a conference or permanent conference committee from considering items proposed by a government through its carriers if a request therefor is made by a government to its carriers at least 45 days before the conference or committee meeting;

5. That the U.S. air carrier members of IATA shall file with the Board such documents and other data as the Board may direct;

6. That no agreement fixing rates, fares, and charges for periods longer than 2 years will be approved by the Board;

7. That approval of the Provisions shall not constitute approval of the participation of any air carrier in any agreement establishing rates or charges which shall be quoted or charged any nation for the transportation of mail;

8. That with respect to the provisions of Section XII of the agreement entitled "Breaches of Conference Action":

a. The U.S. air carrier members of IATA shall notify the Board of any fine or penalty assessed against them, with a brief statement of the reasons therefor;

b. Each U.S. air carrier member of IATA shall file with the Board a record of the fines and penalties assessed against it under IATA enforcement procedures;

c. The U.S. air carrier members of IATA shall file with the Board a copy of the report of cases considered under summary procedure and a copy of the report of cases decided by the Breaches Commissions and action taken;

9. That approval of any agreement embodied in a resolution adopted by IATA or any of its Traffic Conferences, or permanent conference committees pursuant to the conference machinery approved hereby shall be subject to the following general conditions:

a. Approval of any resolution shall not be deemed approval of the application to such resolution of any other resolution except to the extent permitted by any approval of such other resolution;

b. Approval of any effectiveness resolution is limited to the extent that it provides effective dates for other approved resolutions;

c. Approval of any resolution shall be subject to the condition that U.S. air carrier members of IATA file with the Board, at the time of circulation to members, copies of all notices rescinding or amending any of the provisions or modifying the period of effectiveness of any resolution under the provisions of any resolution or portion thereof which permits such rescission, amendment, or modifications;

d. Approval of any amending or revalidating resolution shall not affect the applicability of any condition previously appended, to the approval of the resolution being amended or revalidated;

e. Nothing in an order approving a resolution shall be construed as waiving any provision of the Board's economic regulations relating to the construction, publication, and filing of tariffs, unless expressly so provided;

f. No IATA resolutions shall apply or be binding upon a U.S. air carrier member of IATA with respect to foreign air transportation which involves only a segment of such U.S. air carrier between a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same territory or possession of the United States, or the District of Columbia.

[F.R. Doc. 68–8483; Filed, July 16, 1968; 8:50 a.m.]

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[2] The proposed new conditions, along with those then in effect, were set forth in appendices to Order E–23120.

[3] Agreements CAB 389 and 1046, as amended.

[4] Agreement CAB 1175, as amended.

[5] To the extent appropriate, such conditions have been modified in accordance with the Board's approval of recent amendments of the Provisions, Agreement CAB 1175–A22, Order E–26439, Mar. 1, 1968.

[6] If it develops that in practice the service does not adequately meet the public need, we shall, of course, reexamine the matter at such time as may be appropriate.

[7] It is intended that the conditions imposed by this order supersede those set forth in earlier orders of the Board approving Agreements CAB 389, 1046, and 1175, and amendments thereto.

[1] Such condition includes, inter alia, all unprotested notices establishing fares or rates in air transportation, as defined by the Act, which notices are issued pursuant to the provisions of approved resolutions.

[Docket No. 19797; Order 68-7-62]

PACIFIC AIR FREIGHT, INC.

Order Instituting Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of July 1968.

By tariff revision filed June 17, 1968, and marked to become effective July 17, 1968, Pacific Air Freight Inc. (Pacific), an air freight forwarder, proposes a rule providing for substitution of other means of transportation when direct air carriers are not able to provide air transportation due to adverse weather conditions, equipment failure, or other causes beyond the control of the direct air carriers. No refunds or additional charges will be made under the above circumstances.[1]

By tariff revision filed July 1, 1968, and marked to become effective August 1, 1968, Pacific proposes to cancel the foregoing rule, replacing it with the following:

When for any reason, including temporary suspension of air service, refusal or inability of the air carrier to perform services requested, embargoes, strikes, or other causes, diversion of shipments to other means of transportation is necessary, the forwarder shall use his best judgment as to the means of transportation to be selected. No reduction or refund of charges will be made when, under the provisions of this rule, it becomes necessary to utilize other than air transportation in order to expedite the shipment.[2]

Pacific claims that its proposed rules are similar to those in effect for other forwarders. By Order E-26605, dated April 2, 1968, the Board instituted an investigation of the rules in effect for all such forwarders (Docket 19797) on the ground that it may be unjust and inequitable to require a shipper to pay the air freight rate when he is receiving lower-rated surface transport. By Order E-26929, dated June 17, 1968, the Board denied reconsideration of that order and extended the foregoing investigation to the rule filed by another air freight forwarder and to the rules in effect for all the domestic direct certificated air carriers.

Upon consideration of all relevant matters, the Board finds that Pacific's proposals may be unjust or unreasonable, unjustly discriminatory, unduly preferential or prejudicial, or otherwise unlawful, and should be investigated. We shall consolidate the investigation of Pacific's rule with the proceeding in Docket 19797.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 1002 thereof:

It is ordered, That:

1. An investigation be instituted to determine whether the provisions of Rule No. 3.12 on 3d and 4th Revised Pages 14 of Pacific Air Freight, Inc.'s tariff CAB No. 1, including subsequent revisions and reissues thereof, and rules, regulations, and practices affecting such provisions, are or will be unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful, and if found to be unlawful, to determine and prescribe the lawful provisions, and rules, regulations, or practices affecting such provisions;

2. This investigation be consolidated with the proceeding in Docket 19797; and

3. A copy of this order be served upon Pacific Air Freight, Inc., which is hereby made a party to this proceeding.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-8484; Filed, July 16, 1968; 8:50 a.m.]

[Docket Nos. 19668, 19669; Order 68-7-63]

PIEDMONT AVIATION, INC.

Order To Show Cause

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of July 1968.

Application of Piedmont Aviation, Inc. for amendment of its certificate of public convenience and necessity for Route 87; Docket 19668.

Application of Piedmont Aviation, Inc. for exemption from section 401 of the Federal Aviation Act and/or issuance of an order to show cause respecting amendment of Piedmont's certificate for Route 87; Docket 19669.

On February 29, 1968, Piedmont Aviation, Inc. (Piedmont), filed an application in the nature of a petition requesting that the Board issue an order to show cause why the carrier's certificate of public convenience and necessity for Route 87 should not be amended in accordance with its application in Docket 19668.[1] The carrier proposes to amend segment (1) by deleting Hickory from segment 1(b); by eliminating the segment bifurcation at Charlotte so as to make segments 1(b)(i) and ((b)(ii) one segment beyond Charlotte; and by extending segment 1(a) beyond the present terminal, Morehead City-Beaufort, to Wilmington. Segment 3 would be amended by eliminating the segment bifurcation at Roanoke; by extending the segment beyond the present terminal at Roanoke to Charlottesville; and by adding Lynchburg, Hot Springs, and Staunton, Va., and New Bern, Kinston, and Rocky Mount, N.C. Segment 5 would be amended by changing the terminal point from Norfolk to Richmond. Raleigh-Durham would be added to segment 8 and the bifurcation point at Florence would be removed. In addition to the foregoing, the following amendments to conditions would be effected: (1) The two-stop restriction in the Washington-Raleigh-Durham market would become a one-stop restriction; (2) Baltimore-Charlotte and Baltimore-Raleigh/Durham would be removed from condition 5, which requires two stops exclusive of Washington; Baltimore-Charlotte and Baltimore-Raleigh/Durham would then be placed in condition 4, requiring two stops, one of which could be Washington; (3) condition 8, a long-haul restriction in the Washington-Newport News-Hampton/Norfolk markets would be deleted; and (4) Washington-Newport News-Hampton and the Washington-Norfolk markets would be governed by condition 9.

In support of its request, Piedmont alleges that the amendments sought are relatively minor and technical in nature, and that they are intended to afford the carrier greater operating flexibility to better exploit the potential of its expanding fleet of pure jet and jet-prop aircraft. The carrier asserts that such improved operational benefits will result in improved service to the public. Although Piedmont does not claim that any subsidy reduction will result, it nevertheless argues that favorable action on the application would be consistent with the Board's policy to modernize the route structures of local service carriers so as to minimize subsidy requirements.

Piedmont has not submitted an operating proposal indicating how it would serve markets affected by the proposed amendments but it does describe generally how such improved authority would permit improved service and greater operating flexibility. Last, Piedmont states that there would be little or no diversionary or adverse competitive impact on any other carrier.

Answers in support of Piedmont's petition were filed by the Raleigh-Durham Airport Authority, the Columbia Metropolitan Airport, the City and Chamber of Commerce of Charlotte, N.C., and the Peninsula Airport Commission of Newport News, Va. Delta Air Lines, Inc., filed an answer stating that it does not object to the grant of the authority as requested by Piedmont.

Upon consideration of the foregoing we tentatively conclude that the proposed amendments will allow Piedmont greater flexibility in the conduct of its operations. In so doing the carrier will gain the ability effectively to serve for the first time, or offer improved service in, a number of markets. Piedmont will therefore be in a position to offer improved service to the traveling public which, if offered, will attract additional traffic and therefore increase the carrier's revenues. It will, in short, have the managerial discretion to schedule its services so as best to meet the public's needs as well as its own. In addition, improved operational flexibility will improve Piedmont's efficiency in utilizing its fleet. These public and carrier benefits will not materially adversely affect any other carrier. The proposed realignment is not extensive, and no other air carrier has filed an objection to Piedmont's petition. Accordingly, we tentatively find that the public convenience and necessity

[1] Revision to Pacific Air Freight, Inc.'s Tariff CAB No. 1, Rule 3.12.
[2] Ibid.

[1] Alternatively, Piedmont requests an exemption, pursuant to section 416(b) of the Federal Aviation Act of 1958, as amended, to the same effect. In view of our action herein, the alternative request for an exemption becomes moot.

require the amendment of Piedmont's certificate in the manner requested,[2] and therefore direct that interested persons show cause on or before August 1, 1968, why the Board should not make final its tentative findings herein and issue an amended certificate to Piedmont in the form set forth in Appendix A hereto. The new nonstop authority to be authorized herein, as described in Appendix B hereto, shall be ineligible for Federal subsidy, and the final order accompanying the reissued permit shall so specify.[3]

Accordingly, it is ordered, That:

1. All interested persons are directed to show cause on or before August 1, 1968, why the Board should not issue to Piedmont an amended certificate in the form set forth in Appendix A hereto, such certificate to be accompanied by an order making nonstop operations conducted in the markets set forth in Appendix B hereto ineligible for Federal subsidy; and

2. A copy of this order will be served upon the cities of Baltimore, Md.; Washington, D.C.; Charlottesville, Danville, Hot Springs, Lynchburg, Newport News, Hampton, Norfolk, Richmond, Roanoke, and Staunton, Va.; Asheville, Charlotte, Elizabeth City, Fayetteville, Goldsboro, Greensboro, High Point, Hickory, Jacksonville, Kinston, Morehead City, Beaufort, New Bern, Raleigh, Durham, Rocky Mount, Southern Pines, Pinehurst, Aberdeen, Wilmington, and Winston-Salem, N.C.; Columbia, Florence, Greenville, Spartanburg, and Myrtle Beach, S.C.; Atlanta and Augusta, Ga.; and Memphis and Nashville, Tenn.; and upon Piedmont Aviation, Delta Air Lines, Eastern Air Lines, National Airlines, and United Air Lines.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

APPENDIX A

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR LOCAL OR FEEDER SERVICE (AS AMENDED) FOR ROUTE 87

Piedmont Aviation, Inc. is hereby authorized, subject to the provisions hereinafter set forth, the provisions of Title IV of the Federal Aviation Act of 1958, and the orders, rules, and regulations issued thereunder, to engage in air transportation with respect to persons, property, and mail, as follows:

1. Between the terminal point Cincinnati, Ohio, the intermediate point Louisville, Ky., the alternate intermediate points Lexington-Frankfort, Ky., and Ashland, Ky.-Huntington, W. Va., the intermediate points London-Corbin, Ky., Bristol, Va.-Tenn.-Kingsport-Johnson City, Tenn., and Hickory, N.C., and (a) beyond Hickory, the intermediate points Winston-Salem, Greensboro-High Point, Raleigh-Durham, Goldsboro, Kinston, New Bern, and Morehead City-Beaufort, N.C., and the terminal point Wilmington, N.C., and (b) beyond Hickory, the intermediate points Asheville, N.C., Greenville-Spartanburg, S.C., Charlotte, Southern Pines-Pinehurst-Aberdeen, and Fayetteville, N.C., Florence and Myrtle Beach, S.C., and Wilmington and Jacksonville-Camp Lejeune, N.C., and the terminal point New Bern, N.C.;

2. Between the terminal point Norfolk, Va., the intermediate points Newport News-Hampton, Richmond, Charlottesville, Lynchburg, Roanoke, and Blacksburg-Radford-Pulaski, Va., Princeton-Bluefield and Beckley, W. Va., and (a) beyond Beckley, the intermediate point Lexington-Frankfort, Ky., and the terminal point Louisville, Ky., and (b) beyond Beckley, the intermediate point Charleston, W. Va., and (i) beyond Charleston, the intermediate point Parkersburg, W. Va.-Marietta, Ohio, and the terminal point Columbus, Ohio, and (ii) beyond Charleston, the intermediate point Ashland, Ky.-Huntington, W. Va., and the terminal point Cincinnati, Ohio;

3. Between the terminal point Wilmington, N.C., the intermediate points Myrtle Beach, S.C., Fayetteville, New Bern, Kinston, Rocky Mount, Raleigh-Durham, Greensboro-High Point, and Winston-Salem, N.C., Danville, Roanoke, Lynchburg, Hot Springs, and Staunton, Va., and the terminal point Charlottesville, Va.;

4. Between the terminal point Knoxville, Tenn., the intermediate points Bristol, Va.-Tenn. - Kingsport - Johnson City, Tenn., Princeton-Bluefield, W. Va., Blacksburg-Radford-Pulaski, Roanoke, and Lynchburg, Va., and (a) beyond Lynchburg, the intermediate point Charlottesville, Va., and the terminal point Washington, D.C., and (b) beyond Lynchburg, the terminal point Richmond, Va.;

5. Between the terminal point Richmond, Va., the intermediate points Norfolk, Va., Elizabeth City, Rocky Mount, and Raleigh-Durham, N.C., and (a) beyond Raleigh-Durham, the intermediate points Greensboro - High Point, Winston-Salem, and Charlotte, N.C., and (b) beyond Raleigh-Durham, the intermediate points Southern Pines-Pinehurst-Aberdeen and Charlotte, N.C.; Greenville-Spartanburg, S.C., Hickory and Asheville, N.C., and (i) beyond Asheville, the terminal point Knoxville, Tenn.; and (ii) beyond Asheville, the intermediate point Nashville, Tenn., and the terminal point Memphis, Tenn.;

6. Between the terminal point Baltimore, Md., the intermediate points Washington, D.C., Charlottesville, Staunton, Hot Springs, and Lynchburg, Va., and (a) beyond Lynchburg, the intermediate points Roanoke and Blacksburg-Radford-Pulaski, Va., Bristol, Va.-Tenn.-Kingsport-Johnson City, Tenn., Asheville, N.C., and the terminal point Atlanta, Ga., and (b) beyond Lynchburg, the intermediate points Danville, Va., Greensboro-High Point, Winston-Salem, Hickory, and Asheville, N.C., and the terminal point Atlanta, Ga.;

7. Between the terminal point Charleston, W. Va., the intermediate points Bristol, Va.-Tenn.-Kingsport-Johnson City, Tenn., and Asheville, N.C., and the terminal point Atlanta, Ga.;

8. Between the terminal point Atlanta, Ga., the intermediate points Augusta, Ga., Columbia, Florence, and Myrtle Beach, S.C., Wilmington, Fayetteville, Jacksonville-Camp Lejeune, New Bern, Kinston, Goldsboro, Raleigh-Durham, Rocky Mount, and Elizabeth City, N.C., and Norfolk, Newport News-Hampton, and Richmond, Va., and the terminal point Washington, D.C.;

9. Between the terminal point Roanoke, Va., the intermediate points Lynchburg, Hot Springs, Staunton, and Charlottesville, Va., and Washington, D.C. (to be served through Dulles International Airport), and the terminal point New York, N.Y.-Newark, N.J.;

10. Between the terminal point Memphis, Tenn.; the intermediate points Nashville, Tenn., Roanoke and Lynchburg, Va., and (a) beyond Lynchburg, the intermediate point Charlottesville, Va., and the terminal point Washington, D.C., and (b) beyond Lynchburg, the terminal point Richmond, Va.

The service herein authorized is subject to the following terms, conditions, and limitations:

(1) The holder shall render service to and from each of the points named herein, except as temporary suspensions of service may be authorized by the Board; and may begin or terminate, or begin and terminate, trips at points short of terminal points.

(2) The holder may continue to serve regularly any point named herein, except Washington, D.C., on segment 9, through the airport last regularly used by the holder to serve such point prior to the effective date of this certificate. Upon compliance with such procedure relating thereto as may be prescribed by the Board, the holder may, in addition to the service hereinabove expressly prescribed, regularly serve a point named herein, other than a point required to be served through an airport named herein, through any airport convenient thereto.

(3) On each trip operated by the holder over all or part of one of the 10 numbered route segments in this certificate, the holder shall stop at each point named between the point of origin and point of termination of such trip on such segment, except a point or points with respect to which (a) the Board, pursuant to such procedure as the Board may from time to time prescribe, may by order relieve the holder from the requirements of such condition, (b) the holder is authorized by the Board to suspend service, (c) the holder is unable to render service on such trip because of adverse weather conditions or other conditions which the holder could not reasonably have been expected to foresee or control, or (d) the holder has scheduled at least two daily round trips, in which case the holder may omit such point or points on any additional trip scheduled over all or part of such segment, subject to the conditions in paragraphs (4) through (8) below.

(4) The holder shall schedule service to a minimum of two intermediate points between the following pairs of points:

Atlanta, Ga., and Cincinnati, Ohio.
Atlanta, Ga., and Columbus, Ohio.
Atlanta, Ga., and Louisville, Ky.
Atlanta, Ga., and Raleigh-Durham, N.C.
Baltimore, Md., and Charlotte, N.C.
Baltimore, Md., and Raleigh-Durham, N.C.
Washington, D.C., and Charleston, W. Va.
Washington, D.C., and Charlotte, N.C.
Washington, D.C., and Cincinnati, Ohio.
Washington, D.C., and Columbus, Ohio.
Washington, D.C., and Louisville, Ky.
Washington, D.C., and Atlanta, Ga. (exclusive of Greensboro-High Point, N.C., Columbia, S.C., and Norfolk, Va.).
New York, N.Y.-Newark, N.J., and Greensboro-High Point, N.C.
New York, N.Y.-Newark, N.J., and Asheville, N.C.
New York, N.Y.-Newark, N.J., and Raleigh-Durham, N.C.
New York, N.Y.-Newark, N.J., and Richmond, Va.
New York, N.Y.-Newark, N.J., and Knoxville, Tenn.

(5) The holder shall schedule service to a minimum of two intermediate points (exclusive of Washington, D.C.) between the following pairs of points:

Baltimore, Md., and Atlanta, Ga. (exclusive of Greensboro-High Point, N.C.).
Baltimore, Md., and Charleston, W. Va.

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[2] Instead of deleting Hickory on segment 1(b), as proposed by Piedmont, the draft certificate attached hereto would achieve the desired simplification without loss or gain of authority by reversing the order of Hickory and Asheville, N.C., on segment 1(b) and by shifting the segment bifurcation point from Tri-Cities to Hickory.

[3] For administrative reasons, we will list all of Piedmont's subsidy-ineligible operations in the appendix, and will not hereafter list these operations in its certificate.

Baltimore, Md., and Louisville, Ky.
New York, N.Y.-Newark, N.J., and Atlanta, Ga.

(6) The holder shall schedule service to a minimum of one intermediate point between the following pairs of points:

Atlanta, Ga., and Charleston, W. Va.
Atlanta, Ga., and Greensboro-High Point, N.C.
Atlanta, Ga., and Norfolk, Va.
Atlanta, Ga., and Richmond, Va.
Washington, D.C., and Columbia, S.C.
Washington, D.C., and Greensboro-High Point, N.C.
Washington, D.C., and Knoxville, Tenn.
Washintgon, D.C., and Raleigh-Durham, N.C.

(7) Flights scheduled to serve Atlanta, Ga., on the one hand, and Augusta, Ga., or Columbia, S.C., on the other hand, shall originate or terminate at Rocky Mount or Elizabeth City, N.C., or a point north thereof, and shall serve a minimum of two intermediate points north of Columbia, S.C.

(8) Flights scheduled to serve Baltimore, Md., and Norfolk, Va., shall serve Newport News-Hampton, Va., in addition to Washington, D.C.: *Provided*, That the holder may omit service to Newport News-Hampton, Va., on such flights if the holder has scheduled one daily round trip to such point serving Washington, D.C.

(9) The holder shall not schedule turnaround service (a) between Washington, D.C., on the one hand, and New York, N.Y.-Newark, N.J., or Richmond, Newport News-Hampton, or Norfolk, Va., on the other hand; or (b) between Memphis, Tenn., on the one hand, and Nashville, Tenn., Greenville-Spartanburg, S.C., or Charlotte, N.C., on the other hand.

(10) The holder shall not schedule single-plane service between the following pairs of points:

Ashland, Ky.-Huntington, W. Va., and Louisville, Ky., on segment 1.
Atlanta, Ga., and Charlotte, N.C.
Atlanta, Ga., and Knoxville, Tenn.
Baltimore, Md., and Cincinnati, Ohio.
Baltimore, Md., and Columbus, Ohio.
New York, N.Y.-Newark, N.J., and Norfolk, Va.
New York, N.Y.-Newark, N.J., and Newport News-Hampton, Va.
New York, N.Y.-Newark, N.J., and Ashland, Ky.-Huntington, W. Va.
New York, N.Y.-Newark, N.J., and Parkersburg, W. Va.-Marietta, Ohio.
New York, N.Y.-Newark, N.J., and Memphis, Tenn.
New York, N.Y.-Newark, N.J., and Nashville, Tenn.
Washington, D.C., and Memphis, Tenn.
Washington, D.C., and Nashville, Tenn.

(11) The holder shall serve (a) Morehead City-Beaufort, N.C., only during the period between May 1 and September 30, inclusive, of each year, and (b) Southern Pines-Pinehurst-Aberdeen, N.C., only during the period between October 1 and April 30, inclusive, of each year.

(12) The holder may schedule nonstop service between Charleston, W. Va., and Columbus, Ohio.

(13) The holder's authority to engage in the transportation of mail with respect to those operations set forth in Appendix B to Order ------ is limited to the carriage of mail on a subsidy-ineligible basis, i.e., on a service mail rate to be paid entirely by the Postmaster General, and the holder shall not be entitled to any subsidy with respect to such operations.

The exercise of the privileges granted by this certificate shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may from time to time be prescribed by the Board.

The holder acknowledges and agrees that it is entitled to receive only service mail pay for the mail service rendered or to be rendered solely in connection with the operations specified in paragraph (13) and that it is not authorized to request or receive any compensation for mail service rendered or to be rendered for such operations in excess of the amount payable by the Postmaster General.

The services authorized by this certificate were originally established pursuant to a determination of policy by the Civil Aeronautics Board that in the discharge of its obligation to encourage and develop air transportation under the Civil Aeronautics Act, as amended, it is in the public interest to establish certain air carriers who will be primarily engaged in short-haul air transportation as distinguished from the service rendered by trunkline air carriers. In accepting this certificate the holder acknowledges and agrees that the primary purpose of this certificate is to authorize and require it to offer short-haul, local, or feeder, air transportation service of the character described above.

This certificate shall become effective on ----------.

In witness whereof, the Civil Aeronautics Board has caused this certificate to be executed by the Secretary of the Board, and the seal of the Board to be affixed hereto, on the ----------.

[SEAL] ----------,
Secretary.

APPENDIX B

LIST OF OPERATIONS INELIGIBLE FOR SUBSIDY

1. The incremental departures and mileage required to serve Greenville/Spartanburg on flights which would have been subsidy-eligible prior to January 24, 1967.

2. Flights serving the following points, in their entirety as operated, regardless of the point of origin or termination:

Memphis.
Nashville.
New York/Newark.

3. Nonstop operations between the following pairs of points:

Asheville-Richmond.
Augusta-Raleigh/Durham.
Charlotte-Richmond.
Charlottesville-Fayetteville.
Charlottesville-Kinston.
Charlottesville-Myrtle Beach.
Charlottesville-New Bern.
Charlottesville-Raleigh/Durham.
Charlottesville-Rocky Mount.
Charlottesville-Wilmington.
Cincinnati-Louisville.
Columbia-Raleigh/Durham.
Danville-Kinston.
Danville-New Bern.
Danville-Rocky Mount.
Elizabeth City-Jacksonville/Camp Lejeune.
Elizabeth City-Myrtle Beach.
Elizabeth City-Richmond.
Elizabeth City-Wilmington.
Fayetteville-Hot Springs.
Fayetteville-Lynchburg.
Fayetteville-Richmond.
Fayetteville-Rocky Mount.
Fayetteville-Staunton.
Florence-Raleigh/Durham.
Florence-Southern Pines/Pinehurst/Aberdeen.
Greensboro/High Point-Richmond.
Greenville/Spartanburg-Richmond.
Hickory-Richmond.
Hot Springs-Kinston.
Hot Springs-Myrtle Beach.
Hot Springs-New Bern.
Hot Springs-Raleigh/Durham.
Hot Springs-Rocky Mount.
Hot Springs-Wilmington.
Jacksonville/Camp Lejeune-Newport News/Hampton.
Jacksonville/Camp Lejeune-Norfolk.
Jacksonville/Camp Lejeune-Raleigh/Durham.
Kinston-Lynchburg.
Kinston-Roanoke.
Kinston-Staunton.
Lynchburg-Myrtle Beach.
Lynchburg-New Bern.
Lynchburg-Raleigh/Durham.
Lynchburg-Rocky Mount.
Lynchburg-Wilmington.
Morehead City/Beaufort-Wilmington.
Myrtle Beach-Newport News/Hampton.
Myrtle Beach-Norfolk.
Myrtle Beach-Southern Pines/Pinehurst/Aberdeen.
Myrtle Beach-Staunton.
New Bern-Roanoke.
New Bern-Staunton.
Newport News/Hampton-Raleigh/Durham.
Newport News/Hampton-Rocky Mount.
Newport News/Hampton-Wilmington.
Norfolk-Wilmington.
Raleigh/Durham-Richmond.
Raleigh/Durham-Staunton.
Richmond-Southern Pines/Pinehurst/Aberdeen.
Richmond-Winston-Salem.
Roanoke-Rocky Mount.
Rocky Mount-Staunton.
Staunton-Wilmington.

[F.R. Doc. 68-8485; Filed, July 16, 1968; 8:50 a.m.]

CIVIL SERVICE COMMISSION

CHIEF, HEALTH SERVICES ORGANIZATION BRANCH, PUBLIC HEALTH SERVICE

Manpower Shortage

Under the provisions of 5 U.S.C. 5723, the Civil Service Commission found a manpower shortage for the single position of Chief, Health Services Organization Branch, GS-601-15, Division of Medical Care Administration, Bureau of Health Services, Public Health Service, Department of Health, Education, and Welfare, Washington, D.C. (The position is located in Arlington, Va.). This finding terminates when the position is filled.

The appointee to this position may be paid for the expenses of travel and transportation to first post of duty, assuming all other legal requirements are met.

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

[F.R. Doc. 68-8458; Filed, July 16, 1968; 8:48 a.m.]

NUTRITIONISTS

Manpower Shortage

Under the provisions of 5 U.S.C. 5723 the Civil Service Commission has found on July 2, 1968, that there is a manpower shortage for all Nutritionist positions in the GS-401 and GS-601 Series in grades 9 through 15 on a nationwide basis. This finding covers positions in these two series which are appropriately titled to reflect their concern with nutrition, e.g., Nutrition Scientist; Public Health Nutritionist; Nutrition Analyst.

Travel and transportation expenses may be paid to first post of duty of appointees to these positions.

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

[F.R. Doc. 68-8459; Filed, July 16, 1968; 8:48 a.m.]

SHEETMETAL WORKERS, SAN FRANCISCO, CALIF.

Manpower Shortage

Under the provisions of 5 U.S.C. 5723, the Civil Service Commission found on May 20, 1968, a manpower shortage for positions of Sheetmetal Worker (Journeyman), W-3806-11 and Sheetmetal Worker (Limited), W-3806-8 in the San Francisco Bay Area (San Francisco and a radius of 35 miles).

Assuming other legal requirements are met, appointees to these positions may be paid for the expense of travel and transportation to the first post of duty.

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

[F.R. Doc. 68-8460; Filed, July 16, 1968; 8:48 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 18237-18239; FCC 68M-1043]

AVCO BROADCASTING CORP. ET AL.

Order Scheduling Hearing

In re applications of Avco Broadcasting Corp., San Antonio, Tex., Docket No. 18237, File No. BPH-6184; Bexar Broadcasting Co., Inc., San Antonio, Tex., Docket No. 18238, File No. BPH-6245; Turner Broadcasting Corp. (KBUC-FM), San Antonio, Tex., Docket No. 18239, File No. BPH-6285; for construction permits:

It is ordered, That Forest L. McClenning shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on October 31, 1968, at 10 a.m.; and that a prehearing conference shall be held on September 26, 1968, commencing at 9 a.m.: *And, it is further ordered*, That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: July 10, 1968.

Released: July 11, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] JAMES D. CUNNINGHAM,
Chief Hearing Examiner.

[F.R. Doc. 68-8462; Filed, July 16, 1968; 8:48 a.m.]

[Docket Nos. 18198, 18199; FCC 68R-292]

COMMUNITY BROADCASTING COMPANY OF HARTSVILLE AND EASTERN CAROLINA BROADCASTERS, INC.

Memorandum Opinion and Order Enlarging Issues

In re applications of Harold Bledsoe and Edmond F. Baddour doing business as Community Broadcasting Company of Hartsville, Hartsville, S.C., Docket No. 18198, File No. BP-16995; Eastern Carolina Broadcasters, Inc., Florence, S.C., Docket No. 18199, File No. BP-17083; for construction permits.

1. This proceeding, in which each of the applicants is seeking authority to construct a new standard broadcast station, was designated for hearing by order, FCC 68-564, released May 24, 1968. Now before the Review Board is a petition to enlarge issues, filed by Harold Bledsoe and Edmond F. Baddour doing business as Community Broadcasting Company of Hartsville (Community) on June 11, 1968, seeking the addition of an issue to determine whether the proposal of Eastern Carolina Broadcasters, Inc. (Eastern), complies with the coverage requirements contained in § 73.188(a) of the rules.[1]

2. In support of its request, Community relies on an affidavit from a consulting engineer, who alleges that Eastern's nighttime interference-free contour (19.4 mv/m) does not cover the entire city of Florence, S.C. More specifically, petitioner avers that of the 7.7 square miles encompassed within the city limits of Florence, 1 square mile (or 13 percent) of the city falls outside of Eastern's proposed nighttime interference-free contour. The Broadcast Bureau, in its comments, notes that the map of Florence, filed with the subject petition, differs from the map contained in Eastern's application as to the location of the city limits of Florence, and contends that the petition should be denied unless additional information is provided, including a verified statement that the city limits depicted are presently the official city limits of Florence. Replying to the comments, petitioner submits another affidavit from the engineer who states that the map relied on is a portion of a map distributed by the Greater Florence Chamber of Commerce; that copies of the official map of Florence have been obtained from the City Engineer and the city limits shown on the two maps are identical;[2] and that the official map has not been submitted because its size and quality is not satisfactory for reproduction. Based on the petitioner's submissions, and in the absence of any attempt by Eastern to rebut the allegations, the Board finds that a substantial question as to whether Eastern's proposal complies with § 73.188(a) of the rules has been raised, and an appropriate issue will therefore be added.

3. *Accordingly, it is ordered*, That the petition to enlarge issues, filed on June 11, 1968, by Harold Bledsoe and Edmond F. Baddour doing business as Community Broadcasting Company of Hartsville, is granted; and that the issues in this proceeding are enlarged by the addition of the following issue: To determine whether the proposal of Eastern Carolina Broadcasters, Inc., would provide coverage of the city sought to be served, as required by § 73.188(a)(1) of the rules, and, if not, whether circumstances exist which would warrant a waiver of that section.

4. *It is further ordered*, That the burden of proceeding with the introduction of evidence and burden of proof under the issue added herein shall be on Eastern Carolina Broadcasters, Inc.

Adopted: July 10, 1968.

Released: July 12, 1968.

FEDERAL COMMUNICATIONS COMMISSION,[3]
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 68-8463; Filed, July 16, 1968; 8:48 a.m.]

[1] On June 26, 1968, the Broadcast Bureau filed comments on the petition, and a reply to the comments was filed by Community on July 1, 1968.

[2] Petitioner has also furnished a copy of a telegram from the City Engineer, wherein it is stated that the city limits as depicted in the Chamber of Commerce map are accurate.

[Docket Nos. 17945, 17946; FCC 68M-1041]

IMAGE RADIO, INC., AND IMPACT RADIO, INC.

Order Regarding Procedural Dates

In re applications of Image Radio, Inc., Docket No. 17945, File No. BR-2540, for renewal of license of station WCFV, Clifton Forge, Va.; and Impact Radio, Inc., Docket No. 17946, File No. BR-3487, for renewal of license of station WPXI, Roanoke, Va.

Asserting that "petitioner proposes to file, within the next 2 weeks, an application requesting the Commission's consent to transfer * * * control * * * and a Petition for Reconsideration * * *" counsel for Image filed, on July 10, 1968, an unopposed petition to extend procedural schedule.

Accordingly, the petition to extend is granted, and the dates are extended as follows:

	From—	To—
Broadcast Bureau to furnish its proposed exhibits in support of its direct case, and counsel for Image to furnish documents on which it will rely.	July 15	Aug. 15, 1968
Receipt of notification of witnesses for cross-examination (at same time Broadcast Bureau will indicate who its witnesses will be).	July 22	Aug. 22, 1968
Hearing in Roanoke, Va.	July 29	Aug. 29, 1968

So ordered.

Issued: July 11, 1968.

Released: July 11, 1968.

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

[F.R. Doc. 68-8465; Filed, July 16, 1968; 8:49 a.m.]

[3] Review Board Member Slone absent.

[Docket Nos. 18241, 18242; FCC 68M-1044]

KFPW BROADCASTING CO. AND GEORGE DOMERESE

Order Scheduling Hearing

In re applications of George T. Hernreich, trading as KFPW Broadcasting Co., Fort Smith, Ark., Docket No. 18241, File No. BPH-6180; George Domerese, Van Buren, Ark., Docket No. 18242, File No. BPH-6274; for construction permits:

It is ordered, That Basil P. Cooper shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on October 7, 1968, at 10 a.m.; and that a prehearing conference shall be held on September 10, 1968, commencing at 9 a.m.: *And, it is further ordered,* That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: July 10, 1968.

Released: July 11, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] JAMES D. CUNNINGHAM,
Chief Hearing Examiner.

[F.R. Doc. 68-8464; Filed, July 16, 1968; 8:48 a.m.]

[Docket Nos. 18235, 18236; FCC 68M-1042]

LAWRENCE COUNTY BROADCASTING CORP. AND TWO RIVERS BROADCASTING CO., INC.

Order Scheduling Hearing

In re applications of Lawrence County Broadcasting Corp., Louisa, Ky., Docket No. 18235, File No. BP-17188; Two Rivers Broadcasting Co., Inc., Louisa, Ky., Docket No. 18236, File No. BP-17239; for construction permits:

It is ordered, That H. Gifford Irion shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on October 2, 1968, at 10 a.m.; and that a pre-hearing conference shall be held on September 9, 1968, commencing at 9 a.m.: *And, it is further ordered,* That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: July 11, 1968.

Released: July 11, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] JAMES D. CUNNINGHAM,
Chief Hearing Examiner.

[F.R. Doc. 68-8466; Filed, July 16, 1968; 8:49 a.m.]

[Docket Nos. 18229-18233; FCC 68M-1034]

LONE STAR TELEVISION SERVICE, INC., ET AL.

Order Scheduling Hearing

In re petitions by Lone Star Television Service, Inc., Longview, Tex., Docket No. 18229, File No. CATV 100-34; Telecom Cable Co., Texarkana, Tex., Docket No. 18230, File No. CATV 100-48; Cypress Valley Cable Television Service, Inc., Marshall, Tex., Docket No. 18231, File No. CATV 100-96; Kilgore Video, Inc., Kilgore, Tex., Docket No. 18232, File No. CATV 100-244; for authority pursuant to § 74.1107 of the rules to operate CATV systems in the Shreveport television market (ARB 68); and In re applications of Telecom Cable Co., Jefferson, Atlanta, Edgewood, Mineola, Big Sandy, Ashland, and Terrell, Tex., Docket No. 18233, File Nos. 15908 through 13-IB-116X, 24276-IB-26X; for construction permits for new point-to-point microwave radio stations in the business radio service:

It is ordered, That Jay A. Kyle shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on September 25, 1968, at 10 a.m.; and that a prehearing conference shall be held on July 31, 1968, commencing at 9 a.m.: *And, it is further ordered,* That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: July 10, 1968.

Released: July 10, 1968.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] JAMES D. CUNNINGHAM,
Chief Hearing Examiner.

[F.R. Doc. 68-8467; Filed, July 16, 1968; 8:49 a.m.]

FEDERAL MARITIME COMMISSION

INDIA, PAKISTAN, CEYLON, AND BURMA OUTWARD FREIGHT CONFERENCE ET AL.

Notice of Petitions Filed for Approval

Notice is hereby given that the following petitions have been filed with the Commission for approval pursuant to section 14b of the Shipping Act, 1916, as amended (75 Stat. 762, 46, U.S.C. 814).

Interested parties may inspect a copy of the current contract forms and of the petitions, reflecting the changes proposed to be made in the language of said contracts, 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 changes and the petitions, 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 parties filing the petitions (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of applications to modify approved dual rate contracts filed by:

Mr. William L. Hamm, 25 Broadway, New York, N.Y. 10004.

There have been filed, on behalf of the conferences listed below, applications to modify their approved merchant's contracts.

The India, Pakistan, Ceylon, and Burma Outward Freight Conference (Agreement No. 7690, as amended).

West Coast of India and Pakistan/U.S.A. Conference (Agreement No. 8040, as amended).

South and East Africa Rate Agreement (No. 8054, as amended) (General Cargo except coffee).

South and East Africa Rate Agreement (No. 8054, as amended) (Coffee only).

Calcutta, East Coast of India and East Pakistan/U.S.A. Conference (Agreement No. 8650, as amended).

United States/South and East Africa Conference (Agreement No. 9502, as amended).

The proposed contract modifications add the phrase "currency devaluation by governmental action" to those conditions beyond the control of the carriers as outlined in Article 15(a), with the exception of Agreement No. 7690 where such conditions are outlined in Article 9(a), of the contracts pursuant to which the carriers in the trade covered by the agreements may suspend the effectiveness of the contract with respect to the operations affected with notice to Merchant signatories. Under existing Article 15(b), (9(b) of Agreement No. 7690), currency devaluation will be one of the conditions beyond the control of the carriers under which they may increase rates on not less than 15 days written notice to the Merchant who retains the right to notify the carriers in writing of his intent to suspend the contract insofar as such increase is concerned.

Dated: July 12, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68-8503; Filed, July 16, 1968; 8:52 a.m.]

ISRAEL/U.S. NORTH ATLANTIC PORTS WESTBOUND FREIGHT 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. M. Ronn, Secretary, Israel/U.S. North Atlantic Ports Westbound Freight Conference, Post Office Box 1723, Ha'atzmauth Road 7–9, Haifa, Israel.

Agreement No. 8420–6, between the member lines of the Israel/U.S. North Atlantic Ports Westbound Freight Conference, modifies Article 6 of the basic agreement to provide that the Secretary shall serve for a period of 1 year in lieu of a 6 months' period.

Dated: July 11, 1968.

By order of the Federal Maritime Commission.

FRANCIS HURNEY,
Assistant Secretary.

[F.R. Doc. 68–8504; Filed, July 16, 1968; 8:52 a.m.]

[Docket No. 68–38]

MATSON NAVIGATION CO.

Investigation of Practices Affecting Transportation Under Freight-All-Kinds Rates; Correction

It is ordered, That the first and third paragraphs of the Original Order of Investigation and Suspension in this proceeding dated July 8, 1968, be amended as follows:

There has been filed with the Federal Maritime Commission by Matson Navigation Co., to become effective July 25, 1968, Seventh and Eighth Revised Pages 182 to Tariff FMC–F No. 137, setting forth in Note 6, Item 2000, a new restriction which on Seventh Revised Page 182 precludes any cargo with a density exceeding 175 pounds per cubic foot and on Eighth Revised Page 182 precludes over 1,500 pounds of any cargo with density exceeding 175 pounds per cubic foot from moving under the freight-all-kinds rate.

* * * * *

It is ordered, That pursuant to the authority of section 3 of the Intercoastal Shipping Act, 1933, an investigation is hereby instituted into the lawfulness under sections 16 and 18(a) of the Shipping Act, 1916, and/or sections 3 and 4 of the Intercoastal Shipping Act, 1933, of the new restriction contained in Note 6, Item 2000 on Seventh and Eighth Revised Pages 182, FMC–F No. 137, with a view to making such findings and orders in the premises as the facts and circumstances warrant.

It is further ordered, That the original order served July 8, 1968, shall, in all other respects, remain the same and in force.

It is further ordered, That a copy of this amended order shall forthwith be served upon the respondent and petitioner herein; and this order be published in the FEDERAL REGISTER and notice of said hearing be served upon the respondent and petitioner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) having an interest in this proceeding and desiring to intervene therein, should notify the Secretary of the Commission promptly and file petitions for leave to intervene in accordance with Rule 5(1) (46 CFR 502.72) with a copy to the respondent and petitioner.

By the Commission.

[SEAL] FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–8505; Filed, July 16, 1968; 8:52 a.m.]

NYK LINES AND SHOWA SHIPPING CO., LTD.

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:

Gene Y. Matsuo, Esq., Baker and McKenzie, 350 Park Avenue, New York, N.Y. 10022.

Agreement 9731, a Container Service Agreement between NYK Lines, and Showa Shipping Co., Ltd., has been filed with the Commission for approval wherein the parties agree to inaugurate a containership service with container vessels now on order in the trade between Japan and Pacific Coast of North America. In order to accomplish this objective the parties have (1) agreed to schedule and advertise their sailings as to promote optimum vessel utilization; (2) limited the cargo subject to the agreement as that placed in containers for transportation in container vessels; (3) agreed to issue their own separate bills of lading; (4) provided for space chartering arrangements for the carriage of their loaded and empty containers on each other's vessels; (5) agreed that there are to be no pooling of revenues or sharing of operational expenses but are to share certain administrative expenses; (6) reached an understanding for the interchange of their empty containers and/or related equipment and (7) limited the duration of the agreement to 3 years from the date the first container vessel enters the trade.

Dated: July 12, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–8506; Filed, July 16, 1968; 8:52 a.m.]

PHILIPPINES-NORTH AMERICA 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. E. H. Bosch, Secretary-Manager, Philippines-North America Conference, Seventh Floor, Shurdut Building, Muralla/Gen. Luna Streets, Intramuros, Manila, Philippines.

Agreement 5600–27, between member lines of the Philippines-North America Conference, amends Clause (A) entitled "Entrance Fee" under the heading "Finance" of the Bylaws, Rules, and Regulations of the basic agreement (5600, as amended) to provide for the assessment of a conference entrance fee of 10,000 pesos for new members.

Dated: July 11, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–8507; Filed, July 16, 1968; 8:52 a.m.]

SOUTH ATLANTIC STEAMSHIP CONFERENCE

Notice of Petition Filed for Approval

Notice is hereby given that the following petition has been filed with the Commission for approval pursuant to section 14b of the Shipping Act, 1916, as amended (75 Stat. 762, 46 U.S.C. 814).

Interested parties may inspect a copy of the current contract form and of the petition, reflecting the changes proposed

to be made in the language of said contract, 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 changes 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 petition (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of application to modify an approved exclusive patronage (dual rate) contract filed by:

Mr. E. J. Middleton, Secretary, South Atlantic Steamship Conference, Post Office Box 96, Savannah Bank and Trust Building, Savannah, Ga.

There has been filed on behalf of the South Atlantic Steamship Conference (Agreement No. 8310, as amended) an application to modify its form of merchant's contract pursuant to section 14b of the Shipping Act, 1916. The proposed contract modification adds currency devaluation by any governmental action to those conditions beyond the control of the Conference under which it may increase rates on not less than 15 days written notice to the Merchant who retains the right to notify the Conference in writing of his intent to suspend the contract insofar as such increase is concerned.

Dated: July 12, 1968.

By order of the Federal Maritime Commission.

FRANCIS HURNEY,
Assistant Secretary.

[F.R. Doc. 68-8508; Filed, July 16, 1968; 8:52 a.m.]

8900 LINES RATE AGREEMENT

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. Stanley O. Sher, Bebchick, Sher and Kushnick, 919 Eighteenth Street NW., Washington, D.C. 20006.

Agreement No. 8900-2, between the members of The 8900 Lines Rate Agreement, operating in the trade from U.S. Atlantic and Gulf ports to Persian Gulf ports between Karachi and Aden, both excluded, amends Articles 3 and 4 of the basic agreement to provide (1) that the parties may file a joint tariff, and (2) for the establishment of an admission fee of $5,000.

Dated: July 12, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68-8509; Filed, July 16, 1968; 8:52 a.m.]

FEDERAL POWER COMMISSION

ATLANTIC RICHFIELD CO. ET AL.

[Docket No. RI68-407 etc.]

Order Providing for Hearings on and Suspension of Proposed Changes in Rates; Correction

JUNE 27, 1968.

Atlantic Richfield Co. et al., Docket No. RI68-407 etc.; Mobil Oil Corp., Docket No. RI68-408.

In order providing for hearings on and suspension of proposed changes in rates, issued January 31, 1968 and published in the FEDERAL REGISTER February 8, 1968 (F.R. Doc. 68-1519), 33 F.R. 2729, Docket No. RI68-407 et al., Appendix "A", Docket No. RI68-408, Mobil Oil Corp.: Under Mobil's FPC Gas Rate Schedule No. 227, change footnote "3" to read footnote "45". Under Mobil's FPC Gas Rate Schedule No. 315, change footnote "3" to read footnote "46". Change Supplement No. "2" to read Supplement No. "3" to Mobil's FPC Gas Rate Schedule No. 377. On page 2730, add the following footnotes: "45 Sale temporarily certificated prior to August 5, 1965, the date of Opinion No. 468. 46 Sale permanently certificated prior to August 5, 1965, the date of Opinion No. 468". In footnote 16 and 44: Amend footnotes 16 and 44 by the addition of the following sentence: "The effectiveness of the certification granted in Opinion No. 484 has been stayed as to Mobil's FPC Gas Rate Schedule No. 312, pending judicial review."

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-8415; Filed, July 16, 1968; 8:45 a.m.]

[Docket No. CP69-1]

EL PASO NATURAL GAS CO.

Notice of Application

JULY 8, 1968.

Take notice that on July 1, 1968, El Paso Natural Gas Co. (Applicant), Post Office Box 1492, El Paso, Tex. 79999, filed in Docket No. CP69-1 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities and the sale and delivery of natural gas to the Washington Water Power Co. (Water Power) for resale and distribution in the communities of Reardan, Deer Park, Palouse, and Albion, Wash., and Hayden Lake, Ponderay, Kootenai, and Rathdrum, Idaho, and their respective environs, and to Washington Natural Gas Co. (Washington Natural) for resale and distribution in the communities of Maple Valley, Clearview, and Maltby, Wash., and their respective environs, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The application states that in order to provide service to Water Power, Applicant proposes to:

(1) Construct and operate a measuring and regulating station adjacent to its 12¾-inch O.D. Lewiston Lateral in Whitman County, Wash., and to make deliveries of gas to Water Power at the outlet of such facility for resale and distribution in Palouse and Albion, Wash.;

(2) Utilize two existing measuring and regulating stations located adjacent to its 16-inch O.D. Spokane Lateral in Spokane County, Wash., and to make deliveries of gas to Water Power at the outlet of such facilities for resale and distribution in Reardan and Deer Park, Wash.;

(3) Utilize an existing measuring and regulating station located adjacent to its 6⅝-inch O.D. Coeur d' Alene Lateral in Kootenai County, Idaho, and to make deliveries of gas to Water Power at the outlet of such facility for resale and distribution in Hayden Lake, Idaho;

(4) Utilize an existing measuring and regulating station owned by Pacific Gas Transmission Co. (PGT) located on PGT's 36-inch O.D. mainline in Bonner County, Idaho, and to make deliveries of gas to Water Power at the outlet of such facility for resale and distribution in Ponderay and Kootenai, Idaho; and

(5) Utilize a measuring and regulating station to be constructed by PGT at a point adjacent to its 36-inch O.D. mainline in Kootenai County, Idaho, and to make deliveries of gas to Water Power at the outlet of such facility for resale and distribution in Rathdrum, Idaho.

The application further states that in order to provide service to Washington Natural Applicant proposes to construct and operate two (2) measuring and regulating stations, one at a point adjacent to its 10¾-inch O.D. South Seattle Lateral in King County, Wash., and the other at a point adjacent to its 16-inch O.D. North Seattle Lateral in Snohomish County, Wash. Deliveries of gas to Washington Natural for resale and distribution in Maple Valley will be made at the outlet of the measuring and regulating station adjacent to the South Seattle Lateral and deliveries of gas to Washington Natural for resale and distribution in Clearview and Maltby, Wash., will be

made at the outlet of the measuring and regulating station adjacent to the North Seattle Lateral.

The total estimated cost of the proposed project is $33,200, which cost will be financed from working funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (§ 157.10) on or before August 1, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-8416; Filed, July 16, 1968; 8:45 a.m.]

[Docket No. CP68-368]

GRANITE STATE GAS TRANSMISSION, INC.

Notice of Application

JULY 9, 1968.

Take notice that on June 28, 1968, Granite State Gas Transmission, Inc. (Applicant), 66 Market Street, Portsmouth, N.H. 03801, filed in Docket No. CP68-368 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction, installation, and operation of certain proposed natural gas transmission facilities, and acquisition of facilities and certain changes in operations and services, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authority in 1968 to acquire from Tennessee Gas Pipeline Co. (Tennessee), a division of Tenneco, Inc., approximately one-quarter of a mile of 6-inch pipeline and related right-of-way extending from the outlet of Tennessee's Haverhill meter station to an existing point of connection with Granite State's pipeline adjacent to the Massachusetts-New Hampshire line, in the town of Plaistow, N.H., at an estimated depreciated original cost of $7,010; to construct and operate approximately 15.46 miles of 10-inch and 2.17 miles of 8-inch loop lines; to tie in approximately 0.34 mile of new 10-inch water crossing at Great Bay, between Newington and Dover, N.H., and to modify an existing 360-h.p. compressor unit at Plaistow to increase its rated capacity to 375 h.p.

Furthermore, Applicant requests authority, beginning November 1, 1968, to convert an existing transportation service rendered for its parent, Northern Utilities, Inc. (Northern) (formerly Portland Gas Light Co.), into a sales arrangement providing for deliveries of a maximum daily quantity of 9,978 Mcf. Applicant states that in order to make the conversion, the volumes of gas now purchased by Northern from Tennessee will be purchased by Applicant from Tennessee, under a new contract providing for all of Applicant's requirements under its proposed change in operations and services. Also, Applicant states that beginning with the 1968-69 heating season, it proposes to increase the maximum daily quantity deliverable to Allied New Hampshire Gas Co. to 5,518 Mcf a day.

Concurrent with the conversion, Applicant proposes a reduction in the charges under its Rate Schedule G, FPC Gas Tariff, Original Volume No. 1, which will be applicable to sales to Allied New Hampshire Gas Co. and to Northern.

The application states that in 1969 Applicant proposes to add a 600-hp. compressor unit at its Plaistow Compressor Station; and, in 1970, another 375 hp. unit.

Total estimated cost of the new pipeline facilities to be acquired or constructed is as follows:

1968 facilities	$747,200
1969 facilities	85,000
1970 facilities	80,000

Applicant will finance the cost of its proposed new construction and acquisition with funds advanced by its parent, Northern.

Applicant requests authority to terminate direct sales connections to its industrial customers, Eno Brick Corp., Exeter, N.H., and Fibertex Corp., Portsmouth, N.H., since both companies have discontinued operations and no further deliveries to either are anticipated.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (§ 157.10) on or before August 5, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-8417; Filed, July 16, 1968; 8:45 a.m.]

[Docket No. CP68-250]

LAKE SUPERIOR DISTRICT POWER CO.

Notice of Further Amendment

JULY 9, 1968.

Take notice that on July 3, 1968, Lake Superior District Power Co. (Applicant), 101 West Second Street, Ashland, Wis. 54806, filed in Docket No. CP68-250 a further amendment to its pending application in said docket, filed March 15, 1968 (see Notice of Application, 33 F.R. 5279), as amended May 3, 1968 (see Notice of Further Amendment, 33 F.R. 7164), pursuant to section 7(a) of the Natural Gas Act for an order of the Commission requiring Northern Natural Gas Co. (Northern) to extend its gas transmission facilities a distance of 45.9 miles from a point near Ashland, Wis., to Park Falls, Wis., and supply natural gas to Applicant for operation of the gas turbine steam and electric generating plant under construction at Park Falls. In addition, Applicant requests that those portions of the application as amended herein which request Northern to construct city gate delivery facilities and supply gas to Applicant at Park Falls, Mellen, Butternut, and Glidden for distribution and sale in those communities be further consolidated with Northern's application in Docket No. CP68-193 so that all 10 communities proposed to be served by Applicant in its original application on Northern's Rib Lake Lateral will be considered with and acted upon in Northern's Docket No. CP68-193.

Applicant's amended proposal is more fully set forth in the application which is on file with the Commission and open to public inspection.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (§ 157.10) on or before July 26, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-8418; Filed, July 16, 1968; 8:45 a.m.]

[Docket Nos. CI65-205, CS66-49]

THORNTON OIL CO.

Notice of Change in Name

JULY 9, 1968.

Take notice that on April 29, 1968, Thornton Oil Co., 1100 Philtower Building, Tulsa, Okla. 74103, filed notices of

changes of name in Docket Nos. CI65–205 and CS66–49 to advise the Commission that its name had been changed from Rodman Oil Co. by amendment to the articles of incorporation dated July 12, 1967, all as more fully set forth in the notices of change in name which are on file with the Commission and open to public inspection.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before July 30, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–8419; Filed, July 16, 1968; 8:45 a.m.]

[Docket No. CP68–233]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Notice of Application; Correction

JUNE 26, 1968.

In notice of application, issued June 21, 1968, and published in the FEDERAL REGISTER June 28, 1968 (F.R. Doc. 68–7660), 33 F.R. 9519, change Docket No. CP68–233 to read "CP66–233."

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–8420; Filed, July 16, 1968; 8:45 a.m.]

[Docket No. RI68–618 etc.]

U.S. NATURAL GAS CORP. ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates; Correction

JUNE 27, 1968.

U.S. Natural Gas Corp. et al., Docket No. RI68–618, etc.; Mobil Oil Corp., Docket No. RI68–619.

In order providing for hearings on and suspension of proposed changes in rates, issued May 9, 1968, and published in the FEDERAL REGISTER May 18, 1968 (F.R. Doc. 68–5808), 33 F.R. 7473, Docket No. RI68–618 et al., Appendix "A", Docket No. RI68–619, Mobil Oil Corp.: In the second paragraph, lines nine and 14, change "13.97¢" to read "14.11¢".

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–8421; Filed, July 16, 1968; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 24W–2862]

ALLIED AUTOMATION, INC.

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

JULY 11, 1968.

I. Allied Automation, Inc. (Issuer), 640 South Pickett Street, Alexandria, Va., and Tavern Square, Suite 209, 421 King Street, Alexandria, Va., incorporated in the State of Delaware on September 4, 1959, filed with the Commission on April 24, 1968, a notification on Form I–A and an offering circular relating to an offering of 70,000 shares of its $1 par value common stock at $4 per share for an aggregate offering price of $280,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3(b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that:

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

1. The Issuer has failed to disclose in the notification and offering circular that Issuer's president, Frazier Nelson James, Sr., since December 7, 1961, has been subject to an injunctive decree issuing from a U.S. District Court permanently enjoining him from further violating the registration and antifraud provisions of the Securities Act of 1933, as amended, in the offer or sale of the common stock of Diversified Automated Sales Corp. or any other securities.

2. The Issuer has failed to make full and fair disclosure in the offering circular of Issuer's corporate activities, particularly for the years 1959–61.

3. No Regulation A exemption is available for the Issuer under the provisions of Rule 252(d)(2), in that Frazier Nelson James, Sr., president of the Issuer, is subject to a decree of a court of competent jurisdiction permanently enjoining and restraining such person from engaging in the purchase or sale of any security.

B. The offering, if made, would be made in violation of the registration provisions of section 5 and the antifraud provisions of section 17 of the Securities Act of 1933, as amended.

III. It appearing to the Commission that it is in the public interest and for the protection of investors that the exemption of the issuer under Regulation A be temporarily suspended.

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

It is further ordered, Pursuant to Rule 7 of the Commission's rules of practice, that the issuer file an answer to the allegations contained in this order within 30 days of the entry thereof.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commission a written request for a hearing within 30 days after the entry of this order; that within 20 days after receipt of such request the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission. If no hearing is requested and none is ordered by the Commission, the order shall become permanent on the 30th day after its entry and shall remain in effect unless it is modified or vacated by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68–8480; Filed, July 16, 1968; 8:49 a.m.]

[File No. 1–4672]

CAMEO-PARKWAY RECORDS, INC.

Order Suspending Trading

JULY 11, 1968.

The common stock, 10 cents par value, of Cameo-Parkway Records, Inc., Philadelphia, Pa., being listed and registered on the American Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of Cameo-Parkway Records, Inc., being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such Exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

It is ordered, Pursuant to sections 15(c)(5) and 19(a)(4) of the Securities Exchange Act of 1934, that trading in such securities on the American Stock Exchange and otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period July 12, 1968, through July 21, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68–8481; Filed, July 16, 1968; 8:49 a.m.]

SMALL BUSINESS ADMINISTRATION

[License 01/01–0064]

INVESTRIX, INC.

Notice of Order Revoking License

Notice is hereby given that Investrix, Inc., of Manchester, N.H., and having a branch office in Houston, Tex., was incorporated on May 14, 1964, under the laws of the State of New Hampshire and, on August 3, 1964, was licensed by the Small Business Administration to operate solely under the Small Business Investment Act of 1958.

A civil suit was filed by the Small Business Administration against Investrix, Inc., for issuance of an injunction, determination and adjudication of violations of the Act and SBA rules and

regulations, judgment on indebtedness to SBA, and the appointment of a receiver.

The U.S. District Court for the Southern Distfict of Texas, Houston Division, entered an order dated April 10, 1968, in United States of America v. Investrix, Inc., Civil Action No. 67–H–871, by which the Court determined and adjudged that Investrix, Inc., violated or failed to comply with the provisions of the Act and of the regulations promulgated thereunder.

Section 308 of the Act provides that the license of a Small Business Investment Company may be forfeited if said company is determined and adjudged by a Court of the United States to have violated, or failed to comply with, the provisions of the Small Business Investment Act.

Now, therefore, under the authority vested by the Small Business Investment Act of 1958, as amended, it is hereby ordered that License No. 01/01–0064 issued to Investrix, Inc., be, and the same hereby is, revoked and all of the rights, privileges, and franchises derived therefrom forfeited, and that notice of this revocation be served upon the receiver and be published in the FEDERAL REGISTER.

Dated: July 1, 1968.

For the Small Business Administration.

JAMES T. PHELAN,
Acting Associate
Administrator for Investment.

[F.R. Doc. 68–8427; Filed, July 16, 1968; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATION FOR RELIEF

JULY 12, 1968.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41391—*Newsprint paper from Quebec, Quebec, Canada to Norfolk, Va.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2919), for interested rail carriers. Rates on newsprint paper, in carloads, as described in the application, from Quebec (Limoilou), Quebec, Canada, to Norfolk, Va.

Grounds for relief—Contract water carrier competition.

Tariff—Supplement 19 to Canadian National Railways tariff ICC E. 543.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68–8470; Filed, July 16, 1968; 8:49 a.m.]

[Notice 507]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

JULY 12, 1968.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission, under the Commission's deviation rules revised, 1957 (49 CFR 211.1(c)(8)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d)(4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's deviation rules revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC 2202 (Deviation No. 105), ROADWAY EXPRESS, INC., 1077 Gorge Boulevard, Post Office Box 471, Akron, Ohio 44309, filed July 2, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (1) From Boston, Mass., over Interstate Highway 90 to Syracuse, N.Y., (2) from Syracuse, N.Y., over Interstate Highway 81 to Knoxville, Tenn., and (3) from Erie, Pa., over Interstate Highway 79 to Charleston, W. Va., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Boston, Mass., over Massachusetts Highway 9 to Pittsfield, Mass., thence over U.S. Highway 20 to junction New York Highway 92, thence over New York Highway 92 to Syracuse, N.Y., (2) from Syracuse, N.Y., over New York Highway 175 to Skaneateles, N.Y., thence over U.S. Highway 20 to junction New York Highway 5, thence over New York Highway 5 to Buffalo, N.Y., thence over New York Highway 5 to the New York-Pennsylvania State line, thence over Pennsylvania Highway 5 to Erie, Pa., thence over U.S. Highway 20 to Cleveland, Ohio, thence over U.S. Highway 42 to Cincinnati, Ohio, thence over U.S. Highway 25 to junction U.S. Highway 25W, thence over U.S. Highway 25W to Knoxville, Tenn., and (3) from Erie, Pa., over U.S. Highway 20 to Cleveland, Ohio, thence over U.S. Highway 21 to Ghent, Ohio, thence over County Highway 17 to Crystal Springs, Ohio, thence over Ohio Highway 236 to Massillon, Ohio, thence over U.S. Highway 21 to Marietta, Ohio, thence over Ohio Highway 7 to Belpre, Ohio, thence over U.S. Highway 50 to Parkersburg, W. Va., thence over U.S. Highway 21 to Charleston, W. Va., and return over the same routes.

No. MC 2202 (Deviation No. 106), ROADWAY EXPRESS, INC., 1077 Gorge Boulevard, Post Office Box 471, Akron, Ohio 44309, filed July 2, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Wilkes-Barre, Pa., over Interstate Highway 84 to junction Interstate Highway 90 near Sturnbridge, Mass., thence over Interstate Highway 90 to Worcester, Mass., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From Wilkes-Barre, Pa., over U.S. Highway 11 to Scranton, Pa., thence over U.S. Highway 611 to Portland, Pa., thence across the Delaware River to U.S. Highway 46, thence over U.S. Highway 46 to junction unnumbered highway, thence over unnumbered highway to Paterson, N.J., thence over connecting highways and city streets via Newark, N.J., to New York, N.Y., thence over U.S. Highway 1 to New Haven, Conn., thence over U.S. Highway 5 to Springfield, Mass., thence over U.S. Highway 20 to Worcester, Mass., and return over the same route.

No. MC 2228 (Deviation No. 2), MERCHANTS FAST MOTOR LINES, INC., Post Office Drawer 270, Abilene, Tex. 79604, filed July 1, 1968. Carrier's representative: Reagan Sayers, Century Life Building, Post Office Box 17007, Fort Worth, Tex. 76102. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions over deviation routes, as follows: (1) From San Antonio, Tex., over Interstate Highway 35 to junction Interstate Highway 35E, thence over Interstate Highway 35E to Dallas, Tex., and (2) from San Antonio, Tex., over Interstate Highway 35 to junction Interstate Highway 35W, thence over Interstate Highway 35W to Fort Worth, Tex., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Dallas, Tex., over U.S. Highway 67 to junction Texas Highway 220, thence over Texas Highway 220 to junction U.S. Highway 281, thence over U.S. Highway 281 to San Antonio, Tex., and (2) from Fort Worth, Tex., over U.S. Highway 81 to junction Texas Highway 174, thence over Texas 174 to junction U.S. Highway 67, thence over the route specified in (1) to San Antonio, Tex., and return over the same routes, with the following restriction: Carrier may not use these above routes to serve Waco, Gatesville, Fort Hood, and Temple, Tex., on traffic moving to or from Dallas, Fort Worth, and San Antonio, Tex.

No. MC 5352 (Deviation No. 1), PAUL S. COOPER, 1302 Garden Lane, Champaign, Ill. 61820, filed June 28, 1968. Carrier's representative: John C. Hirschfield, 110 West Church Street, Post Office Box 1003, Champaign, Ill. 61820. Carrier proposes to operate as a *contract carrier*, by motor vehicle, of *malt and carbonated*

beverages, and advertising matter pertaining to such commodities, over a deviation route as follows: From St. Louis, Mo., over Interstate Highway 70 (or U.S. Highway 40 as to those portions of the superhighway not completed) to junction Interstate Highway 57, thence over Interstate Highway 57 (or U.S. Highway 45 as to those portions of the superhighway not completed) to junction Interstate Highway 74 near Champaign, Ill., thence over Interstate Highway 74 to Urbana, Ill., and return over the same route transporting *empty beverage containers*, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From St. Louis, Mo., over U.S. Highway 40 to junction Illinois Highway 159, thence over Illinois Highway 159 to Edwardsville, Ill., thence over Bypass U.S. Highway 66 (formerly portion U.S. Highway 66) to junction U.S. Highway 66, thence over U.S. Highway 66 to junction Illinois Highway 43, thence over Illinois Highway 43 to junction unnumbered highways, thence over unnumbered highway to Staunton, Ill., thence over unnumbered highway to junction U.S. Highway 66, thence over U.S. Highway 66 to junction Illinois Highway 48, thence over Illinois Highway 48 to Weldon, Ill., thence over Illinois Highway 10 to Urban, Ill., and (2) from St. Louis, Mo., over U.S. Highway 40 to junction Illinois Highway 159, thence over Illinois Highway 159 to Edwardsville, Ill., thence over Bypass U.S. Highway 66 to junction U.S. Highway 66, thence over U.S. Highway 66 to junction Illinois Highway 48, thence over Illinois Highway 48 to junction unnumbered Monticello-Cesco Road, thence over unnumbered Monticello-Cesco Road to junction Illinois Highway 47, thence over Illinois Highway 47 to junction Illinois Highway 10, thence over Illinois Highway 10 to Urbana, Ill., and return over the same route transporting empty beverage containers.

No. MC 28322 (Deviation No. 1), ARIZONA-UTAH EXPRESS, 929 South Fourth West, Salt Lake City, Utah 84107, filed July 3, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Kanab, Utah, over U.S. Highway 89 through Page, Ariz., to junction Alternate U.S. Highway 89, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From Kanab, Utah, over Alternate U.S. Highway 89 to junction U.S. Highway 89, and return over the same route.

No. MC 58992 (Deviation No. 1), ALEXANDER TRUCK LINE, INC., 337 East Main, Lyons, Kans. 67554, filed July 2, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *agricultural implements and farm machinery, and general commodities*, with certain exceptions, over a deviation route as follows: From North Kansas City, Mo., over Interstate Highway 35 to Emporia, Kans., thence over U.S. Highway 50 to junction Kansas Highway 150, at Elmdale, Kans., thence over Kansas Highway 150 to junction U.S. Highway 56, thence over U.S. Highway 56 to Lyons, Kans., and return over the same route with no transportation for compensation except as otherwise authorized, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From Kansas City, Mo., over U.S. Highway 40 to Topeka, Kans., thence over U.S. Highway 24 to Manhattan, Kans., thence over Kansas Highway 18 to Junction City, Kans., thence over U.S. Highway 40 to Ellsworth, Kans., thence over Kansas Highway 14 to Lyons, Kans., and return over the same route with no transportation for compensation except as otherwise authorized.

No. MC 69116 (Deviation No. 35), SPECTOR FREIGHT SYSTEM, INC., 205 West Wacker Drive, Chicago, Ill. 60606, file July 1, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (1) From junction U.S. Highway 66 and Interstate Highway 44, at or near St. Louis, Mo., over Interstate Highway 44 to junction with the Will Rogers Turnpike (Interstate Highway 44), at the Missouri-Oklahoma State Line, thence over the Will Rogers Turnpike (Interstate Highway 44) to junction with the Turner Turnpike (Interstate Highway 44), at or near Tulsa, Okla., thence over the Turner Turnpike (Interstate Highway 44) to Oklahoma City, Okla.; (2) from Oklahoma City, Okla., over Interstate Highway 35 to junction Interstate Highway 35W at or near Denton, Tex.; (3) from junction Interstate Highway 35 and Interstate 35W at or near Denton, Tex., over Interstate Highway 35W to Fort Worth, Tex.; (4) from junction Interstate Highways 35 and 35E at or near Denton, Tex., over Interstate Highway 35E to Dallas, Tex.; (5) from Cincinnati, Ohio, over Interstate Highway 71 to Cleveland, Ohio.; (6) from Paducah, Ky., over Interstate Highway 24 to junction West Kentucky Parkway, thence over the West Kentucky Parkway to junction Kentucky Turnpike, thence over the Kentucky Turnpike to junction Interstate Highway 65, Interstate Highway 64 and Interstate Highway 71, thence over Interstate Highway 71 to junction Interstate Highway 75 (also from junction Interstate Highways 65 and 64 over Interstate Highway 64 to junction Interstate Highway 75), thence over Interstate Highway 75 via junction with Interstate Highway 71 to Bay City, Mich.

(7) From junction Indian National Turnpike and U.S. Highway 69 north of Savanna, Okla., over the Indian Nation Turnpike to junction U.S. Highway 75 at or near Henryetta, Okla.; (8) from New Orleans, La., over Interstate Highway 59 to Meridian, Miss.; (9) from Chicago, Ill., over Interstate Highway 55 to New Orleans, La.; (10) from Chicago, Ill., over Interstate Highway 57 to junction Interstate Highway 55 at or near Sikeston, Mo.; (11) from Indianapolis, Ind., over Interstate Highway 74 to Cincinnati, Ohio.; (12) from Memphis, Tenn., over Interstate Highway 40 to Nashville, Tenn.; and (13) from Indianapolis, Ind., over Indiana Highway 67 to junction Indiana Highway 57, thence over Indiana Highway 57 to junction U.S. Highway 41, thence over U.S. Highway 41 to junction U.S. Highway 60, thence over U.S. Highway 60 to Paducah, Ky., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From St. Louis, Mo., over U.S. Highway 66 to Oklahoma City, Okla.; (2) from Dallas, Tex., over U.S. Highway 77 via Denton, Tex., to Oklahoma City, Okla.; (3) from Fort Worth, Tex., over U.S. Highway 377 to Denton, Tex.; (4) from Indianapolis, Ind., over U.S. Highway 40 to junction Ohio Highway 440, near Clayton, Ohio, thence over Ohio Highway 440 via Englewood, Vandalia, Phoneton, and Donnelsville, Ohio, to Sugar Grove, Ohio, thence over U.S. Highway 40 via Springfield and Lafayette, Ohio, to Columbus, Ohio, thence over U.S. Highway 23 to Delaware, Ohio, thence over U.S. Highway 42 via Medina, Ohio, to Cleveland, Ohio.

(5) From Indianapolis, Ind., over U.S. Highway 52 to Cincinnati, Ohio, thence over U.S. Highway 42 to junction unnumbered highway south of Gano, Ohio, thence over unnumbered highway via West Chester, Maud, Monroe, Franklin, Miamisburg, and West Carrollton, Ohio, to junction U.S. Highway 25 near Moraine City, Ohio, thence over U.S. Highway 25 to Dayton, Ohio, thence over Ohio Highway 444 via Riverside, Wright View, and Fairborn, Ohio, to junction unnumbered highway (formerly Ohio Highway 4), thence over unnumbered highway via Enon to Springfield, Ohio (also from Dayton, Ohio, over Ohio Highway 49 to junction U.S. Highway 40), thence to Cleveland, Ohio, as specified in (4) above; (6) from Indianapolis, Ind., to Lafayette, Ohio, as specified in (4) above, thence over U.S. Highway 42 to Delaware, Ohio, thence to Cleveland, Ohio, as specified in (4) and (5) above; (7) from Indianapolis, Ind., to Medina, Ohio, as specified in (4) and (5) above, thence over Ohio Highway 18 to Akron, Ohio, thence over Ohio Highway 8 to Cleveland, Ohio; (8) from St. Louis, Mo., over Illinois Highway 13 to Marion, Ill., thence over Illinois Highway 37 to West Vienna, Ill., thence over Illinois Highway 146 to Vienna, Ill., thence over U.S. Highway 45 to Fulton, Ky., thence over U.S. Highway 45W to junction U.S. Highway 45, thence over U.S. Highway 45 to Jackson, Tenn. (also from Fulton over U.S. Highway 45E to junction U.S. Highway 45W and U.S. Highway 45); (9) from Cairo, Ill., over U.S. Highway 51 to junction U.S. Highway 45 near Fulton, Ky.; (10) from St. Louis, Mo., over U.S. Highway 40 to junction Ohio Highway 49, thence over Ohio Highway 49 to Dayton, Ohio; (11)

from Indianapolis, Ind., over Indiana Highway 37 to Huntington, Ind.

(12) From Indianapolis, Ind., over Indiana Highway 29 to Logansport, Ind., thence over U.S. Highway 24 to Napoleon, Ohio; (13) from Fort Wayne, Ind., over Indiana Highway 37 to the Indiana-Ohio State line, thence over Ohio Highway 2 to Toledo, Ohio; (14) from Toledo, Ohio, over U.S. Highway 23 to Bay City, Mich.; (15) Springfield, Ohio, over U.S. Highway 36 to Indianapolis, Ind.; (16) from Indianapolis, Ind., over U.S. Highway 52 to junction U.S. Highway 41, thence over U.S. Highway 41 to junction U.S. Highway 30, thence over U.S. Highway 30 to junction Illinois Highway 50, thence over unnumbered highways to Chicago, Ill.; (17) from Chicago, Ill., over U.S. Highway 41 to junction U.S. Highway 6, thence over U.S. Highway 6 to Cleveland, Ohio, thence over U.S. Highway 20 to Silver Creek, N.Y., thence over N.Y. Highway 5 to Buffalo, N.Y., thence over New York Highway 33 to Rochester, N.Y., thence over New York Highway 31 to Weedsport, N.Y., thence over New York Highway 31B to junction New York Highway 5, thence over New York Highway 5 to Albany, N.Y., thence over U.S. Highway 9 to New York, N.Y. (also from Albany over U.S. Highway 9W and bridge or ferry to New York); (18) from Chicago, Ill., over U.S. Highway 20 to Toledo, Ohio, thence over Ohio Highway 2 to Sandusky, Ohio, thence over U.S. Highway 6 to Cleveland, Ohio, thence to New York as specified immediately above.

(10) From Gary, Ind., over U.S. Highway 12 to junction unnumbered highway (formerly portion U.S. Highway 12) near New Buffalo, Mich., thence over unnumbered highway via Union Pier, Lakeside, and Harbert, Mich., to junction Interstate Highway 94 (formerly portion U.S. Highway 12), thence over Interstate Highway 94 (formerly portion U.S. Highway 12), thence over Interstate Highway 94 to junction Business Interstate Highway 94 (formerly portion U.S. Highway 12) near Stevensville, Mich., thence over Business Interstate Highway 94 via St. Joseph and Benton Harbor, Mich., to junction unnumbered highway (formerly portion U.S. Highway 12), thence over unnumbered highway via Coloma, Watervliet, Hartford, Lawrence, Paw Paw, and Oshtemo, Mich., to junction Business Interstate Highway 94 (formerly portion U.S. Highway 12), thence over Business Interstate Highway 94 via Kalamazoo, Mich., to junction Interstate Highway 94 (formerly portion U.S. Highway 12), thence over Interstate Highway 94 to junction unnumbered highway (formerly portion U.S. Highway 12), thence over unnumbered highway via Battle Creek, Marshall, Marengo, Albion, and Parma, Mich., to junction Interstate Highway 94 (formerly portion U.S. 12), thence over Interstate Highway 94 to junction unnumbered highway (formerly portion U.S. Highway 12), thence over unnumbered highway via Lima, Mich., to Ann Arbor, Mich., thence over Michigan Highway 14 (formerly portion U.S. Highway 12) via Dixbara to Detroit, Mich., thence over U.S. Highway 25 to Port Huron, Mich.; (20) from junction unnumbered highway (formerly U.S. Highway 12) and U.S. Highway 12 (formerly U.S. Highway 112) over U.S. Highway 12 to Mottville, Mich.;

(21) From Pontiac, Mich., over U.S. Highway 10 to junction U.S. Highway 23, approximately 2 miles south of Pine Run, Mich.; (22) from Chicago, Ill., over U.S. Highway 20 to Elkhart, Ind., thence over Indiana Highway 19 to the Indiana-Michigan State line, thence over Michigan Highway 205 to junction U.S. Highway 12 (formerly U.S. Highway 112), thence over U.S. Highway 12 to Detroit, Mich.; (23) from Huntington, Ind., over U.S. Highway 224 to junction U.S. Highway 422, thence over U.S. Highway 422 to Ebensburg, Pa., thence over U.S. Highway 22 to Harrisburg, Pa., thence to Philadelphia, Pa., as specified above; (24) from Quincy, Ill., over U.S. Highway 24 to junction U.S. Highway 6, thence over U.S. Highway 6 to Cleveland, Ohio, thence over U.S. Highway 422 to junction U.S. Highway 22, thence over U.S. Highway 22 to Harrisburg, Pa., thence over U.S. Highway 230 to junction U.S. Highway 30, thence over U.S. Highway 30 to Philadelphia, Pa., thence over U.S. Highway 1 to New York, N.Y.; (25) from junction U.S. Highways 66 and 75 at or near Sapulpa, Okla., over U.S. Highway 75 to Dallas, Tex.; (26) from junction U.S. Highways 66 and 69 (at or near Vinita, Okla.), over U.S. Highway 69 to junction U.S. Highway 75 (at or near Atoka, Okla.); (27) from New Orleans, La., over U.S. Highway 11 to Meridian, Miss.; (28) from St. Louis, Mo., across the Mississippi River to junction U.S. Highway 66, thence over U.S. Highway 66 to Gardner, Ill., thence over Alternate U.S. Highway 66 to junction U.S. Highway 66, thence over U.S. Highway 66 to Chicago, Ill.; (29) from St. Louis, Mo., across the Mississippi River to East St. Louis, Ill., thence over Illinois Highway 3 to Ware, Ill., thence over Illinois Highway 146 to Cape Girardeau, Mo. (also from St. Louis over U.S. Highway 61 to Cape Girardeau), thence over U.S. Highway 61 to Memphis, Tenn.

(30) From Memphis, Tenn., over U.S. Highway 51 to Jackson, Miss.; (31) from Memphis, Tenn., over U.S. Highway 51 to Durant, Miss.; (32) from Durant, Miss., over U.S. Highway 51 to New Orleans, La.; (33) from Chicago, Ill., over U.S. Highway 54 to Kankakee, Ill., thence over U.S. Highway 45 to junction Illinois Highway 37, thence over Illinois Highway 37 to junction U.S. Highway 51 to Cairo, Ill.; (34) from Cairo, Ill., over U.S. Highway 51 to junction U.S. Highway 60, thence over U.S. Highway 60 to junction U.S. Highway 61, near Sikeston, Mo.; (35) from Memphis, Tenn., over U.S. Highway 79 to Atwood, Tenn., thence over Alternate U.S. Highway 70 to Huntington, Tenn., thence over U.S. Highway 70 to Nashville, Tenn.; (36) from Fulton, Ky., over U.S. Highway 45W to junction U.S. Highway 45, thence over U.S. Highway 45 to Jackson, Tenn. (also from Fulton, Ky., over U.S. Highway 45E to junction 45); and (37) from Indianapolis, Ind., over U.S. Highway 40 to junction Illinois Highway 37 at Effingham, Ill., thence over Illinois Highway 37 to junction Illinois Highway 146 at West Vienna, Ill., thence over Illinois Highway 146 to junction U.S. Highway 45 at Vienna, Ill., thence over U.S. Highway 45 to Paducah, Ky., and return over the same route.

No. MC 69116 (Deviation No. 36), SPECTOR FREIGHT, INC., 205 West Wacker Drive, Chicago, Ill. 60606, filed July 3, 1968. Carrier proposes to operate as a *common carrier*, by motor vehicle of *general commodities*, with certain exception, over deviation routes as follows: (1) Between Providence, R.I., and Old Town, Maine, over Interstate Highway 95, (2) between Portland, Maine, and Augusta, Maine, over the Maine Turnpike, (3) between Portsmouth, N.Y., and Rochester, N.H., over the Spaulding Turnpike, (4) between Boston, Mass., and Concord, N.H., over Interstate Highway 93, (5) between Nashua, N.H., and Manchester, N.H., over the F. E. Everett Turnpike, (6) between junction Interstate Highways 95 and 495 near Amesbury, Mass., and junction Interstate Highways 95 and near Mansfield, Mass., over Interstate Highway 495, and (7) between Providence, R.I., and New Bedford, Mass., over Interstate Highway 195, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Boston, Mass., over Massachusetts Highway 17 (formerly U.S. Highway 1) to junction U.S. Highway 1, thence over U.S. Highway 1 via Portland, Maine, to Brunswick, Maine, thence over U.S. Highway 201 to Augusta, Maine (also from Portland over Maine Highway 26 to Gray, Maine, thence over U.S. Highway 202 to Augusta), thence over U.S. Highway 201 to Fairfield, Maine, thence over Maine Highway 11 to Newport, Maine, thence over U.S. Highway 2 to Old Town, Maine, (2) from Lowell, Mass., over Massachusetts Highway 110 to Amesbury, Mass., thence over Massachusetts Highway 150 to the Massachusetts-New Hampshire State line, thence over New Hampshire Highway 150 to Exeter, N.H., thence over New Hampshire Highway 108 to Dover, N.H., thence over New Hampshire Highway 4 to the New Hampshire-Maine State line, thence over Maine Highway 4 to junction Maine Highway 109, thence over Maine Highway 109 to Sanford, Maine, thence over U.S. Highway 202 to Gorham, Maine, thence over Maine Highway 25 to Portland, Maine, (3) from Portsmouth, N.H., over New Hampshire Highway 16 (portion formerly New Hampshire Highway 16A) to Rochester, N.H., (4) from Boston, Mass., over U.S. Highway 3 to Manchester, N.H. (also from Boston over Massachusetts Highway 28 to the Massachusetts-New Hampshire State line, thence over New Hampshire Highway 28 to Manchester), thence over U.S. Highway 3 to Concord, N.H., (5) from Boston, Mass., over U.S. Highway 1 to Providence, R.I., thence over Rhode Island Highway 122 to Woonsocket, R.I., and (6)

from Boston, Mass., over Massachusetts Highway 28 to Bridgewater, Mass., thence over Massachusetts Highway 18 to New Bedford, Mass. (also from Boston over Massachusetts Highway 138 to Fall River, Mass., thence over U.S. Highway 6 to New Bedford), and return over the same routes.

No. MC 112713 (Deviation No. 12), YELLOW TRANSIT FREIGHT LINES, INC., Post Office Box 8462, 92d at State Line, Kansas City, Mo. 64114, filed June 26, 1968. Carrier's representative: John M. Records, same address as applicant. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Effingham, Ill., over Interstate Highway 57 to junction Illinois Highway 16, thence over Illinois Highway 16 to Paris, Ill., thence over U.S. Highway 150 to Junction U.S. Highway 40 near Terre Haute, Ind., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From junction U.S. Highway 40 and Interstate Highway 57 at Effingham, Ill., over U.S. Highway 40 to West Terre Haute, Ind., and return over the same route.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-8471; Filed, July 16, 1968; 8:49 a.m.]

[Notice 1199]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

JULY 12, 1968.

The following publications are governed by Special Rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER issue of April 20, 1966, which became effective May 20, 1966.

The publications hereinafter set forth reflect the scope of the applications as filed by applicant, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

APPLICATIONS ASSIGNED FOR ORAL HEARING

MOTOR CARRIERS OF PROPERTY

No. MC 4405 (Sub-No. 454) (Republication), filed October 30, 1967, published FEDERAL REGISTER issue of November 16, 1967, and republished this issue. Applicant: DEALERS TRANSIT, INC., 13101 South Torrence Avenue, Chicago, Ill. 60633. Applicant's representative: James W. Wrape, 2111 Sterick Building, Memphis, Tenn. 38103. By application filed October 30, 1967, as amended, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes of (1) *trailers, trailer chassis, semitrailers and semitrailer chassis*, other than those designed to be drawn by passenger automobiles, (a) in initial truckaway service from Reading, Pa., and 5 miles thereof to points in Alaska, Arizona, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, and (b) in initial driveaway service, from Reading, Pa., and 5 miles thereof, to points in Alaska, Arizona, Nevada, Oregon, and Vermont, (2) tractors, in secondary driveaway service only when drawing trailers or trailer chassis (other than those designed to be drawn by passenger automobiles) moving in initial driveaway service from Reading, Pa., and 5 miles thereof to points in Arizona, Nevada, Oregon, Vermont, and Alaska, (3) containers, except containers having a capacity of 5 gallons or less of 9 cubic feet or less, (a) from Reading, Pa., and 5 miles thereof, to points in the United States, including Alaska, but excluding Hawaii, and (b) from points in the United States, including Alaska, but excluding Hawaii, to Reading, Pa., and 5 miles thereof, and (4) materials, supplies, and parts used in the manufacture, assembly, or servicing of the commodities described in paragraphs (1) and (3) above, when moving in mixed loads with such commodities, from Reading, Pa., and 5 miles thereof, to points in the United States, including Alaska, but excluding Hawaii.

An order of the Commission, Operating Rights Board, dated June 17, 1968, and served July 3, 1968, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes of (1) trailers, trailer chassis, semitrailers, and semitrailer chassis (except those designed to be drawn by passenger automobiles), (a) in initial movements, in truckaway service, from the facilities of Clark Equipment Co., Brown Trailer Division, at or near Reading, Pa., to points in Alaska, Arizona, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, and (b) in initial movements in driveaway service, from the facilities of Clark Equipment Co., Brown Trailer Division, at or near Reading, Pa., to points in Alaska, Arizona, Nevada, Oregon, and Vermont; (2) tractors, in secondary movements, in driveaway service, only when drawing trailers or trailer chassis (except those designed to be drawn by passenger automobiles) in initial movements, in driveaway service, from the facilities of Clark Equipment Co., Brown Trailer Division, at or near Reading, Pa., to points in Alaska, Arizona, Nevada, Oregon, and Vermont.

(3) Containers, between the facilities of Clark Equipment Co., Brown Trailer Division, at or near Reading, Pa., on the one hand, and, on the other points in the United States, including Alaska, but excluding Hawaii; (4) materials, supplies, and parts used in the manufacture, assembly, or servicing of the commodities described in paragraphs (1) and (2) above, when moving in mixed loads with such commodities, from the facilities of Clark Equipment Co., Brown Trailer Division, at or near Reading, Pa., to points in the United States, including Alaska, but excluding Hawaii, that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 11207 (Sub-No. 266) (Republication), filed August 17, 1967, published FEDERAL REGISTER issue of September 21, 1967, and republished this issue. Applicant: DEATON, INC., 3409 10th Avenue North, Birmingham, Ala. 35234. Applicant's representative: A. Alvis Layne, Pennsylvania Building, Washington, D.C. 20004. By application filed August 17, 1967, as amended, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes of general commodities (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment), between points within 15 miles of the corporate limits of Atlanta, Ga., in connection with applicant's authorized service to and from Atlanta, Ga. An order of the Commission, Operating Rights Board, dated June 28, 1968, and served July 9, 1968, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes of general commodities (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment), between Atlanta, Ga., and those points in that portion of Georgia bounded by a line beginning at the junction of Georgia Highway 61 and Georgia Highway 20, at or near Cartersville, Ga., extending east along Georgia Highway 20 to junction with U.S. Highways 41–19, at or near Hampton, Ga., thence south along U.S. Highways 41–19 to junction Georgia Highway 16, at or near Griffin, Ga., thence west along Georgia Highway 16 to junction U.S.

Highway 27 Alternate, southeast of Newman, Ga.

Thence in a northwesterly direction along U.S. Highway 27 Alternate to junction Georgia Highway 166, at or near Carrollton, Ga., thence in a northeasterly direction along Georgia Highway 166 to junction Georgia Highway 61, and thence north along Georgia Highway 61 to junction Georgia Highway 20, on the one hand, and, on the other, Anniston, Curry, Jacksonville, Merrellton, Munford, Oxford, Piedmont, and Talladega, Ala., restricted against tacking or combining this authority with any authority presently held by applicant to provide a through service between Atlanta, Ga., and Birmingham, Ala., that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 109637 (Sub-No. 337) (Republication), filed February 26, 1968, published FEDERAL REGISTER issue of March 14, 1968, and republished this issue. Applicant: SOUTHERN TANK LINES, INC., Post Office Box (4107 Bells Lane), Louisville, Ky. 40201. Applicant's representative: Harris G. Andrews (same address as applicant). By application filed February 26, 1968, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes of uranium hexafluoride, in bulk, in steel cylinders, from Metropolis, Ill., to Oak Ridge, Tenn., and Portsmouth, Ohio, and empty steel cylinders, on return. An order of the Commission, Operating Rights Board dated June 17, 1968, and served July 2, 1968, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over irregular routes, of *uranium hexafluoride,* in bulk, in steel cylinders, from Metropolis, Ill., to the plantsites of the Atomic Energy Commission at Oak Ridge, Tenn., and at or near Sargents, Pike County, Ohio; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulation thereunder. Because it is possible that other parties, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 130049 (Republication), filed January 10, 1968, published in FEDERAL REGISTER issues of February 1, 1968, and March 14, 1968, and republished this issue. Applicant: CINCINNATI AUTOMOBILE CLUB, doing business as WORLD WIDE TRAVEL AGENCY, Central Parkway and Race Streets, Cincinnati, Ohio 45202. Applicant's representative: William A. Busemeyer, American Building, Central Parkway at Walnut, Cincinnati, Ohio 45202. By application filed January 10, 1968, applicant seeks a license authorizing operation as a broker at Cincinnati, Ohio, in arranging for the transportation, in interstate or foreign commerce, of passengers and their baggage, both as individuals and in groups, in charter operations to certain vacation spots and points in interest, beginning and ending at points in Hamilton County, Ohio, and extending to points in the continental United States, Alaska, and Hawaii. An order of the Commission, Operating Rights Board, dated June 21, 1968, and served July 3, 1968, as amended, finds, that operation by applicant at Cincinnati, Ohio, as a *broker* arranging for transportation by motor vehicle, in interstate or foreign commerce, of *passengers and their baggage,* in all-expense, round-trip tours, in special and charter operations beginning and ending in Hamilton County, Ohio, and extending to points in the United States (including Alaska and Hawaii), will be consistent with the public interest and the national transportation policy; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons, who have relied upon the notice of the application as published may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a license in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

NOTICE OF FILING OF PETITIONS

No. MC 111302 (Notice of Filing of Petition To Modify Certificate), filed June 17, 1968. Petitioner: HIGHWAY TRANSPORT, INC., Powell, Tenn. Petitioner's representatives: Paul M. Daniell and Alan E. Serby, 1600 First Federal Building, Atlanta, Ga. 30303. Petitioner files this petition to modify portions of the certificate issued in MC-111302 which authorizes the transportation of liquid chemicals as defined in *Maxwell Co., Extension—Addyston,* 63 M.C.C. 677, in bulk, in tank vehicles, in accordance with the procedure outlined in *Southern Tank Lines, Inc., Extension—St. Bernard, Ohio,* 88 M.C.C. 127. That portion of the certificate issued in MC 111302 reading irregular routes: Chemicals, as defined in the *Maxwell Co. Extension—Addyston,* 63 M.C.C. 677, in bulk, in tank vehicles, from Knoxville, Tenn., to points in Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Ohio, Oklahoma, Texas, and Wisconsin, with no transportation for compensation on return except as otherwise authorized. Liquid chemicals, as defined in the *Maxwell Co. Extension—Addyston,* 63 M.C.C. 677, in bulk, in tank vehicles, from Knoxville, Tenn., to points in Alabama, Florida, Georgia, Kansas, Nebraska, North Carolina, South Carolina, Virginia, and West Virginia (except Parkersburg, W. Va.), with no transportation for compensation on return except as otherwise authorized. By the instant petition, petitioner prays that the commodity descriptions be so amended so as to eliminate and reference to the *Maxwell* case and so that they will read: "Chemicals, in bulk, in tank vehicles" where authority to transport chemicals is now contained and so that they read "liquid chemicals, in bulk, in tank vehicles" where authority to transport liquid chemicals is authorized. Any interested person desiring to participate may file an original and six copies of his written representations, views, or argument in support of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 112627 (Sub-No. 7) (Correction) (Notice of Filing of Petition for the Removal of a Restriction), filed June 21, 1968, published FEDERAL REGISTER, issue of July 10, 1968, and republished as corrected this issue. Petitioner: OWENS BROS., INC., Danville, N.Y. Petitioner's representative: Raymond A. Richards, 23 West Main Street, Webster, N.Y. 14580. Petitioner holds certificate in No. MC 112627 (Sub-No. 7), authorizing the transportation by motor carrier, in interstate or foreign commerce, transporting: Wine, containers, from Naples, N.Y., to points in Indiana and Illinois (except Chicago, Ill.), restricted to stop-off-shipments only. By the instant petition, petitioner requests the elimination of the restriction pertaining to stop-off shipments. NOTE: The purpose of this republication is to show the correct docket number assigned thereto. Any interested person desiring to participate may file an original and six copies of his written representations, views, or argument in support of, or against the petition within 30 days from the date of this publication in the FEDERAL REGISTER.

No. MC 127080 (Notice of Filing of Petition To Amend Permit), filed June 28,

1968. Petitioner: SPRINGDALE FARMS PRODUCE COMPANY, INC., Springdale, Ark. Petitioner's representatives: A. Alvis Layne and Walter T. Evans, 915 Pennsylvania Building, Washington, D.C. 20004. Petitioner holds Permit No. MC 127080 authorizing it to operate as a contract carrier by motor vehicle, over irregular routes, in the transportation of: *Frozen foods* (except dairy products) when moving in mixed loads with frozen or ice-packed poultry, and frozen or ice-packed poultry when moving in mixed loads with frozen foods (except dairy products), from the plantsites and storage facilities of Springdale Farms Service Co., Inc., Springdale, Ark., to points in Colorado, Idaho, Illinois, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, and Wyoming, with no transportation for compensation on return except as otherwise authorized. *Frozen meat*, from Kansas City, Kans. to plantsites and storage facilities of Springdale Farm Service Co., Inc., Springdale, Ark., with no transportation for compensation on return except as otherwise authorized. Restriction: The operations authorized herein are limited to a transportation service to be performed under a continuing contract or contracts, with Springdale Farms Service Co., Inc., of Springdale, Ark. By the instant petition, petitioner requests permission to add Springdale Farms, Inc., as a shipper. The instant petition also requests authority to allow service to the State of California. Any interested person desiring to participate, may file an original and six copies of his written representation, views, or arguments in support of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 128659 (Correction) (Notice of Filing of Petition To Amend Permit To Reflect a Change in Location of a Plantsite), filed June 3, 1968, published in the FEDERAL REGISTER issue of June 26, 1968, under MC 128569, and republished as corrected, this issue. Petitioner: ORBITAL TRANSPORT, INC., 2647 Karen Street, Bellmore, N.Y. 11710. Petitioner's representative: William D. Traub, 10 East 40th Street, New York, N.Y. 10016. Petitioner presently holds a permit in No. MC 128659 issued June 20, 1967, authorizing operations as a *contract carrier*, over irregular routes, in the transportation of: *Plastic boxes*, loose, set up, not packaged, and *show, display, and advertising materials and equipment* used in connection therewith, between the plantsite of the Tedruth Plastics Corp., in Oyster Bay Township, N.Y., on the one hand, and, on the other, points in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, and the District of Columbia, restricted to a transportation service to be performed under a continuing contract, or contracts, with Tedruth Plastics Corp. By the instant petition petitioner states it now seeks to have its permit amended by the elimination therefrom of the present plantsite location of Oyster Bay Township, N.Y., and the substitution in place thereof the new plantsite location at Howell Township, N.J., so that it might perform the identical, restricted service it is presently conducting for its sole shipper at the New Jersey place when the customer commences operations there. In all other respects the authority now contained in permit MC 128659 would be the same, restricted to a service solely for Tedruth Plastics Corp., Petitioner's only customer. Any person or persons desiring to participate, may file an original and six copies of his written representations, views, or argument in support of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER. NOTE: The purpose of this republication is to reflect the correct docket number as MC 128659, erroneously shown as No. MC 128569 in the previous publication.

APPLICATIONS FOR CERTIFICATES OR PERMITS WHICH ARE TO BE PROCESSED CONCURRENTLY WITH APPLICATIONS UNDER SECTION 5, GOVERNED BY SPECIAL RULE 1.240 TO THE EXTENT APPLICABLE

No. MC 58016 (Sub-No. 4), filed June 19, 1968. Applicant: WESTERN NEW YORK STATE LINES, INC., 3454 Pearl Street, Batavia, N.Y. 14020. Applicant's representatives: Hebert M. Canter and Norman M. Pinksy, 345 South Warren Street, Syracuse, N.Y. 13202. Authority sought to operate as a *common carrier*, by motor vehicle, over regular and irregular routes, transporting: *General commodities*, except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment: (1) Regular routes: (a) Between Buffalo, Olean, and Salamanca, N.Y., as follows: From Buffalo, over New York Highway 16 to Olean; thence over New York Highway 17 to Salamanca; thence over New York Highway 18 to Buffalo, and over an alternate route between Cadiz and Salamanca over New York Highway 98; serving Arcade, Angola, Cuba, Ellicottville, Limestone, Randolph, Perrysburg, Portville, South Dayton, and Springville Villages, N.Y., Collins, Elton, Otto, Rock City, Westons Mills Hamlets, N.Y., and Tonawanda, N.Y., as intermediate points and off-route points, including service to all points in the commercial zones of Buffalo, Olean, Salamanca, and Tonawanda, as defined by the New York Public Service Commission.

(2) Irregular routes except as set forth in paragraph (1), above: (a) Between points in Monroe County, N.Y., on the one hand, and, on the other, points in Cayuga, Genesee, Onondaga, Erie, Monroe, Ontario, Niagara Counties, N.Y.; (b) from points in Monroe County, N.Y., to points in Livingston, Oswego, Seneca, Orleans and Yates Counties, N.Y.; (c) between points in Erie County, N.Y., on the one hand, and, on the other to points in Allegany, Niagara, Wayne, Erie, Onondaga, Wyoming, Genesee, Ontario, Yates, Livingston, and Steuben Counties, N.Y.; (d) from points in Erie County, N.Y., to points in Cayuga, Orleans, Seneca, and Oswego Counties, N.Y.; (e) between points in Genesee County, N.Y., on the one hand, and, on the other, points in Livingston and Onondaga Counties, N.Y.; (f) from points in Genesee County, N.Y., to points in Niagara and Ontario Counties, N.Y.; (g) between points in Livingston County, N.Y.; (h) between points in Onondaga County, N.Y., on the one hand, and, on the other, points in Livingston and Wayne Counties, N.Y.; (i) from points in Onondaga County, N.Y., to points in Cayuga, Ontario, Seneca, Niagara, Orleans, Yates Counties, N.Y. (j) from points in Niagara and Oswego Counties, N.Y., to points in Ontario County, N.Y.; (k) from points in Niagara County, N.Y., to points in Wyoming County, N.Y.; (l) NOTE: By this instant application, applicant seeks to "convert" its certificate of registration in MC 58016 Sub 3 into a certificate of public convenience and necessity. (2) No duplicating authority is being sought. (3) Applicant intends to tack the authorities contained in paragraphs (1) and (2) above as presently authorized under regulations of the New York Public Service Commission and also to tack the various parts of paragraph (2) with each other as also presently authorized under regulations of the New York Public Service Commission. (4) This application is a matter directly related to MC-F-10094, published in FEDERAL REGISTER issue of April 17, 1968. If a hearing is deemed necessary, applicant requests it be held at Syracuse or Buffalo, N.Y.

No. MC 105275 (Sub-No. 39), filed June 27, 1968. Applicant: W. T. BYRNS MOTOR EXPRESS, INC., 646 Coffeen Street, Watertown, N.Y. 13602. Applicant's representative: Francis E. Barrett, Jr., Investors Building, 536 Granite Street, Braintree, Mass. 02184. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular and regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment). Irregular routes: (1) Between points in St. Lawrence County, N.Y., on the one hand, and, on the other, points in Clinton, Essex, Franklin, Jefferson, and St. Lawrence Counties, N.Y.; and (2) between points in Jefferson, Lewis, Oneida, and Oswego Counties, N.Y. Regular routes: (3) between Syracuse, N.Y., and Watertown, N.Y., serving all intermediate points, except those authorized the paragraph "2" above and the commercial zone of Syracuse as defined herein. The city of Syracuse, including the towns of Geddes, Salina, De Witt, and Onondaga; that portion of the town of Manlius bounded on the north by State Highway Route No. 5, on the east by State Highway Route No. 62, and on the southerly and westerly sides by Highbridge Road and including all of the villages of Fayetteville and Manlius; that portion of the town of Camillus bounded on the north by a county highway beginning at the

Northwest corner of the village line of the village of Solvay.

Thence northwest along this highway known as Gerelock Road (County Road No. 220) to the intersection of the Fairmount-Belle Isle Road (County Road No. 102), thence southwest along Bennett Road (County Road No. 223) to the intersection of the Fairmount-Amboy Road (County Road No. C–9–5), thence southwest along Milton Avenue Road (County Road No. 109) to the village line of the village of Camillus; the area within the village of Camillus; thence southwesterly along Valley Road (State Highway Route No. 321) to the intersection of the State Highway route running southerly therefrom, thence southerly along this State highway route to the intersection of Lyons Road (County Road No. 225), thence easterly along Lyons Road to the intersection of the Howlett Hill Road (County Road No. C–6–2), thence easterly along Howlett Hill to the town of Onondaga; also the following portion of the town of Camillus; beginning at the intersection of the Gerelock Road, Bennett Road, and the Fairmount-Belle Isle Road (now generally known as Belle Isle-Amboy Road), and extending from that intersection northwesterly along Fairmount-Belle Isle Road to the Syracuse Municipal Airport and including service to all parts of the Syracuse Municipal Airport, and that part of the town of Clay bounded as follows:

Beginning at the intersection of Bear Road (County Road No. 191) and the Clay-Cicero town line thence westerly along Bear Road to its intersection with Buckley Road (County Road No. 161), thence northwesterly on Buckley Road to its intersection with Seventh North Street, thence northerly on Seventh North Street to its intersection with Wetzel Road, thence westerly on Wetzel Road to its intersection with Morgan Road, thence southerly on Morgan Road to the Salina-Clay town line, thence easterly along the Salina-Clay town line to its intersection with the Clay-Cicero town line, thence northerly along the Clay-Cicero town line to its intersection with Bear Road, and including all of the village of North Syracuse. NOTE: Applicant indicates tacking possibilities with existing operations at points in New York. The instant application is a matter directly related to MC–F–10173, published in FEDERAL REGISTER issue of July 10, 1968, wherein applicant seeks to convert the certificate of registration of Seabury Motor Express, Inc., under MC 45576 (Sub-No. 4) into a certificate of public convenience and necessity. Common control may be involved. Duplicating authority is to be eliminated. If a hearing is deemed necessary, applicant requests it be held at Albany or Syracuse, N.Y.

No. MC 121393 (Sub-No. 4), filed July 1, 1968. Applicant: HEMPSTEAD DELIVERY CO., INC., 407 West 35th Street, New York, N.Y. 10001. Applicant's representative: Arthur J. Piken, 160–16 Jamaica Avenue, Jamaica, N.Y. 11432. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment); Route (A) between New York City and Yonkers, N.Y.: from New York City over U.S. Highway 9 to the village of Peekskill (Westchester County); thence over U.S. Highway 6 to the village of Brewster (Putnam County); thence over New York Highway 22 to the hamlet of Valhalla (Westchester County); thence over New York Highway 100C to the hamlet of Eastview (Westchester County); thence over New York Highway 9A to the city of Yonkers; thence over U.S. Highway 9 (or city streets); including service from, to and between all intermediate points and the following off-route points: Hawthorne, Mount Kisco, Pleasantville, and Briarcliff Manor Villages; Garrison, Bedford Hills, Chappaqua, Thornwood, Yorktown Heights, Katonah, and Poundridge Hamlets; Route (B) between New York City and White Plains, N.Y.: From New York City over U.S. Highway 9 to Yonkers; thence over city streets to Mount Vernon; thence over U.S. Highway 1 to the village of Port Chester (Westchester County); thence over New York Highway 119 to White Plains; thence over New York Highway 100 to Yonkers; thence over U.S. Highway 9 to New York City; including service from, to and between all intermediate points and the following off-route points; Scarsdale Village and Harrison Hamlet. NOTE: This is a matter directly related to MC–F–10179 published in the FEDERAL REGISTER issue of July 10, 1968. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto (49 CFR 1.240).

MOTOR CARRIERS OF PROPERTY

No. MC–F–10181. Authority sought for purchase by FOX HOLLOW, INC., 565 East Edna Place, Covina, Calif. 91722, of the operating rights and property of LUX ART VANS SERVICE, INC., Post Office Box 407, La Canada, Calif. 91011. Applicants' representative: Ernest D. Salm, 3846 Evans Street, Los Angeles, Calif. 90027. Operating rights sought to be transferred: *Livestock* (other than ordinary), *supplies and equipment* used in the care, exhibition, and racing of livestock (other than ordinary), *mascots, lead ponies*, and the *personal effects of attendants and trainers*, to be transported in the same vehicle with such livestock, as a *common carrier*, over irregular routes, between points in Arizona, Arkansas, California, Colorado, Idaho, Kansas, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming, with restriction, between Longmont, Colo., and points within 50 miles thereof, on the one hand, and, on the other, points in Colorado, between Sunland Park Race Track, N. Mex., on the one hand, and, on the other, points in New Mexico, between points in California, on the one hand, and, on the other points in Clark County, Nev.; *livestock* (other than ordinary livestock), and, in the same vehicle therewith, *supplies and equipment* used in the care and exhibition of such animals, *mascots*, and the *personal effects of their attendants, trainers, and exhibitors*, between points in Washington and Oregon, between points in Washington and Oregon, on the one hand, and, on the other, points in California, between points in California, on the one hand, and, on the other, ports of entry in Montana on the United States-Canada Boundary line.

Race horses and *racing equipment*, between points in Washington and Oregon, on the one hand, and, on the other, the boundary of the United States and Canada, through ports of entry in Washington; *race horses, polo ponies, breeding horses, saddle horses*, and *show horses*, and, in the same vehicle with such horses, *equipment or paraphernalia* incidental to the care, transportation and exhibition of such horses, and the *personal effects of attendants*, between points in California; and *horses* (other than ordinary), and in the same vehicle with such horses, *stable supplies and equipment* used in the care and exhibition of such horses, *mascots*, and the *personal effects of their attendants, trainers, and exhibitors*, between the boundary of the United States and Mexico at or near San Ysidro, Calif., on the one hand, and, on the other, certain specified points in California, between certain specified points in California, on the one hand, and, on the other, points in Yuma and Maricopa Counties, Ariz. Vendee is authorized to operate as a *common carrier* in Arkansas, Louisiana, Michigan, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, Missouri, New York, New Jersey, Delaware, Pennylvania, Maryland, Illinois, Indiana, Tennessee, Virginia, West Virginia, Florida, North Carolina, South Carolina, Kentucky, Ohio, and the District of Columbia. Application has been filed for temporary authority under section 210a(b).

No. MC–F–10182. Authority sought for purchase by THE LAKE SHORE MOTOR FREIGHT COMPANY, 1200 South State Street, Girard, Ohio 44420, of the operating rights of GEORGE DRUMMEY CARTAGE CORPORATION (SHERWIN O. SIMON, TRUSTEE IN BANKRUPTCY), 100 West Monroe Street, Chicago, Ill. 60603, and for acquisition by ESTATE OF H. J. O'MALLEY, care of John Newman, Union National Bank Building, Youngstown, Ohio, of control of such rights through the purchase. Applicants' attorneys and representative: Bowes and Millner, 744 Broad Street, Newark, N.J. 07102, and Sherwin O. Simon, 100 West Monroe Street, Chicago, Ill. 60603. Operating rights

sought to be transferred: *General commodities*, excepting, among others, household goods and commodities in bulk, as a *common carrier*, over regular routes, between Chicago, Ill., and Michigan City, Ind., serving all intermediate points, and points in the Chicago, Ill., commercial zone, as defined by the Commission. Vendee is authorized to operate as a *common carrier* in Ohio, Pennsylvania, New York, Indiana, Illinois, Michigan, and Wiscosnin. Application has been filed for temporary authority under section 210a(b).

No. MC–F–10183. Authority sought for purchase by JENNEY FREIGHT LINE, INC., 1224 North Main Avenue, Tucson, Ariz. 85705, of a portion of the operating rights and property of COCHISE VAN & STORAGE, INC., 448 Whitton, Northwest Sierra Vista, Ariz. 85635. Applicants' attorney: Nick Knez, 205 Arizona Land Title Building, Tucson, Ariz. 85701. Operating rights sought to be transferred: *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, as a *common carrier*, over irregular routes, between points in Arizona within 25 miles of Bisbee, Ariz., including Bisbee. Vendee is authorized to operate under a certificate of registration, as a common carrier, in the State of Arizona. Application has not been filed for temporary authority under section 210a(b).

No. MC–F–10184. Authority sought for purchase by MANLEY TRANSFER COMPANY, INC., 315 North Santa Fe, Chanute, Kans. 66720, of the operating rights of PITTSBURG TRANSPORTATION CO., INC., 205 North Locust, Pittsburg, Kans. 66762, and for acquisition by R. F. MANLEY, RUTH MANLEY CALDWELL, both also of Chanute, Kans., L. D. MANLEY, 1410 Intercity Trafficway, Kansas City, Mo., and C. E. MANLEY, 110 East 10th Coffeyville, Kans., of control of such rights through the purchase. Applicants' attorney: Frank W. Taylor, Jr., 1221 Baltimore Avenue, Kansas City, Mo. 64105. Operating rights sought to be transferred: *General commodities*, except those of unusual value, classes A and B explosives, livestock, commodities in bulk, commodities requiring special equipment, household goods as defined by the Commission, emigrant movables, and mining machinery and parts, as a *common carrier*, over irregular routes, between Pittsburg, Kans., on the one hand, and, on the other, points in Kansas and Missouri within 80 miles of Pittsburg. Vendee is authorized to operate as a *common carrier* in Missouri, Kansas, Iowa, and Oklahoma. Application has been filed for temporary authority under section 210a(b).

No. MC–F–10186. Authority sought for control by DANIEL S. FULKERSON, 2215 Izard, Omaha, Nebr. (a noncarrier, whose brother and sister own HOLMES FREIGHT LINES, INC., 3523 L Street, Omaha, Nebr. 68107, which is authorized to operate as a *common carrier* in Iowa, Illinois, and Nebraska), of GREAT PLAINS TRANSPORTATION COMPANY, 2215 Izard, Omaha, Nebr. Applicants' attorney: Donald L. Stern, 630 City National Bank Building, Omaha, Nebr. 68102. Operating rights sought to be controlled: *General commodities*, except those requiring special equipment, as a *common carrier*, over regular routes, between Omaha, Nebr., and McCook, Nebr., serving the intermediate points of Lincoln and Hastings, Nebr., and the intermediate points west of Hastings, restricted against service between Hastings and Heartwell, Nebr., between Holdrege, Nebr., and Eustis, Nebr., serving all intermediate points, between Elwood, Nebr., and Maywood, Nebr., serving all intermediate points, and the off-route point of Orafino, Nebr., between Hastings, Nebr., and Grand Island, Nebr., serving all intermediate points; over one alternate route for operating convenience only; Restriction: The authority granted above to the extent it authorizes the transportation of classes A and B explosives, shall be limited, in point of time, to a period expiring 5 years after April 13, 1965; and *general commodities*, except classes A and B explosives, groceries, and those requiring special equipment, between points in Nebraska within 60 miles of Wilsonville, Nebr., between points in Nebraska within 60 miles of Wilsonville, Nebr., on the one hand, and, on the other, points in Nebraska. Application has not been filed for temporary authority under section 210a(b).

No. MC–F–10187. Authority sought for purchase by O'BOYLE TANK LINES, INCORPORATED, 4848 Cordell Avenue, Washington, D.C. 20014, of (1) the operating rights and property of E. & D. TRANSPORTATION CO., INC., Post Office Box 382, Malvern, Pa. 19355, and (2) the operating rights of ROBERT H. CARR & SONS, INC., Post Office Box 382, Malvern, Pa. 19355, and for acquisition by FRANK L. GRIMM, SARAH F. CARL, and CLARE L. GRIMM, all also of Washington, D.C., of control of such rights and property through the purchase. Applicants' attorneys: William P. Sullivan, 1819 H Street NW., Washington, D.C. 20006, and Edward M. Alfano, 2 West 45th Street, New York, N.Y. 10036. Operating rights sought to be transferred: (1) *Agricultural commodities*, in bulk, as a *common carrier*, over irregular routes, from certain specified points in New Jersey, to Boston, Mass., Providence, R.I., New Haven, Conn., Syracuse and New York, N.Y., certain specified points in Pennsylvania, and Baltimore, Md.; *such commodities* as are used in, or incidental to the preparation, packing, and shipment of canned, frozen, and processed foods, in bulk, from points in Pennsylvania, Delaware, Maryland, New York, Connecticut, Rhode Island, Virginia, Massachusetts, and the District of Columbia, to points in Atlantic and Cumberland Counties, N.J.; *such commodities*, as are used in, or incidental to the preparation, packing, and shipment of canned and processed foods, in bulk, from Meridan, Conn., New York, N.Y., certain specified points in Pennsylvania, Aberdeen and Baltimore, Md., Washington, D.C., and Norfolk, Va., to Swedesboro, N.J.; *lime*, in bulk, from Plymouth Meeting, Pa., to Vineland, N.J.;

Such merchandise as is dealt in by wholesale, retail, and chain grocery and food business houses, in bulk, from New York, N.Y., to Philadelphia, and Norristown, Pa., certain specified points in Maryland, Washington, D.C., certain specified points in Virginia, and points in New Jersey on and south of New Jersey Highway 27, from Philadelphia, Pa., to New York, N.Y.; *processed foods*, in bulk, from certain specified points in New Jersey to points in Pennsylvania, Delaware, Maryland, New York, Connecticut, Rhode Island, Massachusetts, and the District of Columbia; *damaged or rejected shipments of processed foods*, in bulk, from points in Pennsylvania, Delaware, Maryland, New York, Connecticut, Rhode Island, Massachusetts, and the District of Columbia, to certain specified points in New Jersey; *dry sugar*, in bulk, from Montezuma, N.Y., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and the District of Columbia; and *liquid sugar, corn syrup*, and *blends* thereof, in bulk, in tank vehicles, from Ridgely, Md., to points in the District of Columbia, Delaware, Maryland, North Carolina, Virginia, and West Virginia, certain specified points in Pennsylvania, New Jersey, and New York; and (2) *Liquid sugar*, in bulk, in tank vehicles, as a *common carrier*, over irregular routes, from Yonkers, N.Y., to certain specified points in Michigan, from New York, N.Y. (including Yonkers, N.Y.), to certain specified points in Ohio; *vinegar* and *cider stock*, in bulk, in tank vehicles, from Glassboro, N.J., to Rochelle and Chicago, Ill., and Frankfort, Ind.

Cider, vinegar, and *vinegar stock*, in bulk, in tank vehicles, from points in Virginia, West Virginia, and Pennsylvania (except Pittsburgh and points in Erie County), to points in New Jersey; *blends or mixtures of liquid or invert sugar and corn syrup*, in tank vehicles, from Yonkers, N.Y., to certain specified points in Michigan, from New York, N.Y. (including Yonkers, N.Y.), to certain specified points in Ohio; *liquid and invert sugar*, in bulk, in tank vehicles, from Philadelphia, Pa., to points in Michigan; *caramel coloring*, in bulk, in tank vehicles, from Granite City, Ill., and Keokuk, Iowa, to points in New York, Pennsylvania, Connecticut, Massachusetts, and New Jersey, with restriction; *liquid sugar* and *blends or mixtures of liquid or invert sugar and corn syrup*, in bulk, in tank vehicles, from Bayonne, N.J., to certain specified points in Ohio, and Michigan; *liquid and invert sugar*, and *mixtures of liquid and invert sugar and corn syrup*, in bulk, in tank vehicles, from New York, N.Y., and Bayonne, N.J., to points in the District of Columbia, and Virginia (except Berryville, Mount Jackson, Timberville, Winchester, Strasburg, and Front Royal, Va.); *liquid sugar and blends thereof*, in bulk, in tank vehicles, from the plantside of the Cleveland

Syrup Corp., in Cleveland, Ohio, to Pittsburgh, Pa., with restriction; *hydrolyzed vegetable protein*, in bulk, in tank vehicles, from Harbor Beach, Mich., to points in Massachusetts, New York, and Pennsylvania; *corn syrup* and *blends thereof*, from Canton, Ohio, to points in Michigan, Ohio, Pennsylvania, and New York;

Corn syrup and *blends thereof*, in bulk, in tank vehicles, from Penn and Pittsburgh, Pa., to certain specified points in Pennsylvania and New York; *liquid sugar, invert sugar, syrups*, and *blends or mixtures* of syrups and sugar, in bulk, in tank vehicles, from Montezuma, N.Y., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Vermont, Virginia, Rhode Island, West Virginia, and the District of Columbia, with restriction; and *returned, refused, and rejected shipments* of the above specified commodities, from points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Vermont, Virginia, Rhode Island, West Virginia, and the District of Columbia to Montezuma, N.Y., with restriction. Vendee is authorized to operate as a *common carrier* in North Carolina, Virginia, West Virginia, Delaware, Maryland, South Carolina, Georgia, Pennsylvania, New Jersey, New York, Ohio, Tennessee, Kentucky, Illinois, Indiana, Michigan, Minnesota, Missouri, Wisconsin, Massachusetts, Rhode Island, Alabama, Florida, Arkansas, Connecticut, Iowa, Louisiana, Maine, Mississippi, New Hampshire, Vermont, Texas, Oklahoma, and the District of Columbia. Application has been filed for temporary authority under section 210a(b).

No. MC–F–10185. Authority sought for control by THE GREYHOUND CORPORATION (a holding company), 10 South Riverside Plaza, Chicago, Ill. 60606, of CAREY TRANSPORTATION, INC., East Side Airlines Terminal, 645 First Avenue, New York, N.Y. 10016. Applicants' attorneys and representative: J. G. Dail, Jr., 1815 H. Street NW., Washington, D.C. 20006, Robert J. Bernard, 10 South Riverside Plaza, Chicago, Ill. 60606, Harold J. Drescher, 19 West 44th Street, New York, N.Y. 10036, and Joshua Levine, 500 Fifth Avenue, New York, N.Y. Operating rights sought to be controlled: Passengers and their baggage and express in the same vehicle with passengers, as a *common carrier*, over regular routes, between New York, N.Y., and Newark Metropolitan Airport, Newark, N.J., serving no intermediate points. THE GREYHOUND CORPORATION holds no authority from this Commission. However, it controls GREYHOUND LINES, INC., 10 South Riverside Plaza, Chicago, Ill. 60606, which is authorized to operate as a *common carrier* in all States in the United States (except Alaska and Hawaii), and the District of Columbia; and TEXAS, NEW MEXICO AND OKLAHOMA COACHES, INC., 1313 13th Street, Lubbock, Tex. 79401, which is authorized to operate as a *common carrier* in New Mexico and Texas. Application has not been filed for temporary authority under section 210a(b).

TRANSFER APPLICATION UNDER SECTION 212(b) WHICH HAS BEEN DESIGNATED FOR ORAL HEARING

No. FC–70392. Authority sought by transferee, JAMES INNACO, 1963 East Main Street, Bridgeport, Conn. 06610, for transfer of a portion of the operating rights of transferor, JOSEPH MECCA, doing business as MECC'S EXPRESS, 26 Eldridge Street, Portchester, N.Y., 10523. Transferee's representative: William J. Meuser, 101 River Street, Milford, Conn., 06460. Transferor's representative: Sidney L. Goldstein, 109 Church Street, New Haven, Conn. 06510. Portion of operating rights in certificate No. MC–40951 sought to be transferred: General commodities, with the usual exceptions, between Greenwich, Conn., and New York, N.Y., over U.S. Highway 1, serving all intermediate points. The above-entitled transfer application under section 212(b) of the Interstate Commerce Act is to be assigned for oral hearing at a time and place to be fixed for the purpose (1) of determining if transferor has been performing transportation under its to be retained boat and heavy machinery authority, since the proposed split of authorities involves operations between the same points, and may not be in conformity with § 1132.5(a)(1) of the Rules and Regulations Governing Transfers of Operating Rights for the reason that the split would create duplicate operating rights as defined in section 1132.1(c) of said rules, and because, if the proposed separation of rights raised severability problems, applicants indicated a willingness to transfer, without additional compensation, all of the rights of transferor in certificate No. MC–40951, including boats and heavy machinery, and (2) to determine whether the past operations of transferee, being or having been affiliated with Air Cargo, Inc., may have a bearing on the fitness of transferee to acquire the subject operating rights. Interested parties have 30 days from the date of this publication in which to file petitions for leave to intervene. Such petitions should state the reason or reasons for the intervention, where the petitioner wishes the hearing to be held, the number of witnesses it expects to present, and the estimated time required for presentation of its evidence.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary*.

[F.R. Doc. 68–8472; Filed, July 16, 1968; 8:49 a.m.]

NOTICE OF FILING OF MOTOR CARRIER INTRASTATE APPLICATIONS

JULY 12, 1968.

The following applications for motor common carrier authority to operate in intrastate commerce seek concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to section 206(a)(6) of the Interstate Commerce Act, as amended October 15, 1962. These applications are governed by Special Rule 1.245 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of April 11, 1963, page 3533, which provides, among other things, that protests and requests for information concerning the time and place of State Commission hearings or other proceedings, any subsequent changes therein, and any other related matters shall be directed to the State Commission with which the application is filed and shall not be addressed to or filed with the Interstate Commerce Commission.

State Docket No. 5254 (Sub-No. 3), filed June 12, 1968. Applicant: FRANK J. TERRY, doing business as BUS EXPRESS PICKUP & DELIVERY SERVICE CO., 2024 South 17th East Street, Salt Lake City, Utah. Applicant's representative: Miss Irene Warr, 419 Judge Building, Salt Lake City, Utah 84111. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of *packages*, not to exceed 50 pounds per package, between all points and places within Salt Lake, Davis, Utah, and Weber Counties, Utah. Both intrastate and interstate authority sought.

HEARING: Tuesday, September 10, 1968, at 10 a.m., Utah Public Service Commission, Salt Lake City, Utah. Requests for procedural information including the time for filing protests concerning this application should be addressed to the Utah Public Service Commission, Salt Lake City, Utah, and should not be directed to the Interstate Commerce Commission.

State Docket No. MC 21167, filed July 1, 1968. Applicant: CENTRAL OKLAHOMA FREIGHT LINES, INC., 207 North Cincinnati, Tulsa, Okla. Applicant's representatives: Rufus H. Lawson, Post Office Box 75124, Oklahoma City, Okla. 73107, and Glen Ham, First National Building, Pauls Valley, Okla. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of *general commodities*, between Oklahoma City, Okla., and Allen, Okla., via U.S. Highway 270 to its junction with State Highway 48, thence via State Highway 48 to its junction with State Highway 12, thence via State Highway 12 to Allen, Okla., serving the intermediate points of Seminole, Wewoka, Holdenville, and Atwood, Okla., and return over the same route. Between Oklahoma City, Okla., and Calvin, Okla., via U.S. Highway 270 to its junction with State Highway 48, thence via State Highway 48 to its junction with State Highway 12, thence via State Highway 12 to Calvin, Okla., and return over the same route. Between Tulsa, Okla., and Allen, Okla., via U.S. Highway 75 to its junction with State Highway 12, thence via State Highway 12 to Allen, Okla., serving the intermediate points of Calvin and Atwood, Okla., and return over the same route. Both

interstate and intrastate authority is sought.

HEARING: Friday, September 6, 1968, at the Oklahoma Corporation Commission, Oklahoma City, Okla. 73105, at 10 a.m. Requests for procedural information, including the time for filing protests, concerning this application should be addressed to the Oklahoma Corporation Commission, Oklahoma City, Okla. 73105, and should not be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-8473; Filed, July 16, 1968; 8:49 a.m.]

[Notice No. 647]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 11, 1968.

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 of Ex Parte No. MC-67 (49 CFR Part 340), 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 of 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 protests must certify that such service has been made. The protests 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 94755 (Sub-No. 5 TA), filed July 5, 1968. Applicant: FAITOUTE TRUCKING CORPORATION, 546 South Avenue, Garwood, N.J. 07027. Applicant's representative: James V. Cascio, president (same address as firm). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Plastic materials, resins compounds*, in flake, granules, lumps, pellets, powder, in containers, from Raritan Industrial Center, Edison, N.J., to Staten Island, Stony Point, Brooklyn, Bronx, Queens, New York, N.Y., Auburn, and points in Westchester, Nassau, and Suffolk Counties, all in the State of New York. Return movements only for *rejected or unused materials* previously shipped, for 180 days. Supporting shipper: Cary Page Chemicals, Inc., Building 443, Raritan Center, Edison, N.J. 08817. Send protests to: District Supervisor W. J. Grossmann, Bureau of Operations, Interstate Commerce Commission, 970 Broad Street, Newark, N.J. 07102.

No. MC 107403 (Sub-No. 750 TA), filed July 8, 1968. Applicant: MATLACK, INC., 10 West Baltimore Avenue, Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Di secondary butyl peroxy percarbonate*, from Barberton, Ohio, to points in Connecticut, Delaware, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, West Virginia, and to the ports of entry on the United States-Canada boundary line in Montana, for 180 days. Supporting shipper: PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222. Send protests to: Ross A. Davis, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 900 U.S. Customhouse, Second and Chestnut Streets, Philadelphia, Pa. 19106.

No. MC 107558 (Sub-No. 9 TA), filed July 8, 1968. Applicant: ARROW TRANSPORTATION CO., INC., 288 Kinsley Avenue, Providence, R.I. 02903. Applicant's representative: Frank J. Weiner, 536 Granite Street, Braintree, Mass. 02184. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts* (except liquid commodities, in bulk, in tank vehicles) as described in section A of appendix I to the report in *Decriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, between Boston, Mass., and Florence, N.J., for 180 days. Supporting shippers: Colonial Provision Co., Inc., 1100 Massachusetts Avenue, Boston, Mass. 02125; General Meat Products Co., Inc., 48 Newmarket Square, Boston, Mass. 02118. Send protests to: Gerald H. Curry, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 187 Westminster Street, Providence, R.I. 02903.

No. MC 111435 (Sub-No. 33 TA) filed July 5, 1968. Applicant: C & E TRUCKING CORPORATION, Rural Delivery 3, Box 42, Saugerties, N.Y. 12477. Applicant's representatives: Zelby & Burstein, 160 Broadway, New York, N.Y. 10038. Authority sought to operate as a contract *carrier*, by motor vehicle, over irregular routes, transporting: *Flavorings and flavoring syrup* (except liquid chocolate, liquid chocolate coatings, liquor, cocoa butter, and liquid vegetable oil coatings), and *liquid sugar, invert sugar, and blends and mixtures of liquid and/or invert sugar and corn syrup*, in bulk, in tank vehicles, from New York and Yonkers, N.Y., to points in Delaware and Maryland, under contract with SuCrest Corp., for 150 days. Supporting shipper: SuCrest Corp., 120 Wall Street, New York, N.Y. 10005. Send protests to: Charles F. Jacobs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 518 Federal Building, Albany, N.Y. 12207.

No. MC 116949 (Sub-No. 12 TA), filed July 8, 1968. Applicant: BURNS TRUCKING, INC., Route No. 1, South Sioux City, Nebr. 68776. Applicant's representative: Paul W. Deck, 222 Davidson Building, Sioux City, Iowa 51101. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *New, used, and/or wrecked semitrailers, parts and equipment therefor*, between the plantsite of Transcraft Corp. at or near Anna, Ill., on the one hand, and on the other, points in the United States including the District of Columbia, for 150 days. Supporting shipper: Transcraft Corp., Post Office Drawer 500, Anna, Ill. 62906. Send protests to: Carroll Russell, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 304 Post Office Building, Sioux City, Iowa 51101.

No. MC 129421 (Sub-No. 2 TA), filed July 8, 1968. Applicant: TRAILER EXPRESS, INC., 12427 Rush Street, El Monte, Calif. 91733. Applicant's representative: Ernest D. Salm, 3846 Evans Street, Los Angeles, Calif. 90027. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger vehicles, restricted to those not exceeding 40 feet in length and 8 feet in width, from points in Orange and Los Angeles Counties, Calif., to points in Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming, for 180 days. Supporting shippers: Boles Aero Inc., 8358 San Fernando Road, Post Office Box 67, Sun Valley, Calif. 91352; Fleetwood Enterprises, Inc., Post Office Box 7638, Riverside, Calif. 92503; Ideal Industries, Inc., 2328 Chico Avenue, El Monte, Calif. 91733; Kenskill Trailer Corp., 11321 Goss Street, Sun Valley, Calif. 91352; Shasta Trailer Co., 9401 Tampa Avenue, Northridge, Calif. 91326; Terry Coach Industries, Inc., 1419 Potrero Avenue, South El Monte, Calif. 91733; Traveleze Trailer Co., Inc., 11473 Penrose Street, Sun Valley, Calif. 91352. Send protests to: John E. Nance, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 7708, Federal Building, 300 North Los Angeles Street, Los Angeles, Calif. 90012.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-8474; Filed, July 16, 1968; 8:49 a.m.]

[Notice 173]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 12, 1968.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), 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-70553. By order of July 10, 1968, the Transfer Board, on reconsideration, approved the transfer to Forest Transport, Inc., Princeton, Idaho, of the operating rights in certificate No. MC-51837 (Sub-No. 1) issued June 8, 1966, to Russell Bailey, Potlatch, Idaho, authorizing the transportation of livestock, agricultural commodities, building materials, and household goods, between specified points in Idaho and Washington. Robert T. Felton, 114 East Third Street, Moscow, Idaho 83843; attorney for applicants.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 68-8475; Filed, July 16, 1968; 8:49 a.m.]

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Wednesday, July 17, 1968 • Washington, D.C.

PART II

DEPARTMENT OF LABOR

Bureau of Employment Security

HOUSING FOR AGRICULTURAL WORKERS



Notice of
Proposed Rule Making

DEPARTMENT OF LABOR

Bureau of Employment Security

[20 CFR Parts 602, 620]

HOUSING FOR AGRICULTURAL WORKERS

Notice of Proposed Rule Making

Pursuant to the Wagner-Peyser Act (29 U.S.C. 49 et seq.) and Reorganization Plan No. 2 of 1949 (3 CFR 1949–53 Comp., p. 998), I hereby propose to amend Chapter V of Title 20 of the Code of Federal Regulations by establishing a new Part 620 and by revising paragraph (d) of § 602.9, both to read as set forth below.

Interested persons may within 15 days after publication of this proposal in the FEDERAL REGISTER, mail written statements of data, views, or argument concerning it to the Secretary of Labor, U.S. Department of Labor, Washington, D.C. 20210.

1. As revised § 602.9(d) would read as follows:

§ 602.9 Interstate recruitment of agricultural workers.

No order for recruitment of domestic agricultural workers shall be placed into interstate clearance unless:

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(d) The State has ascertained that housing and facilities which comply with the provisions of Part 620 of this chapter are available.

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(48 Stat. 117, as amended; 29 U.S.C. 49k)

PART 620—HOUSING FOR AGRICULTURAL WORKERS

2. The new Part 620 would read as follows:

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AUTHORITY: The provisions of this Part 620 issued under 48 Stat. 117, as amended; 29 U.S.C. 49k.

EXPLANATION

§ 620.1 Purpose and scope.

(a) The Bureau of Employment Security, Manpower Administration, of the U.S. Department of Labor has established facilities to assist agricultural employers in recruiting workers from places outside the State of intended employment. The experiences of the Bureau indicate that employees so referred have on many occasions been provided with inadequate, unsafe, and unsanitary housing facilities. To discourage this practice the Bureau has established a policy of denying its interstate agricultural recruitment services to employers until the State agency affiliated with the U.S. Employment Service which receives the order for interstate recruitment has ascertained that housing and facilities: (1) Are available; (2) are hygienic and adequate to the climatic conditions of the area of employment; (3) are large enough to accommodate the agricultural workers sought; and (4) will not endanger the lives, health, or safety of workers and their families.

(b) In order to implement this policy, interstate recruitment services will be denied if the housing facilities intended for use by the worker or workers and their families fail to comply (1) with an applicable State or local law or regulation concerning safety, health, or sanitation, or (2) with the minimum standards set forth in this Part 620, whichever is more stringent.

(c) The services of the Bureau will also be denied when there exists an insanitary or hazardous condition not contemplated by applicable State or local law or the standards contained in this part, or where past failures to provide safe and sanitary housing indicate that the employer cannot be relied upon to comply with this part.

(d) In establishing this code, due consideration has been given to short term or temporary occupancy. The standards set forth in this part are minimum standards used to determine whether conditions are so inadequate as to require the Bureau to withhold services generally made available upon request. These standards should not in any way discourage (1) voluntary institution of higher standards by employers or their associations, (2) the institution and enforcement of adequate standards by appropriate authorities for the maintenance of safe and sanitary conditions for workers throughout the period of employment, and (3) the institution and enforcement of more stringent standards by other governmental agencies with regulatory authority.

§ 620.2 Amendments.

(a) Any interested person may at any time file a petition for a change in the regulations contained in this part with the Administrator of the Bureau of Employment Security, Manpower Administration, U.S. Department of Labor, Washington, D.C. 20210.

(b) Any interested persons and organizations are invited to cooperate with the Bureau of Employment Security by submitting suggestions and requests and to provide information to the Bureau concerning the problems of safety and sanitation in housing for agricultural workers. In addition, the Director of the Farm Labor Service of the Bureau of Employment Security shall have authority to obtain information by calling conferences to which he may invite various persons who have had experience or expert knowledge concerning this matter.

§ 620.3 Variations.

(a) The Administrator of the Bureau of Employment Security may from time to time grant written permission to individual employers to vary from particular provisions set forth in this part when the extent of the variation is clearly specified and it is demonstrated to his satisfaction that (1) such variation is necessary to obtain a beneficial use of an existing facility, (2) the variation is necessary to prevent a practical difficulty or unnecessary hardship, and (3) appropriate alternative measures have been taken to protect the health and safety of the employee and assure that the purpose of the provisions from which variation is sought will be observed.

(b) Written application for such variations shall be filed with the State employment security office serving the area in which the employment is to take place. No such variation shall be effective until granted in writing by the Administrator.

HOUSING STANDARDS

§ 620.4 Housing site.

(a) Housing sites shall be well drained and free from depressions in which water may stagnate. They shall be located where the disposal of sewage is provided in a manner which neither creates nor is likely to create a nuisance, or a hazard to health.

(b) Housing shall not be subject to, or in proximity to conditions that create or are likely to create offensive odors, flies, noise, traffic, or any similar hazards.

(c) Grounds within the housing site shall be free from debris, noxious plants (poison ivy, etc.) and uncontrolled weeds or brush.

(d) The housing site shall provide a space for recreation reasonably related to the size of the facility and the type of occupancy.

§ 620.5 Water supply.

(a) An adequate and convenient supply of water that meets the standards of the State health authority shall be provided.

(b) A cold water tap shall be available within 100 feet of each individual living unit when water is not provided in the unit. Adequate drainage facilities shall be provided for overflow and spillage.

(c) Common drinking cups shall not be permitted.

§ 620.6 Excreta and liquid waste disposal.

(a) Facilities shall be provided and maintained for effective disposal of excreta and liquid waste. Raw or treated liquid waste shall not be discharged or allowed to accumulate on the ground surface.

(b) Where public sewer systems are available, all facilities for disposal of excreta and liquid wastes shall be connected thereto.

(c) Where public sewers are not available, a subsurface septic tank-seepage system or other type of liquid waste

treatment and disposal system, privies or portable toilets shall be provided. Any requirements of the State health authority shall be complied with.

§ 620.7 Housing.

(a) Housing shall be structurally sound, in good repair, in a sanitary condition and shall provide protection to the occupants against the elements.

(b) Housing shall have flooring constructed of rigid materials, smooth finished, readily cleanable, and so located as to prevent the entrance of ground and surface water.

(c) The following space requirements shall be provided:

(1) For sleeping purposes only in family units and in dormitory accommodations using single beds, not less than 50 square feet of floor space per occupant;

(2) For sleeping purposes in dormitory accommodations using double bunk beds only, not less than 40 square feet per occupant;

(3) For combined cooking, eating, and sleeping purposes not less than 60 square feet of floor space per occupant.

(d) Housing used for families with one or more children over 6 years of age shall have a room or partitioned sleeping area for the husband and wife. The partition shall be of rigid materials and installed so as to provide reasonable privacy.

(e) Separate sleeping accommodations shall be provided for each sex or each family.

(f) Adequate and separate arrangements for hanging clothing and storing personal effects for each person or family shall be provided.

(g) At least one-half of the floor area in each living unit shall have a minimum ceiling height of 7 feet. No floor space shall be counted toward minimum requirements where the ceiling height is less than 5 feet.

(h) Each habitable room (not including partitioned areas) shall have at least one window or skylight opening directly to the out-of-doors. The minimum total window or skylight area, including windows in doors, shall equal at least 10 percent of the usable floor area. The total openable area shall equal at least 45 percent of the minimum window or skylight area required, except where comparably adequate ventilation is supplied by mechanical or some other method.

§ 620.8 Screening.

(a) All outside openings shall be protected with screening of not less than 16 mesh.

(b) All screen doors shall be tight fitting, in good repair, and equipped with self-closing devices.

§ 620.9 Heating.

(a) All living quarters and service rooms shall be provided with properly installed, operable heating equipment capable of maintaining a temperature of at least 68° F. if during the period of normal occupancy the temperature in such quarters falls below 68°.

(b) Any stoves or other sources of heat utilizing combustible fuel shall be installed and vented in such a manner as to prevent fire hazards and a dangerous concentration of gases. No portable heaters other than those operated by electricity shall be provided. If a solid or liquid fuel stove is used in a room with wooden or other combustible flooring, there shall be a concrete slab, insulated metal sheet, or other fireproof material on the floor under each stove, extending at least 18 inches beyond the perimeter of the base of the stove.

(c) Any wall or ceiling within 18 inches of a solid or liquid fuel stove or a stovepipe shall be of fireproof material. A vented metal collar shall be installed around a stovepipe, or vent passing through a wall, ceiling, floor or roof.

(d) When a heating system has automatic controls, the controls shall be of the type which cut off the fuel supply upon the failure or interruption of the flame or ignition, or whenever a predetermined safe temperature or pressure is exceeded.

§ 620.10 Electricity and lighting.

(a) All housing sites shall be provided with electric service.

(b) Each habitable room and all common use rooms, and areas such as: Laundry rooms, toilets, privies, hallways, stairways etc., shall contain adequate ceiling or wall-type light fixtures. At least one wall-type electrical convenience outlet shall be provided in each individual living room.

(c) Adequate lighting shall be provided for the yard area, and pathways to common use facilities.

(d) All wiring and lighting fixtures shall be installed and maintained in a safe condition.

§ 620.11 Toilets.

(a) Toilets shall be constructed, located and maintained so as to prevent any nuisance or public health hazard.

(b) Water closets or privey seats for each sex shall be in the ratio of not less than one such unit for each 15 occupants, with a minimum of one unit for each sex in common use facilities.

(c) Urinals, constructed of nonabsorbent materials, may be substituted for men's toilet seats on the basis of one urinal or 24 inches of trough-type urinal for one toilet seat up to a maximum of one-third of the required toilet seats.

(d) Except in individual family units, separate toilet accommodations for men and women shall be provided. If toilet facilities for men and women are in the same building, they shall be separated by a solid wall from floor to roof or ceiling. Toilets shall be distinctly marked "men" and "women" in English and in the native language of the persons expected to occupy the housing.

(e) Where common use toilet facilities are provided, an adequate and accessible supply of toilet tissue, with holders, shall be furnished.

(f) Common use toilets and privies shall be well lighted and ventilated and shall be clean and sanitary.

(g) Toilet facilities shall be located within 200 feet of each living unit.

(h) Privies shall not be located closer than 50 feet from any living unit or any facility where food is prepared or served.

(i) Privy structures and pits shall be fly tight. Privy pits shall have adequate capacity for the required seats.

§ 620.12 Bathing, laundry, and handwashing.

(a) Bathing and handwashing facilities, supplied with hot and cold water under pressure, shall be provided for the use of all occupants. These facilities shall be clean and sanitary and located within 200 feet of each living unit.

(b) There shall be a minimum of 1 showerhead per 15 persons. Showerheads shall be spaced at least 3 feet apart, with a minimum of 9 square feet of floor space per unit. Adequate, dry dressing space shall be provided in common use facilities. Shower floors shall be constructed of nonabsorbent, nonskid materials and sloped to properly constructed floor drains. Except in individual family units, separate shower facilities shall be provided each sex. When common use shower facilities for both sexes are in the same building they shall be separated by a solid nonabsorbent wall extending from the floor to ceiling, or roof, and shall be plainly designated "men" or "women" in English and in the native language of the persons expected to occupy the housing.

(c) Lavatories or equivalent units shall be provided in a ratio of 1 per 15 persons.

(d) Laundry facilities, supplied with hot and cold water under pressure, shall be provided for the use of all occupants. Laundry trays or tubs shall be provided in the ratio of 1 per 25 persons. Mechanical washers may be provided in the ratio of 1 per 50 persons in lieu of laundry trays, although a minimum of 1 laundry tray per 100 persons shall be provided in addition to the mechanical washers.

§ 620.13 Cooking and eating facilities.

(a) When workers or their families are permitted or required to cook in their individual unit, a space shall be provided and equipped for cooking and eating. Such space shall be provided with: (1) A cookstove or hot plate with a minimum of two burners; and (2) adequate food storage shelves and a counter for food preparation; and (3) provisions for mechanical refrigeration of food at a temperature of not more than 45° F.; and (4) a table and chairs or equivalent seating and eating arrangements, all commensurate with the capacity of the unit; and (5) adequate lighting and ventilation.

(b) When workers or their families are permitted or required to cook and eat in a common facility, a room or building separate from the sleeping facilities shall be provided for cooking and eating. Such room or building shall be provided with: (1) Stoves or hot plates, with a minimum equivalent of two burners, in a ratio of 1 stove or hot plate to 10 persons, or 1 stove or hot plate to

2 families; and (2) adequate food storage shelves and a counter for food preparation; and (3) mechanical refrigeration for food at a temperature of not more than 45° F.; and (4) tables and chairs or equivalent seating adequate for the intended use of the facility; and (5) adequate sinks with hot and cold water under pressure; and (6) adequate lighting and ventilation; and (7) floors shall be of nonabsorbent, easily cleaned materials.

(c) When central mess facilities are provided, the kitchen and mess hall shall be in proper proportion to the capacity of the housing and shall be separate from the sleeping quarters. The physical facilities, equipment and operation shall be in accordance with provisions of applicable State codes.

(d) Wall surface adjacent to all food preparation and cooking areas shall be of nonabsorbent, easily cleaned material. In addition, the wall surface adjacent to cooking areas shall be of fire-resistant material.

§ 620.14 Garbage and other refuge.

(a) Durable, fly-tight, clean containers in good condition of a minimum capacity of 20 gallons, shall be provided adjacent to each housing unit for the storage of garbage and other refuse. Such containers shall be provided in a minimum ratio of 1 per 15 persons.

(b) Provisions shall be made for collection of refuse at least twice a week, or more often if necessary. The disposal of refuse, which includes garbage, shall be in accordance with State and local law.

§ 620.15 Insect and rodent control.

Housing and facilities shall be free of insects, rodents and other vermin.

§ 620.16 Sleeping facilities.

(a) Sleeping facilities shall be provided for each person. Such facilities shall consist of comfortable beds, cots or bunks, provided with clean mattresses.

(b) Any bedding provided by the housing operator shall be clean and sanitary.

(c) Triple deck bunks shall not be provided.

(d) The clear space above the top of the lower mattress of a double deck bunk and the bottom of the upper bunk shall be a minimum of 27 inches. The distance from the top of the upper mattress to the ceiling shall be a minimum of 36 inches.

(e) Beds used for double occupancy may be provided only in family accommodations.

§ 620.17 Fire, safety, and first aid.

(a) All buildings in which people sleep or eat shall be constructed and maintained in accordance with applicable State or local fire and safety laws.

(b) In family housing and housing units for less than 10 persons, of one story construction, two means of escape shall be provided. One of the two required means of escape may be a readily accessible window with an openable space of not less than 24 x 24 inches.

(c) All sleeping quarters intended for use by 10 or more persons, central dining facilities, and common assembly rooms shall have at least two doors remotely separated so as to provide alternate means of escape to the outside or to an interior hall.

(d) Sleeping quarters and common assembly rooms on the second story shall have a stairway, and a permanent, affixed exterior ladder or a second stairway.

(e) Sleeping and common assembly rooms located above the second story shall comply with the State and local fire and building codes relative to multiple story dwellings.

(f) Fire extinguishing equipment shall be provided and located not more than 100 feet from each housing unit. Such equipment shall provide protection equal to that furnished by one 5-pound carbon dioxide or one 4-pound dry-powder fire extinguisher.

(g) First aid facilities shall be provided and readily accessible for use at all time. Such facilities shall be equivalent to the 16 unit first aid kit recommended by the American Red Cross, and provided in a ratio of 1 per 50 persons.

(h) No flammable or volatile liquids or materials shall be stored in or adjacent to rooms used for living purposes, except for those needed for current household use.

(i) Agricultural pesticides and toxic chemicals shall not be stored in the housing area.

Signed at Washington, D.C., this 10th day of July 1968.

WILLARD WIRTZ,
Secretary of Labor.

[F.R. Doc. 68-8426; Filed, July 16, 1968; 8:46 a.m.]