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PART I

(Part II begins on page 23601)

HIGHLIGHTS OF THIS ISSUE

This listing does not affect the legal status of any document published in this issue. Detailed table of contents appears inside.

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FEDERAL REGISTER

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List of CFR Parts Affected

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

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1972, and specifies how they are affected.

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter XI—U.S. Soldiers' and Airmen's Home

CHANGE IN TITLE

By action of the Secretary of Defense, copy enclosed,[1] the title of the U.S. Soldiers' Home has been changed to "United States Soldiers' and Airmen's Home," effective September 7, 1972. To effect this change the chapter heading is amended to read as set forth above, and wherever in the regulations the term "United States Soldiers' Home," appears the term "United States Soldiers' and Airmen's Home" should be inserted.

CHARLES F. DUPONT,
Lt. Colonel, USAF (Ret.), Secretary, Board of Commissioners, United States Soldiers' and Airmen's Home.

[FR Doc.72-18946 Filed 11-3-72;8:47 am]

Title 6—ECONOMIC STABILIZATION

Chapter III—Price Commission

PART 300—PRICE STABILIZATION

Acquisition and Divestitures of Entities; Correction

The document amending Part 300 of the regulations of the Price Commission and captioned "Acquisition and Divestitures of Entities," published in the FEDERAL REGISTER on October 4, 1972 (37 F.R. 20828) is corrected by substituting the words "including adjustment" for the words "or to allow a restatement" in § 300.355(a), and by substituting the words "legal person" for the words "legal entity" in § 300.375(a)(4).

(Economic Stabilization Act of 1970, as amended, Public Law 91-379, 84 Stat. 799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 13; Public Law 92-15, 85 Stat. 38; Economic Stabilization Act Amendments of 1971, Public Law 92-210; Executive Order No. 11640, 37 F.R. 1213, January 27, 1972; Cost of Living Council Order No. 4, 36 F.R. 20202, October 16, 1971)

By direction of the Commission.

Issued in Washington, D.C., on November 2, 1972.

JAMES B. MINOR,
General Counsel, Price Commission.

[FR Doc.72-19038 Filed 11-3-72;8:53 am]

[1] Filed as part of the original document.

PART 305—PROCEDURAL REGULATIONS

Miscellaneous Amendments

The purpose of these amendments to §§ 305.37 and 305.38 of the regulations of the Price Commission is to provide needed procedural flexibility to set a hearing date for a reconsideration by the Commission and for the submission of a report of that hearing to the Commission, and to expand the applicability of § 305.38 to include requests for modification or rescission.

Since these amendments involve procedural rules of the Commission, further notice and public procedure thereon are unnecessary, and they may be adopted in less than 30 days after publication in the FEDERAL REGISTER.

(Economic Stabilization Act of 1970, as amended, Public Law 91-379, 84 Stat. 799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 13; Public Law 92-15, 85 Stat. 38; Economic Stabilization Act Amendments of 1971, Public Law 92-210; Executive Order No. 11640, 37 F.R. 1213, January 27, 1972; Cost of Living Council Order No. 4, 36 F.R. 20202, October 16, 1971)

In consideration of the foregoing, Part 305 of Title 6 of the Code of Federal Regulations is amended as set forth below, effective November 2, 1972.

Issued in Washington, D.C., on November 2, 1972.

By direction of the Commission.

JAMES B. MINOR,
General Counsel, Price Commission.

1. Paragraph (a) of § 305.37 is amended by substituting the words "as expeditiously as possible after" for the words "within 10 days of" appearing in that paragraph.

2. Paragraph (d) of § 305.37 is amended by substituting the words "Where administratively feasible, within 10 days" for the words "Within 10 days" appearing at the beginning of that paragraph.

3. Section 305.38 is amended by adding the words "modification, or rescission," immediately after the word "reconsideration," appearing in the introductory clause of that section.

[FR Doc.72-19008 Filed 11-3-72;8:53 am]

Rulings—Internal Revenue Service, Department of the Treasury

[Price Commission Ruling 1972-272]

DETERMINING BASE RENT WHERE RENT PAYMENTS ARE FORGIVEN

Price Commission Ruling

Facts. On July 1, 1971, a tenant signs a 12-month lease for $100 per month. Possession is given on July 1, 1971, however, in consideration for having signed the lease, the $100 payments do not begin until September 1, 1971. On August 1, 1972, the landlord wishes to enter into a new lease on the residence for $100. Except for the 2½-percent authorized increase, no rent adjustments are authorized under Economic Stabilization Regulations, § 301.101, 37 F.R. 13226 (1972). The landlord does not intend to forgive the first month's rent; the payments begin on August 1, 1972.

Issue. May the landlord charge $100 under the new lease?

Ruling. No. Base rent is $85.71. Economic Stabilization Regulations, § 301.201, 37 F.R. 13226 (1972) indicates that base rent is the rent charged (converted to a monthly basis) in the most recent rent payment interval before August 15, 1971. Economic Stabilization Regulations, § 301.3, 37 F.R. 13226 (1972), relating to discounts in the case of forgiveness of any rent payment, gives the method for converting rent to a monthly basis. Under § 301.3 monthly rent so converted is $85.71

$$\frac{(12\times\$100)}{14}.$$

Thus, the rent charged in the most recent rent payment interval before August 15, 1971, is $85.71, and any increase beyond 2½ percent of base rent is unauthorized under the regulations.

This ruling has been approved by the General Counsel of the Price Commission.

LEE H. HENKEL, Jr.,
Chief Counsel, Internal Revenue Service.

Approved: October 30, 1972.

SAMUEL R. PIERCE, Jr.,
General Counsel, Department of the Treasury.

[FR Doc.72-18956 Filed 11-3-72;8:52 am]

[Price Commission Ruling 1972-273]

LOW PROFIT FIRM—SERVICE ORGANIZATION

Price Commission Ruling

Facts. P is a service organization. P also owns 100 percent interest in S and R. S is a service organization. R is a retailer. P, S, and R maintain consolidated financial statements on a calendar year basis. P produced revenues of $1 million in 1971. In the same year S produced revenues of $7 million and R produced $2 million. During its most recently ended fiscal year, S had a profit margin of less than 1 percent.

Issue. May the entity S or the group of entities P, S, and R, qualify for the

service organization low-profit firm provisions of the Economic Stabilization Regulations?

Ruling. No. For the purposes of the low-profit provisions, the firm is considered to include the entities P, S, and R, and not the entity S standing alone.

Section 300.32(a) provides in part that "low profit firm" means any service organization which during its most recently ended fiscal year, obtained at least 90 percent of its revenues from the furnishing of services. Economic Stabilization Regulations, § 300.32(a), 37 F.R. 10943 (1972). Firm means any entity however organized, and includes any entity that is part of or is directly or indirectly controlled by the firm. Economic Stabilization Regulations, 6 CFR 101.2 (1972). In the present case, the firm is considered to include entities P, S, and R. Consequently, S may not qualify for low-profit treatment because it is not considered to be the firm. During the firm's most recently completed fiscal year only 80 percent of its revenues was obtained from furnishing services. Consequently, the firm does not qualify as a low-profit firm because it failed to obtain more than 90 percent of its revenues from services. However, a firm which does not qualify under § 300.31 or 300.32, but believes that its situation nevertheless warrants relief may apply for an exception.

This ruling has been approved by the General Counsel of the Price Commission.

Dated: October 31, 1972.

LEE H. HENKEL, Jr.,
Chief Counsel,
Internal Revenue Service.

Approved: October 31, 1972.

SAMUEL R. PIERCE, Jr.,
General Counsel,
Department of the Treasury.

[FR Doc.72-18957 Filed 11-3-72;8:53 am]

[Price Commission Ruling 1972-274]

EFFECT OF PARENT FIRM'S FAILURE TO PRENOTIFY A PRICE INCREASE BY A CONTROLLED SUBSIDIARY

Price Commission Ruling

Facts. Corporation A, a prenotification firm, is a manufacturer which controls two manufacturing subsidiaries, B and C. On June 1, 1972, Corporation A properly requested approval of the Price Commission to increase the prices of certain of the products manufactured and sold by subsidiary B. The Commission approved the request on June 15, 1972, but on July 1, 1972, before the approved price increases were put into effect, subsidiary C improperly increased prices without prenotification in violation of Economic Stabilization Regulations, 6 CFR 300.51(a) (1972).

Issue. Can subsidiary B increase its prices after July 1, 1972, pursuant to the Commission's approval of June 15, 1972?

Ruling. No. Economic Stabilization Regulations, § 300.53, 37 F.R. 13716 (1972) provides, among other things, that a person which fails to file a report or other document required by Economic Stabilization Regulations, 6 CFR 300.51 (1972) "may not implement any further price increases until he has complied with that reporting requirement and has obtained the specific approval of the Price Commission." Since the "person" which failed to prenotify the Commission, with respect to subsidiary C's price increases, was corporation A, it is the "person" to which § 300.53 applies and under that section, neither corporation A nor any of its subsidiaries may implement any further price increases until subsidiary C's increase has been properly prenotified and approved by the Commission and the Commission has approved other increases by the corporation. Further price increases are not authorized under § 300.53(a), until Commission approval is granted, even if they were previously approved by the Commission, but not yet instituted.

This ruling has been approved by the General Counsel of the Price Commission.

Dated: November 1, 1972.

LEE H. HENKEL, Jr.,
Chief Counsel,
Internal Revenue Service.

Approved: November 1, 1972.

SAMUEL R. PIERCE, Jr.,
General Counsel,
Department of the Treasury.

[FR Doc.72-18958 Filed 11-3-72;8:53 am]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Animal and Plant Health Inspection Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS (INCLUDING POULTRY) AND ANIMAL PRODUCTS

PART 75—COMMUNICABLE DISEASES IN HORSES, ASSES, MULES, AND ZEBRAS

Release of Area Quarantined and Deletion of Provisions Relating to Venezuelan Equine Encephalomyelitis

Pursuant to provisions of the Act of May 29, 1884, as amended, the Act of February 2, 1903, as amended, and the Act of March 3, 1905, as amended (21 U.S.C. 111-113, 115, 117, 120, 121, 123-126), Part 75, Title 9, Code of Federal Regulations, restricting the interstate movement of horses, asses, mules, and zebras, is hereby amended in the following respects:

In Part 75 the center heading "Venezuelan Equine Encephalomyelitis" and § 75.4 are deleted.

(Secs. 4-7, 23 Stat. 32, as amended; secs. 1 and 2, 32 Stat. 791-792, as amended; secs. 1-4, 33 Stat. 1264, 1265, as amended; 21 U.S.C. 111-113, 115, 117, 120, 121, 123-126; 29 F.R. 16210, as amended, 36 F.R. 20707, 21529, 21530, 37 F.R. 6327, 6505)

Effective date. The foregoing amendment shall become effective upon issuance. However, this action does not affect any violation that occurred, liability that was incurred or right that accrued prior to said date.

The amendment excludes Texas from the areas quarantined because of Venezuelan equine encephalomyelitis, and terminates the notice relating to the existence of Venezuelan equine encephalomyelitis and/or the vector of said disease and the other provisions in § 75.4 providing for quarantine and restrictions upon the interstate movement of horses, asses, mules, and zebras from quarantined areas. No area in the United States remains under quarantine.

The amendment relieves certain restrictions presently imposed but no longer deemed necessary to prevent the spread of Venezuelan equine encephalomyelitis, and must be made effective immediately to be of maximum benefit to affected persons. It does not appear that public participation in this rulemaking proceeding would make additional information available to the Department. Accordingly, under the administrative procedure provisions in 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 unnecessary, and good cause is found for making it effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 31st day of October 1972.

G. H. WISE,
Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc.72-18969 Filed 11-3-72;8:52 am]

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

PART 265—RULES REGARDING DELEGATION OF AUTHORITY

Bank Acquisitions by Holding Companies

By order dated August 19, 1971, the Board delegated to the Reserve Banks authority to approve applications for the formation of one-bank holding companies, retaining exclusive authority to deny such applications. On August 20, 1971, by letter to the Reserve Banks, the Board established certain guidelines for the use of those Banks in exercising the authority delegated to them by the Board's order of August 19, 1971.

Thereafter, the Board received comments from various persons to the effect that the guidelines were being applied in

a manner more restrictive than desirable and that the guidelines were having an undue adverse effect upon the transferability of bank stock. In order to explore these questions, the Board, by order of May 26, 1972, ordered that an oral presentation before available members of the Board be held on June 28, 1972. Upon consideration of material presented orally at that proceeding and through written submissions, the Board has decided to revise the guidelines and to incorporate them into the Board's rules regarding delegation of authority.

In adopting these guidelines, the Board emphasized that they are intended to expedite one-bank holding company formations by establishing general standards as set forth therein that will be used by a Reserve Bank under delegated authority to approve such applications. Applications not meeting such standards will be forwarded to the Board for further consideration. The Board noted that the standards as adopted are to be subject to continuing analysis and review. Amendments may be made if experience indicates that such changes are necessary or appropriate.

To accomplish this delegation, § 265.2 (f)(22) of the Board's rules regarding delegation of authority is amended to read as follows:

§ 265.2 Specific functions delegated to Board employees and Federal Reserve Banks.

* * * * *

(f) Each Federal Reserve Bank is authorized, as to member banks or other indicated organizations headquartered in its district:

* * * * *

(22) Under the provisions of section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the acquisition by a company of a controlling interest in the voting shares of one bank, if all of the following conditions are met:

(i) No objection to the proposed acquisition has been made by the bank's supervisory authority,

(ii) No significant policy issue is raised by the proposal as to which the Board has not expressed its views,

(iii) Neither the holding company nor any of its subsidiaries or affiliates is engaged in any activities other than those specifically permissible for bank holding companies by either the Act or Part 225 of this chapter (Regulation Y),

(iv) Any offer to acquire shares of the bank will be extended to all shareholders of the same class on a substantially equal basis,[3]

(v) In the event any debt is incurred by the holding company to purchase shares of the bank: (*a*) The amount of the loan does not exceed 75 percent of the purchase price of the shares of the proposed subsidiary bank; (*b*) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years; (*c*) the interest rate on any loan to purchase the bank shares will be comparable with other stock collateral loans by the lender to persons of comparable credit standing; (*d*) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the proposed subsidiary bank will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the proposed subsidiary bank; (*e*) the Reserve Bank determines that the managerial and financial resources including the equity capital accounts[3] of the proposed subsidiary bank are adequate, or will be adequate within a reasonable period of time after the bank is acquired, and any debt service requirements to which the proposed holding company may be subject are such as to enable it to maintain the capital adequacy of the proposed subsidiary bank in the foreseeable future.[4]

* * * * *

Effective date. This amendment is effective with respect to applications received by the Reserve Banks after the date of this order.

By order of the Board of Governors, October 30, 1972.

[SEAL] TYNAN SMITH,
Secretary of the Board.

[FR Doc.72-18936 Filed 11-3-72;8:51 am]

[3] Less than all of the outstanding shares of the bank may be acquired provided that where a greater number of shares are tendered than are proposed to be purchased, the offeror will purchase the shares tendered on a pro rata basis (except for fractional interests) according to the number of shares tendered by each shareholder. Where an offer is not identical to all shareholders, the burden is on the applicant to demonstrate the substantial equivalence of the offers extended.

[3] The term "equity capital accounts" means capital stock, surplus, undivided profits, and reserves for contingencies, and other capital reserves.

[4] This delegation includes authority to approve (a) a merger transaction under the provisions of section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) and (b) an application, under section 9 of the Federal Reserve Act (12 U.S.C. 321), for membership in the Federal Reserve System that are incidental to an application to become a one-bank holding company.

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 72-CE-33-AD; Amdt. 39-1551]

PART 39—AIRWORTHINESS DIRECTIVES

Cessna Models 336 and 337 Airplanes

AD 72-3-3 applicable to certain models of Cessna airplanes is an airworthiness directive which provides for modification of the flap actuator system and requires repetitive inspections and certain maintenance of the actuator jack screw until said modification is accomplished. This modification, which consists of an improved flap system developed by the manufacturer, eliminates any possibility of sudden flap retraction due to actuator malfunction and insures proper functioning of the electrical wing flap actuator. AD 72-3-3 is not applicable to Cessna Models 336 and 337 airplanes. It has now been determined that these airplanes have the same or similar unmodified flap system utilizing the same components as those airplanes to which AD 72-3-3 is applicable. Accordingly, in the interest of safety a new AD is being issued, applicable to Cessna Models 336 and 337 airplanes, which will require modification of the flap actuator system on or before April 1, 1973, in accordance with applicable manufacturer's service instructions and will impose repetitive inspection and maintenance requirements with respect to the actuator jack screw until the modification has been accomplished.

Since a situation exists which requires expeditious adoption of the amendment, notice and public procedure hereon are impracticable and good cause exists for making the amendment effective in less than 30 days.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator 14 CFR 11.89 (31 F.R. 13697), § 39.13 of the Federal Aviation Regulations is amended by adding the following new AD.

CESSNA. Applies to Models 336 (Serial Nos. 336-0001 through 336-0195) and 337 (Serial Nos. 337-0001 through 337-0239) airplanes.

Compliance: Required as indicated, unless already accomplished.

To prevent inadvertent retraction of wing flap and to insure positive operation of the electrical wing flap actuators, accomplish the following:

A. On all aircraft with more than 100 hours' time in service, within the next 25 hours' time in service after the effective date of this AD, unless already accomplished within the previous 75 hours' time in service, and thereafter at intervals not to exceed 100 hours' time in service, visually inspect the actuator jack screw for condition of lubricant and presence of contamination and scale in accordance with the procedure described in Cessna Service Letter SE70-16, Supplement 1, dated July 10, 1970, or later FAA-approved revision. If any of the conditions prescribed in the inspection criteria are noted, prior to further flight, remove, clean and relubricate the actuator jack screw in accordance with Cessna Service Letter SE70-16, dated June 12, 1970, or later FAA-approved revision, or any equivalent procedure approved by the Chief, Engineering and Manufacturing Branch, FAA, Central Region.

B On all aircraft with more than 500 hours' time in service, within the next 25 hours' time in service after the effective date of this AD, unless already accomplished within the previous 75 hours' time in service, remove, clean and relubricate the actuator jack screw in accordance with the procedure described in Cessna Service Letter SE70-16

dated June 12, 1970, or later FAA-approved revision, or any equivalent procedure approved by Chief, Engineering and Manufacturing Branch, FAA, Central Region.

C In addition, on all aircraft at each annual inspection, or at intervals not to exceed 12 months, whichever occurs first, remove, clean and relubricate the actuator jack screw in accordance with the procedure described in Cessna Service Letter SE70-16, dated June 12, 1970, or later FAA-approved revision or any equivalent procedure approved by Chief, Engineering and Manufacturing Branch, FAA, Central Region.

NOTE: Cessna Servcie Letter SE70-16, Supplement 2, dated August 28, 1970, specified some brand names of Molybdenum Disulfide Grease.

D On or before April 1, 1973, modify the aircraft in accordance with Cessna Service Letter ME72-19, dated October 6, 1972, or later revisions. Equivalent methods of compliance with this paragraph must be approved by Chief, Engineering and Manufacturing Branch, FAA Central Region.

E Upon compliance with paragraph D, the requirements of paragraphs A, B, and C are no longer applicable.

NOTE: The agency recommends that the procedures for maintaining the flap system as specified in applicable Cessna Service Manuals be followed.

This amendment becomes effective November 10, 1972.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, 49 U.S.C. 1354(a), 1421 and 1423; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Kansas City, Mo., on October 27, 1972.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.72-18897 Filed 11-3-72;8:47 am]

[Docket No. 72-EA-108; Amdt. 39-1550]

PART 39—AIRWORTHINESS DIRECTIVES

Lycoming Aircraft Engines

The Federal Aviation Administration is amending § 39.13 of the Federal Aviation Regulations so as to amend AD 71-5-2 applicable to Lycoming I0-360-A type aircraft engines.

In the process of revising AD 71-5-2 by Amendment 39-1537, a reference to -C series engines was inadvertently omitted from the applicability statement. This reference had been in the original AD.

Since the foregoing amendment will merely correct an obvious omission, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator, 14 CFR 11.89 (31 F.R. 13697) § 39.13 of the Federal Aviation Regulations is amended so as to amend AD 71-5-2 as follows:

1. In the applicability statement after the figures "I0-360-A" add the following "and -C".

This amendment is effective upon publication in the FEDERAL REGISTER (11-4-72).

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, 49 U.S.C. 1354(a), 1421, 1423; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Jamaica, N.Y., on October 27, 1972.

ROBERT H. STANTON,
Acting Director, Eastern Region.

[FR Doc.72-18896 Filed 11-3-72;8:46 am]

[Airspace Docket No. 72-NW-08]

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

Alteration of Transition Area

On August 23, 1972, a notice of proposed rule making was published in the FEDERAL REGISTER (37 F.R. 16979) stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the Walla Walla, Wash., transition area.

Interested persons were given 30 days in which to submit written comments. No objections to the proposed amendment were received.

In consideration of the foregoing, the proposed amendment is hereby adopted without change.

Effective date. This amendment shall be effective at 0901 G.m.t., January 4, 1973.

(Sec. 307(a), Federal Aviation Act of 1958, as amended, 49 U.S.C. 1348(a); sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Seattle, Wash., on October 25, 1972.

C. B. WALK, Jr.,
Director, Northwest Region.

In § 71.181 (37 F.R. 2143) the description of the Walla Walla, Wash., Transition Area is amended as follows:

In the first line of the text, between the phrase, "* * * 700 feet above the surface * * *", and the phrase, "* * * within 5 miles southeast * * *", insert the following: within 4 miles each side of the Walla Walla VOR 036° radial, extending from the VOR to 16 miles northeast;"

[FR Doc.72-18898 Filed 11-3-72;8:47 am]

[Airspace Docket No. 72-RM-13]

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

Alteration of Control Zone and Transition Area

On September 23, 1972, a notice of proposed rule making was published in the FEDERAL REGISTER (37 F.R. 20040) stating that the Federal Aviation Administration was considering amendments to Part 71 of the Federal Aviation Regulations that would alter the descriptions of the Brookings, S. Dak., Control Zone and 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 amendments are hereby adopted without change.

Effective date. These amendments shall be effective 0901 G.m.t., January 4, 1973.

(Sec. 307(a), Federal Aviation Act of 1958, as amended, 49 U.S.C. 1348(a); sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Aurora, Colo., on October 27, 1972.

M. M. MARTIN,
Director, Rocky Mountain Region.

In § 71.171 (37 F.R. 2056) the description of the Brookings, S. Dak., control zone is amended to read:

BROOKINGS, S. DAK.

That airspace within a 5-mile radius of Brookings, S. Dak., Municipal Airport (latitude 44°18'12" N., longitude 96°48'40" W.); within 2.5 miles each side of the Brookings VOR 316° radial extending from the 5-mile-radius zone to 7 miles northwest of the VOR and within 2.5 miles each side of the Brookings VOR 118° radial extending from the 5-mile-radius zone to 8.5 miles southeast of the VOR. This control zone is effective during the specific dates and times established in advance by a notice to airmen. The effective dates and times will thereafter be coninuously published in the Airman's Information Manual.

In § 71.181 (37 F.R. 2143) the description of the Brookings, S. Dak., transition area is amended to read:

BROOKINGS, S. DAK.

That airspace extending upward from 700 feet above the surface within a 9.5-mile radius of the Brookings, S. Dak., Municipal Airport (latitude 44°18'12" N., longitude 96°48'40" W.); within 4.5 miles northeast and 9.5 miles southwest of the Brookings VOR 316° radial extending from the 9.5-mile-radius area to 18.5 miles northwest of the VOR; within 9.5 miles southwest of the Brookings VOR 300° radial extending from the 9.5-mile-radius area to 18.5 miles northwest of the VOR and that airpsace extending upward from 1,200 feet above the surface within 4.5 miles southwest and 9.5 miles northeast of the Brookings VOR 118° radial extending from the 9.5-mile-radius area to 18.5 miles southeast of the VOR.

[FR Doc.72-18899 Filed 11-3-72;8:47 am]

Title 49—TRANSPORTATION

Chapter V—National Highway Traffic Safety Administration, Department of Transportation

[Docket No. 71-23; Notice No. 2]

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

New Pneumatic Tires; Labeling Requirements

The purpose of this notice is to amend Motor Vehicle Safety Standard No. 109,

"New Pneumatic Tires," to require safety labeling information to be placed on the tire between the maximum section width and the bead, in order that this information can be retained on the casing if the tire is retreaded. A notice of proposed rule making regarding this subject was issued on December 21, 1971 (36 F.R. 24824).

A majority of the comments received in response to the notice agreed with the intent of the proposed amendment. However, objections were raised to the proposed requirement that the labeling information be located between the maximum section width and the bead on both sidewalls. The comments indicated that the use of whitewall designs limited the area between the section width and the bead, and that as a consequence certain labeling information is placed between the maximum section width and the shoulder area to comply with the labeling requirements of Standard No. 109. Placing the information between maximum section width and bead on both sidewalls would evidently require the redesigning both of molds and lines of tires.

The agency has concluded after review of the information submitted to the docket that all labeling information should be located on both sidewalls of the tires as presently required by Standard No. 109. However, in response to the objections to the proposed requirements, only one sidewall is required to have the labeling information between the maximum section width and the bead. This will still allow information to be retained on casings so that retreaders need not relabel tires in meeting the requirements of Standard No. 117 (49 CFR 571.117).

In light of the above, Paragraph S4.3 of Motor Vehicle Safety Standard No. 109, "New Pneumatic Tires," § 571.109 of Title 49, Code of Federal Regulations, is amended to read as follows:

S4.3 *Labeling requirements.* Except as provided in S4.3.1 and S4.3.2, each tire shall have permanently molded into or onto both sidewalls, in letters and numerals not less than three thirty-seconds of an inch high, the information shown below in (a) through (g). On at least one sidewall, the information shall be positioned in an area between the maximum section width and bead of the tire. However, in no case shall the information be positioned on the tire so that it is obstructed by the flange of any rim designated for use with that tire in Standard Nos. 109 and 110 (sections 571.109 and 571.110 of this part).

(a) One size designation, except that equivalent inch and metric size designations may be used;

(b) Maximum permissible inflation pressure;

(c) Maximum load rating;

(d) The generic name of each cord material used in the plies (both sidewall and tread area) of the tire;

(e) Actual number of plies in the sidewall, and the actual number of plies in the tread area if different;

(f) The words "tubeless" or "tube type" as applicable; and

(g) The word "radial" if the tire is a radial ply tire.

Effective date: July 1, 1973.

(Secs. 103, 112, 113, 114, 119, 201, National Traffic and Motor Vehicle Safety Act, 15 U.S.C. 1392, 1401, 1402, 1403, 1407, 1421, and the delegation of authority at 49 CFR 1.51)

Issued on October 31, 1972.

CHARLES H. HARTMAN,
Acting Administrator.

[FR Doc.72-18962 Filed 11-2-72;8:45 am]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER A—GENERAL

PART 3—STATEMENT OF GENERAL POLICY OR INTERPRETATION

Hexachlorophene as a Component in Drug and Cosmetic Products for Human Use

In the FEDERAL REGISTER of September 27, 1972 (37 F.R. 20160), the Commissioner of Food and Drugs published a statement of general policy or interpretation § 3.91 *Hexachlorophene, as a component of drug and cosmetic products.*

Paragraph (f) of § 3.91 states that the "* * * Quantitative declaration of hexachlorophene content on the labeling of products, where required, shall be on a w/w basis. For aerosol products, the declaration will be independent of the propellent."

At the request of some manufacturers of aerosol products containing hexachlorophene this paragraph was reconsidered. Since it has been shown that the amount of hexachlorophene delivered to the skin depends upon the content of hexachlorophene when considered on a total weight-in-weight basis and that no more hexachlorophene will be delivered to the body by an aerosol product than by any other topical product of equivalent hexachlorophene content when their respective directions for use are followed, the Commissioner concludes that the method of determining the amount of active ingredient in aerosol products should be on a total weight-in-weight basis including the propellent.

At the request of representatives of several consumer interest groups, the provisions of § 3.91 allowing continued limited use of hexachlorophene as a preservative at levels not to exceed 0.1 percent in drug and cosmetic products packaged in aerosol containers were also reconsidered. The Commissioner concludes, based upon current benefit to risk ratio, that hexachlorophene is not necessary as a preservative in any drug and/or cosmetic products, which in normal use may be applied to mucous membranes or which are intended to be used on mucous membranes, e.g., chapsticks, feminine hygiene sprays, rectal ointments, and that § 3.91 should be revised as set forth below to exclude further continued use of hexachlorophene as a preservative in such products.

Accordingly, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 201(n), 502 (a), (f), (j), 503(b), 505, 601(a), 602 (a), (c), 701(a), 52 Stat. 1041, 1050–1055 as amended; 21 U.S.C. 321(n), 352 (a), (f), (j), 353(b), 355, 361(a), 362 (a), (c), 371(a)) and under authority delegated to the Commissioner (21 CFR 2.120), § 3.91 is amended by revising subparagraph (5) of paragraph (c), the first sentence of paragraphs (d) and (e) and paragraph (f) to read as follows:

§ 3.91 Hexachlorophene, as a component of drug and cosmetic products.

* * * * *

(c) *Prescription drugs.* * * *

(5) Prescription drug products may contain hexachlorophene only as part of an effective preservative system under the conditions and limitations provided for under paragraph (d) of this section.

(d) *Over-the-counter (OTC) drugs.* Over-the-counter drug products, other than those which in normal use may be applied to mucous membranes or which are intended to be used on mucous membranes, may contain hexachlorophene only as part of an effective preservative system, at a level that is no higher than necessary to achieve the intended preservative function, and in no event higher than 0.1 percent. * * *

(e) *Cosmetics.* Hexachlorophene may be used as a preservative in cosmetic products other than those which in normal use may be applied to mucous membranes or which are intended to be used on mucous membranes, at a level that is no higher than necessary to achieve the intended preservative function, and in no event higher than 0.1 percent. * * *

(f) *Content statement.* All reference to hexachlorophene limit in this order is on a weight-in-weight (w/w) basis. Quantitative declaration of hexachlorophene content on the labeling of the products, where required, shall be on a w/w basis.

* * * * *

Effective date. This order shall become effective upon publication in the FEDERAL REGISTER (11–4–72).

(Secs. 201(n), 502(a), (f), (j), 503(b), 505, 601(a), 602(a), (c), 701(a), 52 Stat. 1041, 1050–1055 as amended; 21 U.S.C. 321(n), 352 (a), (f), (j), 353(b), 355, 361(a), 362 (a), (c), 371(a))

Dated: October 31, 1972.

CHARLES C. EDWARDS,
Commissioner of Food and Drugs.

[FR Doc.72-18855 Filed 11-3-72;8:49 am]

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

ADHESIVES

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 2B2776) filed by E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, DE 19898, and other relevant material, concludes that the food additive regulations should be amended, as set forth below, to provide for use of fumaratochromium (III) nitrate as a component of food packaging adhesives.

Therefore, pursuant to 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 authority delegated to the Commissioner, 21 CFR 2.120, § 121.2520(c)(5) is amended by alphabetically inserting in the list of substances a new item, as follows:

§ 121.2520 Adhesives.

* * * * * * *

(c) * * *

(5) * * *

COMPONENTS OF ADHESIVES

Substances	*Limitations*
* * *	* * *
Fumaratochromium (III) nitrate----	
* * *	* * *

Any person who will be adversely affected by the foregoing order may at any time within 30 days after its date of publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 6–88, 5600 Fishers Lane, Rockville, MD 20852, written objections thereto 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. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. This order shall become effective on its date of publication in the FEDERAL REGISTER (11–4–72).

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

Dated: October 30, 1972.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.72-18909 Filed 11-3-72;8:47 am]

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

TEXTILES AND TEXTILE FIBERS

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 2B2730) filed by Celanese Fibers Marketing Co., c/o TRW/Hazleton Laboratories, 9200 Leesburg Turnpike, Vienna, VA 22180, and other relevant material, concludes that the food additive regulations should be amended as set forth below to provide for the safe use of polyethylene terephthalate fibers and of 4-ethyl-4-hexadecyl morpholinium ethyl sulfate as a lubricant in the manufacture of polyethylene terephthalate textile and textile fibers used as articles or components of articles intended for use in contact with food.

Therefore, pursuant to 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 authority delegated to the Commissioner (21 CFR 2.120), § 121.2535(d)(5) (i) and (ii) are amended by alphabetically inserting the following new items:

§ 121.2535 Textiles and textile fibers.

* * * * * * *

(d) * * *

(5) * * *

List of substances	*Limitations*
(i) fibers:	
* * *	* * *
Polyethylene terephthalate complying in composition with the provisions of § 121.2524(d)(4)(i).	For use only in the manufacture of items for repeated use.
* * *	* * *
(ii) Adjuvant substances:	
* * *	* * *
4-Ethyl-4-hexadecyl morpholinium ethyl sulfate.	For use only as a lubricant in the manufacture of polyethylene terephthalate fibers specified in subdivision (i) above at a level not to exceed 0.03 percent by weight of the finished fibers.
* * *	* * *

Any person who will be adversely affected by the foregoing order may at any time within 30 days after its date of publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 6–88, 5600 Fishers Lane, Rockville, MD 20852, written objections thereto 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. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. This order shall become effective on its date of publication in the FEDERAL REGISTER (11–4–72).

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

Dated: October 30, 1972.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.72-18908 Filed 11-3-72;8:47 am]

SUBCHAPTER C—DRUGS

PART 135e—NEW ANIMAL DRUGS FOR USE IN ANIMAL FEEDS

Combination Antibiotic Drugs Used in Animal Feeds No Longer Sanctioned; Stay of Effective Date

An order was published in the FEDERAL REGISTER of October 7, 1972 (37 F.R. 21279), establishing a new section, § 135e.1000 *Combination antibiotic drugs in animal feeds no longer sanctioned.* The order became effective upon publication on October 7, 1972.

The Commissioner of Food and Drugs has been informed that there appears to be errors in the drug listing under § 135e.1000(c) and has received a request to allow 30 days for interested parties to report errors to the Food and Drug Administration.

Accordingly, good reason therefor appearing, the Commissioner is staying the order of October 7, 1972, and inviting interested parties who find what they believe to be errors in the listing to submit such in written comment to the Bureau of Veterinary Medicine (VM-100), Food and Drug Administration, 5600 Fishers Lane, Rockville, Md. 20852, within 30 days after date of publication of this order in the FEDERAL REGISTER.

The effective date of the October 7, 1972 order is hereby stayed until Monday, December 4, 1972.

This action is taken pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 512, 82 Stat. 343–351; 21 U.S.C. 360b) and under authority delegated to the Commissioner (21 CFR 2.120).

Dated: October 30, 1972.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.72-18910 Filed 11-3-72;8:47 am]

Title 24—HOUSING AND URBAN DEVELOPMENT

Chapter X—Federal Insurance Administration, Department of Housing and Urban Development

SUBCHAPTER B—NATIONAL FLOOD INSURANCE PROGRAM

PART 1914—AREAS ELIGIBLE FOR THE SALE OF INSURANCE

Status of Participating Communities

In the entry to the table in 24 CFR 1914.4 which was published in the FEDERAL REGISTER on October 17, 1972, at 37 F.R. 21937, the unincorporated areas of Montgomery County, Md., were listed as eligible for the sale of flood insurance under the National Flood Insurance Program effective October 13, 1972. The entry was incomplete in that it did not list other communities in Montgomery County, Md., which also became eligible for the sale of flood insurance on October 13, 1972. Hereinbelow is the complete entry for Montgomery County, Md., as it should have appeared in the October 17, 1972, entry. The complete entry reads as follows:

§ 1914.4 Status of participating communities.

* * * * *

State	County	Location	Map No.	State map repository	Local map repository	Effective date of authorization of sale of flood insurance for area
* * *	* * *	* * *	* * *	* * *	* * *	* * *
Maryland	Montgomery	Takoma Park, Brookville, Chevy Chase Village, Garrett Park, Glen Echo, Kensington, Somerset, Village of Chevy Chase Section IV, and unincorporated areas.				Oct. 13, 1972. Emergency.
* * *	* * *	* * *	* * *	* * *	* * *	* * *

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 F.R. 17804, Nov. 28, 1968), as amended (secs. 408–410, Public Law 91–152, Dec. 24, 1969), 42 U.S.C. 4001–4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 F.R. 2680, Feb. 27, 1969)

Issued: October 31, 1972.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.72-18977 Filed 11-3-72;8:52 am]

PART 1915—IDENTIFICATION OF SPECIAL HAZARD AREAS

Communities With Special Hazard Areas

In the entry to the table in 24 CFR 1915.3 which was published in the FEDERAL REGISTER on October 17, 1972, at 37 F.R. 21938, the unincorporated areas of Montgomery County, Md., were designated as a flood plain area having special flood hazards effective October 13, 1972. The entry was incomplete in that it did not list the other communities in Montgomery County, Md., which were also designated as flood plain areas having special flood hazards on October 13, 1972. Hereinbelow is the complete entry for Montgomery County, Md., as it should have appeared in the October 17, 1972, entry. The complete entry reads as follows:

§ 1915.3 List of communities with special hazard areas.

* * * * * * *

State	County	Location	Map No.	State map repository	Local map repository	Effective date of identification of areas which have special flood hazards
* * *	* * *	* * *	* * *	* * *	* * *	* * *
Maryland	Montgomery	Takoma Park, Brookville, Chevy Chase Village, Garrett Park, Glen Echo, Kensington, Somerset, Village of Chevy Chase Section IV, and unincorporated areas.				Oct. 13, 1972.
* * *	* * *	* * *	* * *	* * *	* * *	* * *

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 F.R. 17804, Nov. 28, 1968), as amended (secs. 408–410, Public Law 91–152, Dec. 24, 1969), 42 U.S.C. 4001–4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 F.R. 2680, Feb. 27, 1969)

Issued: October 31, 1972.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.72-18978 Filed 11-3-72;8:52 am]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter I—Coast Guard, Department of Transportation

[CGD 72-96 R]

PART 92—ANCHORAGE AND NAVIGATION REGULATIONS; ST. MARYS RIVER, MICH.

Speed Limits for Vessels of 50 Gross Tons or Over

This amendment establishes permanent speed limits for the St. Marys River in Part 92 of Title 33 of the Code of Federal Regulations.

This amendment is based on a notice of proposed rule making published in the Wednesday, June 7, 1972, issue of the FEDERAL REGISTER (37 F.R. 11342), and public hearings held at Cleveland, Ohio, on July 6, 1972, and at Sault Ste. Marie, Mich., on July 12, 1972.

At the public hearing held in Cleveland, Ohio, on July 6, 1972, five (5) persons attended. Comments were received from a representative of the Lake Carriers' Association to the effect that the establishment of permanent speed regulations as proposed would not accrue the intended results; would unwarrantably restrict the navigation of commercial vessels; and under adverse conditions may jeopardize the safety of such vessels with possible adverse environmental impact on the adjacent surroundings. It was further stated that the Lake Carriers' Association believes that this further abridgement of reasonable access by users of the waterway is not warranted and urged that the present method of flexibility in the adjustment of speed regulations on the St. Marys River be continued. It was recommended by the representative of the Lake Carriers' Association that an unbiased organization be commissioned to study the problem.

A representative of the Great Lakes and Rivers District Masters, Mates and Pilots supported the stand taken by the Lake Carriers' Association.

The proposed regulations authorizes the Commander, Ninth Coast Guard District to establish, raise, lower, or otherwise amend the speed regulations. In exercising this authority, the District Commander will consider all interests affected by the speed of vessels, including the mariner as well as the protection of the property of riparian owners.

At the public hearing held in Sault Ste. Marie, Mich., on July 12, 1972, approximately 100 persons attended. Representatives of the marine transportation industry objected to making the lower temporary speeds permanent feeling that they would be permanently penalized since the reduced speeds were established as a result of high water which history indicates is of a temporary nature. The high water has existed for the past few years and it has been necessary to impose temporary speed limits in an effort to reduce damage to littoral property. The safe navigation of large commercial vessels transiting areas of changing river currents as well as the efficient utilization of the waterway were considered. The proposed regulations provide that the Commander, Ninth Coast Guard District may establish, raise, or lower the speed limits on the St. Marys River should future needs require such change.

All of the property owners who testified recommended that the proposed speed limits be adopted, and in some instances, recommended a lower-speed limit.

Several pilot organizations commented that the regulations should contain a provision to the effect that when conditions of good seamanship indicate, a departure from the prescribed speed limits is authorized. These recommendations were not adopted. The Coast Guard, in processing violation cases, takes into consideration all aspects of each case including unusual conditions and circumstances which might require a pilot to exceed the speed limit on occasion to maintain control of his vessel. The Coast Guard has the authority to close such cases without action and remit or mitigate any penalties involved.

Three comments were submitted to the effect that the $200 penalty assessment for violation of the speed limits was ineffective and should be substantially increased. This suggestion cannot be adopted as the $200 penalty is prescribed by statute and not by regulation.

Eight comments were submitted recommending that the speed limits apply to pleasure craft as well as vessels of 50 gross tons or over. Since this proposal was not contained in the original notice of proposed rule making, the Coast Guard will consider this amendment by separate rule making action.

The notice of proposed rule making recommended that various speed limits be established for the entire St. Marys River from Point Iroquois to Point De Tour.

Based on comments received at the public hearings and observations by Coast Guard personnel, some of the areas in the original proposal have been deleted as no erosion problems exist in these areas. These include the areas in Lake Munuscong between Point Aux Frenes and Buoy Lt 9 off Winter Point and between Point Aux Frenes and Buoy R–8. Also deleted was the proposed speed limit between Sweets Island and Round Island. Additionally, the proposed speed limit has been terminated at Point Louise instead of Point Iroquois.

The representative of the upper Great Lakes pilots objected to the proposed speed limit of 14 m.p.h. between Round Island and Lake Munuscong Lighted Bell Buoy. He pointed out that this was an area of relative open water which is an ideal place for vessels to pass.

In view of these comments, the proposal has been amended so that the 14-m.p.h. speed limit will apply only between Round Island and Point Aux Frenes.

The Upper Great Lakes pilots representative further objected to the fact that, under the proposal, a vessel would be required to reduce speed from 12 m.p.h. to 10 m.p.h. at Light 33 Downbound just when a vessel is maneuvering for a left turn into the narrower and swifter waters of Rock Cut. At the public hearing the residents of the shore in this area, as well as residents along the shore from Nine-Mile Point to Light 33 complained of the wake damage caused by passing vessels.

In view of these comments the amendment has been changed from the proposal so that the 10 m.p.h. speed limit in the Downbound channel will apply from Nine-Mile Point to West Neebish Channel Light 10 off Winter Point.

An additional comment was made by the Upper Great Lakes pilots representative regarding the establishment of a 10 m.p.h. speed limit between Nine-Mile Point and Six-Mile Point. It is pointed out that the temporary speed limit in this area is presently 10 m.p.h. imposed because of the extreme high water and the resulting wake damage along the shoreline based on comments received and observations made by the Coast Guard.

A 15 m.p.h. speed limit was proposed between Buoy R–2 in Lake Munuscong and Everens Point and a 9 m.p.h. speed limit between Everens Point and Johnson Point. In accordance with comments received, the amendment has been changed from the proposal to establish a 12 m.p.h. speed limit between Buoy R–8 and Everens Point to allow vessels to slow down prior to entering the 9 m.p.h. speed zone at Everens Point. This will decrease the chances of wake damage in this area.

In consideration of the foregoing, §§ 92.49 and 92.53 of Part 92 of Title 33 of the Code of Federal Regulations are amended to read as follows:

§ 92.49 Speed limits for vessels of 50 gross tons or over.

(a) The speed limits in paragraphs (b), (c), and (d) of this section are in statute miles per hour over the ground. The speed limits may not be exceeded by any upbound or downbound vessel of 50 gross tons or over.

(b) Detour Reef Light to Point Aux Frenes: The speed limit between—

(1) Detour Reef Light and Sweets Point is 17 miles per hour; and

(2) Round Island Light and Point Aux Frenes is 14 miles per hour.

(c) Munuscong Channel Lighted Buoy 8 to Lake Nicolet Light 80: The speed limit between—

(1) Munuscong Channel Buoy 8 and Munuscong Channel Buoy 14 is 12 miles per hour;

(2) Munuscong Channel Buoy 14 and Munuscong Channel Buoy 26 is 9 miles per hour;

(3) Munuscong Channel Buoy 26 and Lake Nicolet Lighted Buoy 62 is 10 miles per hour; and

(4) Lake Nicolet Lighted Buoy 62 and Lake Nicolet Light 80 is 12 miles per hour.

(d) Lake Nicolet Light 80 and West Neebish Channel Light 10: The speed limit between Lake Nicolet Light 80 and West Neebish Channel Light 10 is 10 miles per hour;

(e) Lake Nicolet Light 80 to Point Louise: The speed limit between—

(1) Lake Nicolet Light 80 and Six-Mile Point Range Rear Light is 10 miles per hour;

(2) Six-Mile Point Range Rear Light and the lower limit of the St. Marys Falls Canal is 8 miles per hour for upbound vessels and 10 miles per hour for downbound vessels; and

(3) The upper limit of the St. Marys Falls Canal and Point Louise is 12 miles per hour.

(f) The Commander, Ninth Coast Guard District may establish, raise, lower, or otherwise amend speed limit regulations on the St. Marys River. In exercising this authority, the District Commander considers all interests affected by the speed of vessels in the river, including the protection of the property of riparian owners. The regulations issued by the Commander, Ninth Coast Guard District are published in the FEDERAL REGISTER and in the Notice to Mariners.

§ 92.53 [Deleted]

(Secs. 1–3, 29 Stat. 54, as amended, sec. 6(b), 80 Stat. 937; 33 U.S.C. 474, 49 U.S.C. 1655(b); 49 CFR 1.46(b))

Effective date: This amendment becomes effective on December 1, 1972.

Dated: November 1, 1972.

C. R. BENDER,
Admiral, U.S. Coast Guard, Commandant.

[FR Doc.72–18959 Filed 11–3–72;8:51 am]

[CGD 72 217R]

PART 117—DRAWBRIDGE OPERATION REGULATIONS

Three Mile Creek, Ala.

This amendment adds regulations for the Southern Railway drawbridge across Three Mile Creek, mile 1.1 to permit the draw to remain closed to the passage of vessels from November 15, 1972, through January 13, 1973. The draw is presently required to open if at least 5-days notice has been given. This closure is required to permit necessary repairs.

This rule is issued without notice of proposed rule making. The Coast Guard has found that good cause exists for taking this action on the basis that it would be contrary to the public interest to delay this work.

Accordingly, Part 117 of Title 33 of the Code of Federal Regulations is amended by adding a subparagraph (i) to subparagraph (20) of paragraph (i) of § 117.245 to read as follows:

§ 117.245 Navigable waters discharging into the Atlantic Ocean south of and including Chesapeake Bay and into the Gulf of Mexico, except the Mississippi River and its tributaries and outlets; bridges where constant attendance of draw tenders is not required.

* * * * *

(i) * * *

(20) * * *

(i) From November 15, 1972, through January 13, 1973, the draw need not open for the passage of vessels.

* * * * *

(Sec. 5, 28 Stat. 362, as amended, sec. 6(g)(2), 80 Stat. 937; 33 U.S.C. 499, 49 U.S.C. 1655(g)(2); 49 CFR 1.46(c)(5), 33 CFR 1.05–1(c)(4))

Effective date. This revision shall become effective from November 15, 1972, through January 13, 1973.

Dated: November 1, 1972.

W. M. BENKERT,
Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Environment and Systems.

[FR Doc.72–18960 Filed 11–3–72;8:50 am]

Title 40—PROTECTION OF THE ENVIRONMENT

Chapter I—Environmental Protection Agency

[EPA Order 1360.1]

PART 11—SECURITY CLASSIFICATION REGULATIONS PURSUANT TO EXECUTIVE ORDER 11652

A new Part 11 is added to Title 40 of the Code of Federal Regulations to implement Executive Order 11652 (37 F.R. 5209, March 10, 1972) and the National Security Council Directive of May 17, 1972 (37 F.R. 10053, May 19, 1972), pertaining to classification and declassification of national security information and material. This part establishes procedures for employees of the Environmental Protection Agency.

These regulations have been approved by the Interagency Classification Review Committee as required by Executive Order 11652 and National Security Council Directive of May 17, 1972. The regulations as set forth below, are effective June 1, 1972, in compliance with Executive Order 11652.

WILLIAM D. RUCKELSHAUS,
Administrator.

OCTOBER 30, 1972.

Sec.

AUTHORITY: The provisions of this Part 11 issued pursuant to Executive Order 11652 (37 F.R. 5209, March 10, 1972) and the National Security Directive of May 17, 1972 (37 F.R. 10053, May 19, 1972).

§ 11.1 Purpose.

These regulations establish policy and procedures governing the classification and declassification of national security information. They apply also to information or material designated under the Atomic Energy Act of 1954, as amended, as "Restricted Data," or "Formerly Restricted Data" which, additionally, is subject to the provisions of the Act and regulations of the Atomic Energy Commission.

§ 11.2 Background.

While the Environmental Protection Agency does not have the authority to originally classify information or material in the interest of the national security, it may under certain circumstances downgrade or declassify previously classified material or generate documents incorporating classified information properly originated by other agencies of the Federal Government which must be safeguarded. Agency policy and procedures must conform to applicable provisions of Executive Order 11652, and the National Security Council Directive of May 17, 1972, governing the safeguarding of national security information.

§ 11.3 Responsibilities.

(a) Classification and Declassification Committee: This committee, appointed by the Administrator, has the authority to act on all suggestions and complaints with respect to EPA's administration of this order. It shall establish procedures to review and act within 30 days upon all applications and appeals regarding requests for declassification. The Administrator, acting through the committee, shall be authorized to overrule previous determinations in whole or in part when, in its judgment, continued protection is no longer required. If the committee determines that continued classification is required under section 5(B) of Executive Order 11652, it shall promptly so notify the requester and advise him that he may appeal the denial to the Interagency Classification Review Committee.

(b) Director, Security and Inspection Division, Office of Administration: The Director, Security and Inspection Division, is responsible for the overall management and direction of a program designed to assure the proper handling and protection of classified information, and that classified information in the

Agency's possession bears the appropriate classification markings. He also will assure that the program operates in accordance with the policy established herein, and will serve as Secretary of the Classification and Declassification Committee.

(c) Assistant Administrators, Regional Administrators, Heads of Staff Offices, Directors of National Environmental Research Centers are responsible for designating an official within their respective areas who shall be responsible for:

(1) Serving as that area's liaison with the Director, Security and Inspection Division, for questions or suggestions concerning security classification matters.

(2) Reviewing and approving, as the representative of the contracting offices, the DD Form 254, Contract Security Classification Specification, issued to contractors.

(d) Employees;

(1) Those employees generating documents incorporating classified information properly originated by other agencies of the Federal Government are responsible for assuring that the documents are marked in a manner consistent with security classification assignments.

(2) Those employees preparing information for public release are responsible for assuring that such information is reviewed to eliminate classified information.

(3) All employees are responsible for bringing to the attention of the Director, Security and Inspection Division, any security classification problems needing resolution.

§ 11.4 Definitions.

(a) *Classified information.* Official information which has been assigned a security classification category in the interest of the national defense or foreign relations of the United States.

(b) *Classified material.* Any document, apparatus, model, film, recording, or any other physical object from which classified information can be derived by study, analysis, observation, or use of the material involved.

(c) *Marking.* The act of physically indicating the classification assignment on classified material.

(d) *National security information.* As used in this order this term is synonymous with "classified information." It is any information which must be protected against unauthorized disclosure in the interest of the national defense or foreign relations of the United States.

(e) *Security classification assignment.* The prescription of a specific security classification for a particular area or item of information. The information involved constitutes the sole basis for determining the degree of classification assigned.

(f) *Security classification category.* The specific degree of classification (Top Secret, Secret or Confidential) assigned to classified information to indicate the degree of protection required.

(1) *Top Secret.* Top Secret refers to national security information or material which requires the highest degree of protection. The test for assigning Top Secret classification shall be whether its unauthorized disclosure could reasonably be expected to cause exceptionally grave damage to the national security. Examples of "exceptionally grave damage" include armed hostilities against the United States or its allies; disruption of foreign relations vitally affecting the national security; the compromise of vital national defense plans or complex cryptologic and communications intelligence systems; the revelation of sensitive intelligence operations; and the disclosure of scientific or technological developments vital to national security. This classification shall be used with the utmost restraint.

(2) *Secret.* Secret refers to that national security information or material which requires a substantial degree of protection. The test for assigning Secret classification shall be whether its unauthorized disclosure could reasonably be expected to cause serious damage to the national security. Examples of "serious damage" include disruption of foreign relations significantly affecting the national security; significant impairment of a program or policy directly related to the national security; revelation of significant military plans or intelligence operations; and compromise of scientific or technological developments relating to national security. The classification Secret shall be sparingly used.

(3) *Confidential.* Confidential refers to that national security information or material which requires protection. The test for assigning Confidential classification shall be whether its unauthorized disclosure could reasonably be expected to cause damage to the national security.

§ 11.5 Procedures.

(a) *General.* Agency instructions on access, marking, safekeeping, accountability, transmission, disposition, and destruction of classification information and material will be found in the EPA Security Manual for Safeguarding Classified Material. These instructions shall conform with the National Security Council Directive of May 17, 1972, governing the classification, downgrading, declassification, and safeguarding of National Security Information.

(b) *Classification.* (1) When information or material is originated within EPA and it is believed to require classification, the person or persons responsible for its origination shall protect it in the manner prescribed for protection of classified information. The information will then be transmitted under appropriate safeguards to the Director, Security and Inspection Division, who will forward it to the department having primary interest in it with a request that a classification determination be made.

(2) A holder of information or material which incorporates classified information properly originated by other agencies of the Federal Government shall observe and respect the classification assigned by the originator.

(3) If a holder believes there is unnecessary classification, that the assigned classification is improper, or that the document is subject to declassification, he shall so advise the Director, Security and Inspection Division, who will be responsible for obtaining a resolution.

(c) *Downgrading and declassification.* Classified information and material officially transferred to the Agency during its establishment, pursuant to Reorganization Plan No. 3 of 1970, shall be declassified in accordance with procedures set forth below. Also, the same procedures will apply to the declassification of any information in the Agency's possession which originated in departments or agencies which no longer exist, except that no declassification will occur in such cases until other departments having an interest in the subject matter have been consulted. Other classified information in the Agency's possession may be downgraded or declassified by the official authorizing its classification, by a successor in capacity, or by a supervisory official of either.

(1) *General Declassification Schedule*—(i) *Top Secret.* Information or material originally classified Top Secret shall become automatically downgraded to Secret at the end of the second full calendar year following the year in which it was originated, downgraded to Confidential at the end of the fourth full calendar year following the year in which it was originated, and declassified at the end of the 10th full calendar year following the year in which it was originated.

(ii) *Secret.* Information and material originally classified Secret shall become automatically downgraded to Confidential at the end of the second full calendar year following the year in which it was originated, and declassified at the end of the eighth full calendar year following the year in which it was originated.

(iii) *Confidential.* Information and material originally classified Confidential shall become automatically declassified at the end of the sixth full calendar year following the year in which it was originated.

(2) *Exemption from the General Declassification Schedule.* Information or material classified before June 1, 1972, assigned to Group 4 under Executive Order No. 10501, as amended, shall be subject to the General Declassification Schedule. All other information or material classified before June 1, 1972, whether or not assigned to Groups 1, 2, or 3, of Executive Order No. 10501, as amended, shall be excluded from the General Declassification Schedule. However, at any time after the expiration of 10 years after the date of origin it shall be subject to a mandatory classification review and disposition in accordance with the following criteria and conditions:

(i) It shall be declassified unless it falls within one of the following criteria:

(a) Classified information or material furnished by foreign governments or international organizations and held by the United States on the understanding that it be kept in confidence.

(b) Classified information or material specifically covered by statute, or pertaining to cryptography, or disclosing intelligence sources or methods.

(c) Classified information or material disclosing a system, plan, installation, project, or specific foreign relations matter, the continuing protection of which is essential to the national security.

(d) Classified information or material the disclosure of which would place a person in immediate jeopardy.

(ii) *Mandatory review of exempted material.* All classified information and material originated after June 1, 1972, which is exempted under any of the above criteria shall be subject to a classification review by the originating department at any time after the expiration of 10 years from the date of origin provided:

(a) A department or member of the public requests a review;

(b) The request describes the document or record with sufficient particularity to enable the department to identify it; and

(c) The record can be obtained with a reasonable amount of effort.

(d) Information or material which no longer qualifies for exemption under any of the above criteria shall be declassified. Information or material which continues to qualify under any of the above criteria shall be so marked, and, unless impossible, a date for automatic declassification shall be set.

(iii) All requests for "mandatory review" shall be directed to:

Director, Security and Inspection Division, Environmental Protection Agency, Washington, D.C. 20460.

The Director, Security and Inspection Division shall promptly notify the action office of the request, and the action office shall immediately acknowledge receipt of the request in writing.

(iv) *Burden of proof for administrative determinations.* The burden of proof is on the originating Agency to show that continued classification is warranted within the terms of this subparagraph (2).

(v) *Availability of declassified material.* Upon a determination under subdivision (ii) of this subparagraph, that the requested material no longer warrants classification, it shall be declassified and made promptly available to the requester, if not otherwise exempt from disclosure under section 552(b) of title 5 U.S.C. (Freedom of Information Act) or other provision of law.

(vi) *Classification review requests.* As required by subdivision (ii) of this subparagraph of this order, a request for classification review must describe the document with sufficient particularity to enable the Department or Agency to identify it and obtain it with a reasonable amount of effort. Whenever a request is deficient in its description of the record sought, the requester should be asked to provide additional identifying information whenever possible. Before denying a request on the ground that it is unduly burdensome, the requester should be asked to limit his request to records that are reasonably obtainable. If nonetheless the requester does not describe the records sought with sufficient particularity, or the record requested cannot be obtained with a reasonable amount of effort, the requester shall be notified of the reasons why no action will be taken and of his right to appeal such decision.

§ 11.6 Access by historical researchers and former Government officials.

(a) Access to classified information or material may be granted to historical researchers or to persons who formerly occupied policymaking positions to which they were appointed by the President: *Provided, however,* That in each case the head of the originating Department shall:

(1) Determine that access is clearly consistent with the interests of the national security; and

(2) Take appropriate steps to assure that classified information or material is not published or otherwise compromised.

(b) Access granted a person by reason of his having previously occupied a policymaking position shall be limited to those papers which the former official originated, reviewed, signed, or received while in public office, except as related to the "Declassification of Presidential Papers," which shall be treated as follows:

(1) *Declassification of Presidential Papers.* The Archivist of the United States shall have authority to review and declassify information and material which has been classified by a President, his White House Staff or special committee or commission appointed by him and which the Archivist has in his custody at any archival depository, including a Presidential library. Such declassification shall only be undertaken in accord with:

(i) The terms of the donor's deed of gift;

(ii) Consultations with the Departments having a primary subject-matter interest; and

(iii) The provisions of § 11.5(c).

[FR Doc.72-18902 Filed 11-3-72;8:45 am]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 1—Federal Procurement Regulations

PART 1-3—PROCUREMENT BY NEGOTIATION

Subpart 1-3.9—Subcontracting Policies and Procedures

MAKE-OR-BUY PROGRAMS

This amendment of the Federal Procurement Regulations changes Subpart 1-3.9—Subcontracting Policies and Procedures, by revising § 1-3.902-1 *Review of program,* to provide procedures whereby the Small Business Administration (SBA) representative may appeal a decision regarding a "make-or-buy" program.

Section 1-3.902-1 is amended to read as follows:

§ 1-3.902-1 Review of program.

* * * * *

(g) Before agreeing to a "make-or-buy" program (or consenting to any change therein which, in the opinion of the contracting officer, would reduce the anticipated participation of small business), the procuring activity shall invite the advice and counsel of the SBA by permitting SBA representatives (regularly assigned to the activity) to review all pertinent facts and make recommendations thereon. Such review by SBA should be concurrent with the review by the procuring activity (or, in the case of changes, the contracting officer). Where urgent circumstances do not permit such a concurrent review, or where SBA fails to respond on a timely basis, the contracting officer shall include an explanatory statement in the contract file and shall transmit a copy to the SBA representative. Where the SBA review results in a disagreement between the procuring activity (or, in the case of changes, the contracting officer) and the SBA representatives regarding a "make-or-buy" program decision, SBA may appeal such decision to the head of the procuring activity, or other appropriate level above the contracting officer in accordance with agency procedures. Decisions by the procuring activity shall be final.

* * * * *

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

Effective date. This regulation is effective December 29, 1972, but may be observed earlier.

Dated: October 31, 1972.

ARTHUR F. SAMPSON,
Acting Administrator of General Services.

[FR Doc.72-19035 Filed 11-3-72;8:53 am]

[Federal Procurement Regs., Temporary Reg. 27, Supplement 2]

PART 1–3—PROCUREMENT BY NEGOTIATION

Subpart 1–3.12—Cost Accounting Standards

1. *Purpose.* This regulation supplements the interim policies and procedures prescribed in FPR Temporary Regulation 27 to implement the Cost Accounting Standards Board (CASB) rules and regulations with respect to certain negotiated defense contracts and negotiated nondefense contracts in excess of $100,000.

2. *Effective date.* This regulation is effective upon November 1, 1972.

3. *Expiration date.* This regulation will continue in effect until canceled.

4. *Background.* Public Law 91–379, 50 U.S.C. 2168, authorized the establishment of the Cost Accounting Standards Board to prescribe cost accounting standards applicable to negotiated defense contracts as provided by the act. The initial regulations prescribed by the Board appeared in the FEDERAL REGISTER February 29, 1972 (37 F.R. 4139). FPR Temporary Regulation 27 implemented the CASB regulations for negotiated defense contracts.

The CASB regulations also have been made applicable to negotiated nondefense contracts in excess of $100,000 (subject to specified exceptions) by FPR Temporary Regulation 27, Supplement 1 to that regulation postponed the effective date for the application of the CASB regulations to negotiated nondefense contracts from October 1, 1972, to November 1, 1972.

With respect to the Government, extension of the Board's regulations to negotiated nondefense contracts provides for a substantial degree of Government-wide uniformity in its procurement policies and procedures. The effect will be greater uniformity and consistency in the cost accounting practices of contractors and subcontractors.

5. *Agency implementation.* Based on information provided after the issuance of FPR Temporary Regulation 27, it has been deemed desirable to modify the implementation instructions in paragraphs 5a and 7c. Paragraph 5a of that regulation is modified to read:

5. *Agency implementation.* a. Pending the issuance of a permanent amendment to the Federal Procurement Regulations, agencies shall proceed as follows:

(1) In the award of negotiated defense contracts, agencies shall follow the policies and procedures set forth in the FPR (41 CFR 1–1.000 et seq.), except as they may be inconsistent with the promulgations of the Cost Accounting Standards Board (such as 4 CFR 331 et seq.). This regulation does not apply:

(a) To certain small business contracts exempted by the Cost Accounting Standards Board's regulations (see 37 F.R. 10454, May 23, 1972, and 37 F.R. 12784, June 29, 1972);

(b) To contracts where the price is based on established catalog or market prices of commercial items sold in substantial quantities to the general public; or

(c) To contracts where prices are set by law or regulation.

(2) In the award of negotiated nondefense contracts, agencies shall follow the policies and procedures in the FPR (41 CFR 1–1.000 et seq.), the promulgations of the Cost Accounting Standards Board in 4 CFR 331 et seq., 37 F.R. 4139, February 29, 1972, and such additional promulgations of the Cost Accounting Standards Board as are hereafter implemented by the Federal Procurement Regulations. This regulation does not apply:

(a) To certain small business contracts exempted by the Cost Accounting Standards Board's regulations (see 37 F.R. 10454, May 23, 1972, and 37 F.R. 12784, June 29, 1972);

(b) To contracts where the price is based on established catalog or market prices of commercial items sold in substantial quantities to the general public;

(c) To contracts where prices are set by law or regulation;

(d) To contracts with educational institutions subject to FPR 1–15.3 (41 CFR 1–15.3);

(e) To contracts with State and local governments subject to FPR 1–15.7 (41 CFR 1–15.7);

(f) To contracts with hospitals; or

(g) For a period of 120 days from the date hereof, where a firm fixed-price contract is to be awarded after receiving offers from at least two firms not associated with each other: *Providing,* That (1) the solicitation to all competing firms is identical; (2) price is the only consideration in selecting the contractor from among the competing firms solicited; and (3) the lowest offer received in compliance with the solicitation from among those solicited is accepted.

Paragraph 7c is modified as set forth below.

1. Section 1–3.1203 (41 CFR 1–3.1203) is amended by adding the following introductory paragraph:

§ 1–3.1203 Prime contractor disclosure statement.

The notice entitled Disclosure Statement—Cost Accounting Practices and Certification set forth in Attachment A shall be inserted in all solicitations which are likely to result in negotiated contracts exceeding $100,000, except contracts which are exempt under the provisions of paragraph 5 of this regulation.

* * * * *

2. Section 1–3.1204 (41 CFR 1–3.1204) is revised to read as follows:

§ 1–3.1204 Contract clause.

The Cost Accounting Standards clause set forth in Attachment B shall be inserted in all solicitations which are likely to result in negotiated contracts exceeding $100,000, except contracts which are exempt under the provisions of paragraph 5 of this regulation.

ARTHUR F. SAMPSON,
Acting Administrator of General Services.

OCTOBER 31, 1972.

[FR Doc.72–19036 Filed 11–3–72;8:53 am]

Chapter 5A—Federal Supply Service, General Services Administration

PART 5A–60—CONTRACT APPEALS

PART 5A–73—FEDERAL SUPPLY SCHEDULE PROGRAM

Miscellaneous Amendments

The following amendments are made in chapter 5A:

Subpart 5A–60.2—Rules of the Federal Supply Service on Contract Appeals

Section 5A–60.201(b) is amended to read as follows:

§ 5A–60.201 Notice of appeal.

* * * * *

(b) An appeal must be mailed or otherwise furnished by the contractor within 30 days from the date the decision of the contracting officer is received. Any request for an extension of the 30-day appeal period shall be denied by the contracting officer.

Subpart 5A–73.1—Production and Maintenance

Section 5A–73.119–1(c) is revised and § 5A–73.123–6 is amended, as follows:

§ 5A–73.119–1 Progressive awards.

* * * * *

(c) Progressive awards must not be confused with multiple awards.

§ 5A–73.123–6 Federal supply schedules selected for source inspection.

* * * * *

(b) The contracting officer, prior to preparation of solicitations, shall coordinate with the Office of Standards and Quality Control, Central Office (FMQP), as follows:

(1) To determine whether Federal supply schedule solicitations (other than multiple award) for schedules which are not listed in § 5A–76.317 will contain the source inspection provision in (c), below, and

(2) To advise of any proposed significant changes in Federal supply schedules selected for source inspection now set forth in § 5A–76.317, such as cancellations, splitting, or consolidation of schedules, or transfer of items from one schedule to another.

(c) Contracting officers involved shall include the following clause in each Federal supply schedule solicitation selected for source inspection, quality control, and assigned field contract administration assistance.

SOURCE INSPECTION

(a) Clause 5(a) of GSA Form 1424 is applicable to this solicitation, and the following sentence is added at the end of paragraph 5(a)(1): Notwithstanding the foregoing, the Government may perform any or all tests contained in the contract specifications at a Government facility without prior written notice by the Contracting Officer before release of the supplies for shipment.

(b) Offerors shall complete the following spaces to indicate where supplies will be available for inspection.

Item No.	Name of manufacturing plant or other facility	Address (Including county)
.....	.....	.....
.....	.....	.....
.....	.....	.....

(End of Clause)

(d) Promptly after the award of each Federal supply schedule contract containing the source inspection provision, the contracting officer shall furnish:

(1) Each regional Director, Quality Control Division, having cognizance under the contract, with two sets of contract information for each inspection point. Each set consisting of (i) two copies of the solicitation and (ii) two copies of GSA Form 1535 (front page only), Request for Approval of Awards, and pertinent pages of the contract which contain information necessary for source inspection. Where the inspection point(s) is different than the production point, the contracting officer shall include such information on the front page of the GSA Form 1535.

(2) The Quality Control Division, Central Office, with one set only of contract information as described in (1), above.

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c); 41 CFR 5-1.101(c))

Effective date. This regulation is effective 30 days from the date shown below.

Dated: October 20, 1972.

M. S. MEEKER,
Commissioner,
Federal Supply Service.

[FR Doc.72-18938 Filed 11-3-72;8:51 am]

Title 7—AGRICULTURE

Chapter VIII—Agricultural Stabilization and Conservation Service (Sugar), Department of Agriculture

SUBCHAPTER B—SUGAR REQUIREMENTS AND QUOTAS

[Sugar Reg. 811, Amdt. 12]

PART 811—CONTINENTAL SUGAR REQUIREMENTS AND AREA QUOTAS

Requirements, Quotas and Quota Deficits for 1972

Basis and purpose and bases and considerations. This amendment is issued pursuant to the authority vested in the Secretary of Agriculture by the Sugar Act of 1948, as amended (61 Stat. 922, as amended; 7 U.S.C. 1101) hereinafter referred to as the "Act." The purpose of this amendment to Sugar Regulation 811, as amended, is to determine and prorate or allocate the deficits in quotas established pursuant to the Act.

Section 204(a) of the Sugar Act of 1948, as amended, provides in part that "The Secretary shall, at the time he makes his determination of requirements of consumers for each calendar year and on December 15 preceding each calendar year, and as often thereafter as the facts are ascertainable by him but in any event not less frequently than each 60 days after the beginning of each calendar year, determine whether, * * * any area or country will not market the quota for such area or country."

The Government of Haiti has informed the Department that they will be able to supply only 22,522 short tons, raw value, of sugar to the United States under its quota for the calendar year 1972. On the basis of this information a deficit of 478 short tons, raw value, is hereby declared for Haiti. Since the Republic of the Philippines and several Western Hemishere countries have notified the Department that they will be unable to supply sugar in addition to their currently established quotas, the entire deficit is herein prorated to Western Hemisphere countries able to supply additional sugar.

It is hereby determined that deficits previously declared and that declared herein constitute all known deficits on which data are currently ascertainable by the Department.

By virtue of the authority vested in the Secretary of Agriculture by the Act, Part 811 of this chapter is hereby amended by amending §§ 811.12 and 811.13 as follows:

1. Section 811.12 is amended by amending paragraph (a) to read as follows:

§ 811.12 Proration and allocation of deficits in quotas.

(a) The total deficits determined in quotas established under section 202 of the Act in short tons, raw value, are as follows: Domestic Beet Sugar Area 292,000; Puerto Rico 680,000; Bahamas 23,667; Bolivia 5,659; Haiti 4,721; and Uganda 15,252. The deficits for the domestic areas and Western Hemisphere countries totaling 1,006,047 tons are reallocated by allocating 275,741 tons to the Republic of the Philippines (the maximum quantity which it can supply in 1972), providing a special allocation of 21,507, 17,950, and 4,415 tons to Costa Rica, Guatemala and Honduras, respectively, and prorating the remainder to Western Hemisphere quota countries on the basis of quotas determined under section 202 of the Act, except such prorations to the West Indies, Panama, Honduras, Bahamas, and Bolivia are limited so that total quotas for each country will not exceed 206,788, 43,500, 17,495, 61, and 54 tons, respectively. The deficit in the quota for Uganda of 15,252 tons is reallocated by allocating 30.08 percent to the Republic of the Philippines and prorating the remainder on the basis of quotas determined under section 202 of the Act to Eastern Hemisphere quota countries, except Ireland.

* * * * *

2. Section 811.13 is amended by amending paragraph (c) to read as follows:

§ 811.13 Quotas for foreign countries.

(c) For the calendar year 1972, the prorations to individual foreign countries other than the Republic of the Philippines, pursuant to section 202 of the Act, are shown in columns (1) and (2) of the following table. Deficit prorations previously established in this Sugar Regulation 811 are shown in column (3). New deficit prorations established herein are shown in column (4). Total quotas and prorations are shown in column (5).

Countries	Basic quotas (1)	Temporary quotas and prorations pursuant to Sec. 202(d)[1] (2)	Previous deficits and deficit prorations (3)	New deficit prorations (4)	Total quotas and prorations (5)
	(Short tons, raw value)				
Dominican Republic	420,738	141,713	154,422	112	716,985
Mexico	372,090	125,328	136,567	99	634,084
Brazil	362,887	122,228	133,189	97	618,401
Peru	259,674	87,463	95,307	69	442,513
West Indies	135,425	45,614	25,749	0	206,788
Ecuador	53,578	18,046	19,665	14	91,303
Argentina	50,291	16,940	18,458	14	85,703
Costa Rica	45,361	15,278	38,561	13	99,213
Colombia	44,703	15,057	16,408	12	76,180
Panama	27,940	9,411	6,149	0	43,500
Nicaragua	42,403	14,281	15,662	12	72,358
Venezuela	40,430	13,617	14,840	11	68,898
Guatemala	38,787	13,064	32,277	10	84,138
El Salvador	28,268	9,522	10,441	8	48,239
British Honduras	22,352	7,529	8,204	6	38,091
Haiti	20,379	6,864	—4,243	—478	22,522
Bahamas	17,750	5,978	—23,667	0	61
Honduras	7,889	2,657	6,949	0	17,495
Bolivia	4,273	1,440	—5,659	0	54
Paraguay	4,273	1,440	1,568	1	7,282
Australia	165,008	41,932	3,857	0	210,797
Republic of China	68,699	17,458	1,606	0	87,763
India	66,060	16,790	1,544	0	84,403
South Africa	46,676	11,861	1,091	0	59,628
Fiji Islands	36,157	9,188	845	0	46,190
Mauritius	24,324	6,181	569	0	31,074
Swaziland	24,324	6,181	569	0	31,074
Thailand	15,120	3,843	353	0	19,316
Uganda	12,162	3,090	—15,252	0	0
Malagasy Republic	9,861	2,506	230	0	12,597
Ireland	5,351	0	0	0	5,351
Total	2,473,242	792,500	696,259	0	3,962,001

[1] Proration of the quotas withheld from Cuba and Southern Rhodesia.

(Secs. 204 and 403; 61 Stat. 925 as amended, and 932; and 7 U.S.C. 1114 and 1153)

Effective date. In order to promote orderly marketing, it is essential that this amendment be effective immediately so that all persons selling and purchasing sugar for consumption in the continental United States can promptly plan and market under the changed marketing opportunities. Therefore, it is hereby determined and found that compliance with the notice, procedure, and effective date requirements of 5 U.S.C. 553 is unnecessary, impracticable and contrary to the public interest and this amendment shall be effective when filed for public inspection in the Office of the Federal Register.

Signed at Washington, D.C., on October 31, 1972.

GLENN A. WEIR,
Acting Administrator, Agricultural Stabilization and Conservation Service.

[FR Doc.72-18970 Filed 11-3-72;8:52 am]

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

PART 906—ORANGES AND GRAPEFRUIT GROWN IN LOWER RIO GRANDE VALLEY IN TEXAS

Expense and Rate of Assessment

On October 17, 1972, notice of rule making was published in the FEDERAL REGISTER (37 F.R. 21947) regarding proposed expenses and the related rate of assessment for the period August 1, 1972, through July 31, 1973, 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 notice allowed interested persons 10 days during which they could submit written data, views, or arguments pertaining to these proposals. None were submitted. This regulatory program is effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). After consideration of all relevant matters presented, including the proposals set forth in such notice which were submitted by the Texas Valley Citrus Committee (established pursuant to said amended marketing agreement and order), it is hereby found and determined that:

§ 906.212 Expenses and rate of assessment.

(a) *Expenses.* Expenses that are reasonable and likely to be incurred by the Texas Valley Citrus Committee during the period August 1, 1972, through July 31, 1973, will amount to $825,000.

(b) *Rate of assessment.* The rate of assessment for said period, payable by each handler in accordance with § 906.34, is fixed at $0.045 per 7/10 bushel carton, or an equivalent quantity of oranges and grapefruit.

It is hereby found that good cause exists for not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that: (1) Shipments of oranges and grapefruit are now being made; (2) the relevant provisions of said marketing agreement and this part require that the rate of assessment fixed for a particular fiscal period shall be applicable to all assessable fruit from the beginning of such period; and (3) the current fiscal period began on August 1, 1972, and the rate of assessment herein fixed will automatically apply to all assessable oranges and grapefruit beginning with such date.

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

Dated: October 31, 1972.

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

[FR Doc.72-18920 Filed 11-3-72;8:45 am]

[Valencia Orange Reg. 415, Amdt. 1]

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

Limitation of Handling

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendation and information submitted by the Valencia Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of Valencia oranges grown in Arizona and designated part of California.

(b) *Order, as amended.* The provisions in paragraph (b)(1) (i), and (ii) of § 908.715 (Valencia Orange Regulation 415, 37 F.R. 22874) during the period October 27, through November 2, 1972, are hereby amended to read as follows:

§ 908.715 Valencia Orange Regulation 415.

* * * * *

(b) *Order.* (1) * * *

(i) District 1: 344,000 cartons;

(ii) District 2: 281,000 cartons;

* * * * *

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

Dated: November 1, 1972.

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

[FR Doc.72-18917 Filed 11-3-72;8:45 am]

[Lemon Reg. 558]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.858 Lemon Regulation 558.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910; 36 F.R. 9061), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are

identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on October 31, 1972.

(b) *Order.* (1) The quantity of lemons grown in California and Arizona which may be handled during the period November 5 through November 11, 1972, is hereby fixed at 200,000 cartons.

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

(Secs. 1–19, 4 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: November 2, 1972.

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

[FR Doc.72–19014 Filed 11–3–72;8:53 am]

[Grapefruit Reg. 86]

PART 912—GRAPEFRUIT GROWN IN THE INDIAN RIVER DISTRICT IN FLORIDA

Limitation of Handling

§ 912.386 **Grapefruit Regulation 86.**

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 912, as amended (7 CFR Part 912, 37 F.R. 21308), regulating the handling of grapefruit grown in the Indian River District in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Indian River Grapefruit Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for the regulation stems from the current market situation which reflects a weakness in prices for Florida Indian River grapefruit and a strong threat that, in the absence of regulation, shipments during next week will be in excess of the market demand. Such excess shipments would, most likely, further depress prices for Florida Indian River grapefruit. The need for the regulation is also based on the prospective marketing conditions. The present market is slow and there are no indications of an improvement in the demand. It is estimated by the committee that after the week ended October 29, 1972, 14,289 carlots of Indian River grapefruit are remaining for interstate shipment. Thus, a regulation is needed to prevent excessive shipments during the week of November 6 through November 12, 1972.

(3) There is not sufficient time to give preliminary notice and engage in public rule-making procedure because (i) determinations as to the need for, and extent of, regulation of volume shipments of such grapefruit must await the availability of information on the demand for such fruit, (ii) information on the current and prospective market conditions during the period November 6 through November 12, 1972, could not be fully evaluated before November 2, 1972, and (iii) shipments likely to be made in the absence of regulation, and the amount of grapefruit needed to satisfy the market demand for the period November 6 through November 12, 1972, could not be anticipated at an earlier date.

(4) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Indian River grapefruit, and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this regulation, including its effective time; are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Indian River grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this regulation effective during the period herein specified; and compliance with this regulation will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on November 2, 1972.

(b) *Order.* (1) The quantity of grapefruit grown in the Indian River District which may be handled during the period November 6, 1972, through November 12, 1972, is hereby fixed at 100,000 standard packed boxes.

(2) As used in this section, "handled," "Indian River District," "grapefruit," and "standard packed box" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: November 2, 1972.

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

[FR Doc.72–19072 Filed 11–3–72;8:53 am]

[Grapefruit Reg. 52]

PART 913—GRAPEFRUIT GROWN IN THE INTERIOR DISTRICT IN FLORIDA

Limitation of Handling

§ 913.352 **Grapefruit Regulation 52.**

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 913 as amended (7 CFR Part 913), regulating the handling of grapefruit grown in the Interior District in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendation and information submitted by the Interior Grapefruit Marketing Committee, established under the said marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for the regulation stems from the current market situation which reflects a weakness in prices for Florida Interior grapefruit, and a strong threat that shipments during next week, in the absence of regulation, would be in excess of the market demand. Such excess shipments would most likely further depress prices for Florida Interior grapefruit. The need for the regulation is also based on the prospective marketing conditions. The present market is slow and there are no indications of an improvement in the demand. It is estimated by the committee that after the week ended October 29, 1972, 9,759 carlots of Interior grapefruit are remaining for interstate shipment. Thus, a regulation is needed to prevent excessive shipments during the week of November 6 through November 12, 1972.

(3) There is not sufficient time to give preliminary notice and engage in public rule-making procedure because: (1) Determinations as to the need for, and extent of, regulation of volume shipments of such grapefruit must await the availability of information on the demand for such fruit, (2) information on the current and prospective market conditions during the period November 6 through November 12, 1972, could not be fully evaluated before October 31, 1972, and (3) shipments likely to be made in the absence of regulation, and the amount of grapefruit needed to satisfy the market

demand for the period November 6 through November 12, 1972, could not be anticipated at an earlier date.

(4) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Interior grapefruit and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this regulation, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Interior grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this regulation effective during the period herein specified; and compliance with this regulation will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on October 31, 1972.

Order. (a) The quantity of grapefruit grown in the Interior District which may be handled during the period November 6 through November 12, 1972, is hereby fixed at 250,000 standard packed boxes.

(b) As used in this section, "handled," "Interior District," "grapefruit," and "standard packed box" have the same meaning as when used in said marketing agreement and order.

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

Dated: November 2, 1972.

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

[FR Doc.72–19073 Filed 11–3–72;8:53 am]

PART 987—DOMESTIC DATES PRODUCED OR PACKED IN RIVERSIDE COUNTY, CALIF.

Expenses and Rate of Assessment for Crop Year 1972–73

Notice was published in the October 19, 1972, issue of the FEDERAL REGISTER (37 F.R. 22387) regarding proposed expenses of the California Date Administrative Committee for the 1972–73 crop year and rate of assessment for that crop year. This action approves such expenses and assessment rate, and is pursuant to §§ 987.71 and 987.72 of the marketing agreement, as amended, and Order No. 987, as amended (7 CFR Part 987). The amended marketing agreement and order regulate the handling of domestic dates produced or packed in Riverside County, Calif., and are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The notice afforded interested persons an opportunity to submit written data, views, or agruments on the proposal. None were received.

After consideration of all relevant matter presented, including that in the notice, the information and recommendations submitted by the California Date Administrative Committee, and other available information, it is found that the expenses of the California Date Administrative Committee and the rate of assessment for the 1972–73 crop year (which began October 1, 1972, and ends September 30, 1973), shall be as follows:

§ 987.317 Expenses of the California Date Administrative Committee and rate of assessment for the 1972–73 crop year.

(a) *Expenses.* Expenses in the amount of $29,899 are reasonable and likely to be incurred by the California Date Administrative Committee during the 1972–73 crop year beginning October 1, 1972, for its maintenance and functioning, and for such other purposes as the Secretary may, pursuant to the applicable provisions of this part, determine to be appropriate.

(b) *Rate of assessment.* The rate of assessment for that crop year which each handler is required, pursuant to § 987.72, to pay to the California Date Administrative Committee as his pro rata share of the expenses is fixed at 10 cents per hundredweight on all assessable dates. Assessable dates are dates which the handler has certified during the crop year as meeting the requirements for marketable dates, including the eligible portion of any fieldrun dates certified and set aside or disposed of pursuant to § 987.45(f).

It is further found that good cause exists for not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that: (1) The relevant provisions of said marketing agreement and this part require that the rate of assessment fixed for a particular crop year shall be applicable to all dates certified during that crop year as meeting the requirements for marketable dates, including the eligible portion of certain fieldrun dates; and (2) the current crop year began October 1, 1972, and the rate of assessment herein fixed will automatically apply to all such dates beginning with that date.

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

Dated: November 1, 1972.

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

[FR Doc.72–18972 Filed 11–3–72;8:50 am]

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Expenses and Rate of Assessment Crop Year 1972–73

Notice was published in the October 20, 1972, issue of the FEDERAL REGISTER (37 F.R. 22625) regarding proposed expenses of the Raisin Administrative Committee for the 1972–73 crop year and rate of assessment for that crop year, pursuant to §§ 989.79 and 989.80 of the marketing agreement, as amended, and Order No. 989, as amended (7 CFR Part 989; 37 F.R. 19621, 20022), regulating the handling of raisins produced from grapes grown in California. The marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The notice afforded interested persons opportunity to submit written data, views, or arguments with respect to the proposal. None were received during the prescribed time.

After consideration of all relevant matter presented, including that in the notice, the information and recommendations submitted by the Raisin Administrative Committee, and other available information, it is found that the expenses of the Raisin Administrative Committee and the rate of assessment for the crop year beginning September 1, 1972, shall be as follows:

§ 989.323 Expenses of the Raisin Administrative Committee and rate of assessment for the 1972–73 crop year.

(a) *Expenses.* Expenses (other than those specified in § 989.82) in the amount of $193,700 are reasonable and likely to be incurred by the Raisin Administrative Committee during the crop year beginning September 1, 1972, for the maintenance and functioning of the committee and the Raisin Advisory Board and for such purposes as the Secretary may, in accordance with § 989.79, determine to be appropriate.

(b) *Rate of assessment.* The rate of assessment for that crop year which each handler is required, pursuant to § 989.80, to pay to the Raisin Administrative Committee as his pro rata share of the expenses is fixed at $1.90 per ton applicable to each of the following:

(1) Free tonnage raisins acquired by the handler during the crop year, exclusive of such quantity thereof as represents the assessable portions of other handlers' raisins pursuant to subparagraph (3) of this paragraph;

(2) Reserve tonnage raisins released or sold to the handler for use as free tonnage during the crop year; and

(3) Standard raisins (which he does not acquire) recovered by the handler by the reconditioning of off-grade raisins but only to the extent of the aggregate quantity of the free tonnage portions of these standard raisins that are acquired by other handlers during the crop year.

It is further found that good cause exists for the not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that: (1) The relevant provisions of said amended marketing agreement and order require that the rate of assessment fixed for a particular crop year which handlers are required to pay shall be applicable to all free tonnage raisins of the crop year and to all reserve tonnage raisins released or sold to handlers for use as free tonnage during the crop year; and (2) the current crop year began on September 1, 1972, and the rate of assessment fixed herein will automatically apply to all such raisins beginning with that date.

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

Dated: November 1, 1972.

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

[FR Doc.72–18973 Filed 11–3–72;8:50 am]

Proposed Rule Making

FEDERAL POWER COMMISSION

[18 CFR Part 260]

[Docket No. R-308]

GAS PIPELINE COMPANIES

Annual Report of Total Gas Supply; Proposed Form

OCTOBER 31, 1972.

Notice is hereby given pursuant to section 553 of title 5 of the United States Code and sections 10, 14, and 16 of the Natural Gas Act (52 Stat. 826, 15 U.S.C. 717i; 52 Stat. 828, 15 U.S.C. 717m; and 52 Stat. 830, 15 U.S.C. 717o) that the Commission proposes to amend paragraph (a) of § 260.7 of Part 260—Statements and Reports (Schedules); Subchapter G—Approved Forms, Natural Gas Act; Chapter I, Title 18 of the Code of Federal Regulations to prescribe a revised FPC Form No. 15, Annual Report of Total Gas Supply, for the reporting year 1971 and thereafter.

In the proceeding in Docket No. R-239 the Commission proposed to require the filing, as part of the then-proposed Form No. 15, of certain detailed reservoir reserve estimate, contractual, and deliverability data. These data were to be submitted on electric accounting punch cards, electric data processing magnetic tape, or paper tape. By Order No. 279, issued March 31, 1964 (31 FPC 750), the Commission promulgated § 260.7 of its statements and reports (Schedules) prescribing Form No. 15 which did not include the detailed reservoir reserve estimate, contractual, and deliverability data to be filed in automatic data processing (ADP) media. The then-prescribed report was designated as the first phase and further consideration of the requirements for filing the additional detailed data was deferred as the second phase.

By notice issued in the instant proceeding on September 22, 1966 (31 F.R. 12729, September 29, 1966), the Commission proposed to require the filing of first phase data in ADP media. By Order No. 337 issued February 16, 1967 (37 FPC 326) the Commission deferred requiring the submission of Form No. 15 in ADP media and revised § 260.7 by requiring the filing of a revised Form No. 15 with minor changes. The instant proceeding was continued by said order.

By notice issued in the instant proceeding on November 11, 1968 (33 F.R. 17195, November 20, 1968), the Commission proposed both substantial and minor revisions in Form No. 15. By Order No. 399 issued April 27, 1970 (43 FPC 563), the Commission amended § 260.7 by requiring the filing of revised Form No. 15 with minor changes. The instant proceeding was continued by said order.

Since the issuance of Order Nos. 337 and 399, it has become evident to the Commission that it should have the second phase reservoir data in order to establish criteria to check the reasonableness of the data filed by any single company and to evaluate independently the data filed by parties to Commission proceedings. This will also permit the Commission through ADP methods to have an instant check on the current Form No. 15 deliverability status of each interstate natural gas pipeline company. Accordingly, it was proposed to amend Form No. 15 by the addition of new Schedule Nos. 4 and 5 for the collection of reservoir data and flow test data for nonassociated gas completions, respectively. The second phase contractual data are presently being collected as part of independent producer rate schedule filings.

In addition to the new schedules, the Commission proposed to revise the instructions to Form No. 15 by permitting the filing of all schedules in ADP media. A magnetic tape prepared for the electronic computer, accompanied by a verified, attested electronic computer printout, will be the preferred form for filing the report. The Commission recognizes that all companies may not have the resources or their modes of operation do not include the use of the electronic computer and, therefore, filing of the report in ADP media will be optional. It is the Commission's plan, however, eventually to require all companies to report in ADP media.

The amendment proposed herein would be made under authority granted to the Federal Power Commission by the Natural Gas Act, as amended, particularly sections 10, 14, and 16 thereof (52 Stat. 826, 15 U.S.C. 717i; 52 Stat. 828, 15 U.S.C. 717m; and 52 Stat. 830, 15 U.S.C. 717o).

Accordingly, it is proposed to amend paragraph (a) of § 260.7 of Part 260—Statements and Reports (Schedules); Subchapter G—Approved Forms, Natural Gas Act; Chapter I, Title 18 of the Code of Federal Regulations, to read as follows:

§ 260.7 Form No. 15, annual report of gas supply for certain natural gas companies.

(a) A revised form of Annual Report of Total Gas Supply, designated FPC Form 15, is prescribed for the reporting year 1971 and thereafter to be used by natural gas companies as provided by and in accordance with paragraph (b) of this section.

* * * * *

It was further proposed to revise Form No. 15 by adding new Schedule Nos. 4 and 5 and by permitting the filing of all schedules in ADP media.

It is herein proposed to revise Form No. 15 by substituting three schedules to replace the previously proposed five schedules and adding a fourth special schedule for gas not directly related to wells, reservoirs and fields, all as set forth in Appendix A hereto.[1]

It is further proposed that the newly proposed Schedule No. 4 be used to replace Form No. 15–A. Companies which formerly filed Form No. 15–A under these regulations need file only Schedule No. 4 of this revised Form No. 15 and the Table of Contents and Page No. 47, which is the Synopsis of Pipeline Company Gas Supply with Attestations. Such companies would not be required to file Schedule Nos. 1, 2, and 3 of this revised Form No. 15.

Any interested person may submit to the Federal Power Commission, Washington, D.C. 20426, not later than November 27, 1972, data, views, comments, or suggestions in writing concerning the amended regulation and revised form. Written submittals will be placed in the Commission's public files and will be available for public inspection at the Commission's Office of Public Information, Washington, D.C., during regular business hours. The Commission will consider all such written submittals before acting on the matters herein proposed. An original and 14 conformed copies should be filed with the Secretary of the Commission. In addition, interested persons wishing to have their comments considered in the clearance of the revised report form under the provisions of the Federal Reports Act of 1042, 44 U.S.C. 3501–3511, may at the same time submit a conformed copy of their comments directly to the Clearance

[1] Filed as part of the original document.

Officer, Office of Statistical Policy, Office of Management and Budget, Washington, D.C. 20503. Submittals to the Commission should indicate the name, title, mailing address, and telephone number of the person to whom communications concerning the proposals should be addressed and whether the person filing them requests a conference with the staff of the Federal Power Commission to discuss the proposed amendment and revision. The staff, in its discretion, may grant or deny requests for conference.

The Secretary shall cause prompt publication of this notice to be made in the FEDERAL REGISTER.

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18950 Filed 11-3-72;8:49 am]

[18 CFR Part 260]

[Docket No. R-455]

STATEMENTS AND REPORTS (SCHEDULES)

Imputed Rate of Return on Jurisdictional Rate Base; Correction

OCTOBER 12, 1972.

Revisions to FPC Annual Report Form No. 2 to obtain allocation of costs between jurisdictional and nonjurisdictional pipeline operations to determine the imputed rate of return on jurisdictional rate base, Docket No. R-455.

In the notice of proposed rule making, issued September 21, 1972, and published in the FEDERAL REGISTER September 28, 1972, 37 F.R. 20260, and corrected at 37 F.R. 21544, October 12, 1972, paragraph 6, line 8, change the word "Publicly" to read "Privately."

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18949 Filed 11-3-72;8:49 am]

CIVIL AERONAUTICS BOARD

[14 CFR Part 239]

[Docket No. 24510, EDR-234A]

FREIGHT LOSS AND DAMAGE CLAIMS BY CERTAIN AIR CARRIERS AND FOREIGN ROUTE AIR CARRIERS

Proposed Reporting Data; Extension of Time for Comments

NOVEMBER 1, 1972.

By circulation of notice of rule making EDR-234, dated September 29, 1972, and published at 37 F.R. 21175 (October 6, 1972), the Board gave notice that it had under consideration proposed amendments to Part 239 of its regulations (14 CFR Part 239). These proposals would modify certain definitions of terms used in the part and other provisions thereof. Interested persons were invited to file comments with the Board on or before November 7, 1972.

On October 25, 1972, certain carrier members of Air Transport Association of America (ATA) and Airlift International, Inc., requested an extension of 30 days for the filing of comments.

It is maintained that 12 days of the time within which to prepare comments was lost since the Board's notice was not issued until October 10, although dated September 29, 1972, and that the additional time requested is needed to study the proposed rule and to prepare and file meaningful comments.

The above allegation that 12 days of the time to prepare comments was lost because the notice was not issued until October 10th, although dated September 29th, is not factually accurate. The notice was published in the FEDERAL REGISTER on October 6, 1972 (37 F.R. 21175) and the 30 days intended to be allowed for the filing of comments was computed from such date. Considering that the proposed rule making does not involve novel issues but rather relates to refinements of existing regulations and that the carriers are familiar with the issues raised, and in the interest of completing this rule making proceeding in sufficient time to enable the new requirements, if any, to become effective as of January 1, 1973, the undersigned finds that an extension of time of more than 15 days would not be warranted.

Accordingly, pursuant to the authority delegated in § 385.20(d) of the Board's Organization Regulations, the undersigned hereby extends the time for submitting comments to November 22, 1972.

(Sec. 204(a) of the Federal Aviation Act of 1958, as amended, 72 Stat. 743; 49 U.S.C. 1324)

[SEAL] ARTHUR H. SIMMS,
Associate General Counsel, Rules and Rates.

[FR Doc.72-18966 Filed 11-3-72;8:52 am]

DEPARTMENT OF JUSTICE

Bureau of Narcotics and Dangerous Drugs

[21 CFR Part 308]

SCHEDULES OF CONTROLLED SUBSTANCES

Exempt Chemical Preparations

The Director of the Bureau of Narcotics and Dangerous Drugs has received applications pursuant to § 308.23 of Title 21 of the Code of Federal Regulations requesting that several chemical preparations containing controlled substances be granted the exemptions provided for in § 308.24 of Title 21 of the Code of Federal Regulations.

Therefore, under the authority vested in the Attorney General by sections 301 and 501(b) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 821 and 871(b)) and redelegated to the Director of the Bureau of Narcotics and Dangerous Drugs by § 0.100 of Title 28 of the Code of Federal Regulations, the Director hereby proposes that Part 308 of Title 21 of the Code of Federal Regulations be amended as follows:

a. By amending § 308.24(i) by adding the following chemical preparations:

(i) * * *

Manufacturer or supplier	Product name and supplier's catalog number	Form of product	Date of application
Abbott Laboratories	AUS-tect CEP Barbital Acetate Buffer, No. 9025-02.	Plastic bag: 2½" x 3¼"	8-21-72
Do	CEP Agarose Plates, No. 9023-01 and 9023-02.	Foil pouch: 4½" x 4" and 6½"x5¼".	8-21-72
Do	CEP Agarose Plates (For Research Studies Only), No. 9023-03 and 9023-04.	Foil pouch: 4½" x 4" and 6½"x5¼".	8-21-72
Do	DILU-tainer CEP Barbital Acetate Buffer, No. 9025-03.	Plastic bag: 6" x 13"	8-21-72
Do	Tetrasorb-125 T-4 Diagnostic Kit, No. 7775.	Vial: 11 ml	8-21-72
Do	Irosorb-59 Diagnostic Kit, No. 6764.	Vial: 10 ml	8-21-72
* * *	* * *	* * *	* * *
American Hospital Supply Corp. (Harleco Division).	Barbital-Sodium Buffer Salt, No. 11731.	Vial: 250 ml	6- 6-72
Do	Barbital-Acid Buffer Salt, No. 1173	Vial: 250 ml	6- 6-72
* * *	* * *	* * *	* * *
Amersham/Searle	Amobarbital-2-C14, No. CFA-401	Ampule: 110 mm. x 13 mm. or Vial: 38.40 mm. x 11 mm.	9-19-72
Do	Pentothal—S35 Sodium Salt, No. SJ-77.	Ampule: 110 mm. x 13 mm. or Vial: 38.40 mm. x 11 mm.	9-19-72
* * *	* * *	* * *	* * *
Becton, Dickinson and Co. (Spectra Biologicals Division).	HepaScreen CEP Barbital Buffer, No. K-751.	Envelope: 3.5" x 5.5"	8-11-72
Do	HepaScreen CE P Plates, Nos. K-742 and K-743.	Plate: 3.5" x 3.5"	8-11-72
* * *	* * *	* * *	* * *
Gelman Instrument Co	Seprachrom Drug System, No. 51920.	Chambers: 6 cm. x 9 cm	9- 6-72
* * *	* * *	* * *	* * *
General Diagnostics	fas T^3, No. 36903	Vial: 10.5 cm. x 1.2 cm	8-25-72
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Hylands Division, Travenol Laboratories, Inc.	Partial Thromboplastin, Dried, No. 3491.	Vial: 1 ml. and 5 ml	8-31-71
* * *	* * *	* * *	* * *
MCI Biomedical	IEP Buffer; pH 8.2, 0.04 Ionic Strength.	Package: 6.510 grams	8-28-72
* * *	* * *	* * *	* * *
MEAD Diagnostics	T-3 Test fas T_3, No. L6902	Vial: ½" x 1 13/16"	5-31-72
Do	T-4 Test fas T_4, No. L6905	Vial: ½" x 1 13/16"	5-31-72
* * *	* * *	* * *	* * *
Schering Corp	Hepaquik	Vial: 9 dram and plate	7-16-72
SYVA Co	Frat Benzoyl Ecgonine Calibrator	Vial: 1 ml	9-13-72
Do	Frat Methadone Calibrator	do	Do.
Do	Frat Opiate Calibrator	do	Do.
Do	Frat Amphetamine Calibrator	do	Do.
Do	Frat Barbiturate Calibrator	do	Do.
* * *	* * *	* * *	* * *
TLC Corp	Chromat/o/Screen Kit for Amphetamines, No. JJ-175.	Vial: 1.9 cm.X1.6 cm	7- 6-72
Do	Chromat/o/Screen Kit for Alkaloids, No. JJ-176.	Vial: 1.9 cm.X1.6 cm	Do.
Do	Chromat/o/Screen Kit for Barbiturates, No. JJ-177.	Vial: 1.9 cm.X1.6 cm	Do.
* * *	* * *	* * *	* * *
Travenol Laboratories	Agar Gel Plates, No. 8794	Plate: 25 ml	8- 1-72
Do	Buffer, No. 8793	Vial: 250 ml	8- 1-72
* * *	* * *	* * *	* * *

b. By amending § 308.24(i) by deleting the following chemical preparations:
(i) * * *

Manufacturer or supplier	Product name and supplier's catalog number	Form of product	Date of application
American Hospital Supply Corp. (Scientific Products Division).	Scientific Products Buffer Salt Mixture B-2, No. 93953.	Vial: 18.18 grams per 10 dram vial.	9-15-71
American Hospital Supply Corp. (Harleco Division).	do	do	Do.
American Hospital Supply Corp. (Dade Division).	Adsorbed Plasma Reagent, Nos. B4233-1 and B4233-2.	Bottle: 1 ml	8-16-71
* * *	* * *	* * *	* * *
Syva Co	Lyophilized Urine Base, Morphine Standard Set.	Vial: 2 ml	2-24-72
Do	Lyophilized Urine Base, Amphetamine Standard Set.	do	Do.
Do	Lyophilized Urine Base, Secobarbital Set.	do	Do.
Do	Lyophilized Urine Base, Methadone Standard Set.	do	Do.

c. By amending § 308.24(i) by revising the listing of two chemical preparations to read as follows:
(i) * * *

Manufacturer or supplier	Product name and supplier's catalog number	Form of product	Date of application
American Hospital Supply Corp. (Harleco Division).	Buffer Barbital, pH 8.6, No. 96804	Vial: 1.51 grams per 15 mm. x 45 mm. vial	9-15-71
* * *	* * *	* * *	* * *
Hyland Division, Travenol Laboratories, Inc.	Agar Gel Plates No. 3016	Package: 10 plates-25 ml. per plate.	8-31-71
* * *	* * *	* * *	* * *

All interested persons are invited to submit their comments and objections in writing regarding this proposal. Comments and objections should be submitted in quintuplicate to the Office of Chief Counsel, Attention: Hearing Clerk, Bureau of Narcotics and Dangerous Drugs, Department of Justice, Room 611, 1405 I Street NW., Washington, DC 20537, and must be received no later than November 30, 1972.

Dated: October 30, 1972.

JOHN E. INGERSOLL,
Director, Bureau of Narcotics and Dangerous Drugs.

[FR Doc.72-18824 Filed 11-3-72;8:45 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 966]

[Amdt. 1]

TOMATOES GROWN IN FLORIDA

Proposed Limitation of Shipments

Consideration is being given to the issuance of an amendment to the limitation of shipments regulation, as hereinafter set forth. This proposal was recommended by the Florida Tomato Committee, established pursuant to Marketing Agreement No. 125 and Marketing Order No. 966, both as amended

(7 CFR Part 966), regulating the handling of tomatoes grown in the Florida production area. This program 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 data, views, or arguments with respect to this proposal may file the same with the Hearing Clerk, Room 112, U.S. Department of Agriculture, Washington, D.C. 20250, not later than November 10, 1972. Written submissions received 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 proposed amendment would reduce the minimum and maximum diameters of each size classification presently in effect by one thirty-second of an inch to become effective on or about November 15, 1972. This reduction would result in the Florida tomato industry's size classifications becoming closer to those used in other tomato production areas while still remaining within the size arrangements set forth in § 51.1860 of the U.S. Standards for Grades of Tomatoes, but without its overlap between sizes.

Regulation, as proposed to be amended. In § 966.310 (37 F.R. 21423), the size classification paragraphs are amended to read as follows:

§ 966.310 **Limitation of shipments.**

* * * * *

(a) * * *

(1) * * *

Size classification:	*Diameter (inches)*
7 by 8	$2\frac{3}{32}$ and smaller.
7 by 7	Over $2\frac{3}{32}$ to $2\frac{5}{32}$, inclusive.
6 by 7	Over $2\frac{5}{32}$ to $2\frac{16}{32}$, inclusive.
6 by 6	Over $2\frac{16}{32}$ to $2\frac{27}{32}$, inclusive.
5 by 6 and larger	Over $2\frac{27}{32}$.

Measurement of diameters shall be in accordance with the methods prescribed in the U.S. Standards for Grades of Fresh Tomatoes (§§ 51.1855 to 51.1877 of this title).

(2) Tomatoes of designated sizes may not be commingled unless they are over $2\frac{16}{32}$ inches in diameter and each container shall be marked to indicate the designated size.

(3) To allow for variations incident to proper sizing, not more than a total of ten (10) percent, by count, of the tomatoes in any lot may be smaller than the specified minimum diameter or larger than the maximum diameter.

* * * * *

Dated: October 31, 1972.

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

[FR Doc.72-18919 Filed 11-3-72;8:45 am]

[7 CFR Part 1050]

MILK IN THE CENTRAL ILLINOIS MARKETING AREA

Notice of Proposed Suspension of Certain Provisions of the Order

Notice is hereby given that, pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), the suspension of certain provisions of the order regulating the handling of milk in the central Illinois marketing area is being considered for the month of November 1972.

All persons who desire to submit written data, views, or arguments in connection with the proposed suspension should file the same with the Hearing Clerk, Room 112-A, Administration Building, U.S. Department of Agriculture, Washington, D.C. 20250, not later than 3 days from the date of publication of this notice in the FEDERAL REGISTER. All documents filed should be in quadruplicate.

All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The provisions proposed to be suspended are as follows: In § 1050.14, paragraphs (c) (2) and (3).

STATEMENT OF CONSIDERATION

The proposed suspension would remove for the month of November 1972 the limitations on the proportion of each producer's monthly milk production that may be diverted as producer milk from a pool plant to a nonpool plant. A similar suspension was in effect for the month of October 1972.

Associated Milk Producers, Inc., requests this suspension for another month in order to enable a large number of its member producers to maintain producer status under the order for November and thereby continue receiving the uniform price for their milk, pursuant to the order.

On October 4, 1972, a large distributing plant to which many of this association's member producers shipped their milk ceased all receiving and processing operations. Since that time the cooperative association has been attempting to find alternative outlets for the milk of these producers.

The association states that the milk of some of these producers has been accommodated on another market via shipment through a reload station at McConnell, Illinois. It is claimed, however, that the remaining volume of milk cannot be brought through this reload point due to the distance involved, or can it be economically assembled in the small trucking equipment and transported long distances to other markets. According to the association there are not sufficient reload points in the area to accommodate this problem.

While an arrangement has been made with another handler in the market to receive this remaining volume of milk for 1 day in the month, this handler cannot receive this milk on a regular basis. The cooperative claims that more time is required to find satisfactory outlets for the milk.

This suspension of diversion limits will afford the cooperative an opportunity to divert the milk of these member producers, thereby maintaining their producer status under the order, and provide the association the needed time to obtain other marketing arrangements with respect to the milk of these producers who have supplied the market for many years.

Signed at Washington, D.C., on November 1, 1972.

E. L. PETERSON,
Administrator, Agricultural Marketing Service.

[FR Doc.72-18971 Filed 11-3-72;8:50 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

[24 CFR Part 1270]

[Docket No. R-72-218]

LOW-RENT HOUSING HOMEOWNERSHIP OPPORTUNITIES

Notice of Proposed Rule Making

Notice is hereby given that the Department of Housing and Urban Development proposes to amend Title 24 of the Code of Federal Regulations by adding a new Chapter XII. Chapter XI and Parts 1200 through 1269 and 1271 through 1299 are reserved. A notice of availability of material relating to public housing homeownership opportunity programs was published in the FEDERAL REGISTER on September 3, 1971. The following proposed amendment, which sets forth the essential elements of the HUD Homeownership Opportunities Program for Low-Income Families (Turnkey III), is a substantial revision of the material made available on September 3, 1971, and is therefore being published at this time for comment.

A significant revision is in the method of determining the purchase price of a home buyer's home. In order to bring the purchase price of the home more in line with that of comparable privately built homes, relocation costs, costs of counseling and training, and the cost of any community buildings are not included in the estimated development cost used in computing the purchase price. To enable computation of a firm purchase price when occupancy begins, the price will be determined from the estimated cost based on the development cost budget, rather than actual development cost, and the home buyer will be

furnished a purchase price (i.e. amortization) schedule based on this estimate.

To provide greater assurance that a homeowner will be able to meet the obligations of homeownership, the eligibility limit for continued occupancy with the aid of HUD annual contributions is being set at the level at which 20 (instead of 25) percent of adjusted monthly income equals or exceeds the home-buyer's monthly housing cost.

The following forms and guides are being provided: Annual contributions contract—special provisions for Turnkey III homeownership opportunity project; home-buyers ownership opportunity agreement (Turnkey III); Articles of Incorporation and Bylaws of Home Buyers Association; recognition agreement between local housing authority and Home Buyers Association; promissory note for payment upon resale by home buyer at profit; and content guide for counseling and training program.

To provide for greater local flexibility, specific guidelines are not offered with respect to citizens participation committees.

Interested parties are invited to submit written comments, suggestions, or objections regarding the proposed amendment, by December 5, 1972, addressed to the Rules Docket Clerk, Office of the General Counsel, Room 10256, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410. All relevant material will be considered before adoption of a final rule. A copy of each communication will be available for public inspection during regular business hours at the above address.

The proposed rule is issued pursuant to 7(d) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Issued at Washington, D.C., October 31, 1972.

GEORGE ROMNEY,
Secretary of Housing and Urban Development.

PART 1270—LOW-RENT HOUSING HOMEOWNERSHIP OPPORTUNITIES

Subpart A—Introduction to Low-Rent Housing Homeownership Opportunity Program

Sec.
1270.1–1270.100 [Reserved]

Subpart B—Turnkey III Program Description

1270.101 Introduction.
1270.102 Definitions.
1270.103 Project development.
1270.104 Eligibility and selection of home buyers.
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1270.106 Home Buyers Association (HBA).
1270.107 Responsibilities of home buyer.
1270.108 Break-even amount.
1270.109 Monthly operating expense.
1270.110 Earned Home Payments Account (EHPA).
1270.111 Nonroutine maintenance reserve.
1270.112 Operating reserve.
1270.113 Application of funds upon vacating of dwelling.
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1270.116 Achievement of ownership by subsequent occupants.
1270.117 Transfer of title to home buyer.
1270.118 Responsibilities of home buyer after acquisition of ownership.
1270.119 Homeowners Association—Planned Unit Development (PUD).
1270.120 Homeowners Association—Condominium.
1270.121 Relationship of Homeowners Association to HBA.
1270.122 Use of appendices.

APPENDIX I—Annual contribution contract—"Special provisions for Turnkey III homeownership opportunity project."
APPENDIX II—Home buyers ownership opportunity agreement (Turnkey III).
APPENDIX III—Certificate of acknowledgment of home buyer's right to purchase home.
APPENDIX IV—Promissory note for payment upon resale by home buyer at profit.

Subpart C—Homeownership Counseling and Training

Sec.
1270.201 Purpose.
1270.202 Objectives.
1270.203 Planning.
1270.204 General requirements and information.
1270.205 Training methodology.
1270.206 Funding.
1270.207 Use of appendix.

APPENDIX I—Content guide for counseling and training program.

Subpart D—Home Buyers Association (HBA)

1270.301 Purpose.
1270.302 Membership.
1270.303 Organizing the HBA.
1270.304 Functions of the HBA.
1270.305 Funding.
1270.306 Performing management services.
1270.307 Alternative to HBA.
1270.308 Relationship with Homeowners Association.
1270.309 Use of appendices.

APPENDIX I—Articles of incorporation and bylaws of Home Buyers Association.
APPENDIX II—Recognition agreement between local housing authority and Home Buyers Association.

AUTHORITY: The provisions of this Part 1270 issued under sec. 7(d), Department of Housing and Urban Development Act, 42 U.S.C. 3535(d).

Subpart A—Introduction to Low-Rent Housing Homeownership Opportunity Program

§§ 1270.1–1270.100 [Reserved]

Subpart B—Turnkey III Program Description

§ 1270.101 Introduction.

(a) *Purpose.* This subpart sets forth the essential elements of the HUD homeownership opportunities program for low-income families (Turnkey III). It is intended to enable local housing authorities to develop homeownership programs to provide low-income families with an opportunity to become homeowners through Federal assistance in the form of annual contributions to the local housing authority. In the early planning stages, such local authorities should consult with the appropriate HUD area office so as to develop a homeownership project best suited to their own particular needs. A local housing authority may develop or acquire dwelling units for this program through any low-rent public housing program production method (except leasing).

(b) *Applicability.* This subpart shall be applicable to all Turnkey III projects, including projects under development or in operation as follows:

(1) With respect to projects under development pursuant to an executed annual contributions contract (ACC) where no home-buyers ownership agreements have been signed, the ACC shall be amended: (i) To include the "Special Provisions for Turnkey III Homeownership Opportunity Project" as set forth in Appendix I; (ii) to extend its term to 30 years; and (iii) to reduce its maximum contribution percentage to a rate that will amortize the debt in 30 years at the minimum loan interest rate specified in the ACC. Further development and operation of the project shall be in accordance with this subpart including use of the form of home-buyers ownership opportunity agreement set forth in Appendix II.

(2) With respect to projects under development or in operation where home-buyers ownership agreements have been signed, the following steps shall be taken:

(i) The annual contributions contract shall be amended to include the "Special Provisions for Turnkey III Homeownership Project No. _____" as set forth in Appendix I and further development and operation of the project shall be in accordance with this subpart.

(ii) The LHA shall offer all qualified home buyers in the project a new home-buyers ownership opportunity agreement as set forth in Appendix II with an amendment to section 14(a) to refer to "the latest approved Development Cost Budget, or Actual Development Cost Certificate if issued," in lieu of "the Development Cost Budget in effect upon award of the Main Construction Contract or execution of the Contract of Sale," and an amendment to section 14(b) to refer to a term of 25 years, instead of 30, for the purchase price schedule. Each purchase price shall commence with the first day of the month following the effective date of the former home-buyers ownership agreement. No home buyer shall be required to accept the new agreement.

(iii) For each home buyer who has not accepted the new home-buyers ownership opportunity agreement, the LHA shall provide a purchase price schedule showing the amortization of the development cost attributable to

the home as the monthly declining purchase price in accordance with the provisions of § 1270.114 except: (*a*) A 25-year amortization period shall be used; (*b*) the development cost for each home shall be computed on the basis of the latest approved development cost budget, or the actual development cost certificate if issued.

§ 1270.102 Definitions.

(a) The term "HUD" means the Department of Housing and Urban Development which provides the LHA's with financial assistance through loans and annual contributions and technical assistance in the development and operation of the project.

(b) The term "LHA" means the local housing authority which acquires or develops a low-rent housing development with financial assistance from HUD, owns all the homes until titles are transferred to the home buyers, and is responsible for the management of the homeownership program.

(c) The term "home buyers" means low-income families who have entered into Home Buyers Ownership Opportunity Agreements with the LHA.

(d) The term "home buyers association" (HBA) means an association comprised of home buyers whom it represents in dealings with the LHA and others.

(e) The term "homeowners" means home buyers who have acquired title to their homes.

(f) The term "homeowners association" means an association comprised of homeowners, having responsibilities with respect to common property of the project, including condominium associations.

(g) The term "Community Participation Committee" (CPC) means a voluntary group, made up of representatives of the low-income population primarily and representatives of community service organizations, which may be utilized by the LHA to assist in the development and ongoing support of a homeownership program.

§ 1270.103 Project development.

(a) *Financial framework.* The LHA shall finance development or acquisition of the project by sale of its notes (bond financing shall not be used). The principal amount of these notes shall be the capital debt of the project. Payment of the debt service is assured by HUD commitment to provide debt service annual contributions to the LHA based on a 30-year amortization period.

(b) *Contractual framework.* Underlying this arrangement are three basic contracts:

(1) An annual contributions contract containing "Special Provisions For Turnkey III Homeownership Opportunity Project," Form HUD–53010C (see appendix I);

(2) A Home Buyers Ownership Opportunity Agreement (see appendix II), which sets forth the respective rights and obligations of the low-income occupants and the LHA, including conditions for achieving homeownership; and

(3) A Recognition Agreement (see appendix II of Subpart C of this part) between the LHA and HBA under which the LHA agrees to recognize the HBA as the established representative of the homebuyers.

(c) *Community Participation Committee (CPC).* In the necessary development of citizens participation and understanding, the LHA should consider formation and use of a CPC, made up of interested citizens, to promote the project.

§ 1270.104 Eligibility and selection of home buyers.

(a) *Eligibility.* Home buyers shall be low-income families as determined in accordance with the income definitions and limits established by the LHA for the program and approved by HUD. The LHA shall determine the eligibility of each applicant as to income and shall select home buyers from among the list of eligible applicants.

(b) *Standards for Admission.* The HUD-approved standards for admission to low-rent housing, including the LHA's established priorities and preferences, and the requirements for administration of low-rent housing under title VI of the Civil Rights Act of 1964 (Public Law 88–352, 78 Stat. 241, 42 U.S.C. 2000a), shall be applicable except for the plan for selection of applicants as provided in §_____ of this chapter. The LHA shall use the procedures set forth in paragraph (c) of this section for home buyer selection under the Turnkey III homeownership program. In carrying out these procedures the aim of the LHA shall be to provide for equal housing opportunity in such a way as to prevent segregation or other discrimination on the basis of race, creed, color, or national origin, in accordance with the Civil Rights Acts of 1964 (Public Law 88–352, 78 Stat. 241, 42 U.S.C. 2000a) and 1968 (Public Law 90–284, 82 Stat. 73, 18 U.S.C. 245).

(c) *Selection of home buyers.* Fair and objective procedures for home buyer selection shall be established as follows:

(1) *Availability of housing.* The availability of housing under the homeownership program shall be announced to the community at large.

(2) *List of applicants.* A separate list of applicants for the homeownership program shall be maintained, consisting of families who specifically apply for admission to such housing.

(3) *Dating of applications.* All applications for the homeownership program, including those from families on the waiting list for conventional housing and families in occupancy in such housing shall be dated as received.

(4) *Effect on applicant status.* The filing of an application for the homeownership program by a family which is an applicant for rental public housing or an occupant of such housing shall in no way affect its status with regard to rental public housing. Such applicants shall not lose their place on the rental public housing waiting list until they are accepted for the homeownership program, and such occupants shall not receive any different treatment or consideration than other occupants because of their having applied for the homeownership program.

(5) *Selection process.* (i) The LHA shall determine the eligibility of the family in respect to the income limits for the development. The LHA shall then assign each applicant his appropriate place on a waiting list for the development, in sequence based upon the date and time his application is received, suitable type or size of unit, and factors affecting preference or priority established by the LHA's regulations. Selection shall be made from the resulting list of eligible applicants by the LHA or a recommending committee. If a recommending committee is used it shall be composed of representatives of the CPC (if any), the LHA, and the HBA after it is formed. Where such a committee is utilized, it shall establish the criteria for selection and shall recommend qualified applicants to the LHA which shall make the final determination of acceptability. The LHA shall submit to the committee prompt written justification of any rejection, stating grounds, the reasonableness of which shall be in accord with HUD regulations and the LHA's HUD-approved regulations.

(ii) The selection criteria and procedures whether established by the LHA or the recommending committee shall insure the following:

(*a*) Selection of those applicants who have the greatest potential for homeownership;

(*b*) Protection of the applicant's constitutional rights, and selection on a basis that does not automatically deny admission to a particular class and that does insure selection on a nondiscriminatory basis;

(*c*) Achievement of an average monthly payment for the project, including consideration of the availability of the Special Family Subsidy, which is at least 10 percent more than the break-even amount (see § 1270.108); and

(*d*) Priority in selection to homebuyer families who have at least one member gainfully employed or who has potential for gainful employment.

(6) *Selection of lower income families.* If there are applicants who have a potential for homeownership but whose required monthly payment under the LHA's rent schedule would be less than the break-even amount (see § 1270.108), the LHA may select them as homebuyers. However, in any event, the initial and subsequent selection of homebuyers by the LHA shall result in an average monthly payment, including consideration of the availability of the Special Family Subsidy for the project, which is at least 10 percent more than the break-even amount. Such an average monthly payment may be achieved by selecting some low-income families who can afford to make required monthly payments substantially above the break-even amount.

(7) *Notification to applicants.* (i) Applicants who are determined to be eligible for admission to the development shall be notified of the approximate date of

occupancy insofar as such date can reasonably be determined.

(ii) Applicants who are not selected for a specific homeownership development shall be so notified in accordance with HUD-approved procedure. The notice shall state the reason for the applicant's rejection (including a nonrecommendation by the recommending committee unless the applicant has previously been so notified by the committee), and provide the applicant, upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination regardless of the reason for the rejection.

(d) *Eligibility for continued occupancy.* (1) The home buyer shall cease to be eligible for continued occupancy with the aid of HUD annual contributions when the LHA determines that his adjusted monthly income has reached the level, and is likely to continue at such level, at which 20 percent thereof equals or exceeds the monthly housing cost (see subparagraph (2) of this paragraph). In such event, if the LHA determines, with HUD approval, that suitable financing (such as a subsidized or unsubsidized HUD insured mortgage, or a VA-guaranteed loan) is available, the LHA shall notify the home buyer that he shall either: (i) Purchase the home or (ii) move from the project; *Provided, however*, That if the LHA determines that, due to special circumstances, the homebuyer is unable to find decent, safe, and sanitary housing within his financial reach although making every reasonable effort to do so, the home buyer may be permitted to remain for the duration of such a situation if he pays an increased rent consistent with his increased income. This rent shall not, however, exceed the greater of the sum of the monthly breakeven amount plus the monthly debt service amount shown on the purchase price schedule for the home, or the rent for comparable unsubsidized housing in the locality. Such an increased rent shall also be payable by the home buyer if he continues in occupancy without purchasing the home because suitable financing is not available.

(2) The term "monthly housing cost," as used in this paragraph, means the sum of: (i) The monthly debt service amount shown on the Purchase Price Schedule (except where the home buyer can purchase the home by the method described in § 1270.114(c)(1) of this subpart); (ii) one-twelfth of the annual real property taxes which the home buyer will be required to pay as a homeowner; (iii) the current monthly per unit amount budgeted for routine maintenance (EHPA), Nonroutine Maintenance Reserve, and routine maintenance-common property; and (iv) the current LHA and HUD approved monthly allowance for utilities paid for directly by the home buyer plus the monthly cost of utilities supplied by the LHA.

§ 1270.105 Counseling of home buyers.

The LHA shall provide counseling and training as provided in Subpart C of this part. It shall be funded as provided in § 1270.206 of this part. Applicants for admission to the project shall be advised of the nature of the counseling and training program available to them and the application for admission shall include a statement by the applicant that he and his family shall participate and cooperate fully in all official preoccupancy and post-occupancy training activities. Failure to participate as agreed may result in the family not being selected or retained as a home buyer.

§ 1270.106 Home buyers Association (HBA).

A Home-Buyer Association (HBA) is an incorporated organization composed of all the families who have entered into Home-Buyers Ownership Opportunity Agreements. It is formed and organized for the purposes set forth in § 1270.304. The HBA shall be funded as provided in § 1270.305.

§ 1270.107 Responsibilities of homebuyer.

(a) *Repair, maintenance, and use of home.* Each homebuyer shall be responsible for the routine maintenance of his dwelling and grounds to the satisfaction of the HBA and the LHA. This routine maintenance includes the work (labor and materials) of keeping the dwelling structure, grounds, and equipment in good repair, condition, and appearance so that they may be utilized continually at their designed capacities and at the satisfactory level of efficiency for their intended purposes, and in conformity with the requirements of local housing codes and applicable regulations and guidelines of HUD. It includes repairs (labor and materials) to the dwelling structure, plumbing fixtures, dwelling equipment (such as range and refrigerator), shades and screens, water heater, heating equipment, and other component parts of the dwelling. It also includes all interior painting and the maintenance of grounds (lot) on which the dwelling is located. It does not include maintenance and replacements provided for by the Nonroutine Maintenance Reserve described in § 1270.111.

(b) *Repair of damage.* In addition to his obligation for routine maintenance, each homebuyer shall be responsible for repair of any damage caused by him or members of his family.

(c) *Care of home.* A homebuyer shall keep his dwelling in a sanitary condition; cooperate with the LHA and HBA in keeping and maintaining the common area and property, including fixtures and equipment, in good condition and appearance; and follow all rules of the LHA and of the HBA concerning the use and care of the dwellings and the common areas and property.

(d) *Inspections.* A homebuyer shall agree to permit officials, employees, or agents of the LHA and of the HBA to inspect his home at reasonable hours and intervals in accordance with rules established by the LHA and the HBA.

(e) *Use of home.* A homebuyer shall not: (1) Sublet his home without the prior written approval of the LHA and HUD, (2) use or occupy his home for any unlawful purpose nor for any purpose deemed hazardous by insurance companies on account of fire or other risks, or (3) provide accommodations (unless approved by the HBA and the LHA) to boarders or lodgers. Each homebuyer shall agree to use the home only as a place to live for himself and his family (as identified in his initial application or by subsequent amendment with the approval of the LHA), for children thereafter born to or adopted by members of such family, and for aged or widowed parents of the homebuyer or his spouse who may join the household.

(f) *Structural changes.* A homebuyer shall not make any structural changes in or additions to his home without first obtaining the written consent of the HBA and the LHA.

(g) *Charges.* The LHA shall agree to accept monthly payments without regard to any charges otherwise owed by the homebuyer to the LHA, and without regard to other rights and remedies applicable with respect to such other charges.

(h) *Statement of condition and repair.* When each homebuyer moves in, the LHA shall inspect the home and shall give the homebuyer a written statement, to be signed by the LHA and the homebuyer, of the condition of the home and the equipment in it. Should the homebuyer vacate the home, the LHA shall inspect it and give the homebuyer a written statement of the repairs and other work, if any, required to put the home in good condition for the next occupant (see § 1270.113). The homebuyer and/or his representative may join in any such inspections with the LHA and the HBA.

(i) *Maintenance of common property.* The home buyer may participate in nonroutine maintenance of his home and in maintenance of common property as discussed in § 1270.110(d) and § 1270.111(c).

(j) *Home buyer's required monthly payment.* (1) The term "required monthly payment" as used herein means the monthly payment the home buyer is required to pay to the LHA on or before the first day of each month. Except as otherwise provided in subparagraph (2) of this paragraph, the required monthly payment shall be an amount equal to 20 to 25 percent of the home buyer's adjusted monthly income (depending on the LHA's established rent schedule), less a monthly allowance for those utilities which the home buyer pays for directly.

(2) Notwithstanding the above, the required monthly payment, plus the monthly allowance for utilities supplied by the home buyer, shall not exceed 25 percent of the family's adjusted monthly income as defined by HUD in accordance with the Act.

(3) The required monthly payment may be adjusted as a result of the LHA's regular scheduled or specially scheduled reexamination of the home buyer's income and family composition. Interim changes may be made in accordance with the LHA's policy on reexaminations. If a

homebuyer requests a rent adjustment based on circumstances not covered by the LHA's policy, an adjustment may be made if both the LHA and the HBA agree that the circumstances warrant it.

(4) The required monthly payment may also be adjusted by changes in the required percentage of income due to changes in operating expenses as described in § 1270.109 and also to reflect changes made in the amount of the utility allowance to reflect current utility costs.

(k) *Assignment and survivorship.* Until such time as the home buyer acquires ownership of his home it shall be used only to house a family of low income. Therefore:

(1) A home buyer shall not assign any right or interest in his home or under his Home Buyers Ownership Opportunity Agreement without the prior written approval of the LHA and HUD;

(2) At the time of execution of his Home Buyers Ownership Opportunity Agreement, the home buyer shall designate a relative or household member who shall be his successor as a home buyer in the event of the home buyer's death, mental incapacity, or abandonment of family. The designee shall succeed the home buyer upon the occurrence of such an event unless the designee is then determined by the LHA and HUD to be no longer qualified.

(l) *Termination of occupancy.* (1) Should a home buyer breach his Home Buyers Ownership Opportunity Agreement, by failure to make his monthly payment or otherwise (including but not limited to misrepresentation or withholding of information in applying for admission or in connection with any subsequent reexamination of income and family composition), the agreement may be terminated by the LHA, after consulting the appropriate officers of the HBA. The LHA should provide the home buyer with an opportunity for special counseling designed to help him with his particular problem in fulfilling his agreement. The home buyer shall be given 30 days' written notice and shall be informed by a representative of the LHA of the reason for the termination. The home buyer shall be given a reasonable period of time to reply to the same representative of the LHA, and, if he wishes, to another representative, or other representatives of the LHA. The home buyer shall have the right to be accompanied by a representative of the HBA when he presents his reply or replies.

(2) The home buyer may terminate his agreement by giving the LHA 30 days' notice in writing of his intention to terminate and vacate his home. In the event that the home buyer abandons his home, or vacates it without notice to the LHA, the agreement shall be automatically terminated and the LHA may dispose of, in any manner deemed suitable by it, any items of personal property abandoned by the home buyer in the home.

§ 1270.108 Break-even amount.

(a) *Definition.* The term "break-even amount" as used herein means the minimum monthly amount required to provide funds for:

(1) Payment of monthly operating expense, including provision for operating reserve (see § 1270.109);

(2) The monthly amount to be credited to the earned home payments account for the home buyer (see § 1270.110); and

(3) The monthly amount to be credited to the nonroutine maintenance reserve for the home (see § 1270.111).

Illustration. The following is an illustration of the computation of the break-even amount:

(1) *Operating Expense (see § 1270.109):*		
Administration	$8.50	------
Homebuyer services	2.00	------
Project supplied utilities	3.00	------
Routine maintenance-common property	3.00	------
Protective services	2.00	------
General expense	4.50	------
Provision for operating reserve	2.00	$25.00
(2) Earned home payments account (see § 1270.110)		12.00
(3) Nonroutine maintenance reserve (see § 1270.111)		7.50
Break-even amount		44.50

The break-even amount shown above does not include the monthly allowance for utilities which the home buyer pays for directly.

(b) *Excess over break-even.* When the home buyer's required monthly payment (see § 1270.107(j)) exceeds the break-even amount, the excess shall be used to supplement that portion of the required monthly payment designated for operating expense (i.e., project income): *Provided,* That such excess shall not be used to pay operating expense in excess of the HUD approved operating budget.

(c) *Deficit in monthly payment.* When the home buyer's required monthly payment is less than the break-even amount, the deficit shall be applied as a reduction of that portion of the monthly payment designated for operating expense (i.e., as a reduction of project income). In all such cases, the earned home payments account and the nonroutine maintenance reserve account shall be credited with the amount included in the break-even amount for these accounts.

§ 1270.109 Monthly operating expense.

(a) *Definition and categories of monthly operating expense.* The term "monthly operating expense" means the monthly amount needed to pay operating expense of the project including the provision for operating reserve. The monthly operating expense shall consist of the following categories of expense and provision for operating reserve:

(1) *Administration,* Administrative salaries, travel, legal expenses, office supplies, postage, telephone, and telegraph, ect.;

(2) *Home buyer services.* LHA expenses in the achievement of social goals, including costs such as salaries, publications, payments to the HBA to assist its operation, contract, and other costs;

(3) *Utilities.* Those utilities (such as water), if any, to be furnished by the LHA as part of operating expense;

(4) *Routine maintenance common-property.* For community building, grounds, and other common areas, if any. The amount required for routine maintenance of common property depends upon the type of common property included in the development and the extent of the LHA's responsibility for maintenance (see also § 1270.109 (c));

(5) *Protective services.* The cost of supplemental protective services paid by the LHA for the protection of persons and property;

(6) *General expense.* Premiums for fire and other insurance, payments in lieu of taxes to the local taxing body, collection losses, payroll taxes, etc.;

(7) *Operating reserve.* Extraordinary maintenance of equipment applicable to the community building and grounds, and unanticipated items for both dwelling and nondwelling structures (see § 1270.112).

(b) *Monthly operating expense rate.* The monthly operating expense rate for each fiscal year shall be established on the basis of the LHA's HUD-approved operating budget for each such fiscal year. If it is subsequently determined that the actual operating expense for a fiscal year was more or less than the amount provided by the monthly operating expense established for such fiscal year, the rate of monthly operating expense to be established for the next fiscal year may be adjusted to account for the difference (see § 1270.112(b)). For the possible effect of such adjustment on the required monthly payment, see § 1270.107(j)(2).

(e) *Investment of excess.* When the aggregate amount of all EHPA balances exceeds the estimated reserve requirements for 90 days, the LHA shall notify the HBA and shall invest the excess in federally insured savings accounts, federally insured credit unions, and/or securities approved by HUD and in accordance with any recommendations made by the HBA. If the HBA wishes to participate in the investment program, it should submit periodically to the LHA a list of HUD approved securities, bonds, or obligations which the association recommends for investment by the LHA of the funds in the EHPA's. Interest earned on the investment of such funds shall be prorated and credited to each home buyer's EHPA in proportion to the amount in each such reserve account. Periodically, but not less often than semiannually, the LHA shall prepare a statement showing: (1) The aggregate amount of all EHPA balances; (2) the aggregate amount of investments (savings accounts and/or securities) held for the account of all the home buyers' EHPA's, and (3) the aggregate uninvested balance of all the home buyers' EHPA's. This statement shall be made available to any authorized representative of the HBA.

(f) *Voluntary equity payments.* To enable the home buyer to acquire title to his home within a shorter period, he may either periodically or in a lump

sum voluntarily make payments over and above his required monthly payments. Such voluntary payments shall be deposited to his credit in his EHPA.

(g) *Delinquent monthly payments.* Under exceptional circumstances as determined by the HBA and the LHA, a home buyer's EHPA may be used to pay his delinquent required monthly payments, provided the amount used for this purpose does not seriously deplete the account and provided that the home buyer agrees to cooperate in such counseling as may be made available by the LHA or the HBA.

(c) *Provision for common property maintenance.* During the period the LHA is responsible for the maintenance of common property, the annual operating budget and the monthly operating expense rate shall include the amount required for routine maintenance of all common property in the project, even though ownership of a number of the homes may have been acquired by home buyers. During such period, this amount shall be computed on the basis of the total numbers of homes in the project (i.e., the annual amount budgeted for routine maintenance of common property shall be divided by the number of homes in the project, resulting in the annual amount for each home; the figure shall in turn be divided by 12 to determine the monthly amount to be included in the monthly operating expense (and in the break-even amount) for routine maintenance of common property. After the homeowners association assumes responsibility for maintenance of common property, the monthly operating expense (and break-even amount) shall include an amount equal to the monthly assessment by the homeowners association for the remaining homes owned by the LHA. See § 1270.112 for nonroutine maintenance of common property.

(d) *Posting of monthly operating expense statement.* A statement showing the budgeted monthly amount allocated in the current operating budget to each operating expense category shall be provided to the HBA and copies shall be provided to home buyers upon request.

§ 1270.110 Earned Home Payments Account (EHPA).

(a) *Credits to the account.* The LHA shall establish and maintain a separate EHPA for each home buyer. Since the home buyer is responsible for maintaining his home, a portion of his required monthly payment equal to the LHA's estimate, approved by HUD, of the monthly cost for such routine maintenance shall be set aside in his EHPA. In addition this account shall be credited with (1) Any voluntary payments made pursuant to paragraph (f) of this section, and (2) any amount earned through the performance of maintenance as provided in paragraphs (c) and (d) of this section.

(b) *Charge for failure to provide maintenance for dwelling unit.* If for any reason the home buyer is unable or fails to perform any item of required maintenance as described in § 1270.107(a), the LHA shall arrange to have the work done in accordance with the procedures established by the LHA and the HBA, and the cost thereof shall be charged to the home buyer's EHPA. Inspections of the home shall be made jointly by the LHA and the HBA.

(c) *Exercise of option; required amount in EHPA.* The home buyer shall not be entitled to exercise his option to buy his home until he has built up a minimum balance of $200 in his EHPA, at which time he shall receive a certificate to this effect (see appendix III to this subpart). The home buyer shall be obligated to build up this minimum balance within the first 2 years of his occupancy and shall also be obligated to continue performing the required maintenance thereby adding to his EHPA. If the home buyer fails to meet either of these obligations, the LHA and the HBA shall investigate and take appropriate corrective action, including termination of the agreement in appropriate cases.

(d) *Additional equity through maintenance of common property.* Home buyers may earn additional EHPA credits by providing in whole or in part any of the maintenance necessary to the common property of the project. When such maintenance is to be provided by the home buyer, this may be done and credit earned therefor only pursuant to a prior written agreement between the home buyer and the LHA (or the homeowners association, depending on whose property is involved), covering the nature and scope of the work and the amount of credit the home buyer is to receive. In such cases, the agreed amount shall be charged to the appropriate maintenance account and credited to the home buyer's EHPA upon completion of the work.

(h) *Annual statement to home buyer.* The LHA shall provide an annual statement to each home buyer specifying at least: (1) The amount in his EHPA, and (2) the amount in his nonroutine maintenance reserve. During the year, any maintenance or repair done on the dwelling by the LHA which is chargeable to the EHPA or nonroutine maintenance reserve shall be accounted for through a work order. A home buyer shall receive a copy of all such work orders for his home.

(i) *Withdrawal and assignment.* The home buyer shall have no right to assign, withdraw, or in any way dispose of the funds in his EHPA except as provided in §§ 1270.113, 1270.114, and 1270.115.

§ 1270.111 Nonroutine maintenance reserve.

(a) *Purpose of reserve.* The LHA shall use a portion of the home buyer's monthly payment to establish a separate nonroutine maintenance reserve for each home. The purpose of this reserve is to provide funds for the infrequent but costly items of maintenance and replacements which may be required over a period of years. Such items may include the replacement of dwelling equipment (such as range and refrigerator), replacement of roof, exterior painting, major repairs to heating, plumbing, and electrical systems, etc. This reserve shall not be used for maintenance and replacements of any items of common property; funds for such purposes shall be set aside in the operating reserve (see § 1270.112). Items of common property shall include all nondwelling structures and equipment, common areas, playgrounds, etc., and in some instances, it may include certain component parts of dwelling structures.

(b) *Amount of reserve.* The amount of the monthly payments to be set aside for the nonroutine maintenance reserve shall be determined by the LHA, with the approval of HUD, on the basis of maintenance engineering estimates of the amount needed during the term of the home buyers ownership opportunity agreement, taking into consideration the type of construction and dwelling equipment.

(c) *Charges to reserve.* When the LHA provides maintenance and/or replacements for which this reserve is established, the cost shall be charged to the nonroutine maintenance reserve for the home involved. Such maintenance may be provided by the home buyer but only pursuant to a prior written agreement with the LHA covering the nature and scope of the work and the amount of credit the home buyer is to receive. The amount of any credit shall, upon completion of the work, be charged to the nonroutine maintenance reserve for the home involved and credited to the home buyer's EHPA.

(d) *Transfer to home buyer.* When a home buyer purchases his home, the nonroutine maintenance reserve applicable to the home shall be transferred by the LHA to the home buyer and may be used if he so wishes to pay the downpayment, settlement, and related costs.

(e) *Investment of excess.* (1) When the aggregate amount of the nonroutine maintenance reserve balances for all the homes exceeds the estimated reserve requirements for 90 days, the LHA shall invest the excess in federally insured savings accounts, federally insured credit unions, and/or securities approved by HUD. Income earned on the investment of such funds shall be prorated and credited to each home buyer's nonroutine maintenance reserve in proportion to the amount in such reserve account.

(2) Periodically, but not less often than semiannually, the LHA shall prepare a statement showing: (i) The aggregate amount of all nonroutine maintenance reserve balances, (ii) the aggregate amount of investments (savings accounts and/or securities) held for the account of the nonroutine maintenance reserves, and (iii) the aggregate uninvested balance of the nonroutine maintenance reserves. A copy of this statement shall be made available to any authorized representative of the HBA.

§ 1270.112 Operating reserve.

(a) *Purpose of reserve.* To the extent that total operating receipts (including subsidies for operations) exceed total operating expenditures of the project,

the LHA shall establish an operating reserve up to the maximum approved by HUD in connection with its approval of the annual operating budgets for the project. The purpose of this reserve is to provide funds for: (1) The infrequent but costly items of nonroutine maintenance and replacements of common property, taking into consideration the types of items which constitute common property, such as nondwelling structures and equipment, and, in certain cases, common elements of dwelling structures, (2) any repairs to the dwelling units for which the LHA is responsible and which are not covered by the nonroutine maintenance reserve, and (3) a deficit in the operation of the project for a fiscal year, including a deficit resulting from monthly payments totaling less than the break-even amount for the project.

(b) *Provision for operating reserve.* (1) The amount of the provision for operating reserve to be included in operating expense (and in the break-even amount) established for the fiscal year (see § 1270.108) shall be determined by the LHA, with the approval of HUD, on the basis of maintenance engineering estimates of the monthly amount needed to accumulate an adequate reserve for the items described in paragraph (a)(1) of this section. This provision for operating reserve shall be made only during the period the LHA is responsible for the maintenance of any common property; and during such period, the amount shall be determined on the basis of the requirements of all common property in the project in a manner similar to that explained in § 1270.109(c).

(2) The amount of the provision for operating reserve to be included in computing the break-even amount may be increased (or decreased) when total routine expense for the preceding fiscal year is over (or under) the amount budgeted and used as a basis for establishing the break-even amount for such preceding fiscal year. When the operating reserve reaches the maximum authorized in paragraph (c) of this section, the break-even (monthly operating expense) computations (see § 1270.108) for the next and succeeding fiscal years need not include a provision for operating reserve unless the balance of the reserve is reduced below the maximum during any such succeeding fiscal year.

(c) *Maximum operating reserve.* The maximum operating reserve that may be retained by the LHA at the end of any fiscal year shall be the sum of:

(1) One-half of total routine expense included in the operating budget approved for the next fiscal year; and,

(2) One-third of total break-even amounts included in the operating budget approved for the next fiscal year.

Total routine expense means the sum of the amounts budgeted for administration, home-buyers' services, LHA-supplied utilities, routine maintenance of common property, protective services, and general expense, or other category of day-to-day routine expense (see § 1270.109 above for explanation of various categories of expense).

(d) *Transfer to homeowners association.* The LHA shall be responsible for and shall retain custody of the operating reserve until the homeowners association acquires voting control (see § 1270.119(c) and § 1270.120(f)). If the homeowners association then elects to assume full responsibility for management and maintenance of common property under a plan approved by HUD, there shall be transferred to the homeowners association the portion of the operating reserve then held by the LHA which is allocable to maintenance of common property, computed as follows:

(1) If the operating reserve is then at the allowable maximum, the sum of the amounts for: (i) Routine maintenance of common property; and (ii) the provision for operating reserve for common property which were included in the computation of the maximum operating reserve.

(2) If the operating reserve is then below the allowable maximum, a proportion of the amount computed in accordance with subparagraph (1) of this paragraph, based upon the proportion that the amount in the operating reserve bears to the allowable maximum.

In no case shall any portion of the operating reserve be transferred to individual home buyers or homeowners.

(e) *Disposition of reserve.* If, at the end of a fiscal year, there is an excess over the maximum operating reserve, this excess shall be applied to reduce the debt on the project (i.e., advance amortization). Following the end of the year next preceding the last annual contribution date for the project, the balance of the operating reserve held by the LHA shall be paid to HUD for application to reduction of annual contributions paid or payable.

§ 1270.113 Application of funds upon vacating of dwelling.

(a) *Charges to EHPA.* (1) In the event a home-buyers ownership opportunity agreement with the LHA is terminated or if the home buyer vacates the home (see § 1270.107(d)), the LHA shall charge against his EHPA the amounts required to pay: (i) The amount due the LHA, including the monthly payments he is obligated to pay to the date he vacates; (ii) the monthly payment for the period the home is vacant, not to exceed 30 days from the date of notice of intention to vacate, or 30 days from the date the home is vacated if the home buyer failed to give notice of intention to vacate; and (iii) the cost of repair and other work required to put the home in good condition for the next occupant in conformity with § 1270.107.

(2) If the EHPA balance is not sufficient to cover all of these charges, the LHA shall require the home buyer to pay the additional amount due. If the amount in the account exceeds these charges, the excess shall be paid to him.

(b) *Nonroutine maintenance and operating reserves.* The unused balance of the nonroutine maintenance reserve and of the operating reserve shall not be refunded but shall be retained by the LHA.

(c) *Settlement.* Settlement with the home buyer shall be made within 30 days from the date he vacates and after the actual cost of repairs has been determined: *Provided, however,* That the home buyer may obtain settlement within 7 days of the date he vacates if he has given the LHA notice of his intention to vacate 30 days prior to the date he vacates and if the amount to be charged against his EHPA pursuant to paragraph (a)(1)(iii) of this section is based on the LHA's estimate of the cost thereof (determined after consultation with the appropriate representative of the HBA).

§ 1270.114 Achievement of ownership by initial occupant.

(a) *Determination of purchase price.* The initial purchase prices of the homes shall be determined by the LHA on the basis of the estimated total development cost (including the full amount for contingencies as authorized by HUD) of the project as shown in the development cost budget in effect upon award of the main construction contract or execution of the contract of sale less the amounts, if any, attributed to: (1) Relocation costs, (2) counseling and training costs, (3) the cost of any community buildings, and (4) the cost of any other land, buildings, equipment, and other facilities which are not part of the property to be owned by home buyers or the homeowners association. The LHA (subject to HUD approval) shall determine the initial purchase price of each home by prorating such estimated total development cost for the project, after deducting costs for items identified in subparagraphs (1) through (4) of this paragraph, on an equitable basis taking into account the size of the homes, the type of construction, the size of the lot (land) which becomes a part of the home, and such other factors as may affect the relative value of the home.

(b) *Purchase price schedule.* Each home buyer shall be provided with a purchase price schedule showing: (1) The monthly declining purchase price over a 30-year period commencing with the initial purchase price on the first day of the month following the effective date of his home-buyers ownership opportunity agreement; and (2) the monthly debt service amount upon which the schedule is based. This schedule and debt service amount shall be computed on the basis of the initial purchase price, a 30-year period, and a rate of interest equal to the minimum loan interest rate as specified in the annual contributions contract for the project on the date of HUD approval of the development cost budget, described in paragraph (a) of this section, rounded up, if necessary, to the next multiple of one-fourth of 1 percent (¼%).

(c) *Methods of purchase.* (1) The home buyer may achieve ownership when

the amount in his EHPA, plus such portion of the nonroutine maintenance reserve as he wishes to use for the purchase, is equal to the purchase price as shown at that time on his purchase price schedule plus costs incidental to acquiring ownership. If for any reason title to the home is not conveyed to the home buyer during the month in which such circumstances occur, the purchase price shall be fixed at the amount specified for such month and the home buyer shall be refunded the net additions, if any, credited to his EHPA subsequent to such month, and such part of the monthly payments made by the home buyer after the purchase price has been fixed which exceed the sum of the break-even amount attributable to the unit and the interest portion of the debt service payment shown in the purchase price schedule.

(2) Where the sum of the purchase price and costs described in subparagraph (1) of this paragraph is greater than the amounts from his EHPA and nonroutine maintenance reserve as described in subparagraph (1) of this paragraph, the home buyer may achieve ownership by obtaining financing for or otherwise paying the excess amount. The purchase price shall be the amount shown on his purchase price schedule for the month in which the settlement date for the purchase occurs. Among the sources from which the home buyer may obtain funds for such excess is mortgage financing under a federally insured or guaranteed home-loan program.

(d) *Period for achieving ownership.* The maximum period for achieving ownership shall be 30 years, but depending upon increases in the home-buyers income and the amount of credit which the home buyer can accumulate through maintenance and voluntary payments, the period may be shortened accordingly.

§ 1270.115 Payment upon resale at profit.

(a) *Promissory note.* (1) The home buyer (regardless of whether ownership is achieved under § 1270.114 or 1270.116) shall be required to make a payment to the LHA if he sells his house at a profit within 5 years of actual residence in the home after he becomes a homeowner. The obligation to make such a payment shall be provided for in a non-interest-bearing promissory note (see appendix IV to this subpart) to the LHA which shall be executed at the time he becomes a homeowner and shall be secured by a second mortgage. The initial amount of the note shall be computed by taking the FHA-appraised value at the time the home buyer gets title to his house (that is, when he becomes a homeowner) and subtracting: (i) The price for which the home buyer acquires title to this home; (ii) the closing and other costs incurred by the homeowner in acquiring title; and (iii) the amount of increased value of the home caused by improvements made by the home buyer. The result shall be the initial amount of the note.

(2) The promissory note shall provide that the amount of the note shall be automatically reduced by 20 percent of the initial amount at the end of each year of residency as a homeowner with the note terminating at the end of the 5-year period of residency as determined by the LHA. To protect the homeowner, the note shall provide that the amount payable under it shall in no event be more than the net profit on the sale, that is, the amount by which the sales price exceeds the sum of: (i) The home-buyer's purchase price; (ii) the closing and other costs paid by him at time of purchase; (iii) the costs of the sale, including commissions, mortgage prepayment penalties, if any, and other costs paid by him at time of closing; and (iv) the value of home improvements added by him as a home buyer or homeowner.

(3) Amounts collected by the LHA under such notes shall be applied: (a) To reduce the LHA's capital indebtedness on the project; and (b) after such indebtedness has been paid, for such purposes as may be authorized or approved by HUD under such annual contributions contract as the LHA may then have with HUD.

Illustration. If the homeowner's purchase price is $10,000, the closing and other costs are $500, the added improvements are $1,000 and the FHA appraised value at the time is $17,000, the note computation would be as follows:

FHA appraised value		$17,000
Homeowner's purchase price	$10,000	
Improvements	1,000	
Closing and other costs	500	−11,500
Initial note amount		5,500

In this example, the amount of the note during the first year of residence is $5,500. In the second year, the amount of the note is $4,400, and in the third year it is $3,300, etc. The note shall terminate at the end of the fifth year.

If the homeowner in this example sells his home during the first year for a sales price of $17,500, has sales costs of $1,600 (including a sales commission), and has made $1,500 in further improvements, he would be required to pay the LHA $2,900 rather than the $5,500, as indicated in the following computations:

Sales price		$17,500
Sales costs	$1,600	
All improvements	2,500	
Purchase price and costs	10,500	−14,600
Payable to LHA		2,900

(b) *Residence requirement.* The 5-year note period does not end if the homeowner rents or otherwise does not use the home as his principal place of residence for any period within the first 5 years after he achieves ownership. In this case, only the actual amount of time he is in residence is counted and the note shall be in effect until a total of 5 years time of residence has accrued, at which time the homeowner may request the LHA to release him from the note, and the LHA shall do so.

§ 1270.116 Achievement of ownership by subsequent occupants.

(a) *Low-income successors.* A low-income family succeeding the initial home buyer may achieve ownership in the same manner as described in § 1270.114 for its predecessor—under a home-buyers ownership opportunity agreement—by making the required monthly payments, performing its own maintenance and repairs, and making voluntary payments.

(b) *Determination of initial purchase price.* The initial purchase price for a successor home buyer shall be an amount equal to: (1) The purchase price shown on the initial home-buyer's purchase price schedule as of the date of the home-buyers ownership opportunity agreement with the successor home buyer plus; (2) the amount, if any, by which the fair market value of the home determined or approved by HUD as of the same date, exceeds the purchase price specified in subparagraph (1) of this paragraph.

(c) *Purchase price schedule.* The successor home-buyer's purchase price schedule shall be the same as the unexpired portion of the initial home-buyer's purchase price schedule except that where his purchase price includes an additional amount as specified in paragraph (b)(2) of this section, the initial home-buyer's purchase price schedule shall be followed by an additional purchase price schedule for such additional amount based upon the same monthly debt service and the same interest rate as applied to the initial home-buyer's purchase price schedule.

(d) *Continued eligibility and repayment upon resale.* The provisions of §§ 1270.104(d) and 1270.115 apply to successor home buyers as well as to initial home buyers.

(e) *Residual receipts.* After payment in full of the LHA's debt, if there are any successor occupants who have not acquired ownership of their homes, the LHA shall continue to pay to HUD all residual receipts from the operation of the project, including payments received on account of any additional purchase price schedules applicable to the homes, provided the aggregate amount of such payments of residual receipts does not exceed the aggregate amount of annual contributions paid by HUD with respect to the project.

§ 1270.117 Transfer of title to home buyer.

When the home buyer is to obtain ownership, as described in § 1270.114 or § 1270.116, a closing date shall be mutually agreed upon by the parties. On the closing date, the home buyer shall pay the required amount of money (including any amounts available in his EHPA and such portion of the nonroutine maintenance reserve as he may wish) to the LHA and receive a deed for the home.

§ 1270.118 Responsibilities of home buyer after acquisition of ownership.

After acquisition of ownership, each homeowner shall be required to pay to the LHA or to the homeowners association, as appropriate, a monthly fee for: (a) The maintenance and operation of community facilities including utility facilities, if any, (b) the maintenance of grounds and other common areas, and (c) such other purposes as determined by the LHA or the homeowners association, as appropriate, including taxes and a provision for a reserve. This requirement shall be set out in the planned unit development or condominium documents which shall be recorded prior to the date of full availability, or in an LHA-homeowner contract in this regard.

§ 1270.119 Homeowners Association—Planned unit development (PUD).

If the development is organized as a planned unit development:

(a) *Ownership and maintenance of common property.* The common areas, sidewalks, parking lots, and other common property in the development shall be owned and maintained as provided for in the approved planned unit development (PUD) program except that the LHA shall be responsible for maintenance until such time as the homeowners association assumes such responsibility (see § 1270.112(d)).

(b) *Title restrictions.* The title ultimately conveyed to each home buyer shall be subject to restrictions and encumbrances to protect the rights and property of all other owners. The homeowners association shall have the right and obligation to enforce such restrictions and encumbrances and to assess owners for the costs incurred in connection with common areas and property and other responsibilities.

(c) *Votes in association.* There shall be as many votes in the association as there are homes, and at the outset all the voting rights shall be held by the LHA. As each home is conveyed to the home buyer, one vote shall automatically go to the home owner so that when all the homes have been conveyed, the LHA shall no longer have any interest in the homeowners association.

(d) *Voting control.* The LHA shall not lose its majority voting interest in the association as soon as a majority of the homes have been conveyed, unless the law of the state requires control to be transferred at a particular time, or the LHA so desires.

If permitted by State law, provision shall be made for each home owned by the LHA to carry three votes while each home owned by a homeowner shall carry one vote. Under this weighted voting plan, the LHA shall continue to have voting control until 75 percent of the homes have been acquired by homeowners. However, at its discretion, the LHA may transfer voting control to the homeowners when at least 50 percent of the homes have been acquired by the homeowners.

§ 1270.120 Homeowners association—condominium.

If the development is organized as a condominium: (a) The LHA at the outset shall own each condominium unit and its undivided interest in the common areas;

(b) All the land, including that land under the housing units, shall be a part of the common areas;

(c) The homeowners association shall own no property but shall maintain and operate the common areas for the individual owners of the condominium units except that the LHA shall be responsible for maintenance until such time as the homeowners association assumes such responsibility (see § 1270.112(d));

(d) The percentage of undivided interest attached to each condominium unit shall be based on the ratio of the value of the units to the value of all units and shall be fixed when the project is completed. This percentage shall determine the homeowner's liability for the maintenance of the common areas and facilities;

(e) Each homeowner's vote in the homeowners association shall be identical with the percentage of undivided interest attached to his unit; and

(f) The LHA shall not lose its majority voting interest in the association as soon as units representing 50 percent of the value of all units have been conveyed, unless the law of the State requires control to be transferred at a particular time or the LHA so desires. For voting purposes, if permitted by State law (until units representing 75 percent of the value of all units have been acquired by homeowners), the total undivided interest attributable to the homes owned by the LHA shall be multiplied by three. Under this weighted voting plan, the LHA shall continue to maintain voting control until 75 percent of the homes have been acquired by homeowners. However, at its discretion, the LHA may transfer voting control to the homeowners when units representing at least 50 percent of the value of all units have been acquired by the homeowners.

§ 1270.121 Relationship of homeowners association to HBA.

The HBA and the LHA may make arrangements to permit home buyers to participate in homeowners association matters which affect the home buyers. Such arrangements may include rights to attend meetings and to participate in homeowners association deliberations and decisions.

§ 1270.122 Use of appendices.

Use of the following appendices is mandatory for projects developed under this subpart:

Appendix I—Annual Contributions Contract "Special Provisions for Turnkey III Homeownership Opportunity Project";

Appendix II—Home Buyers Ownership Opportunity Agreement (Turnkey III);

Appendix III—Certificate of Acknowledgment of Home Buyer's Right to Purchase Home;

Appendix IV—Promissory Note for Payment Upon Resale by Home Buyer at Profit.

No modification may be made in format, content or text of these appendices except: (a) As required under State or local law as determined by HUD; or (b) with approval of HUD.

APPENDIX I

ANNUAL CONTRIBUTION CONTRACT

(—) Special provisions for turnkey III homeownership opportunity project No. ------.

(1) The local authority agrees to operate the project in accordance with requirements for the homeownership opportunity program for low-income families (turnkey III) as prescribed by the Government. The local authority shall enter into an agreement with the occupant of each dwelling unit in the project which agreement shall be in the form of the home buyers ownership opportunity agreement approved by the Government, and provides for the ultimate ownership of the dwelling unit by each occupant who has performed all of the obligations and conditions precedent imposed upon him by such agreement: *Provided*, That upon conveyance of any such dwelling unit, the local authority's outstanding obligations in respect to the project shall be reduced by the amount received for such conveyance, and the Government's obligation for payment of annual contributions in respect to the project shall be reduced by the amount allocable to the initial purchase price of the dwelling unit. The term "initial purchase price" as used in these special provisions shall have the same meaning as in the home buyers ownership opportunity agreement, and the term "dwelling unit" shall have the same meaning as the term "Home" used in the home buyers ownership opportunity agreement.

(2) Failure of the local authority to enter into such home buyers ownership opportunity agreements at the time and in the form as required by the Government, failure to perform any such agreement, and failure to meet any of its obligations under these special provisions shall constitute a substantial default under this contract.

(3) The books of account and records of the local authority shall be maintained to meet the requirements of the homebuyers ownership opportunity agreement as well as the other provisions of this contract and in such manner as will at all times show the operating receipts, operating expenditures, reserves, residual receipts, and other required accounts for the project separate and distinct from all other projects under this contract.

(4) As of the date of full availability, or at such earlier date as the Government may require, the local authority

shall determine and submit to the Government for its approval the amount below which the development cost of the project will in no event fall. Upon approval thereof by the Government, such amount shall constitute and be known as the "Minimum Development Cost" of the project. The local authority shall issue its project loan notes, permanent notes, or project notes as the Government may require to finance the minimum development cost.

(5) Notwithstanding section 403(A)(4), the term "Development Cost" shall include interest on that portion of borrowed moneys allocable to the project for the period ending with the date of full availability or such earlier date as may be specifically approved by the Government.

(6) The Government shall make debt service annual contributions and additional annual contributions for the project as provided in section 415. In determining the total amount of annual contributions for the project pursuant to section 415(e) prior to the determination of the minimum development cost for the project, such term shall be construed to mean the estimated total development cost of the project. The first debt service annual contribution shall: (i) Be paid or made available as of the annual contribution date following the date as of which the minimum development cost of the project is first established, and (ii) be in an amount, as determined by the Government, which if applied annually at the interest rate (adjusted to the nearest one-eighth of 1 percent) charged the local authority during the preceding fiscal year would fully amortize the amount of the minimum development cost of the project on the first day of the month following the ------[1] anniversary of the annual contribution date on which the first debt service annual contribution was paid or made available with respect to the project. Not more than 40 annual contributions shall be paid with respect to the project nor shall any such annual contributions be paid or made available subsequent to 40 years from the date the first such annual contribution was paid or made available for the project.

(7)(a) During the maximum contribution period established for the project, the local authority shall, within 60 days after the end of each fiscal year, pay to the Government all residual receipts of the project for such fiscal year, provided that such receipts shall be applied to the reduction of the notes issued to finance the minimum development cost of the project.

(b) During the period of years immediately following and equal to the maximum contribution period established for the project, the local authority shall, within 60 days after the end of each fiscal year, pay to the Government all residual receipts of the project for such fiscal year.

(c) Following the end of the fiscal year in which the last dwelling unit has been conveyed by the local authority, the balance of the operating reserve held by the local authority shall be paid to the Government, provided that the aggregate amount of payments under (b) and (c) of this paragraph shall not exceed the aggregate amount of annual contributions paid by the Government with respect to the project.

(8) No part of the funds on deposit in the debt service fund or the advance amortization fund with respect to any other project under this contract, or the funds available for deposit in such funds for such other projects, shall be applied to the retirement of notes issued for this project, nor shall any such funds on deposit or available for deposit from this project be used with respect to any other project or projects under this contract.

(9) To the extent that the provisions of this section conflict with other provisions of this contract, the provisions of this section shall be controlling with respect to the project.

[1] This shall be the number equal to the number of years of the maximum contribution period.

APPENDIX II

HOME BUYERS OWNERSHIP OPPORTUNITY AGREEMENT

(Turnkey III)

PART I

This agreement, made and entered into ----------, 19----, by and between ---------- (herein called the "Authority"), and ---------- (herein called the "Home Buyer");

WITNESSETH:

In consideration of the agreements and covenants contained in this agreement and in home buyers ownership opportunity agreement Part II, which is hereby incorporated into this agreement by reference, the authority leases to the home-buyer the following described land and improvements thereon together with an undivided interest in all common areas and property (herein called the "Home") located in the ---------- development (project No. ------), which home is identified and located as follows: (Insert address and legal description of location of home, including rights with respect to common areas and property, and making reference to book and page number in recorder of deeds office).

A. *Term of agreement.* The term of this agreement shall commence on ----------, 19----, and shall expire at midnight on the last day of this same calendar month. Said term shall be extended automatically for successive periods of 1 calendar month for a total term of ------[1] years from the first day of the next calendar month unless the home buyer acquires his home pursuant to § 14 or 15 of Part II, as applicable, or unless this agreement is terminated pursuant to § 22 of Part II hereof.

B. *Monthly payment.* 1. Until changed in accordance with this agreement, the home buyer's monthly payment shall be $------ per month, due and payable on or before the first day of each month. If liability for the monthly payment shall start on a day other than the first day of a calendar month, or if for any reason the effective date of termination occurs on other than the last day of the month, the monthly payment for such month shall be proportionate to the period of occupancy during that month.

2. The amount of the monthly payment may be increased or decreased only by reason of changes in the rent schedule (see § 7d of Part II) or changes in the home buyer's family income or other circumstances (see § 7e of Part II). Any such change in monthly payment shall become effective by written notice from the authority to the home buyer as of the date specified in such notice, and such notice shall be deemed to constitute an amendment to this agreement.

C. *Option to purchase and purchase price.* In consideration of the covenants contained herein, the authority grants the home buyer an option to purchase the home for the applicable purchase price, which option he may exercise after he has built up a credit of $200 in his earned home payments account according to § 8 of Part II. The initial purchase price of this home is $------ (this price has been determined in accordance with § 14 or 15 of Part II hereof, as applicable); this amount shall be reduced periodically in accordance with the schedule (hereinafter called purchase price schedule) for that amount, which schedule is hereby furnished the home buyer.

D. *Home Buyers Association.* The signing of this agreement entitles the home buyer to membership in the Home Buyers Association, as provided in § 5 of Part II.

E. *Designation of successor.* For the purpose of § 23 of Part II, the designee and his address are:

First name Initial

Last name

Relationship

F. *Entire agreement.* This agreement (comprising Parts I and II) is the entire agreement between the authority and the home buyer, and, except as otherwise provided in this agreement, no changes shall be made other than in writing signed by the authority and the home buyer.

This agreement is signed in duplicate, either copy of which may be considered the original for all purposes. The home buyer hereby acknowledges receipt of one of these signed copies.

WITNESSES:

By ----------

The Authority

By ----------

[ ] Initial Home buyer

[ ] Successor Home buyer

[1] Fill in term of years equal to term of purchase price schedule (and additional purchase price schedule, if applicable, see § 14 or 15, as applicable).

PART II

TERMS AND CONDITIONS

1. *The development.* a. *The home.* The home described in Part I of this agreement is included in a project (herein called the "Development"), which the authority has acquired or caused to be constructed. This development contains a number of dwelling units including related land, and common areas and property (certain projects may not contain such common areas and property), for occupancy by low-income families under lease-purchase agreements, each in the form of this home buyers ownership opportunity agreement. This development is financed by sale of the authority's notes which will be amortized over the period of years specified in the annual contributions contract relating to this development.

b. *Annual contributions contract.* The authority has entered into an annual contributions contract (ACC) with the Department of Housing and Urban Development (HUD) under which the authority will receive annual contributions provided by HUD, and will perform certain operational functions, to provide housing for the home buyers and assist the home buyers in achieving homeownership.

c. *Management.* The authority may enter into a contract or contracts for management of the development or for performance of management functions, by the Home Buyers Association, or others.

2. *The home buyers ownership opportunity agreement.* Under this home buyers ownership opportunity agreement, the home buyer may achieve ownership of the home described in Part I of this agreement by making the required monthly payments and providing maintenance and repairs to build up an equity in his earned home payments account (hereinafter called "EHPA"). While the home buyer is performing his obligations, the purchase price will be reduced in accordance with the purchase price schedule, so that, while this purchase price is being reduced, the home buyer is increasing the amount of his EHPA. The home buyer may also make voluntary payments to his EHPA which will enable him to acquire ownership more quickly. The home buyer may take title to his home when he is able to finance or pay in full the balance of the purchase price as shown on the purchase price schedule plus the costs incidental to acquiring ownership, as provided in § 14 or 15, as applicable.

3. *Status of home buyer.* After the home buyer achieves a credit of $200 in the EHPA, either by an initial payment of $200 or through monthly payments and provision of repairs and maintenance, he shall be entitled to exercise his option to purchase his home for the applicable purchase price pursuant to § C of Part I of this agreement. Until he achieves an EHPA credit of $200, the home buyer has the status of a lessee of the authority from month to month with an obligation to build up the minimum balance of $200 in his EHPA within the first 2 years and to continue adding to his EHPA thereafter. For convenience the term "home buyer" also refers to the occupant during his status as a lessee.

4. *Counseling of home buyers.* The authority shall provide training and counseling, as required and approved by HUD. The authority's own staff and resources, and/or existing community resources, and/or contracting with a private agency, shall be utilized to prepare home buyers for the rights, responsibilities, and obligations of homeownership including participation in the Home-Buyers Association. The home buyer agrees to participate in and cooperate fully in all official training and counseling activities.

5. *Home-Buyers Association.*[1] The signing of this agreement entitles the home buyer to membership in the Home-Buyers Association, composed of the home buyer to membership in the home-home buyers in the development and having the purposes set forth in the articles of incorporation of said association.

6. *Repair, routine maintenance, and use of premises.*

a. *Routine maintenance.* The home buyer shall be responsible for the routine maintenance of his dwelling and grounds, to the satisfaction of the Home-Buyers Association and the authority. This routine maintenance includes the work (labor and materials) of keeping the dwelling structure, grounds and equipment in good repair, condition and appearance so that they may be utilized continually at their designed capacities and at the satisfactory level of efficiency for their intended purposes, and in conformity with the requirements of local housing codes and applicable regulations and guidelines of HUD. It includes repairs (labor and materials) to the dwelling structure, plumbing fixtures, dwelling equipment (such as range and refrigerator), shades and screens, water heater, heating equipment, and other component parts of the dwelling. It also includes all interior painting and the maintenance of grounds (lot) on which the dwelling is located. It does not include maintenance and replacements provided for by the nonroutine maintenance reserve described in paragraph 9.

b. *Repair of damage.* In addition to his obligation for routine maintenance, the home buyer shall be responsible for repair of any damage caused by the home buyers or members of his family.

c. *Care of home.* The home buyer agrees to keep his dwelling in a sanitary condition; to cooperate with the authority and the Home Buyers Association in keeping and maintaining the common area and property, including fixtures and equipment, in good condition and appearance; and to follow all rules of the authority and of the Home-Buyers Association concerning the use and care of the dwellings and the common areas and property.

d. *Inspections.* The home buyer agrees to permit officials, employees, or agents of the authority, and of the Home-Buyers Association to inspect his home at reasonable hours and intervals in accordance with rules established by the authority and the Home-Buyers Association.

e. *Use of home.* The home buyer shall not: (1) Sublet his home without the prior written approval of the authority and HUD, (2) use or occupy his home for any unlawful purpose nor for any purpose deemed hazardous by insurance companies on account of fire or other risks, or (3) provide accommodations (unless approved by the Home Buyers Association and the authority) to boarders or lodgers. The home buyer agrees to use the home only as a place to live for himself and his family (as identified in his initial application or by subsequent amendment with the approval of the authority), for children thereafter born to or adopted by members of such family, and for aged or widowed parents of the home buyer or his spouse who may join the household.

f. *Structural changes.* The home buyer shall not make any structural changes in or additions to his home without first obtaining the written consent of the Home Buyers Association and the authority.

g. *Charges.* The authority agrees to accept monthly payments without regard to any charges otherwise owed by the home buyer to the authority, and without regard to other rights and remedies applicable with respect to such other charges.

h. *Statements of condition and repair.* When the home buyer moves in, the authority shall inspect the home and shall give the home buyer a written statement, to be signed by the authority and the home buyer, of the condition of the home and the equipment in it. When the home buyer vacates, the authority shall inspect the home and give the home buyer a written statement of the repairs and other work, if any, required to put the home in good condition for the next occupant (see § 8h). The home buyer and/or his representative may join in any such inspections with the authority and the Home Buyers Association.

7. *Monthly payments by home buyer.*

a. *Determination of amount.* Except as otherwise provided hereinafter, the home buyer agrees to pay to the authority, so long as this agreement is in effect, a required monthly payment in an amount determined in accordance with a schedule adopted by the authority and

[1] There may be cases, such as where the homes are on scattered sites, where there is no Home-Buyers Association but an alternative method for home-buyer representation and counseling is provided (see 24 CFR, § 1270.307). In such cases, § 5 and other portions of this agreement referring to the Home-Buyers Association should be modified to reflect the alternative method provided for home-buyer representation and counseling.

approved by HUD. The schedule shall provide for payments to be based upon a percentage of the family's adjusted monthly income and shall indicate allowances for those utilities which the home buyer will pay for directly.

b. *Break-even amount.* The term "Break-even Amount" means the minimum monthly amount needed to provide funds for:

(1) Monthly operating expense, including provision for operating reserve, pursuant to § 7c below;

(2) The monthly amount to be credited to the home-buyer's EHPA pursuant to § 8 below; and

(3) The monthly amount to be credited to the nonroutine maintenance reserve for the home pursuant to § 9 below.

c. *Monthly operating expense.* (1) The term "Monthly Operating Expense" means the monthly amount needed to pay operating expense of the development including the provision for operating reserve. The monthly operating expense rate for each fiscal year shall be established on the basis of an operating budget for such fiscal year as approved by the authority and HUD, which budget shall control the operation. Subject to changes in the approved operating budget, the monthly operating expense shall consist of the following categories of expense and provision for operating reserve:

Administration.
Home-buyers services.
Utilities furnished by the authority.
Routine maintenance of common property.
Protective services.
General expense (insurance, payroll taxes, collection losses, payments in lieu of taxes, etc.).
Provision for operating reserve.

(2) During the period the authority is responsible for the maintenance of common property, the annual budget shall include the amount required for routine maintenance of all common property in the development, even though a number of the homes may have been acquired by home buyers. During such period, this amount shall be computed on the basis of the total number of homes in the development (i.e., the annual amount budgeted for routine maintenance of common property shall be divided by the number of homes in the development, resulting in the annual amount for each home; this figure shall in turn be divided by 12 to determine the monthly amount to be included in the monthly operating expense (and in the break-even amount) for routine maintenance of common property). After the Homeowners Association assumes responsibility for maintenance of common property, the monthly operating expense (and break-even amount) shall include an amount equal to the monthly assessment by the Homeowners Association for the remaining homes owned by the authority.

(3) The amount of the provision for operating reserve to be included in monthly operating expense shall be determined by the authority, with the approval of HUD, on the basis of maintenance engineering estimates of the monthly amount needed to accumulate an adequate reserve for the infrequent but costly items of nonroutine maintenance and replacements of common property, taking into consideration the types of items which constitute common property, such as nondwelling structures, nondwelling equipment, and in certain cases common elements of dwelling structures, etc. This provision for operating reserve shall be made only during the period the authority is responsible for the maintenance of common property; and during such period, the amount shall be determined on the basis of the requirements of all common property in the development in a manner similar to that explained in subsection (2) above.

(4) The amount of the provision for operating reserve may be increased or decreased when total routine expense (as defined below) for the preceding fiscal year exceeds or is less than the amount budgeted and used as a basis for establishing the break-even amount for such preceding fiscal year. When the operating reserve balance reaches the authorized maximum (see § 10a below) the break-even amount (monthly operating expense) for the next and succeeding fiscal years need not include a provision for reserve unless the operating reserve balance is reduced below the maximum during any such succeeding fiscal year. Total routine expense means the sum of the amounts budgeted for administration, home buyers' services, utilities furnished by the authority, routine maintenance of common property, protective services, general expense, and other categories of day-to-day routine expense.

(5) A statement showing the amount allocated to each monthly operating expense category shall be provided to the Home Buyers Association, and a copy shall be furnished to each home buyer upon request.

d. *Changes in monthly payment due to changes in rent schedules.* The required monthly payment may be adjusted: (1) By changes in the required percentage-of-income (and resulting change in rent schedule) due to changes in the break-even amount, and (2) to reflect changes made in the amount of the utility allowance to reflect current utility costs.

e. *Changes in monthly payment due to changes in family income or other circumstances.* The required monthly payment may be adjusted as a result of the authority's regularly scheduled reexamination of the home buyer's income and family composition. Interim changes may be made in accordance with the authority's policy on reexaminations, which shall include a provision for hardship adjustments. If a home buyer requests a rent adjustment based on circumstances not covered by the authority's policy, an adjustment may be made if both the authority and the Home Buyers Association agree that the circumstances warrant it.

f. *Application of monthly payment.* The home buyer's monthly payment shall be applied by the authority as follows: First, to the credit of the home buyer's EHPA pursuant to § 8 below; second, to the credit of the nonroutine maintenance reserve for the home pursuant to § 9 below; and third, for payment of monthly operating expense, including establishment of operating reserve as provided in § 10 below.

g. *Monthly payment below break-even amount.* In the event the home buyer's required monthly payment is less than the break-even amount, the amount to be used for payment of monthly operating expense and establishment of operating reserve shall be reduced accordingly; the credits to the EHPA and the nonroutine maintenance reserve account shall not be reduced by reason of such deficit.

h. *Monthly payments in excess of break-even amount.* When the home buyer's required monthly payment exceeds the break-even amount, the excess will not go into the EHPA but shall be used to supplement that portion of the required monthly payment designated for monthly operating expense, including operating reserve.

i. *Voluntary equity payments.* To enable the home buyer to acquire title to his home within a shorter period, he may either periodically or in a lump sum voluntarily make payments over and above his required monthly payments. Such voluntary payments shall be deposited to his credit in his EHPA.

8. *Earned home payments account (home buyers ownership reserve).* a. *Credits to the account.* The authority shall establish and maintain a separate EHPA for each home buyer. Since the home buyer is responsible for maintaining his home as provided in § 6, a portion of his required monthly payment equal to the authority's estimate approved by HUD, of the monthly cost for such routine maintenance shall be set aside in his EHPA. In addition, this account shall also be credited with: (1) Any voluntary payments made pursuant to § 7i, and (2) the amounts earned through the performance of maintenance pursuant to subsection e of this section. All amounts received by the authority for credit to the home buyer's account, including credits for performance of maintenance pursuant to subsection e of this section, shall be held by the authority for the account of the home buyer.

b. *Use of EHPA funds.* The unused balance in the home buyer's EHPA may be used toward purchase of the home as provided in § 14 or 15, as applicable, or shall be payable to the home buyer if he leaves the project as provided in subsection h of this section.

c. *Charge for failure to provide maintenance.* If for any reason the home buyer is unable or fails to perform any item of required maintenance as described in § 6 above, the authority shall arrange to have the work done in accordance with the procedures established by

the authority and the Home Buyers Association, and the cost thereof shall be charged to the home buyers' EHPA. Inspections of the home shall be made jointly by the authority and the Home Buyers Association.

d. *Required amount in EHPA; right to exercise option to buy.* The home buyer shall not be entitled to exercise his option to buy his home until he has built up a minimum balance of $200 in his EHPA, at which time he shall receive a certificate to this effect in the form attached hereto. The home buyer shall be obligated to build up this minimum balance within the first 2 years of his occupancy and shall also be obligated to continue performing the required maintenance thereby adding to his EHPA. If the home buyer fails to meet either of these obligations, the authority and the Home Buyers Association may investigate and take appropriate corrective action, including, where appropriate, termination of this agreement by the authority (see §§ 8h and 22).

e. *Additional equity through other maintenance.* Besides the maintenance which he must provide, as provided in § 6, the home buyer may earn additional EHPA credits by providing in whole or in part any of the maintenance necessary to the common property of the development or maintenance for which the nonroutine maintenance reserve is established (see § 9). When such maintenance is to be provided by the home buyer, this may be done and credit earned therefor only pursuant to a prior written agreement between the home buyer and the authority (or the Homeowners Association, depending on who has responsibility for maintenance of the property involved), covering the nature and scope of the work and the amount of credit the home buyer is to receive. Upon completion of such work, the agreed amount shall be charged to the appropriate expense account or to the nonroutine maintenance reserve of the home, as applicable, and credited to the home buyer's EHPA.

f. *Investment of excess.* When the aggregate amount of the EHPA balances for all the home buyers exceeds the estimated reserve requirements for 90 days, the LHA shall notify the HBA and shall invest the excess as provided below. The Homebuyers Association, if it so desires, should submit periodically to the authority a list of HUD-approved depositaries and securities which the association recommends for investment by the authority of EHPA funds. The authority shall invest such excess EHPA funds in federally insured savings accounts, federally insured credit unions, and/or securities approved by HUD and in accordance with the recommendations, if any, of the Homebuyers Association. The income earned on the investment of such funds shall be prorated and credited to each home buyer's account in proportion to the amount in each such account.

Periodically, but not less often than semiannually, the authority shall prepare a statement showing: (1) The aggregate amount of all EHPA balances, (2) the aggregate amount of investments (savings accounts and/or securities) held for the account of all the home buyers' EHPA's, and (3) the aggregate uninvested amount of all the home buyers' EHPA's. This statement shall be made available to any authorized representative of the Home Buyers Association.

g. *Delinquent monthly payments.* Under exceptional circumstances as determined by the Home Buyers Association and the authority, a home buyer's EHPA may be used to pay his delinquent monthly payments, provided the amount used for this purpose does not seriously deplete the account and provided that the home buyer agrees to cooperate in such counseling as may be made available by the authority or the Home Buyers Association.

h. *Application of EHPA funds upon termination of agreement.* (1) In the event this agreement is terminated or if the home buyer vacates the home, there shall be charged against the balance in his EHPA the sum of the amounts, if any, required to pay: (A) The amount due the authority, including monthly payments the home buyer is obligated to pay to the date he vacates, (B) the monthly payment for the period the home is vacant, not to exceed 30 days from the date of notice of intention to vacate, or 30 days from the date that the home is vacated if the home buyer failed to give notice of intention to vacate, and (C) the cost of repairs and other work required to put the home in condition for the next occupant in conformity with § 6. If the home buyer's EHPA balance is not sufficient to cover all of these charges, the authority shall require the home buyer to pay the additional amount due; if the amount in the EHPA exceeds these charges, the excess shall be paid to the home buyer.

(2) Final settlement with the home buyer shall be made within 30 days from the date he vacates, and after the actual cost of repairs has been determined. The home buyer may, however, obtain final settlement within 7 days of the date he vacates if he has given the authority notice of his intention to vacate 30 days prior to the date he vacates and if he agrees that the amount to be charged against his EHPA pursuant to subsection h(1) (C) above is based on the authority's estimate of the cost thereof (determined after consultation with the Home Buyers Association).

i. *Withdrawal and assignment.* The home buyer shall have no right to assign, withdraw, or in any way dispose of the funds in his EHPA, except as provided in this agreement.

9. *Non-routine-maintenance reserve.* a. *Purposes of reserve.* The authority shall use a portion of the home buyer's required monthly payment to establish and maintain a separate non-routine-maintenance reserve for his home. Funds in the non-routine-maintenance reserve shall be available for the infrequent but costly items of maintenance and replacement, which may be required over a period of years. Such items may include replacement of dwelling equipment (such as range and refrigerator), replacement of roof, exterior painting, major repairs to heating, plumbing, and electrical systems, etc. Maintenance and replacement costs applicable to common property will not be funded from the non-routine-maintenance reserve but shall be provided from the operating reserve (see sec. 10).

b. *Amount of reserve.* The amount to be set aside from the home buyer's required monthly payment for the nonroutine maintenance reserve will be determined by the authority with the approval of HUD, on the basis of maintenance engineering estimates of the amount needed during the term of this agreement, taking into consideration the type of construction and dwelling equipment.

c. *Charges to reserve.* When the authority (or the home buyer pursuant to § 8e) provides maintenance and/or replacements for which the nonroutine maintenance reserve is established, the cost thereof shall be charged to that reserve for his home.

d. *Use of reserve funds.* When the home buyer purchases his home pursuant to § 14 or § 15 hereof, the balance of the Nonroutine maintenance reserve applicable to his home shall be transferred by the authority to him and may be used, at his option, to pay any downpayment and costs incidental to acquiring ownership.

e. *Investment of excess.* When the aggregate amount of the nonroutine maintenance reserve balances for all the homes exceeds the estimated reserve requirements for 90 days, the authority shall invest the excess in federally insured savings accounts, federally insured credit unions, and/or securities approved by HUD for the investment of moneys on deposit in the authority's general fund. The income earned on the investment of such funds shall be prorated and credited to each home buyer's nonroutine maintenance reserve in proportion to the amount in such reserve account.

Periodically, but not less often than semiannually, the authority shall prepare a statement showing: (1) The aggregate amount of all nonroutine maintenance reserve balances, (2) the aggregate amount of investments (savings accounts and/or securities) held for the account of the home buyers' nonroutine maintenance reserves, and (3) the aggregate uninvested balance of the home buyers' nonroutine maintenance reserves. This statement shall be made available to any authorized representative of the Home Buyers Association.

10. *Operating reserve.* a. *Purpose of reserve (maximum reserve).* To the extent that total operating receipts (including subsidies for operations) exceed total operating expenditures of the project, the authority shall establish an operating reserve up to the maximum allowed by HUD in connection with its approval of the annual operating budgets for the development. The purpose of this

reserve is to provide funds for: (1) The infrequent but costly items of nonroutine maintenance and replacements of common property (see § 7c(3) above); (2) repairs to the dwelling units for which the authority is responsible and which are not covered by the non-routine-maintenance reserve; and (3) a deficit in the operation of the project for a fiscal year, including a deficit resulting from monthly payments totaling less than the break-even amount for the development.

b. *Disposition of reserve.* If, at the end of a fiscal year, there is an excess over the maximum operating reserve, this excess shall be applied to reduce the capital debt for the development (i.e., advance amortization). Following the end of the year next preceding the last annual contribution date for the development, the balance of the operating reserve held by the authority is to be paid to HUD for application to reduction of annual contributions paid or payable.

c. *Transfer to Homeowners Association.* The authority shall be responsible for and will retain custody of the operating reserve until the Homeowners Association acquires voting control as provided in §§ 19 and 20 hereof. If the Homeowners Association then elects to assume full responsibility for management and maintenance of common property under a plan approved by HUD, there shall be transferred to the Homeowners Association the portion of the operating reserve then held by the authority which is allocable to maintenance of common property, computed as follows:

(1) If the operating reserve is then at the allowable maximum, the sum of the amounts for: (A) Routine maintenance of common property; and (B) the provision of operating reserve for common property which were included in the computation of the maximum operating reserve.

(2) If the operating reserve is then below the allowable maximum, a proportion of the amount computed in accordance with (1) immediately above, based upon the proportion that the amount in the operating reserve bears to the allowable maximum.

In no case shall any portion of the operating reserve be transferred to individual home buyers or homeowners.

11. *Annual statement to home buyer.* The authority shall maintain books of accounts and provide a statement at least annually to each home buyer which will show the following: (a) the amount in his EHPA; (b) the amount in the nonroutine maintenance reserve for his home.

12. *Insurance.* Until transfer of title to the home buyer, the authority shall carry all insurance prescribed by HUD including fire and extended coverage insurance upon the home buyer's home in such form and amount and with such company or companies as it determines. The authority shall not carry any insurance on the home buyer's furniture, clothing, automobile, or any other personal property, or personal liability insurance covering the home buyer. In the event the home buyer's home is damaged or destroyed by fire or other casualty, the authority shall consult with the home buyer as to whether the home shall be repaired or rebuilt. If the authority determines that the home should not be repaired or rebuilt but the home buyer disagrees, the matter shall be submitted to HUD for final determination. If the final determination is that the home should not be repaired or rebuilt, the authority shall terminate this agreement upon reasonable notice to the home buyer. In such case, the home buyer shall be paid the balance in his EHPA and (to assist him in connection with relocation expenses) the balance in his nonroutine maintenance reserve, less amounts, if any, due by him to the authority, including monthly payments he may be obligated to pay. In the event of termination or if the home must be vacated during the repair period, the authority will use its best efforts to assist in relocating the home buyer. If the home must be vacated during the repair period, monthly payments shall be suspended during the vacancy period.

13. *Eligibility for continued occupany.* a. *Eligibility determination.* The home buyer shall cease to be eligible for continued occupancy with the aid of HUD annual contributions when the authority determines that his adjusted monthly income has reached the level, and is likely to continue at such level, at which 20 percent thereof equals or exceeds the monthly housing cost (see subsection b immediately below). In such event, if the authority determines, with HUD approval, that suitable financing (such as a subsidized or unsubsidized HUD-insured mortgage, or a VA-guaranteed loan) is available, the authority shall notify the home buyer that he shall either: (1) Purchase the home, or (2) move from the development: *Provided, however,* That if the authority determines that, due to special circumstances, the home buyer is unable to find decent, safe, and sanitary housing within his financial reach although making every reasonable effort to do so, the home buyer may be permitted to remain for the duration of such a situation if he pays an increased rent consistent with his increased income. This rent shall not, however, exceed the greater of the sum of the monthly break-even amount plus the monthly debt service amount shown on the purchase price schedule for the home, or the rent for comparable unsubsidized housing in the locality. Such an increased rent shall also be payable by the home buyer if he continues in occupancy without purchasing the home because suitable financing is not available.

b. *Monthly housing cost.* The term "monthly housing cost," as used in this section, means the sum of: (1) The monthly debt service amount shown on his purchase price schedule (except where the home buyer can purchase the home by the method described in § 14c (1) below); (2) one-twelfth of the annual real property taxes which he will be required to pay as a homeowner; (3) the current monthly per unit amount budgeted for: (A) Routine maintenance (EHPA), (B) nonroutine maintenance reserve, and (C) routine maintenance—common property; and (4) the current authority- and HUD-approved monthly allowance for utilities paid for directly by the home buyer plus the monthly cost of utilities supplied by the authority.

14. *Achievement of ownership by initial home buyer.*

a. *Determination of initial purchase price.* The initial purchase price of the home is based on the estimated total development cost of the development as shown in the development cost budget in effect upon award of the main construction contract or execution of the contract of sale, less the amounts, if any, attributed to: (1) relocation costs, (2) counseling and training costs, (3) the cost of any community buildings, and (4) the cost of any other land, buildings, equipment, and other facilities which are not part of the property to be owned by home buyers or the Homeowners Association. The authority (subject to HUD approval) has determined the initial purchase price of each home by prorating such estimated total development cost, after deducting costs for items identified in (1) through (4) above, on an equitable basis taking into account the size of the homes, the type of construction, the size of the lot (land) which becomes a part of the home, and such other factors as may affect the relative value of the homes.

b. *Purchase price schedule.* The purchase price schedule mentioned in section C of Part I of this agreement shows: (1) The monthly declining purchase price commencing with the initial purchase price on the first day of the month following the effective date of this agreement, and (2) the monthly debt service amount upon which the schedule is based. This schedule has been computed on the basis of the initial purchase price, a term of 30 years, and a rate of interest equal to the minimum loan interest rate as specified in the annual contributions contract for the development on the date of HUD approval of the development cost budget described in subsection a above, rounded up, if necessary, to the next multiple of one-fourth of 1 percent (¼ percent).

c. *Methods of purchase.* (1) The home buyer may achieve ownership when the amount in his EHPA, plus such portion of the nonroutine maintenance reserve as he wishes to use for the purchase, is equal to the purchase price as shown at that time on his purchase price schedule plus costs incidental to acquiring ownership. If for any reason title to the home is not conveyed to the home buyer during the month in which such circumstances occur, the purchase price shall be fixed at the amount specified for such month and the home buyer shall be refunded any net additions to his EHPA subsequent to such month, and such part of the monthly payments made by the home buyer after the purchase price has been

fixed which exceed the sum of the breakeven amount attributable to the unit and the interest portion of the debt service payment shown in the purchase price schedule.

(2) Where the sum of the purchase price and costs described in (1) above is greater than the amounts from his EHPA and nonroutine maintenance reserve as described in (1) above, the home buyer may achieve ownership by obtaining financing for or otherwise paying the excess amount. The purchase price shall be the amount shown on his purchase price schedule for the month in which the settlement date for the purchase occurs. Among the sources of financing for the excess amount is mortgage financing under a federally insured or guaranteed home loan program.

d. *Counseling.* The home buyer shall be offered counseling and guidance by the authority and the Home Buyers Association in connection with the purchase of his home.

15. *Achievement of ownership by successor home buyers.*

a. *Determination of initial purchase price.* The initial purchase price for a successor home buyer shall be an amount equal to: (A) The purchase price shown on the initial home buyer's purchase price schedule as of the date of this agreement with the successor home buyer, plus (B) the amount, if any, by which the fair market value of the home determined or approved by HUD as of the same date, exceeds the purchase price specified in (A).

b. *Purchase price schedule.* The successor home buyer's purchase price schedule shall be the same as the unexpired portion of the initial home buyer's purchase price schedule, provided, however, that where his purchase price includes an additional amount as specified in "B" of subsection a above, this schedule shall be followed by an additional purchase price schedule for such additional amount based upon the same monthly debt service and the same interest rate as applied to the initial home buyer's purchase price schedule.

c. *Methods of purchase.* The methods of purchase for a successor home buyer shall be the same as stated in § 14c for the initial home buyer.

16. *Transfer of title to home buyer.*

a. *Closing date.* When the home buyer is to obtain ownership, a closing date shall be mutually agreed upon by the parties.

b. *Closing.* On the closing date the home buyer shall pay the required amount of money (including any amounts available in his EHPA and such portion of the nonroutine maintenance reserve as he may wish) to the authority and receive a deed for the home.

17. *Payment upon resale in 5 years.*

a. *Promissory note.* The home buyer shall be required to make a payment to the authority if he sells his home at a profit within 5 years of actual residence in the home after he becomes a homeowner. The obligation to make such a payment shall be provided for in a non-interest-bearing promissory note (secured by a second mortgage) to the authority which shall be executed at the time he becomes a homeowner. The initial amount of the note shall be computed by taking the FHA appraised value at the time the home buyer gets title to his home (that is, when he becomes a homeowner) and subtracting: (1) The price for which title to the home was acquired, (2) the closing and other costs incurred by the homeowner in acquiring title, and (3) the amount of increased value of the home caused by improvements made by the home buyer. The result shall be the initial amount of the note. The note shall provide that the amount of the note shall be automatically reduced by 20 percent of the initial amount at the end of each year of residency as a homeowner with the note terminating at the end of the 5-year period of residency as determined by the authority. To protect the homeowner, the note shall provide that the amount payable under it shall in no event be more than the net profit on the sale, that is, the amount by which the sales price exceeds the sum of: (1) The home buyer's purchase price, (2) the closing and other costs paid by him at the time of purchase, (3) the cost of the sale, including commissions, mortgage prepayment penalties, if any, and other costs paid by him at time of closing, and (4) the value of home improvements added by him as a home buyer or a home owner.

b. *Residency requirement.* The 5-year note period does not end if the homeowner rents or otherwise does not use the home as his principal place of residence for any period within the first 5 years after he achieves ownership. In this case, only the actual amount of time he is in residence is counted and the note shall be in effect until a total of 5 years' time of residence as a homeowner has accrued, at which time the homeowner may request the authority to release him from the note, and the authority shall do so.

18. *Responsibilities of homeowner.* After acquisition of ownership, the homeowner shall pay to the authority or to the Homeowners Association, as appropriate, a monthly fee for: (a) The maintenance and operation of community facilities, including utility facilities, if any, (b) the maintenance of grounds and other common areas, and (c) such other purposes, as determined by the authority or the Homeowners Association, as appropriate, including taxes and a provision for a reserve. This requirement will be spelled out in the planned unit development or condominium documents which shall be recorded prior to the date of full availability of the development, or in an LHA-homowner contract in this regard.

19. *Homeowners Association—Planned unit development (PUD).*[1] If the development is organized as a planned unit development:

a. The common areas, sidewalks, parking lots, and other common property in the development shall be owned and maintained as provided for in the approved planned unit development (PUD) program, except that the authority shall be responsible for maintenance until such time as the Homeowners Association assumes such responsibility (see § 10c above).

b. The title ultimately conveyed to each home buyer shall be subject to restrictions and encumbrances to protect the rights and property of all other owners. The Homeowners Association shall have the right and obligation to enforce such restrictions and encumbrances and to assess owners for the costs incurred in connection with common areas and property and other responsibilities.

c. There shall be as many votes in the association as there are homes, and at the outset all the voting rights will be held by the authority. As each home is conveyed to the home buyer, one vote shall automatically go to the home buyer, so that when all the homes have been conveyed, the authority shall no longer have any interest in the Homeowners Association.

d. The authority shall not lose its majority voting interest in the association as soon as a majority of the homes have been conveyed, unless the law of the State requires control to be transferred at a particular time, or the authority so desires. If permitted by State law, provision shall be made for each home owned by the authority to carry three votes while each home owned by a homeowner shall carry one vote. Under this weighted voting plan, the authority will continue to have voting control until 75 percent of the homes have been acquired by homeowners. However, at its discretion, the authority may transfer voting control to the homeowners when at least 50 percent of the homes have been acquired by the homeowners.

20. *Homeowners Association—Condominium.*[1] If the development is organized as a condominium:

a. The authority at the outset shall own each condominium unit and the undivided interest of such unit in the common areas;

b. All the land, including that land under the housing units, shall be a part of the common areas;

c. The Homeowners Association shall own no property and shall merely maintain and operate the common areas for the individual owners of the condominium units, except that the authority shall be responsible for maintenance until such time as the Homeowners Association assumes such responsibility (see § 10c above);

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[1] See footnote to § 20.

[1] If this home is a development of scattered sites, delete both §§ 19 and 20. If this home is in a planned unit development, delete § 20. If this home is in condominium, delete § 19.

d. The percentage of undivided interest attached to each condominium unit shall be based on the ratio of the value of the unit to the value of all units and shall be fixed when the development is completed. This percentage shall determine the homeowner's liability for the maintenance of the common areas and facilities;

e. Each homeowner vote in the Homeowners Association shall be identical with the percentage of undivided interest attached to his unit; and

f. The authority shall not lose its majority voting interest in the association as soon as units representing more than 50 percent of the value of all units have been conveyed, unless the law of the State requires control to be transferred at a particular time or the authority so desires. For voting purposes, if permitted by State law, until units representing 75 percent of the value of all units have been acquired by homeowners the total undivided interest attributable to the homes owned by the authority shall be multiplied by 3. Under this weighted voting plan, the authority will continue to have voting control until units representing 75 percent of the value of all units have been acquired by homeowners. However, at its discretion the authority may transfer voting control to the homeowners when units representing at least 50 percent of the value of all units have been acquired by the homeowners.

21. *Relationship of Homeowners Association to Home Buyers Association.* The Home Buyers Association and the authority may make arrangements with the Homeowners Association to permit home buyers to participate in Homeowners Association matters which affect the home buyers. Such arrangements may include rights to attend meetings and to participate in Homeowners Association deliberations and decisions.

22. *Termination of agreement.*

a. *Termination by the authority.* In the event that a home buyer breaches this agreement by failure to make his monthly payments or otherwise (including but not limited to misrepresentation or withholding of information in applying for admission or in connection with subsequent reexamination of income and family composition), this agreement may be terminated by or at the direction of the authority, after consulting the appropriate officers of the Home Buyers Association. The authority should provide the home buyer with an opportunity for special counseling designed to help him with his particular problem in fulfilling this agreement. The home buyer shall be given 30 days' written notice and shall be informed by a representative of the authority of the reason for the termination. The home buyer shall be given an opportunity to reply to the same representative of the authority, and, if he wishes, to another representative, or other representatives of the authority. The home buyer shall have the right to be accompanied by a representative of the Home Buyers Association when he presents his reply or replies.

b. *Termination by the home buyer.* The home buyer may terminate this agreement by giving the authority 30 days' notice in writing of his intention to terminate and vacate the home. In the event that the home buyer abandons the home, or vacates it without notice to the authority, this agreement shall be automatically terminated and the authority may dispose of, in any manner deemed suitable by the authority, any items of personal property abandoned by the home buyer in the home.

c. *Application of funds.* The unused balance of the EHPA funds shall be applied as provided in § 8h above. The unused balance of the non-routine-maintenance reserve and of the operating reserve will not be refunded, but shall be retained by the authority.

d. *Failure to terminate.* The failure or omission of the authority to terminate this agreement for any cause shall not impair the right of the authority to do so later for similar or other causes.

23. *Survivorship.* In the event of the death, mental incapacity, or abandonment of the family by the home buyer, the designee under section E of Part I of this agreement shall be his successor as a home buyer, unless such designee is then determined by the authority and HUD to be no longer qualified.

24. *Nonassignability.*

a. *Nonassignability.* The home buyer shall not assign this agreement, or assign, mortgage, or pledge any right or interest therein including any right or interest in any reserve or account, without the prior written approval of the authority and HUD.

b. *Use of reserves and accounts.* It is understood and agreed that the home buyer shall have no right to receive or use the money in any reserve or account created pursuant to this agreement except for the limited purposes and under the special circumstances set forth by the terms of this agreement. It is further understood and agreed that both the authority and HUD have a financial and a governmental interest in the earned home payments account and other reserves as security for the financial integrity of the development, as a means of savings in cost to the Government by minimizing the amount and period over which HUD annual contributions must be paid, and as a means of advancing the public interest and welfare by assisting low-income families to achieve homeownership.

25. *Notices.* Any notice required hereunder or by law shall be sufficient if delivered in writing to the home buyer personally, or to an adult member of his family residing in the dwelling unit, or if sent by certified mail return receipt requested properly addressed to the home buyer, postage prepaid. Notice to the authority shall be in writing, and either delivered to any authority employee at the office of the authority or sent to the authority by certified mail, properly addressed, postage prepaid.

26. *Grievance procedure.* All grievances or appeals arising under this home-buyers agreement shall be processed and resolved pursuant to the grievance procedure of the authority, which procedure shall be revised to reflect the participation of the Home Buyers Association in the grievance process consistent with § 5 of part II of this agreement. This grievance procedure, as revised, shall be posted in the authority's office, and is incorporated herein by reference.

APPENDIX III

CERTIFICATE OF ACKNOWLEDGMENT OF HOME-BUYER'S RIGHT TO PURCHASE HOME

State of _____ }
County of _____ } ss

I, the undersigned, being the duly qualified and acting _____ of
(officer)
the _____ housing authority, do hereby certify that, as of the date hereof, _____ has attained a balance of at least $200 in his earned home payments account and has thereby achieved the status of home buyer, pursuant to which he is entitled to exercise the option to purchase the home located at _____, all in accordance with and subject to provisions of the home-buyers ownership opportunity agreement dated _____, 19_____.
(Home buyer)

In witness whereof, I have hereunto affixed my official signature and seal this _____ day of _____, 19_____.

[SEAL]

_____
(Authorized officer)

_____
Housing authority

APPENDIX IV

PROMISSORY NOTE FOR PAYMENT UPON RESALE BY HOME BUYER AT PROFIT

For value received, _____ (Homeowner) promises to pay to _____ (Authority) or order, the principal sum of _____[1] dollars ($_____), without interest, on the date of resale by the homeowner of the property conveyed by the authority to the homeowner.

Such principal sum shall be reduced at the time of resale either to: (A) The difference between the resale price and the sum of (1) the homeowner's purchase price, (2) the costs incidental to his acquiring ownership, (3) the cost of such resale including commissions, mortgage prepayment penalties, and closing costs, and (4) the value of all improvements to the property made by the homeowner whether as a home buyer or homeowner; or (B) the remaining amount, if any, after deducting 20 percent of such principal sum for each year of residency by the homeowner on the property as determined by the authority; whichever is lower.

If the home owner shall pay this note at the time and in the manner set forth above, or if, by its provisions, the amount of this note shall be zero, then the note shall terminate and the authority shall, within thirty (30) days after written demand therefor by the

[1] Amount determined in accordance with § 17 of the home buyers ownership opportunity agreement.

homeowner, execute a release or satisfaction of this note, and the homeowner hereby waives the benefits of all statutes or laws which require the earlier execution or delivery of such release or satisfaction by the authority.

Presentment, protest, and notice are hereby waived.

Dated _____, 19_____.

_____
Local housing authority
By: _____
_____
Homeowner
_____
Homeowner's spouse

Subpart C—Homeownership Counseling and Training

§ 1270.201 Purpose.

The purpose of the counseling and training program shall be to assure that the home buyers, individually and collectively through their home-buyers association (HBA), will be more capable of dealing with situations with which they may be confronted, making decisions related to these situations, and understanding and accepting the responsibility and consequences that accompany those decisions.

§ 1270.202 Objectives.

The counseling and training program should seek to achieve the following objectives:

(a) Enable the potential home buyer to have a full understanding of the responsibilities that accompany his participation in the homeownership opportunity program;

(b) Enable the potential home buyer to have an understanding of homeownership tasks with specific training given to individuals as the need and readiness for counseling or training indicates;

(c) Assure that the role of the HBA is understood and plans for its organization are initiated at the earliest practical time;

(d) Develop an understanding of the role of the LHA and of the need for a cooperative relationship between the home buyer and the LHA;

(e) Encourage the development of self-help by the home buyer through reducing dependency and increasing independent action;

(f) Develop an understanding of mutual assistance and cooperation that will develop a feeling of self-respect, pride, and community responsibility;

(g) Develop local resources that can be of assistance to the individual and the community on an ongoing basis.

§ 1270.203 Planning.

(a) The counseling and training program shall be flexible and responsive to the needs of each prospective home buyer. While many subjects lend themselves to group sessions, consideration shall be given to individual counseling. Individuals should not be required to attend training classes on subject matter they are familiar with unless they can actively participate in the instruction process.

(b) The program may be provided by contract with an outside organization, or by the LHA staff, in either case with voluntary involvement and assistance of groups and individuals within the community. It must be recognized that most of the objectives stated require specialized instructional skill and content knowledge. There shall be recognition of the differences in communication and in value systems, and an understanding and respect for past experience of the individual. Maximum possible use shall be made of indigenous trainers to insure good communication and rapport. Special attention shall be directed to the needs of working members of the family for counseling and training sessions to be held when they can attend. Where the services of outside groups are utilized, there shall be a close working relationship with the LHA and a program for phasing in LHA staff who will have the ongoing responsibility for the program. The value of local agencies, educational institutions, etc., for implementing the program rather than an outside firm shall be carefully considered since their presence in the community can often develop into an ongoing resource beyond the contract period.

(c) In planning a homeownership counseling and training program, whether self-administered or contracted, the LHA shall consult with HUD for advice and information on programs, qualified contractors, local resources, reasonable costs, and other similar matters.

(d) Where the program is to be contracted to an outside group, proposals shall be secured either by public advertising or by sending requests for proposals to a number of competent public or private organizations.

(e) In areas where there are large concentrations of home buyers who do not read, write, or understand English fluently, the native language of the people shall be used. If feasible all instructional matters shall be in both languages.

§ 1270.204 General requirements and information.

The counseling and training program shall be designed to meet the needs of the home buyers and be sufficiently flexible to meet new needs as they arise. The nature of the program suggests four phases of counseling: (1) Preoccupancy; (2) move-in; (3) postoccupancy; (4) assistance to the HBA. While some elements of the program lend themselves more to one phase than another, the program areas shall be coordinated and interrelated. It is recommended that the entity providing these services work closely with the participants and insure that policies established are agreeable to both the LHA and the home buyer.

The following is a description of major elements of the program which experience thus far has shown to be relevant. More detailed information is set forth in Appendix I, "Content Guide for Counseling and Training Program."

(a) *Preoccupancy phase.* The scheduling of this phase should be related to construction schedules and occupancy dates and it should be completed before the families and the LHA enter into the home buyers ownership opportunity agreements. During this phase, each family and the LHA should be able to assess the family's potential and the desirability of its participating in the homeownership project. It should provide basic preparation for the families to assume the responsibilities of homeownership, though many of the elements to be covered will be dealt with in greater depth as the program develops. An overload of information should be avoided in this phase, because experience has shown that much of the information will be more relevant to the families in the postoccupancy period.

(b) *Move-in phase.* During this phase, the counseling and training staff should be available to the home buyers on an individual basis. Services may include: (1) Inspecting the units, interior and exterior, with the home buyers and a representative of the LHA, (2) testing appliances and equipment, (3) providing information on the moving process (packing, trucks, etc.), and (4) assisting home buyers in making adjustments occasioned by the move, serving as liaison among home buyers, LHA, builder, and other agencies, and assisting home buyers in meeting new neighbors.

(c) *Postoccupancy phase.* Before this phase begins, a period (possibly 1 month) should elapse to allow home buyers an opportunity to adjust to their new surroundings. This is a time when new questions and problems come to light that can be dealt with in further counseling and training. This phase should be designed to cover the same basic subjects as the preoccupancy phase, both by review and refresher where necessary, but in much greater depth.

(d) *Assistance to the HBA.* The parties responsible for the counseling and training program shall be responsible for the formation, incorporation, and development of the HBA, including the execution of the recognition agreement between the LHA and HBA, as provided in Subpart D of this part.

§ 1270.205 Training methodology.

Equal in importance to the content of the pre- and post-occupancy training is the training methodology. Because groups vary, there should be adaptability in the communication and learning experience. Methods to be utilized may include group presentations, small discussion groups, special classes, and workshops. Especially important to a successful program are individual family home visits for discussion and instruction on unique problems and operation of equipment.

§ 1270.206 Funding.

(a) *Source of funds.* The LHA may, with the approval of HUD, include up to $500 per dwelling unit in the development cost of the project for expenses in connection with: (1) Pre- and post-occupancy counseling and training activities for applicants and home buyers, and (2) organization and operation of the HBA, provided that such expenses

are incurred no later than a date set by the LHA with the approval of HUD. If additional funds should be needed for such purposes, the LHA, with the assistance of the CPC, if any, shall explore all other possible sources of services and funds.

(b) *Application for funds.* (1) The LHA shall apply for fund approval by preparing a narrative statement outlining the counseling and training program, including services and funds to be obtained from other sources. This statement, together with copies of any proposed contract and other pertinent documents, shall be submitted to the HUD area office at the time of the submission of the development program for the project or as soon thereafter as possible.

(2) The statement outlining the counseling and training program shall include the following:

(i) Description of the needs and problems of prospective home buyers;

(ii) The method to be used to determine individual training and counseling needs;

(iii) The scope of the proposed program, including a detailed breakdown of tasks to be performed, products to be produced, and a time schedule, including provision for progress payments for specific tasks;

(iv) An outline of the content of the counseling and training to be provided;

(v) The methods of counseling and training to be utilized;

(vi) The experience and qualifications of those providing the counseling and training;

(vii) The local community resources to be utilized;

(viii) The estimated cost, source of funds, and methods of payment for the tasks and products to be performed or produced, including estimates of costs for each of the following cost categories:

(*a*) Counseling and training: Salaries; materials, supplies, and expandable equipment; contract costs; and other costs.

(*b*) Home buyers association costs.

(3) Upon approval by HUD of the application for funds, the total amount of HUD funds included in the approved counseling and training program shall constitute the maximum amount that may be included in the development cost of the project: *Provided*, That such amount may be amended, if necessary, with HUD approval, subject to the overall limitation of $500 per dwelling unit.

(c) *Approval of funds.* The development program for each homeownership project shall include an estimate of the costs for the counseling and training program. However, the approval of the development program does not constitute approval for incurring such costs prior to the approval of the counseling and training program. Upon approval of the counseling and training program, the LHA shall include the approved amount in its contract award development cost budget.

§ 1270.207 Use of appendix.

A content guide for counseling and training program (appendix I) is provided as further detailed information for consideration in designing the counseling and training program. The items set forth therein are not to be considered mandatory.

APPENDIX I

CONTENT GUIDE FOR COUNSELING AND TRAINING PROGRAM

Inclusion of the following items in the Counseling and Training Program should be considered, keeping in mind that the extent to which they are covered will depend on specific needs of home buyers in the given development.

Preoccupancy phase

1. *Explanation of program.* Includes the background and a full description of the program with special emphasis on the financial and legal responsibilities of the home buyers, the HBA, and the LHA; and a review for home buyers of the computation of the monthly payment and of the accumulation and purpose of equity and reserves.

2. *Property care and maintenance.* Includes making home buyers generally familiar with the overall operation of the home, including fixtures, equipment, interior designing, and building and equipment warranties, and the appropriate procedures for obtaining services and repairs to which the home buyers may be entitled. (This aspect will probably have to be covered in more detail during the postoccupancy phase.)

3. *Money management.* Includes budgeting, consumer education, credit counseling, insurance, utility costs, etc.

4. *Developing community.* Includes a view of the surrounding community, and especially how the home buyer relates to it as an individual and as a member of the HBA.

5. *Referrals.* Includes information as to community resources and services where assistance can be obtained in relation to individual or family problems beyond the scope of the contract agency. This may include referrals to community services that can upgrade employment skills, provide legal services, offer educational opportunities, care for health and dental needs, care for children of working mothers, provide guidance in marital problems and general family matters, including drugs and alcohol.

Postoccupancy phase

1. *Home maintenance.* This should include builder responsibility, identification of minor and major repairs, instructions on do-it-yourself repairs and methods of having major repairs completed.

2. *Money management.* This should involve an in-depth study of the legal and financial aspects of consumer credit, savings and investments, and budget counseling.

3. *Developing community.* This will consist primarily of creating an awareness on the part of the home buyer of the nature and function of the HBA and the value of his participation in, and working through, the HBA as a responsible member of his community. By this means much will be learned about relationships with neighbors, community cooperation, and the ways in which individual and group problems are solved.

Other items

In addition to the above, there are other needs and concerns, especially those expressed by the home buyers, that may be dealt with in special classes or workshops. These may include such topics as child care, selection of furnishings, decorating and furnishing, refinishing of furniture, upholstery, sewing, food and nutrition, care of clothing, etc.

Subpart D—Home Buyers Association (HBA)

§ 1270.301 Purpose.

It is essential that the home buyers have an organized vehicle for pursuing their common interests, for effectively representing the needs of residents in dealing with the LHA, and for undertaking eventual management responsibility for the development. Although this organization, called the Home Buyers Association (HBA), shall be representative of the home buyers and independent of the LHA, it shall be the responsibility of the LHA and the training and counseling staff to assist the home buyers in their initial efforts at organization. Except as noted in § 1270.307, each homeownership project shall have an HBA.

§ 1270.302 Membership.

All families who have entered into home buyers ownership opportunity agreements shall be members of the HBA.

§ 1270.303 Organizing the HBA.

(a) The HBA should be organized and incorporated as early in the life of the project as is feasible, in order to allow selected home buyers an opportunity to meet each other and begin forging a sense of community, but in any case the HBA shall be organized and incorporated no later than the date on which 50 percent of the home buyers have been selected. However, officers and directors shall not be elected for full terms until 80 percent of the home buyers are in occupany.

(b) The LHA, in cooperation with the CPC, if any, shall be responsible for assuring that competent counseling and training assistance pursuant to Subpart C of this part will be provided in organizing the HBA. These services shall be continued until the HBA is fully operational.

(c) The provision of such services shall include at least the following functions:

(1) Assembling home buyers for initial orientation and planning;

(2) Explaining to home buyers the structure and functions of an HBA and the rights and responsibilities of the HBA and the LHA;

(3) Aiding in the preparation of charters, bylaws, contracts with the LHA, and other appropriate documents;

(4) Assisting in the formation of the organization, including such things as the initial election of HBA officers and directors, and the establishment of standing committees, if any.

(d) The LHA and the HBA shall execute an agreement recognizing the HBA as the official representative of the home buyers, and establishing the functions, rights, and responsibilities of both parties (see appendix II). This agreement shall

be executed as soon as possible after incorporation of the HBA.

§ 1270.304 Functions of the HBA.

(a) Subject to possible variations agreed to by the HBA and approved by HUD, the functions of the HBA shall include the following:

(1) Representing its members, individually and collectively, with respect to any deficiencies in the development or the homes therein and with respect to fulfillment of the construction contract and related warranties;

(2) Representing its members, individually and collectively, in their relationships with the LHA and others in regard to financial matters such as monthly payments, credits to and charges against reserves, settlement upon vacating the home, acquisition of ownership and to such other matters as pertain to project management;

(3) Recommending policies to the LHA for operation and management and, where appropriate, establishing HBA rules in that respect;

(4) Participating in the operation of official grievance mechanisms;

(5) Advising and assisting the members regarding procedures and practices relative to the earned home payments account and the acquisition of ownership;

(6) Participating with the LHA in periodic maintenance inspections of homes after occupancy, and assisting and making recommendations in case of disagreements arising out of such maintenance inspections;

(7) Participating with the LHA in the selection of subsequent home buyers;

(8) Coordinating, supervising, or managing the operation of credit union, child care, or other supportive services established for the development;

(9) Participating with the LHA in the establishment and implementation of policies related to collection of monthly payments, termination of occupancy, and resolution of hardship situations; and

(10) Performing management services as specified in § 1270.306 and participating in any other activities pursuant to agreement between the HBA and the LHA.

(b) In addition, the HBA may offer such special services as the following:

(1) The development of self-help such as consumer clubs, furniture and other co-ops, credit unions, transportation pools, and skill pools;

(2) Assisting home buyers in acquiring group insurance;

(3) Developing programs and contracting for services such as child care centers to be located in the community facility where one exists;

(4) Assisting home buyers in their employment, especially by participating in skill development and apprenticeship programs in cooperation with local educational organizations;

(5) Assisting home buyers in planning the management role of the HBA and in negotiating any contract for management services with the LHA.

§ 1270.305 Funding.

For general items of expense in the conduct of the business and activities of an HBA, in addition to noncash contributions such as space, office furniture, and duplicating services, the LHA shall provide for such expense in its budget and shall make cash contributions to cover HBA needs to the extent approved by HUD in the LHA budget. (After the $500 per unit maximum amount provided in § 1270.206 has been exhausted, the LHA's cash contribution shall be as provided in the LHA's annual operating budgets.) Such expenses of the HBA shall be subject to whatever restrictions are applied by HUD to the funding of tenant councils generally, except that the amounts shall be within the limitations stated in this section. Such contributions shall not exceed $3 per year per dwelling unit, except that as an incentive to the HBA to provide additional funds from other sources such as home buyers' dues, contributions, revenues from special projects or activities, etc., the LHA shall, to the extent approved by HUD in the LHA budget, match such additional funds beyond the $3 up to a maximum of $4.50, for a total LHA share of $7.50 where the total funding for the HBA is $12 or more. The HBA shall not be precluded from seeking to achieve total funding in excess of $12 per unit where this can be done with additional funds from sources other than the LHA. Furthermore, funding by the LHA for the normal expenses of the HBA is not to be confused with fees paid pursuant to management services contracts as described in § 1270.306.

§ 1270.306 Performing management services.

The LHA may also contract with the HBA to perform some or all of the functions of project management for which the HBA may be better suited or located than the LHA. Such functions may include security, maintenance of common property, or collection of monthly payments. For this purpose, the HBA may form a management corporation and the officers of the HBA shall be the directors of such corporation. This corporation and the LHA shall then negotiate a management-services contract. Such arrangements are consistent with the objective of providing for maximum participation by residents in the management of their development. As an alternative, the HBA and the LHA may elect to undertake any other arrangement approved by HUD.

§ 1270.307 Alternative to HBA.

Where the homes are on scattered sites (noncontiguous lots throughout a multiblock area, with no common property), or where the number of homes may be too few to support an HBA, and where an alternative method for home buyer representation and continuing counseling is provided, an HBA shall not be required. For such cases, a modified form of home buyers association may be called for or a less formal organization may be desirable. This decision shall be made jointly by the LHA and the home buyers, acting on the recommendation of HUD.

§ 1270.308 Relationship with Homeowners Association.

The HBA and the homeowners association are, in legal terms, separate and distinct organizations with different functions. The homeowners association may hold title to and be responsible for maintenance of common property (see §§ 1270.119 and 1270.120), while the HBA has more general service and representative functions. While all residents are members of the HBA, only those who have acquired title to their homes are members of the homeowners association.

§ 1270.309 Use of appendixes.

Use of the articles of incorporation (Part I of Appendix I) and the recognition agreement between the local housing authority and Home Buyers Association (Appendix II) is mandatory for projects developed under Subpart B of this part which have home buyers associations. No modification may be made in format, content or text of these appendixes except: (a) As required under State or local law as determined by HUD, or (b) with approval of HUD. The bylaws of the Home Buyers Association is provided as a guide for such projects and it may be used or modified to the extent required by the HBA and LHA respectively to meet local needs and desires.

APPENDIX I

ARTICLES OF INCORPORATION AND BYLAWS OF _____ HOME BUYERS ASSOCIATION

Part I—*Articles of Incorporation*

In compliance with the requirements of the undersigned, all of whom are natural

_____,
(reference to statute under which incorporation is sought)

persons, residents of _____, of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation, not-for-profit, and do hereby certify:

ARTICLE I—NAME

The name of the corporation is _____ Home Buyers Association (hereinafter referred to as the "Association").

ARTICLE II—OFFICE

The principal office of the Association is located at _____.

ARTICLE III—AGENT

_____, whose address is _____, is hereby appointed the initial registered agent of the Association.

ARTICLE IV—DURATION

The period of duration of the Association is perpetual.

ARTICLE V—PURPOSES

The purpose for which this Association is formed shall not result in pecuniary gain or profit to the members thereof. These purposes are to provide organization and

representation for its members in their relationships with _____ (hereinafter referred to as the "Authority") in all matters regarding the homeownership opportunity program and, if appropriate, to perform management responsibilities for _____ (hereinafter referred to as the "Development") under contract with the Authority. In order to carry out these purposes, the Association shall perform the following functions:

1. Represent its members, individually and collectively, with respect to any deficiencies in the development or any individual unit (hereinafter referred to as the "Home") therein and with respect to fulfillment of the construction contract and related warranties;

2. Represent its members, individually and collectively, in their relationships with the authority and others in regard to financial matters such as monthly payments, credits to and charges against reserves, settlement upon vacating the home, and acquisition of ownership, and to such other matters as pertain to project management;

3. Recommend policies to the authority for operation and management and, where appropriate, establish association rules in that respect;

4. Participatae in the operation of official grievance mechanisms;

5. Advise and assits its members regarding procedures and practices relative to their earned home payments accounts and to their acquisition of homeownership;

6. Participate with the authority in periodic maintenance inspections of the homes after occupancy and assist and make recommendations in case of disagreement arising out of such maintenance inspections;

7. Participate with the authority in the selection of subsequent home buyers;

8. Coordinate, supervise, or manage the operation of credit union, child care, or other supportive services established for the development;

9. Participate with the authority in the establishment and implementation of policies related to collection of monthly payments, termination of occupancy, and resolution of hardship situations;

10. Perform management functions as specified under contract with the authority or with the Homeowners Association and participate in other activities pursuant to agreement with the authority or with the Homeowners Association.

ARTICLE VI—POWERS

This association shall have all the powers, privileges, rights and immunities which are necessary or convenient for carrying out its purposes and which are conferred by the provisions of all applicable laws of the State of _____ pertaining to nonprofit corporations.

ARTICLE VII—MEMBERS

Membership in the association shall be limited to families who have signed a homebuyers ownership opportunity agreement with the authority with respect to a home in the development. This membership shall automatically be in effect from the date of signing of the home-buyers ownership opportunity agreement until the date of termination of occupancy of the home. Families who have attained homeownership shall continue as members of the association.

ARTICLE VIII—VOTING

There shall be only one vote per home regardless of the number of persons in the family that occupies the home.

ARTICLE IX—BOARD OF DIRECTORS AND BYLAWS

The affairs of the association shall be managed by a board of directors, all of whom shall be members of the association. The number of directors shall be as provided in the bylaws of the association. The following persons shall serve as the first board of directors:

Name	*Address*

This board shall manage the affairs of the association until election of their successors by the membership.

Promptly after 80 percent of the homes are occupied, the board shall call the first annual meeting of the association at which the members shall adopt bylaws and elect one-third of the board for a term of 1 year, one-third for a term of 2 years, and one-third for a term of 3 years. At each annual meeting thereafter the members shall elect one-third of the board for a term of 3 years.

ARTICLE X—DISSOLUTION

After all members have acquired ownership of their homes, the association shall be dissolved with the assent given in writing and signed by not less than two-thirds of the members. The dissolution shall be effective when all of the assets of the association remaining after payment of its liabilities have been granted, conveyed and assigned in such manner as the association and authority may mutually agree.

ARTICLE XI—AMENDMENT

Amendment of these articles shall require the assent of 75 percent of the entire membership.

IN WITNESS WHEREOF, for the purposes of incorporating this association under laws of the State of _____, we, the undersigned constituting the incorporators of this association, have executed these articles of incorporation this _____ day of _____, 19_____.

_____
_____
_____
_____
_____
(Witness, notary or acknowledgment as required by State law)

(NOTE: The following is a suggested form of bylaws. Different format and content to meet local needs may be used. For example, it may be considered desirable to combine HBA offices, eliminate or change functions of various committees, provide for other committees, etc.)

Part II—Bylaws

The members of the _____ Home-buyers Association (hereinafter referred to as the "Association") do hereby adopt in accordance with Article IX of the Articles of Incorporation the following bylaws:

SECTION 1. ORGANIZATION

The affairs of the association shall be managed by a board of directors elected by and from the members of the association. The board shall elect officers of the association, including a president, vice president, secretary, and treasurer, who shall carry out such functions and duties as are prescribed by these bylaws and the board.

SECTION 2. ASSOCIATION MEETINGS

A. *Annual meetings.* The association shall have an annual meeting at _____ (time) on the _____ (day of week and month) each year for the purpose of transacting such business as may be necessary or appropriate. If the date of the annual meeting is a legal holiday, the meeting shall be held at the same hour on the first day following which is not a legal holiday.

B. *Quarterly and special meetings.* Between annual meetings, quarterly meetings shall be called by the president and be held for the purpose of advising the membership of activities of the board and enabling the members to bring up matters of common concern. Special meetings may be called at any time: (1) By the president with the written concurrence of at least two of the other officers, or (2) by a petition filed with the secretary stating the purpose of the meeting and signed by at least one-fifth of the total number of members in the association.

C. *Notice of meetings.* Written notice of each annual, quarterly, or special meeting of the members shall be given by, or at the direction of, the secretary by mailing a copy of such notice at least 15 days before an annual or quarterly meeting or at least 7 days before a special meeting, addressed to each member at the member's address shown on the records of the association. Such notice shall specify the place, date, and hour of the meeting and, in the case of a special meeting, the purpose of such meeting. No business shall be transacted at any special meeting other than that stated in the notice unless by consent of at least one-half of the total number of votes of the association.

D. *Quorum.* A quorum at any meeting shall consist of members entitled to cast votes which represent at least one-tenth of the votes of the association. If such a quorum is not present, those present shall have the power to reschedule the meeting from time to time without notice other than an announcement at the meeting until there is a quorum. At any rescheduled meeting at which a quorum is present, the only business which may be transacted is that which might have been transacted at the original meeting.

E. *Voting.* Each family shall designate in writing to the secretary the family member who is to cast the family vote. That designee may appoint as a proxy for a specific meeting any other member of the association. A proxy must be in writing and filed with the secretary not later than the time that meeting is called to order. Every proxy shall be revocable and shall be automatically revoked when the person who appointed the proxy attends the meeting or ceases to have voting privileges in the association. Votes represented by proxy shall be counted in determining the presence or absence of a quorum at any meeting.

F. *Agenda.* An agenda shall be prepared for every meeting.

SECTION 3. BOARD OF DIRECTORS

A. *Number of directors.* The affairs of the association shall be managed by a board of _____ directors, all of whom shall be members of the association. The number of directors may be changed by amendment of the bylaws of the association.

B. *Term of office.* The board of directors shall be elected at the annual meeting of

the association. At the first annual meeting, the members shall elect _____[1] directors for a term of 1 year, _____[1] directors for a term of 2 years, and _____[1] directors for a term of 3 years. At each annual meeting thereafter the members shall elect _____[1] directors for a term of 3 years.

C. *Removal and other vacancies of directors.* Any director may be removed from the board, for cause, by a majority of the votes of the association at any annual or quarterly meeting or any special meeting called for such purpose, provided that the director has been given an opportunity to be heard at such meeting. In the event of death, resignation or removal of a director, his successor shall be elected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

D. *Chairman of the board.* At the first regular board meeting after each annual meeting, the board of directors shall elect a chairman from among their number.

E. *Compensation.* No compensation shall be paid to the board for its services. However, any Director may be reimbursed for his actual expense incurred in the performance of his duties, as long as such expense receives approval of the board and is within the approved association budget.

SECTION 4. NOMINATION AND ELECTION OF THE BOARD

A. *Nomination.* Nomination for election to the board of directors (other than for filling of vacancies under § 3C.) shall be made by the nominating committee; *Provided, however,* That nominations may also be made from the floor at the annual meeting by motion properly made and seconded, or by a petition which states the name of the person nominated, is signed by members representing at least 10 votes, and is filed with the secretary not later than the day prior to the annual meeting. Persons nominated must be members of the association.

B. *Election.* Election of the board of directors shall be in accordance with § 2E., and by secret written ballot. The ballots shall be prepared by the secretary. Cumulative voting is not permitted (that is, a voter who refrains from voting with respect to one or more vacancies may not on that account cast any extra vote or votes with respect to another vacancy). The persons receiving the largest number of votes shall be elected.

SECTION 5. MEETINGS OF DIRECTORS

A. *Regular meetings.* Regular meetings of the board of directors shall be held monthly at such time and hours as may be fixed from time to time by resolution of the board. Notice of time and place of the meetings shall be mailed to each director no later than 7 days before the meeting.

B. *Special meetings.* Special meetings of the board of directors shall be held when called by the president of the association, the chairman of the board or by any two directors, after not less than 3 days' notice to each director.

C. *Quorum.* A simple majority of the board shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Board present at a duly held meeting shall be regarded as an act of the board.

D. *Action taken without a meeting.* Any action which could be otherwise taken at a board meeting may be taken in the absence of a meeting, by obtaining the written approval of all directors. Any action so approved shall have the same effect as though taken at a meeting of the board.

[1] Each group shall be one-third of the total number of directors.

SECTION 6. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

A. *Powers and duties generally.* The board of directors shall have and exercise all the powers, duties, and authority necessary for the administration of the affairs and to carry out the purposes of the association, excepting only those acts and things as are required by law, by the articles of incorporation, or by these bylaws to be exercised and done by the members or their officers.

B. *Powers.* The board shall have the power to: (1) Adopt and publish such rules and regulations as are appropriate in the exercise of its powers and duties, including, but not limited to, rules and regulations governing the amount and payment of dues, use of common areas and facilities, and the conduct of the members and their guests thereon, and the establishment of penalties for violation of such rules and regulations; (2) appoint or designate officers, agents, and employees, and make such delegations of authority as in its judgment are in the best interests of the association; (3) declare the office of a member of the board of directors to be vacant in the event such member shall be absent from at least three consecutive regular meetings of the board of directors.

C. *Duties.* It shall be the duty of the board of directors to: (1) Cause to be kept a complete record of all its acts and association affairs, and to present a statement thereof to the members at the annual meeting, or at any special meeting when such statement is requested in writing by members representing at least one-fifth of the votes of the association; (2) cause to be prepared an annual audit of the association books to be made at the completion of each fiscal year; (3) cause to be supervised all officers, agents, and employees of the association, and see that their duties are properly performed; (4) procure and maintain adequate liability and hazard insurance on any property owned by the association; (5) cause such officers or employees having fiscal responsibilities to be bonded as the board may deem appropriate; (6) cause to be performed the functions listed in Article V of the articles of incorporation.

SECTION 7. ASSOCIATION OFFICERS AND THEIR DUTIES

A. *Election.* The board of directors shall elect the following officers of the association: A president, a vice president, a secretary, a treasurer, and such other special officers as, in the opinion of the board, the association may require. The president and vice president shall be elected from members of the board. The election of officers shall take place biennially at the first meeting of the board of directors following the annual meeting of the members.

B. *Term.* The officers shall hold office for 2 years unless they shall resign sooner, be removed, or otherwise be disqualified to serve; *Provided, however,* That special officers shall hold office for such period as the board may determine, but not to exceed 1 year.

C. *Removal and resignation.* Any officer may be removed from office, for cause, by the board. Any officer may resign at any time by giving written notice to the board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

D. *Vacancies.* A vacancy in any office may be filled by appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

E. *Multiple officers.* No person shall simultaneously hold more than one of the offices required by these bylaws.

F. *Duties.* The duties of the officers are as follows:

(1) *President.* The president shall preside at all association meetings; shall execute the orders and resolutions of the board; shall sign all leases, mortgages, deeds, and other written instruments; and shall cosign with the treasurer all checks and promissory notes.

(2) *Vice president.* The vice president shall act in place and stead of the president in the event of his absence or disability and shall exercise and discharge such other duties as may be required of him by the board.

(3) *Secretary.* The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the association; shall keep the corporate seal of the association and affix it on all papers requiring said seal; shall serve notice of the meetings of the board and of the association; shall keep appropriate current records showing the names and addresses of the members of the association; and shall perform such other duties as required by the board.

(4) *Treasurer.* The treasurer shall receive and deposit in appropriate bank accounts all funds of the association and shall disburse such funds as directed by resolution of the board of directors; shall cosign with the president all checks and promissory notes of the association; shall keep proper books of account; and shall prepare an annual budget and statement of income and expenditures which shall be approved by the board before presentation to the association at its regular annual meeting, and furnish a copy to each of the members.

(5) *Special officers.* Special officers shall have such authority and perform such duties as the board may determine.

(6) *Compensation.* Officers may not be compensated except as may be determined by the board, in accordance with the approved association budget.

SECTION 8. COMMITTEES

A. *Committees to be established.* The board of directors shall establish the following committees:

(1) *Representation Committee* which shall represent members, individually and collectively, with respect to: Any deficiencies in the development or the individual homes therein; fulfillment of the construction contract and related warranties; relationships with the authority and others in regard to financial matters such as monthly payments, credits to and charges against reserves, settlement upon vacating the home, and acquisition of ownership; matters pertaining to project management; and matters in the authority's official grievance mechanisms.

(2) *Rules Committee* which shall present to the board for recommendation to the authority policies for operation and management and, where appropriate, assist the board in establishing association rules in that respect.

(3) *Homeownership Committee* which shall advise and assist members in regard to maintenance and acquisition of ownership of their homes, financial matters, and other matters related to home ownership and home management.

(4) *Selection Committee* which shall recommend proposed home buyers from a list of eligible applicants.

(5) *Nominating Committee* which shall consist of a chairman, who shall be a member of the board of directors, and two

or more members of the association, none of whom are directors. The Nominating Committee shall be appointed by the board of directors prior to each annual meeting, to serve from the close of such annual meeting until the close of the next annual meeting and such appointments shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but not less than the number of vacancies to be filled.

B. *Other committees.* The board may establish other committees, permanent or temporary, which it deems necessary or desirable to carry out the purposes of the association.

C. *Committee chairmen and members.* The chairmen of all committees, except the Nominating Committee, shall be appointed by and serve at the pleasure of the president. Committee members shall be appointed by the chairman of the committee on which they are to serve and shall serve until a new chairman is appointed.

D. *Committee reports.* The chairman of each committee shall make a report to the president in writing of committee meetings and activities prior to each regular monthly meeting of the board of directors.

E. *Authority.* Unless specifically authorized in writing by the board of directors or the president, a committee chairman or a committee shall have no authority to legally obligate the association or incur any expenditure on behalf of the association.

SECTION 9. SUSPENSION OF RIGHTS

The board may suspend, by a majority vote of the board, the voting rights and right to use the recreational facilities, of a member, and his family and guests, during any period in which the member shall be in default in the payment of any dues or assessment imposed by the association. Such rights may also be suspended, after notice and hearing, for a period not to exceed 60 days, for violation of the association's rules and regulations.

SECTION 10. BOOKS AND RECORDS

The books, records and papers of the association shall at all times, during reasonable business hours, be subject to inspection by any member.

SECTION 11. AMENDMENTS

Amendments to these Bylaws may be introduced and discussed at any annual or special meeting of the association, provided that copies of any proposed amendment shall be mailed to all the members with the notice of the meeting at which such amendment will be introduced. A vote on adopting such amendment shall be taken at the first association meeting held at least 2 weeks subsequent to the meeting at which the amendment was introduced. Amendments shall be adopted by a vote of a majority of the members of the association.

SECTION 12. CORPORATE SEAL

The association shall have a seal which shall appear as follows:

[SEAL]

SECTION 13. FISCAL YEAR

The first fiscal year of the association shall begin on the date of incorporation and shall end on the last day of _____.
(month, year)

Each successive fiscal year shall begin on the first day of _____ and end on the last day of _____.
(month) (month)

The foregoing Bylaws were adopted at the first annual meeting of the association held _____ by the undersigned members of the association.

APPENDIX II

RECOGNITION AGREEMENT BETWEEN LOCAL HOUSING AUTHORITY AND HOME BUYERS ASSOCIATION

WHEREAS the _____ (Authority), a public body corporate and politic, has developed or acquired with the aid of loans and annual contributions from the Department of Housing and Urban Development (HUD), a development (Development) of dwelling units (Homes) in _____ which low-income
(Location)
families will occupy with lease-purchase rights leading to eventual homeownership; and

WHEREAS, an organization of residents (Home buyers) is an essential element in such development for purposes of effective participation of the home buyers in the management of the development, and representation of the home buyers in their relationships with the Authority, and for other purposes; and

WHEREAS, the _____ Home Buyers Association (Association) fully represents the home buyers of the development. *Now, therefore,* This agreement is entered into by and between the Authority and the association, and they do hereby agree as follows:

1. The association, whose articles of incorporation are attached hereto and made a part hereof, is hereby recognized as the established representative of the home buyers of the development and is the sole group entitled to represent them as tenants or home buyers before the Authority;

2. For each fiscal year, the Authority shall make available funds to the association for its normal expenses, in such amounts as may be available to the Authority for such purposes and subject to whatever applicable HUD regulations;

3. The Association shall be entitled to the use of office space in _____ at the development without charge by the Authority for such use;

4. The Authority and the officers of the association shall meet at a location convenient to both parties on the _____ (day) of each month to discuss matters of interest to either party;

5. In the event the parties later agree that the association should assume management responsibilities now held by the Authority, a contract for such purpose will be negotiated by the Authority and the association;

6. This agreement shall terminate upon dissolution of the association.

IN WITNESS WHEREOF, the parties have executed this Agreement on _____, 19_____.

Witness _____
Witness _____
By _____
(Local Housing Authority)
By _____
(Homebuyers Association)

[FR Doc.72-18845 Filed 11-3-72;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 25]

[Docket No. 10769; Notice 71-2B]

COCKPIT VISION AND COCKPIT CONTROLS

Notice of Reopening of Comment Period

Notice 71-2 (36 F.R. 829), was published in the FEDERAL REGISTER on January 19, 1971, inviting public comment on proposed amendments to Part 25 of the Federal Aviation Regulations that would introduce comprehensive cockpit vision standards and that would change the range of pilot heights used for the location and arrangement of cockpit controls. Notice 71-2A (36 F.R. 7257), extending the comment period from April 16, 1971, to May 18, 1971, was published in the FEDERAL REGISTER on April 16, 1971. During the FAA's review of the proposal, in the light of comments received, it has come to the attention of the FAA that additional data has been gathered and analyzed by industry since the closing of the comment period and that there may have been further advances in the state-of-the-art which should be considered in this rule making action. The FAA understands that such data includes information not contained in the comments received in response to Notice 71-2 in the areas of rearward vision, optical distortion, protrusion of cockpit displays, and introduction of flexibility in the proposed visional dimensions. It is also recognized that further developments relating to the other proposals in Notice 71-2 may have taken place, and the FAA invites the submission of comments related to any proposal contained in the notice. It is therefore requested that interested persons review their previously submitted comments, if any, in the light of the foregoing, and submit any new and additional comments. Accordingly, the period for public comment on the proposals of Notice 71-2 is being reopened and, as a convenience to the public, Notice 71-2, revised only to reflect the new closing date for comments, February 1, 1973, is being republished by this notice, as follows.

The Federal Aviation Administration is considering amending Part 25 of the Federal Aviation Regulations to introduce comprehensive cockpit vision standards and to change the range of pilot heights used for the location and arrangement of cockpit controls.

Interested persons are invited to participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should identify the

regulatory docket or notice number and be submitted in duplicate to: Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, AGC–24, 800 Independence Avenue SW., Washington, DC 20591. All communications received on or before February 1, 1973, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

Part 25 of the Federal Aviation Regulations presently requires that pilot compartments of transport category airplanes provide a sufficiently extensive, clear, and undistorted view to enable the pilots to safely perform any maneuvers within the operating limitations of the airplane, including taxiing, takeoff, approach, and landing. The present regulations do not contain any standards concerning the size and arrangement of cockpit windows and other factors affecting pilot vision. In the past, Civil Aeronautics Manual (CAM) 4b.351–1 through 4b.351–3 set forth the FAA's policies applicable to pilot compartment vision. This CAM material contained detailed provisions regarding the placement of cockpit windows, the angles of pilot vision measured from a fixed "reference eye" position, and the position and maximum recommended width of obstructions to vision in the windshield and window areas, along with other related information. Although the policy material has been followed by many manufacturers of transport category airplanes, it was not mandatory and not all transport category airplanes have been certificated in accordance with that policy.

The FAA has recently made a study of cockpit vision with respect to transport category airplanes. This study included, a review of the midair collision accident reports, the FAA Near Midair Collision Report of 1968, the vision angles available in current transports, the Society of Automotive Engineers Aerospace Standards, the military specifications for transports, and of research on the forward-downward view needed during landing approaches under low visibility conditions. The FAA study confirmed the need for more definitive cockpit vision standards.

In view of the foregoing, and to assure the necessary level of cockpit vision for future transport category airplanes, the FAA proposes to amend Part 25 of the Federal Aviation Regulations to incorporate detailed standards for the cockpit vision of transport category airplanes. The proposed standards are based on CAM 4b.351–1 through 4b.351–3 with the following changes which are based on the recent FAA study of cockpit vision: The downward-vision angles would be increased and the upward-vision angles to the side of the airplane would be increased; the windshield posts would be prohibited in certain areas and limited in width where they are used; precise standard for ground view ahead in the approach configuration would be established; a provision would be added requiring that the instrument panel glare shield provide accurate horizontal reference; optical property standards for both nontinted and tinted windshields and windows would be added; and provisions specifying the portion of the windshield which must be kept clear during precipitation conditions would be established.

In addition to the above-proposed requirements, the FAA proposes to establish new pilot height parameters. In order to establish a "reference eye" position for the measurement of cockpit vision angles, it is necessary to establish a seat height range and this in turn requires that the range of seated heights of pilots be established. Section 25.777(c) of the FAR's presently incorporates a standard range of pilot heights of 5'2" to 6' for the location of the cockpit controls. However, a recent study by the National Aeronautics and Space Administration (NASA Report No. SP–3006) indicates that a more accurate average height range for pilots of air transport category airplanes at this time is 5'4" to 6'3". This height range has therefore been used as a basis for the cockpit dimensions and the "reference eye" position of Appendix G of this proposal. It is also proposed to amend § 25.777(c) to incorporate the new pilot height range of 5'4" to 6'3" for the purpose of locating pilot controls.

The FAA presently has under study Parts 23, 27, and 29 of the Federal Aviation Regulations with a view toward proposing appropriate standards for aircraft certificated under those parts consistent with the proposals contained in this notice.

In consideration of the foregoing, it is proposed to amend Part 25 of the Federal Aviation Regulations as follows:

1. By amending § 25.773 (a)(1) and (b)(1) to read as follows:

§ 25.773 Pilot compartment view.

(a) * * *

(1) The windows and windshields in each pilot compartment must meet the requirements of Appendix G of this part, and must be arranged so as to enable the pilots to safely perform any maneuvers within the operating limitations of the airplane, including taxiing, takeoff, approach, and landing.

* * * * *

(b) * * *

(1) The airplane must have a means to maintain a clear portion of the windshield sufficient for both pilots to have adequate vision along the flight path in normal flight attitudes of the airplane. In addition, the means must meet the requirements of Appendix G of this part. This means must be designed to function, without continuous attention on the part of the crew, in— * * *.

* * * * *

§ 25.777 [Amended]

2. By amending § 25.777(c) by striking out the words, "from 5'2" to 6' in height," and inserting the words, "from 5'4" to 6'3" in height," in place thereof.

3. By amending Part 25 by adding a new Appendix G to read as follows:

Appendix G

CRITERIA FOR DETERMINING COCKPIT VISION

I—*Reference eye position.* (a) A single point selected by the applicant, within the limitations of subparagraphs (1) through (4) of this paragraph, constitutes the reference eye position. The central axis is a vertical line located 3$\frac{3}{16}$" aft of the reference eye position (reference figure 1).

(1) The reference eye position must be located not less than five (5) inches aft of the rearmost extremity of the primary longitudinal control column when the control is in its most rearward position (i.e., against the up longitudinal control stops).

(2) The reference eye position must be located between two vertical longitudinal planes which are one (1) inch to either side of the seat centerline. If the seat has lateral adjustment, the two vertical longitudinal planes must be within one (1) inch of either side of the primary longitudinal control centerline.

(3) Any persons from 5'4" to 6'3" in height, sitting in the seat associated with the selected reference eye position, must be able to:

(i) Adjust the seat, with the seat back in its most upright position, to locate the midpoint of his eyes at the reference eye position; and

(ii) With the seat belt fastened and the seat adjusted in accordance with subdivision (i) of this subparagraph, utilize all the aircraft controls associated with this seating position in compliance with the requirements of § 25.777.

(4) All measurements must be with the airplane longitudinal axis in a level position except those specified in section II(b).

(b) With the seat located 31½ inches below the reference eye position there must be no less than three (3) inches of available seat adjustment in both the up and the down directions. The 31½ inches is measured to the top of the seat cushion as depressed by a subject weighing 170 to 220 pounds, with the airplane longitudinal axis in a level position (reference figure 1).

(c) Means must be provided at both the pilot and copilot stations to enable the person occupying the seat to locate the midpoint of his eyes at the reference eye position.

II—*Clear areas of vision.* (a) With the reference eye position located as indicated in paragraphs I (a), (b), and (c) and utilizing binocular vision and azimuthal movement of the head and eyes about a radius, the center of which is the central axis, the pilot must have clear areas of vision, measured from the appropriate eye position with the aircraft's longitudinal axis level, as specified in subparagraphs (1) through (6) of this paragraph. The areas defined are based on the cardinal points of reference indicated in figure 2. A dual lens camera as a photo recorder, or other methods including a goniometer producing equivalent areas to those obtained with the dual lens camera, must be used in measuring the angles specified in this paragraph. When not using a dual lens camera, compensation must be made for one-half the distance which exists between the eyes, i.e., 1¼ inches as indicated in figure 3.

(1) 20° forward and up from the horizon between 30° left and 10° right diminishing

linearly to 15° up to 30° right (this area unbroken);

(2) 17° forward and down from the horizon between 30° left and 10° right diminishing linearly to 10° down at 30° right (this area unbroken);

(3) Increasing linearly from 20° forward and up from the horizon at 30° left to 40° forward and up from the horizon at 70° left;

(4) Increasing linearly from 17° forward and down from the horizon at 30° left to 35° forward and down from the horizon at 70° left;

(5) 40° forward and up from the horizon between 70° left and 110° left diminishing linearly to 20° up at 135° left; and

(6) 35° forward and down from the horizon between 70° left and 110° left diminishing linearly to 15° down at 135° left.

(b) In addition to the clear areas of vision specifed in paragraph (a) of this section, the view angle forward and down must be sufficient to allow the pilot to see a length of approach and/or touchdown zone lights which would be covered in 3 seconds at landing approach speed when the aircraft is—

(1) On a 2½° glide slope;

(2) At a decision height which places the lowest part of the aircraft at 100 feet above the touchdown zone extended horizontally (see figure 4);

(3) Yawing ±10°;

(4) Making an approach with 1,200 feet RVR; and

(5) Loaded to the most critical weight and center of gravity location.

(c) If in a symmetrical type pilot compartment there is an area about the center of the windshield where the requirements governing pilot and copilot vision areas do not overlap, the angles in this area above and below eye level may diminish due to the increased distance between the appropriate eye position and the windshield, but the windshield dimensions established at the 30° right position, above and below the horizontal plane of the pilot's eye, must be retained. This area must also be governed by the limitations of paragraph III of this appendix.

III—*Impairments to vision.* (a) There must be no horizontal obstructions to vision within the area described in section II(a).

(b) There must be no vertical obstructions to vision in the transparent area between 30° right and 30° left and between 85° left and 95° left.

(c) The area beyond 135° must be as large as practicable.

(d) Any windshield post must not exceed 2.5 inches total obstruction in projected width on the pilot's eye when measured with the head rotated so that the eyes are perpendicular to the vertical plane passing through the centerline of the projected width as indicated in figure 5.

(e) The location of the instruments, equipment, and structure must not impair any of the areas of vision established in this paragraph. In addition, cockpit equipment must not obstruct a line of vision from a point 2 inches above the reference eye position to any points along the upper limit of the forward windshield panels, and similarly, a line of vision from a point 2 inches below the reference eye position to the lower limit of the forward windshield panels.

(f) The glare shield structure within direct or peripheral vision of either pilot must be so designed as to offer an accurate determination of the horizontal plane without restricting vision through the windshield.

IV—*Optical properties of windshield.* Both clear and tinted windshields must exhibit equivalent optical properties to those covered in MIL-G-25871A dated July 30, 1958, for flat panels, and MIL-G-25667A dated July 30, 1958, for curved panels or any subsequent specification found acceptable by the Administrator (copies obtainable from Naval Publications and Forms Center, 5801 Tabor Avenue, Philadelphia PA 19120). In addition, the optical properties of the windshield must not deteriorate under pressurization loads, icing protection system provisions, or in operation.

V—*Sunvisors.* Cockpit sunvisors must not interfere with the pilots' vision. Means must be provided to prevent the sunvisors from projecting into the clear areas of vision prescribed by section II when they are not in use.

VI—*Windshield clearing provisions.* A minimum view must be provided through that portion of windshield which is cleared of rain and mist to allow each pilot to see a minimum of from 15° left to 15° right of the reference eye position, upwards to the horizon during the steepest approach path expected in operation and downwards to the angles specified in section II(b) of this appendix. The cleared area enclosed by these requirements need not be rectangular.

Section II of this appendix specifies the minimum areas of vision from the left pilot seat for showing compliance with § 25.773. The minimum areas of vision from the right pilot seat must be the same as those specified for the left pilot seat except that the left and right angle designations are interchanged.

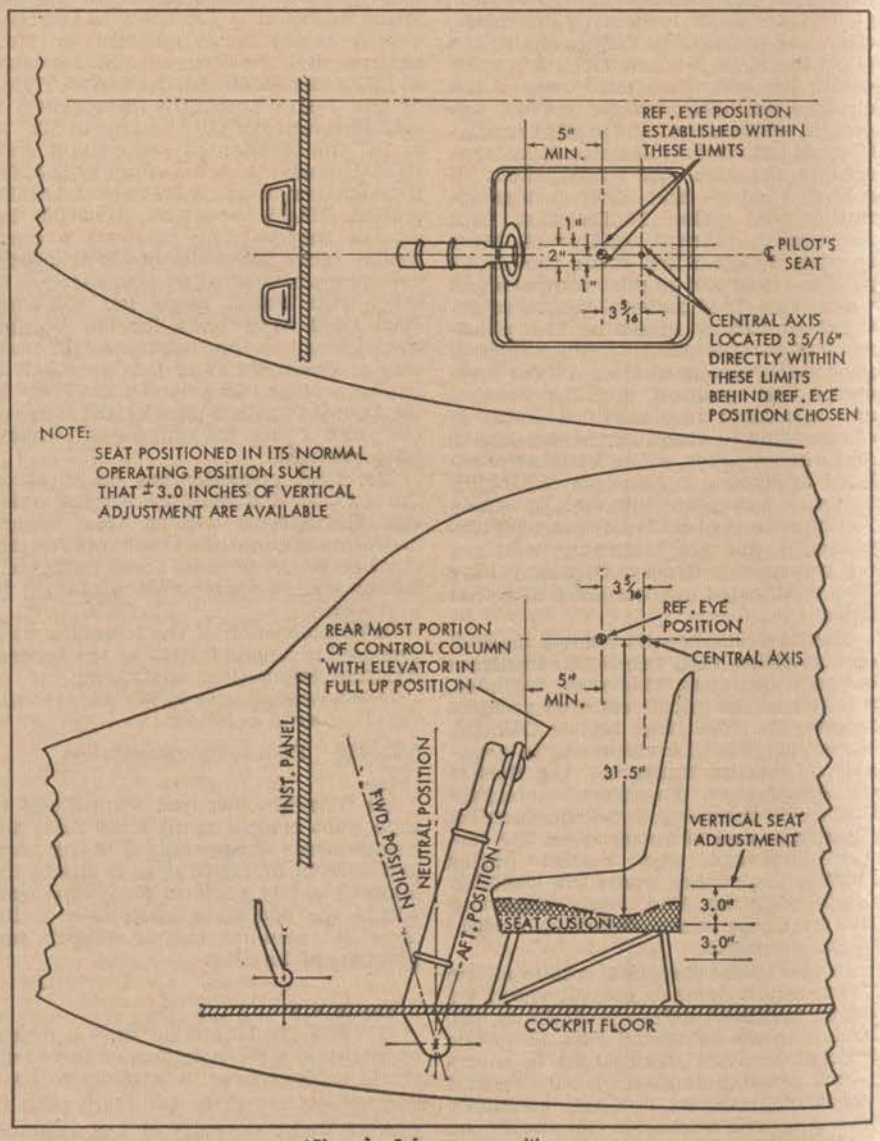

Figure 1.—Reference eye position

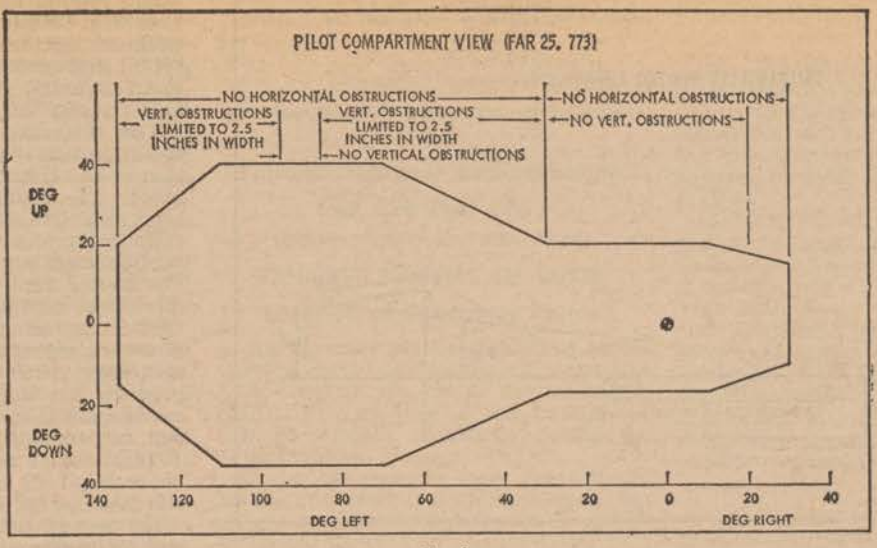

Figure 2.

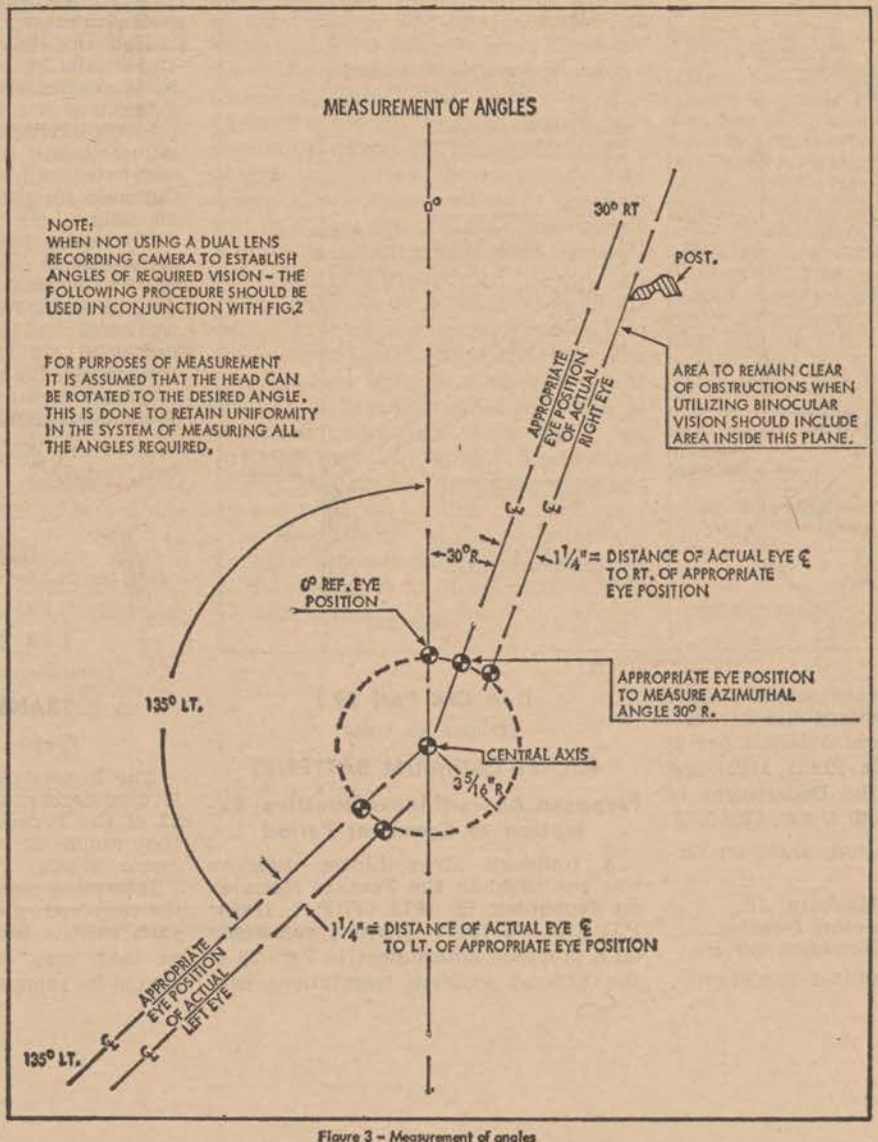

Figure 3 – Measurement of angles

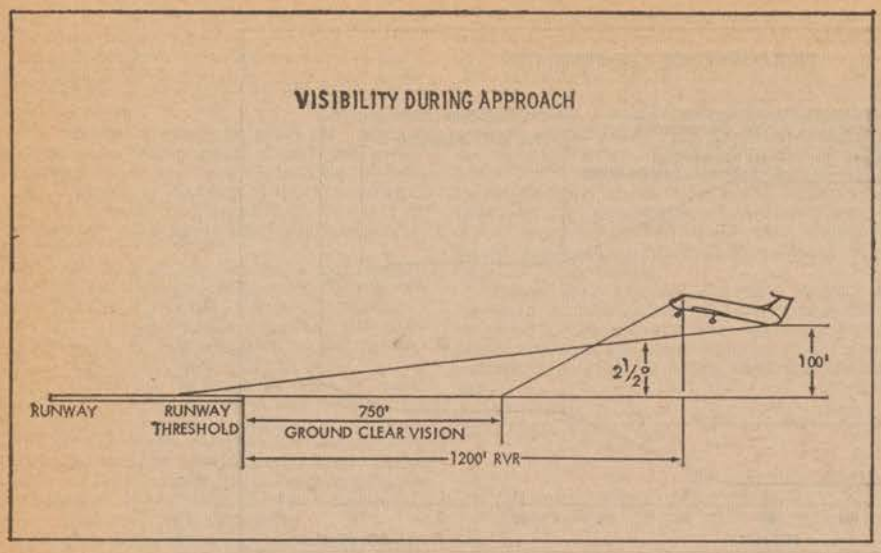

Figure 4.

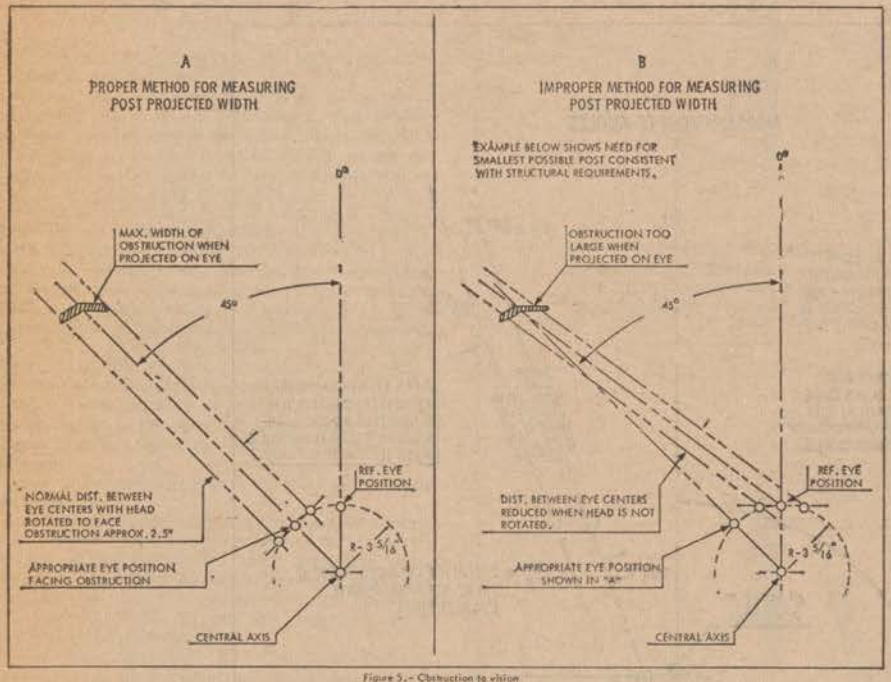

Figure 5.- Obstruction to vision

These amendments are proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1423) and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on October 27, 1972.

C. R. MELUGIN, Jr.,
Acting Director,
Flight Standards Service.

[FR Doc.72-18795 Filed 11-3-72;8:45 am]

[14 CFR Part 39]

[Docket No. 11423]

NICKEL-CADMIUM BATTERIES

Proposed Airworthiness Directive; Extension of Comment Period

A proposed airworthiness directive was published in the FEDERAL REGISTER on September 13, 1972 (37 F.R. 18564; F.R. Doc. 72-15512) inviting comments on a proposed amendment to Part 39 of the Federal Aviation Regulations that would require modification, before July 1, 1973, of certain aircraft having nickel-cadmium batteries installed. The notice stated that consideration would be given to all communications received on or before October 30, 1972.

The National Business Aircraft Association has requested a 14-day extension of the time for submission of comments. The petitioner states that it has been an active participant in the nickel-cadmium battery program since its inception, working closely with the FAA in the development of related airworthiness directives. Further, the petitioner states that it has scheduled a meeting of engineering representatives of all domestic and foreign battery manufacturers whose products are approved for use in U.S. certificated aircraft, that this meeting can not be convened until October 30, 1972, and that some time thereafter will be required to compile the findings of the meeting for submittal to the docket.

In view of the foregoing, I find that the petitioner has shown a substantive interest in the proposed amendment, that good cause exists for an extension, and that an extension is consistent with the public interest.

However, since publication of this notice in the FEDERAL REGISTER cannot be accomplished prior to November 4, 1972, I find that it is appropriate, in order to provide interested persons that are not affiliated with the petitioner an equivalent extension period, to extend the closing date for comments until November 20, 1972.

Therefore, pursuant to the authority contained in sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423), and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)), the closing date for comments on the subject proposed airworthiness directive is extended to November 20, 1972.

Issued in Washington, D.C., on October 30, 1972.

C. R. MELUGIN, Jr.,
Acting Director,
Flight Standards Service.

[FR Doc.72-18901 Filed 11-3-72;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 72-NW-11]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Pasco, Wash., Transition Area.

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

Chief, Operations, Procedures and Airspace Branch, Northwest Region, Federal Aviation Administration, FAA Building, Boeing Field, Seattle, Wash. 98108. 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 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, Northwest Region, Federal Aviation Administration, FAA Building, Boeing Field, Seattle, Wash. 98108.

A VOR approach procedure has been proposed for the Richland Airport, Richland, Benton County, Wash., utilizing the 288° radial of the Pasco VOR. A review of the airspace requirements for this proposal revealed that additional 700-foot transition area airspace would be required to provide controlled airspace protection for aircraft executing the proposed procedure while operating below 1,500 feet above the surface.

In consideration of the foregoing the FAA proposes the following:

In § 71.181 (37 F.R. 2143) the description of the Pasco, Wash., transition area as amended (37 F.R. 7880) is further amended as follows: to the description add, "; within 3 miles north and 7.5 miles south of the Pasco VOR 288° radial extending from 8 miles west of the VOR to 18 miles west of the VOR."

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a)), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Seattle, Wash., on October 25, 1972.

C. B. WALK, Jr.,
Director, Northwest Region.

[FR Doc.72-18900 Filed 11-3-72;8:47 am]

Federal Highway Administration

[49 CFR Part 393]

[Docket No. MC-43; Notice 72-19]

EXHAUST SYSTEMS OF BUSES

Location of Discharge Points

The Director of the Bureau of Motor Carrier Safety is considering amending § 393.83(b) of the motor carrier safety regulations, relating to the location of exhaust system discharge points on diesel-powered buses.

Under the existing rule, the exhaust system of a diesel-powered bus must discharge to the atmosphere at or within 15 inches forward of the rearmost part of the bus. General Motors Corp. has filed a petition for rulemaking, seeking an amendment to this rule. According to the petition, GM has developed an "Environmental Improvement Package" for buses, designed to reduce noxious exhaust emissions. One feature of the package is use of a vertical exhaust system which discharges to the atmosphere at the upper rear corner of the bus. Owing to the configuration of the rear end of a bus, the point of discharge is more than 15 inches forward of the rearmost point of the vehicle.

The objective of § 393.83(b) is to insure that exhaust gases do not seep into the passenger compartment of a bus. The proposal here announced appears calculated to achieve that objective while, at the same time, removing a design restriction that may inhibit development of exhaust systems that reduce noise and air pollution.

In consideration of the foregoing, the Director proposes to amend § 393.83(b) of Subchapter B in Chapter III of Title 49, CFR to read as follows:

§ 393.83 Exhaust system location.

* * * * *

(b) The exhaust system of a bus equipped with a gasoline engine, shall discharge to the atmosphere at or within 6 inches forward of the rearmost part of the bus. The exhaust system of a bus powered by other than a gasoline engine shall—

(1) Be designed, constructed, installed, and maintained so that exhaust gases do not enter the passenger compartment of the bus; and

(2) Either—

(i) Discharge to the atmosphere at or within 15 inches forward of the rearmost part of the bus; or

(ii) Discharge to the atmosphere above and to the rear of any door or window designed to be opened for ventilation or passenger egress.

* * * * *

Interested persons are invited to submit data, views, or arguments pertaining to the proposed amendment. All comments should refer to the docket number and notice number appearing at the top of this notice. Comments should be submitted in three copies to the Director, Bureau of Motor Carrier Safety, Washington, D.C. 20590. All comments received before the close of business on December 29, 1972, will be considered before further action is taken. Comments will be available for examination in the Docket Room of the Bureau of Motor Carrier Safety, Room 4136, 400 Seventh Street SW., Washington, DC both before and after the closing date for comments.

This notice of proposed rule making is issued under the authority of section 204 of the Interstate Commerce Act, as amended, 49 U.S.C. 304, section 6 of the Department of Transportation Act, 49 U.S.C. 1655, and the delegations of authority from the Secretary of Transportation and the Federal Highway Administrator at 49 CFR 1.48 and 389.4, respectively.

Issued on October 30, 1972.

ROBERT A. KAYE,
Director, Bureau of Motor Carrier Safety.

[FR Doc.72-18951 Filed 11-3-72;8:51 am]

Notices

DEPARTMENT OF STATE

Agency for International Development

DIRECTOR, WEST AFRICA REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE

Redelegation of Authority Regarding Contracting Functions

Pursuant to the authority delegated to me as Assistant Administrator for Program and Management Services under Delegation of Authority No. 17, as amended, from the Administrator of the Agency for International Development, I hereby redelegate to the Director, West Africa Regional Economic Development Services Office, and to the person in that Office who has been designated, with the concurrence of this Bureau, as contracting officer, the authority to sign or approve the following:

(1) Contracts and amendments to contracts financed in whole or in part by A.I.D., provided each individual contractual action does not exceed $200,000;

(2) Letters of commitment or notices of approval for financing of cooperating country contracts for contracts described in (1) above;

(3) Project implementation orders—technical services (PIO/T);

(4) Advance payments and the required determination and findings for such payments under A.I.D.-financed nonprofit contracts with nonprofit educational or research institutions.

The authority herein delegated to the Director, West Africa Regional Economic Development Services Office may be exercised by duly authorized persons who are performing the functions of the Director in an acting capacity. The authorities delegated herein are to be exercised in accordance with regulations, procedures, and policies now or hereafter established or modified and promulgated within the Agency for International Development.

I make this redelegation of contracting authority based on my finding that the overseas field procuring activity described above possesses the necessary skills to exercise properly the authority granted.

This redelegation of authority shall be effective immediately.

Dated: October 24, 1972.

WILLARD H. MEINECKE,
Deputy Assistant Administrator, Bureau for Program and Management Services.

[FR Doc.72-18937 Filed 11-3-72;8:49 am]

DEPARTMENT OF DEFENSE

Department of the Navy

NAVAL POSTGRADUATE SCHOOL; SUPERINTENDENT'S BOARD OF ADVISORS

Notice of Public Meeting

In accordance with the provisions of Executive Order No. 11671, dated June 5, 1972, announcement is made of a public meeting of the Superintendent's Board of Advisors for the Naval Postgraduate School to be held beginning at 8 a.m. on Thursday, November 9, 1972, and continuing through Friday, November 10, 1972. The Board will meet in the conference room of the Naval Postgraduate School, Monterey, Calif.

(1) *Purpose.* The Board was appointed to advise and assist the Superintendent concerning the Naval Postgraduate School Education Program.

(2) *Membership.* The Board is chaired by Dr. L. R. Hafstad and is composed of the following: Dr. Ralph D. Bennett, Rear Adm. William A. Brockett, USN (Ret.), Mr. Richard R. Hough, Dr. Niel H. Jacoby, Adm. Isaac C. Kidd, USN, Provost George J. Maslach, Dr. Dean E. McHenry, Dr. David S. Potter, Adm. James S. Russell, USN (Ret.), and Mr. Emmett C. Solomon.

(3) *Activities.* This will be the eighth meeting of the Board of Advisors and discussions on current developments of significance to the school will be held.

(4) *Agenda.* A short report by the Superintendent, presentations and discussions of current significant developments, introduction of a school study to examine long-range effects of education on a naval career, and other general discussions are scheduled.

Dated: October 31, 1972.

[SEAL] MERLIN H. STARING,
Rear Admiral, JAGC, U.S. Navy, Judge Advocate General of the Navy.

[FR Doc.72-19023 Filed 11-3-72;8:53 am]

DEPARTMENT OF JUSTICE

[Order 494-72]

PEACH COUNTY, GA.

Certificate Regarding Appointment of Examiners

In accordance with section 6 of the Voting Rights Act of 1965, I hereby certify that in my judgment the appointment of examiners is necessary to enforce the guarantees of the 15th amendment to the Constitution of the United States in Peach County, Ga. This county is included within the scope of the determinations of the Attorney General and the Director of the Census made on August 6, 1965, under section 4(b) of the Voting Rights Act of 1965 (Public Law 89-110) and published in the FEDERAL REGISTER on August 7, 1965 (30 F.R. 9897).

RICHARD G. KLEINDIENST,
Attorney General of the United States.

NOVEMBER 4, 1972.

[FR Doc.72-19101 Filed 11-3-72;11:18 am]

Bureau of Narcotics and Dangerous Drugs

METHYLPHENIDATE

Aggregate Production Quota

On July 6, 1972, a notice of proposed aggregate production quotas was published in the FEDERAL REGISTER (37 F.R. 13279). The notice proposed that the aggregate production quota for 1972 for methylphenidate expressed in kilograms of the anhydrous alkaloid, be established at 1,427 kilograms. The notice invited all interested persons to submit their comments and objections in writing regarding this proposal. Hearings were requested by CIBA Pharmaceutical Co., a division of CIBA-GEIGY Corp., and the Narcotics Guidance Council of Huntington, Long Island, N.Y. Comments also were received from other sources with respect to the notice.

On October 7, 1972, the Director of the Bureau of Narcotics and Dangerous Drugs determined that CIBA had standing to request a hearing and ordered that a hearing be held on October 24, 1972, for the purpose of determining the quota. Following publication of the notice, the Bureau met with representatives of CIBA, the Huntington Council, and the Department of Health, Education, and Welfare. Consideration was given to sales and marketing information for the current and previous years provided by HEW, CIBA, and independent statistical services indicating legitimate medical need for methylphenidate.

After reviewing data not previously available, the Department of Health, Education, and Welfare, by letter dated October 30, 1972, has estimated that the legitimate medical needs for methylphenidate in the United States in 1972 could be met by a 20-percent reduction in production of methylphenidate from the 1971 level. This contrasted with an initial recommendation of a 50-percent reduction.

The quota which is determined herein is for the purpose of procuring methylphenidate for manufacturing into dosage form to supply wholesale and retail needs. The Bureau recognizes that this quota is less than the actual and pro-

jected 1972 sales of methylphenidate. In the Bureau's present opinion, however, this quota together with CIBA's existing inventory will be adequate to meet legitimate medical needs.

The Bureau will give consideration to appropriate supplemental applications to amend the 1972 quota for:

(i) Research projects;

(ii) Unusual inventory problems and potential disruptions to production;

(iii) A significant change in the amount required to fill the legitimate medical needs of the United States in 1972 as evidenced by an increased demand; and

(iv) Export requirements.

The Bureau intends to publish the proposed 1973 aggregate production quota in the near future and to consider relevant information relating to the legitimate medical use of methylphenidate in 1972 and in prior years (as evidenced by CIBA sales, by prescribing information, and by hospital and physician usage), changes in CIBA's inventory in 1972 and research projects, export requirements and potential disruptions in production.

CIBA, in light of the revised recommendation by the Department of Health, Education, and Welfare and the lateness in the year for which quotas can be set, agreed to withdraw its request for a hearing on the proposed quota.

The Narcotics Guidance Council of the town of Huntington, Long Island, N.Y., had also requested a hearing on the proposed aggregate production quota of methylphenidate. This group also agreed to withdraw its request for a hearing on the proposed aggregate production quota for the same reasons set forth above.

The Bureau has agreed with both parties who filed requests for a hearing on the proposed aggregate production quota that, if they wished to request a public hearing on the 1973 aggregate production quota for methylphenidate, when proposed, on the issue of the proper determination of legitimate medical need, the Bureau would hold such a public hearing.

Therefore, because all persons requesting a hearing on this matter have withdrawn their requests, the Director of the Bureau of Narcotics and Dangerous Drugs hereby orders that the public hearing previously ordered for October 24, 1972, for the purpose of determining the aggregate production quota for methylphenidate be canceled.

Other comments were received by the Bureau, only one of which asserted that the aggregate production quota was too high. The Honorable Claude S. Pepper, chairman of the Select Committee on Crime, U.S. House of Representatives, stated in his letter of August 17, 1972, that "the production quota * * * should be predicated solely upon the necessity to provide medication for those individuals who are actually suffering from narcolepsy and hyperkinesis." Various organizations representing parents of children with learning disabilities asserted that the proposed quota was too low. The Bureau has considered all such comments and has determined that the revised quota is appropriate in light of their comments.

Having considered the revised recommendation by the Department of Health, Education, and Welfare and the additional information presented, the Director of the Bureau of Narcotics and Dangerous Drugs, pursuant to the authority vested in the Attorney General by section 306 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 826) and redelegated to the Director, Bureau of Narcotics and Dangerous Drugs by § 00.100 of Title 28 of the Code of Federal Regulations, orders that the aggregate production quota for 1972 for methylphenidate, expressed in kilograms of the anhydrous alkaloid, be established as follows:

Basic class	Produced—1971	Requested—1972	Granted—1972
Methylphenidate	2,320	2,070	1,857

This order is effective upon the date of its publication in the FEDERAL REGISTER (11–4–72).

Dated: November 1, 1972.

JOHN E. INGERSOLL,
Director, Bureau of Narcotics and Dangerous Drugs.

[FR Doc.72–18968 Filed 11–3–72;8:51 am]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

CRESCENT LAKE NATIONAL WILDLIFE REFUGE

Notice of Public Hearing Regarding Wilderness Proposal

Notice is hereby given in accordance with provisions of the Wilderness Act of September 3, 1964 (Public Law 88–577; 78 Stat. 890–896; 16 U.S.C. 1131–1136), that a public hearing will be held beginning at 9 a.m. on December 14, 1972, at Garden County Courthouse in Oshkosh, Nebr., on a proposal leading to a recommendation to be made to the President of the United States by the Secretary of the Interior regarding the desirability of including the Crescent Lake proposal within the National Wilderness Preservation System. The wilderness proposal consists of approximately 24,502 acres within Crescent Lake National Wildlife Refuge, which is located in Garden County, State of Nebraska.

A study summary containing a map and information about the Crescent Lake Wilderness proposal may be obtained from the Refuge Manager, Crescent Lake National Wildlife Refuge, Star Route 30178, Ellsworth, Nebr. 69340, or the Regional Director, Bureau of Sport Fisheries and Wildlife, Twin Cities, Minn. 55111.

Individuals or organizations may express their oral or written views by appearing at this hearing, or they may submit written comments for inclusion in the official record of the hearing to the Regional Director at the above address by January 15, 1973.

E. V. SCHMIDT,
Acting Director, Bureau of Sport Fisheries and Wildlife.

OCTOBER 13, 1972.

[FR Doc.72–18890 Filed 11–3–72;8:46 am]

Geological Survey

YUKON RIVER BASIN, ALASKA

Power Site Modification 448

Pursuant to authority under the Act of March 3, 1879 (20 Stat. 394; 43 U.S.C. 31), and 220 Departmental Manual 6.1, Power Site Classification 445, of January 5, 1965, is hereby modified to the extent necessary to allow the State of Alaska, Department of Highways, to locate a right-of-way under Revised Statute 2477 (43 U.S.C. 932) for the construction of a portion of the Livengood to Prudhoe Bay Highway and the Yukon River Bridge. The right-of-way will affect the following described lands:

FAIRBANKS MERIDIAN, ALASKA (PROTRACTED SURVEY)

T. 12 N., R. 10 W.,
Secs. 7, 18, 19, and 21.
T. 12 N., R. 11 W.,
Sec. 13.

This power site modification is subject to the condition that should the land traversed by the right-of-way be required for reservoir or power purposes, any improvements or structures thereon, when found by the Secretary of the Interior to interfere with reservoir or power development, shall be removed or relocated to eliminate interference with such development at no cost to the United States, its permittees, or licensees.

Date: October 30, 1972.

V. E. MCKELVEY,
Director.

[FR Doc.72–18893 Filed 11–3–72;8:46 am]

Office of the Secretary

[DES 72–110]

CRESCENT LAKE NATIONAL WILDLIFE REFUGE, NEBR.

Proposed Wilderness Area; Notice of Availability of Draft Environmental Impact Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, Public Law 91–190, the Department of the Interior has prepared a draft environmental statement for a proposed wilderness area, located in Garden County, Nebr., and invites written comments within 45 days of this notice.

Under this proposal, a 24,502-acre unit of Crescent Lake National Wildlife Refuge would be designated as wilderness within the National Wilderness Preservation System. The statement examines the

environmental impacts of the proposed designation.

Copies of the draft statement are available for inspection at the following locations:

Bureau of Sport Fisheries and Wildlife, Federal Building, Fort Snelling, Twin Cities, Minn. 55111.

Bureau of Sport Fisheries and Wildlife, Office of Environmental Quality, Department of the Interior, Room 2246, 18th and C Streets, Washington, D.C. 20240.

Single copies may be obtained by writing the Chief, Office of Environmental Quality, Bureau of Sport Fisheries and Wildlife, Washington, D.C. 20240. Please refer to the statement number above.

Date: October 31, 1972.

W. W. LYONS,
Deputy Assistant Secretary, Program Policy.

[FR Doc.72-18892 Filed 11-3-72;8:46 am]

[DES 72-109]

PROPOSED JOHN DAY FOSSIL BEDS NATIONAL MONUMENT, OREG.

Notice of Availability of Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act, the Department of the Interior has prepared a draft environmental statement for a legislative proposal for the establishment of John Day Fossil Beds National Monument in the State of Oregon, and invites written comment within forty-five (45) days of this notice.

The proposal recommends the authorization of a national monument of some 14,402 acres consisting of three separate but interrelated units located in Grant and Wheeler Counties, Oreg. The monument will preserve and make available to the public a great variety of Cenozoic plant and animal fossils in a compact setting where earth history can be presented plainly and clearly.

Copies are available from and for inspection at the following locations: Pacific Northwest Regional Office, National Park Service, 523 Fourth and Pike Building, Seattle, Wash. 98101; Klamath Falls Group Office, National Park Service, 1939 South Sixth Street, Klamath Falls, OR 97601; Portland, Oreg. 97232.

Dated: October 31, 1972.

W. W. LYONS,
Deputy Assistant Secretary of the Interior.

[FR Doc.72-18891 Filed 11-3-72;8:46 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

REPORTING EGG PRICES AND MARKET CONDITIONS TWICE WEEKLY

Modification of Market News Releases

On September 9, 1972, the U.S. Department of Agriculture asked for comments on recommendations for changes in the reporting of market prices of shell eggs whereby reports of egg prices and market conditions released at Newark, N.J., Chicago, Ill., Atlanta, Ga., and Jackson, Miss., would be mailed twice a week rather than daily. No changes were proposed for operations in other market news offices.

The Department's announcement stated that the factors relative to this proposal were: (1) An effort to reduce mail cost, (2) a recommendation from the National Egg Pricing System Study Committee for less-than-daily reports, and (3) to keep abreast with the trend in the industry away from daily price negotiations.

Ninety-one comments were received as a result of this notice. About 75 percent of those responding agreed that twice a week reporting would adequately serve their needs, but many suggested that the mailed report contain a summary of the daily trading that had occurred since the last report. Others suggested that the Department make such daily information available by phone or teletype for those persons who desire to call in or be on the teletype system.

In view of comments received, the following modifications will take place effective January 1, 1973:

1. Mailed reports from Newark, Chicago, Atlanta, and Jackson will be issued twice a week (Tuesday and Friday), except when a holiday may change mailing days.

2. Information on egg market conditions and trading will continue to be collected daily and will be available daily at these market news offices and by the teletype system. Telephone numbers are listed on the mailed report.

3. Mailed reports will contain a summary of the current information as well as information since the last mailed report.

The Department appreciates the responses and views received from all interested persons on this issue.

Done at Washington, D.C., this 31st day of October 1972.

E. L. PETERSON,
Administrator, Agricultural Marketing Service.

[FR Doc.72-18918 Filed 11-3-72;8:45 am]

Commodity Credit Corporation

[Amdt. 4]

SALES OF CERTAIN COMMODITIES

Monthly Sales List; Amendments

The CCC Monthly Sales List for the fiscal year ending June 30, 1973, published in 37 F.R. 13352 is amended as follows:

1. The provisions of section 40 entitled "Nonfat Dry Milk—Unrestricted Use Sales" are deleted.

2. The provisions of section 41 entitled "Nonfat Dry Milk—Export Sales" are deleted.

Effective date: 12:35 p.m. (e.d.t.) October 20, 1972.

Signed at Washington, D.C., on October 30, 1972.

GLENN A. WEIR,
Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc.72-18921 Filed 11-3-72;8:45 am]

DEPARTMENT OF COMMERCE

[Report No. 119]

Maritime Administration

LIST OF FREE WORLD AND POLISH FLAG VESSELS ARRIVING IN CUBA SINCE JANUARY 1, 1963

SECTION 1. The Maritime Administration is making available to the appropriate Departments the following list of vessels which have arrived in Cuba since January 1, 1963, based on information received through May 24, 1972, exclusive of those vessels that called at Cuba on U.S. Government-approved noncommercial voyages and those listed in section 2. Pursuant to established U.S. Government policy, the listed vessels are ineligible to carry U.S. Government-financed cargoes from the United States.

FLAG OF REGISTRY AND NAME OF SHIP	*Gross tonnage*
Total—all flags (180 ships)	1,379,434
Cypriot: (92 ships)	749,311
Aegis Banner	9,024
Aegis Eternity	8,814
Aegis Fame	9,072
Aegis Hope (previous trips to Cuba as the Huntsmore—British)	5,678
*Aegis Loyal	10,405
Aegis Strength	9,305
Aftadelfos	8,136
Aghios Ermolaos	7,208
Aghios Nicolaos	7,254
*Alamar	11,929
Alda	7,292
Alfa	7,388
Alitric	7,564
Alma	9,097
Alpa	9,159
Amarilis	8,959
Anemone	7,168
Annunication Day	8,047
Antigoni	3,174
Arendal	7,265
Areti	8,406
Arion	3,570
Aris II	7,202
Armar	7,307
Artigas	5,841
Aurora	8,380
Azalea	9,506
Baracoa	9,242
Begonia	6,576
Byron	8,720
Calypso (tanker)	12,883
Camelia	8,111
Castalia	7,641
Cleo II	7,590
Cleopatra	8,079
Costiana	7,199
Degedo	9,000
Diamando	7,067
Dolphin	3,550
Dorine Papalios (previous trips to Cuba as the Formentor—British)	8,424
E. D. Papalios	9,431

See footnotes at end of document.

Cypriot—Continued	Gross tonnage
Elpida	8,296
*Eftyhia (trips to Cuba—Greek)	9,854
Free Trader (previous trips to Cuba—Lebanese)	7,061
Gardenia	9,744
George	7,378
George N. Papalios	9,071
Georgios C. (previous trips to Cuba as the Huntsfield—British and Cypriot)	9,483
Georgios T	9,646
Giannis	7,490
Goodluck	6,952
Happy Land	9,080
Herodemos	7,356
*Hymettus	11,771
Ilena (previous trips to Cuba—Lebanese)	5,925
Iris	8,479
June	9,357
Kitsa	9,519
Kypros	7,001
Lena	7,029
Magnolia	7,176
Master George	7,334
May	8,853
Mimis N. Papalios	9,069
Mimosa	8,618
Miss Papalios	9,072
Mitera Irini (previous trips to Cuba as the Socivve—British and Maltese)	7,291
Nea Hellas	9,241
Nedi 2	7,679
**Newheath (trips to Cuba—British)	7,643
Nike	9,505
Noelle (previous trips to Cuba—Lebanese)	7,251
Pantazis Caias	9,618
Petunia	7,843
Platres	7,244
Protoapostolos	8,130
Protoklitos	6,154
Ravens	8,036
Reifens	8,071
Rothens	8,113
Salvia	8,522
Silver Coast	7,328
Silver Hope	5,313
Sophia (previous trips to Cuba—Greek)	7,030
Stavros T	10,407
Successor	11,471
Telenikis	12,303
Theoskepasti	6,618
Torenia	8,077
Venturer	9,000
Zaira	8,032
Zinnia	7,114
British (24 ships)	190,188
Arctic Ocean	8,791
Athelmonarch (tanker)	11,182
Cheung Chau	8,566
Carol Islands	9,060
East Sea	9,679
Fortune Enterprise	7,696
**Glendalough (trip to Cuba as the Ardrossmore—British)	5,820
Golden Bridge	7,897
Ho Fung	7,121
Huntsland	9,353
Hwa Chu	9,091
Ivory Islands	9,718
Kinross	5,388
Magister	2,239
Red Sea (previous trip to Cuba as the Grosvenor Mariner—British)	7,026
**Rosetta Maud (trips to Cuba as the Ardtara—British)	5,795
Sea Amber	10,421
Sea Coral	10,421
Sea Empress	9,841
Sea Moon	9,085
Seasage	4,330
**Shun Wah (trip to Cuba as the Vercharmian—British)	7,265
Steed	8,989
Yugiutaton	5,414
Polish (19 ships)	136,159
Baltyk	6,984
Bytom	5,967
Chopin	9,231
Chorzow	7,237
Energetyk	10,876
Grodziec	3,379
Huta Labedy	7,221
Huta Ostrowiec	7,179
Huta Zgoda	6,840
Hutnik	10,847
Kopalnia Bobrek	7,221
Kopalnia Czladz	7,252
Kopalnia Miechowice	7,223
Kopalnia Siemianowice	7,165
Kopalnia Wujek	7,033
Narwik	7,065
Piast	3,184
Rejowiec	3,401
Transportowiec	10,854
Somali (12 ships)	96,485
**Atlas (trip to Cuba—Finnish)	3,916
Ber Sea	8,269
Dimitrakis	7,829
Feihang	8,924
Feita	8,903
Hemisphere (previous trips to Cuba—British)	8,718
Marbella	8,409
Nebula (previous trips to Cuba—British)	8,907
**Oriental (trips to Cuba as the Oceantramp—British)	6,185
**Eastglory (previous trips to Cuba—British)	8,995
**Jollity (trips to Cuba—British)	8,819
**Venice (trips to Cuba—British)	8,611
Yugoslav (8 ships)	56,740
Agrum	2,449
Bar	8,776
Cetinje	8,229
Niksic	10,067
Piva	7,519
Plod	3,657
Ulcinj	8,602
Tara	7,441
Greek (7 ships)	46,045
*Aegis Legend	8,925
Andromachi (previous trips to Cuba as the Penelope—Greek)	6,712
**Anna Maria (trips to Cuba as the Helka—British)	2,111
Ariadne	6,487
**Gold Land (trip to Cuba as the Amfred—Swedish)	2,838
**Lambros M. Fatsis (trips to Cuba as the Lahortensia—British)	9,486
**Pothiti (trips to Cuba as the Huntsville—British)	9,486
French (4 ships)	10,466
**Atlanta (trip to Cuba as the ENEE—French)	1,232
Circe	2,874
Danae	3,486
Nelle	2,874
Italian (3 ships)	35,977
Alderamine (tanker)	12,505
Elia (tanker)	11,021
San Nicola	12,451
Lebanese (2 ships)	11,583
Antonis	6,259
Astir	5,324
Netherlands (2 ships)	1,615
Meike	500
Tempo	1,115
Guinean (1 ship)	852
**Drame Oumar (trip to Cuba as the Neve—French)	852
Liberia (1 ship)	9,284
**San Francesco (trips to Cuba—Italian)	9,284
Maltese (1 ship)	5,333
Timios Stavros (previous trips to Cuba—British and Greek)	5,333
Moroccan (1 ship)	3,214
Marrakech	3,214
Pakistani (1 ship)	8,708
**Maulabaksh (trips to Cuba as the Phoenician Dawn and East Breeze—British)	8,708
Panama (1 ship)	9,278
**Kika (trips to Cuba as the Santa Lucia—Italian)	9,278
Singapore (1 ship)	8,196
Tong Hoe	8,196

See footnotes at end of document.

SEC. 2. In accordance with approved procedures, the vessels listed below which called at Cuba after January 1, 1963, have reacquired eligibility to carry U.S. Government-financed cargoes from the United States by virtue of the persons who control the vessels having given satisfactory certification and assurance;

(a) That such vessels will not, thenceforth, be employed in the Cuban trade so long as it remains the policy of the U.S. Government to discourage such trade; and

(b) That no other vessels under their control will thenceforth be employed in the Cuban trade, except as provided in paragraph (c); and

(c) That vessels under their control which are covered by contractual obligations, including charters, entered into prior to December 16, 1963, requiring their employment in the Cuban trade shall be withdrawn from such trade at the earliest opportunity consistent with such contractual obligations.

FLAG OF REGISTRY AND NAME OF SHIP

a. Since last report:

	Gross tonnage
Maco Felicity (Cypriot)	10,570
Somalia (Italian)	3,692

b. Previous reports:

Flag of Registry:	Number of ships
British	49
Cypriot	9
Danish	1
Finnish	4
French	4
Germany (West)	1
Greek	31
Israeli	1
Italian	14
Japanese	1
Kuwaiti	1
Lebanese	9
Liberia	1
Moroccan	2
Norwegian	5
Singapore	1
Somali	1
Spanish	6
Sweden	1
Yugoslavia	2
(Total)	144

SEC. 3. The following number of vessels have been removed from this list since they have been broken up, sunk, or wrecked.

a. Since last report:

	Gross tonnage
Arosa (Cypriot)	7,233
Katerina (Cypriot)	9,357
Kimon (Cypriot)	5,686
Marco (Cypriot)	7,622
Mery (Cypriot)	7,258
Newgate (Cypriot)	6,743
Suerte (Cypriot)	7,267
Thios Costas (Cypriot)	7,258
Venus (Cypriot)	9,777
Someri (Finnish)	4,779
Bialystok (Polish)	7,173
Athellaird (British	11,150
Athellaird (British)	11,150

b. Previous reports.

Flag of Registry:	Broken up, sunk, or wrecked
British	28
Cypriot	54
Finnish	5
French	1
Greek	18
Italian	4
Japanese	1
Lebanese	36
Maltese	2
Polish	1
Monaco	1
Moroccan	1
Norwegian	1
Pakistan	1
Panamanian	9
Singapore	1
Somali	1
South Africa	2
Swedish	1
Yugoslav	7
Total	175

SEC. 4. The ships listed in sections 1 and 2 have made the following number of trips to Cuba since January 1, 1963, based on information received through May 24, 1972.

Flag of registry	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972 Jan.–May	Total
British	133	180	126	101	78	62	45	53	18	5	801
Cypriot		1	17	27	42	68	115	199	173	45	687
Lebanese	64	91	58	25	16	16	4	1			275
Greek	99	27	23	27	29	7			1	1	214
Italian	16	20	24	11	11	10	15	13	9		129
Yugoslav	12	11	15	10	14	9	6	7	9	2	95
French	8	9	9	10	10	4	2	5	2		59
Finnish	1	4	5	12	11	8	2	1			44
Spanish	9	17									26
Norwegian	14	10									24
Moroccan	9	13	1								23
Maltese		2	6	1	4	8	1	2			24
Somali					2	11	7	4	6	2	32
Netherlands		4	2								6
Sweden	3	3									6
Kuwaiti		2	1								3
Israeli			2								2
Japanese	1					1					2
Danish	1										1
German (West)	1										1
Haitian			1								1
Monaco				1							1
Singapore									1		1
Sub-Total	371	394	290	224	218	204	197	285	219	55	2,457
Polish	18	16	12	10	11	7	2	3	4		83
Grand total	389	410	302	234	229	211	199	288	223	55	2,540

NOTE: Trip totals in section 4 exceed ship totals in sections 1 and 2 because some of the ships made more than one trip to Cuba. Monthly totals subject to revision as additional data becomes available.

*Added to Report No. 118 appearing in the FEDERAL REGISTER issue of June 13, 1972.

**Ships appearing on the list which have made no trips to Cuba under their present registry.

Dated: August 11, 1972.

By order of the Acting Assistant Secretary of Commerce for Maritime Affairs.

JAMES S. DAWSON, Jr.,
Secretary,
Maritime Subsidy Board.

[FR Doc.72-18881 Filed 11-3-72;8:45 am]

[Docket No. S-298]

CHAS. KURZ & CO., INC.

Notice of Application

Notice is hereby given that application has been filed under the Merchant Marine Act of 1936, as amended, for operating-differential subsidy with respect to bulk cargo carrying service in the U.S. foreign trade, principally between the United States and the U.S.S.R., to expire on June 30, 1973 (unless extended only for subsidized voyages in progress on that date). Inasmuch as the below-listed applicant, and/or related persons or firms, employ ships in the domestic, intercoastal or coastwise service, written permission of the Maritime Administration under section 805(a) of the Merchant Marine Act, 1936, as amended, will be required for such applicant if its application for operating-differential subsidy is granted.

The following applicant has requested permission involving the domestic, intercoastal or coastwise services described below:

Name of Applicant: Chas. Kurz & Co., Inc. (Kurz).

Description of domestic service and vessels: On January 6, 1972, a related company of Kurz, Margate Shipping Co. (Margate), was granted written permission for Margate's affiliates to own and operate a total of 31 U.S.-flag vessels to transport liquid bulk cargoes within or between the following coastal areas with free interchange of the vessels among these various domestic trades. The following list shows the maximum number of vessels to be employed in each domestic trade at any one time:

	Vessels
U.S. Gulf/Atlantic, coastwise	17
U.S. Gulf/Atlantic, Puerto Rico	2
U.S. Atlantic/Gulf, intercoastal (including Alaska and Hawaii)	5
Pacific Coast—Alaska and Hawaii	10

The following U.S.-flag tankers are owned, managed, or operated by Margate's affiliates:

Chancellorville.
Perryville.
Shenandoah.
Fort Fetterman.
Julesburg.
Naeco.
Bennington.
Cherry Valley.
Gaines Mill.
Mill Spring.
Northfield.
Tullahoma.
Meadowbrook.
Sandy Lake.
Monmouth.
Spirit of Liberty.
Catawba Ford.
Keytanker.
Keystoner.
Keytrader.
Ticonderoga.
Valley Forge.
Golden Gate.
Edgar M. Queeny.
P. C. Spencer.
J. E. Dyer.
Sinclair Texas.
David E. Day.
Mobile Gas.
Mobile Power.
Mobile Fuel.

Written permission is now required by the applicant (Kurz) notwithstanding the previous grant to a related company (Margate) or the fact that a voyage in the proposed service for which subsidy

is sought would not be eligible for subsidy if the vessel carried domestic commerce of the United States on that voyage.

Interested parties may inspect this application in the Office of the Secretary, Maritime Subsidy Board, Maritime Administration, Department of Commerce Building, 14th and E Streets NW., Washington, DC 20235.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in any application and desiring to be heard on issues pertinent to section 805(a) or desiring to submit comments or views concerning the application must, by close of business on November 13, 1972, file same with the Maritime Subsidy Board/Maritime Administration, in writing, in triplicate, together with petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief.

If no petitions for leave to intervene are received within the specified time or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Subsidy Board/Maritime Administration will take such action as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing has been tentatively scheduled for 10 a.m., November 15, 1972, Room 4896, Department of Commerce Building, 14th and E Streets NW., Washington, D.C. 20235. The purpose of the hearing will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal services, or (b) would be prejudicial to the objects and policy of the Act.

By order of the Maritime Subsidy Board/Maritime Administration.

Dated: November 2, 1972.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.72-19032 Filed 11-3-72;8:53 am]

[Docket No. S-299]

CHAS. KURZ & CO., INC. ET AL.

Notice of Multiple Applications

Notice is hereby given that the following corporations have filed application for an operating-differential subsidy contract to carry bulk cargoes to expire on June 30, 1973 (unless extended only for subsidized voyages in progress on that date). The bulk cargo carrying vessels proposed to be subsidized and the trades in which each proposes to engage are presented also.

Operator's name and address	Type ship	Name of ship
Chas. Kurz & Co., Inc., 611 Wilmington Trust Building, 100 West 10th St., Wilmington, DE 19801.	Tanker	SS Mill Spring.
	...do.....	SS Julesburg.
	...do.....	SS Tullahoma.
	...do.....	SS Sandy Lake.
	...do.....	SS P.C. Spencer.
Transeastern Shipping Corp., 1 Chase Manhattan Plaza, New York, NY 10005.	...do.....	SS Transeastern.
Manhattan Tankers Co., Inc., 1 Chase Manhattan Plaza, New York, NY 10005.	...do.....	SS Manhattan.

The foregoing applications may be inspected in the Office of the Secretary, Maritime Subsidy Board, Maritime Administration, U.S. Department of Commerce, Washington, D.C., during regular working hours.

These vessels are to engage in the carriage of export bulk raw and processed agricultural commodities in the foreign commerce of the United States (U.S.) from ports in the United States to ports in the Union of Soviet Socialist Republics (U.S.S.R.), or other permissible ports of discharge. Liquid and dry bulk cargoes may be carried from U.S.S.R. and other foreign ports inbound to U.S. ports during voyages subsidized for carriage of export bulk raw and processed agricultural commodities to the U.S.S.R.

Full details concerning the U.S.-U.S.S.R. export bulk raw and processed agricultural commodities subsidy program, including terms, conditions and restrictions upon both the subsidized operators and vessels, appear in the regulations published in the FEDERAL REGISTER on October 21, 1972 (37 F.R. 22747).

For purposes of section 605(c), Merchant Marine Act, 1936, as amended (Act), it should be assumed that each vessel named will engage in the trades described on a full-time basis through June 30, 1973 (with extension to termination of approved subsidized voyages in progress on that date). Each voyage must be approved for subsidy before commencement of the voyage. The Maritime Subsidy Board (Board) will act on each request for a subsidized voyage as an administrative matter under the terms of the individual operating-differential subsidy contract for which there is no requirement for further notices under section 605(c) of the Act.

Any person having an interest in the granting of one or any of such applications and who would contest a finding of the Board that the service now provided by vessels of U.S. registry for the carriage of cargoes as previously specified is inadequate, must, on or before November 13, 1972, notify the Board's Secretary, in writing, of his interest and of his position, and file a petition for leave to intervene in accordance with the Board's rules of practice and procedure (46 CFR Part 201). Each such statement of interest and petition to intervene shall state whether a hearing is requested under section 605(c) of the Act and with as much specificity as possible the facts that the intervenor would undertake to prove at such hearing. Further, each such statement shall identify the applicant or applicants against which the intervention is lodged.

In the event a hearing under section 605(c) of the Act is ordered to be held with respect to any application(s), the purpose of such hearing will be to receive evidence relevant to (1) whether the application(s) hereinabove described is one with respect to vessels to be operated in an essential service, served by citizens of the United States which would be in addition to the existing service, or services, and if so, whether the service already provided by vesesls of U.S. registry is inadequate and (2) whether in the accomplishment of the purposes and policy of the Act additional vessels should be operated thereon.

If no request for hearing and petition for leave to intervene is received within the specified time, or if the Board determines that petitions for leave to intervene filed within the specified time do not demonstrate sufficient interest to warrant a hearing, the Board will take such action as may be deemed appropriate.

Dated: November 2, 1972.

By order of the Maritime Subsidy Board.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.72-19031 Filed 11-3-72;8:53 am]

[Docket No. S-297]

KEYSTONE TANKSHIP CORP. ET AL.

Notice of Multiple Applications

Notice is hereby given that applications have been filed under the Merchant Marine Act of 1936, as amended, for operating-differential subsidy with respect to bulk cargo carrying service in the U.S. foreign trade, principally between the United States and the Union of Soviet Socialist Republics, to expire on June 30, 1973 (unless extended only for subsidized voyages in progress on that date). Inasmuch as the below listed applicants, and/or related persons or firms, employ ships in the domestic, intercoastal or coastwise service, written permission of the Maritime Administration under section 805(a) of the Merchant Marine Act, 1936, as amended, will be required for each such applicant if its application for operating-differential subsidy is granted.

The following applicants have requested permission involving the domestic, intercoastal, or coastwise services described below:

Name of applicants: Keystone Tankship Corp. (Keystone Tank), Keystone Shipping Co. (Keystone Ship).

Description of domestic service and vessels: On January 6, 1972, a related company of Keystone Tank and Keystone Ship, Margate Shipping Co. (Margate),

was granted written permission for Margate's affiliates to own and operate a total of 31 U.S.-flag vessels to transport liquid bulk cargoes within or between the following coastal areas with free interchange of the vessels among these various domestic trades. The following list shows the maximum number of vessels to be employed in each domestic trade at any one time:

	Vessels
U.S. Gulf/Atlantic, coastwise	17
U.S. Gulf/Atlantic, Puerto Rico	2
U.S. Atlantic/Gulf, intercoastal (including Alaska and Hawaii)	5
Pacific Coast—Alaska and Hawaii	10

The following U.S.-flag tankers are owned, managed, or operated by Margate's affiliates:

Chancellorville.	Catawba Ford.
Perryville.	Keytanker.
Shenandoah.	Keystoner.
Fort Fetterman.	Keytrader.
Julesburg.	Ticonderoga.
Naeco.	Valley Forge.
Bennington.	Golden Gate.
Cherry Valley.	Edgar M. Queeny.
Gaines Mill.	P. C. Spencer.
Mill Spring.	J. E. Dyer.
Northfield.	Sinclair Texas.
Tullahoma.	David E. Day.
Meadowbrook.	Mobile Gas.
Sandy Lake.	Mobile Power.
Monmouth.	Mobile Fuel.
Spirit of Liberty.	

Written permission is now required by the applicants (Keystone Tank and Keystone Ship) notwithstanding the previous grant to a related company (Margate) or the fact that a voyage in the proposed service for which subsidy is sought would not be eligible for subsidy if the vessel carried domestic commerce of the United States on that voyage. Keystone Tank and Keystone Ship are also related to another applicant, Chas. Kurz & Co., Inc., whose section 805(a) application has been separately noticed.

Name of applicants: Willamette Transport, Inc. (Willamette); Wabash Transport, Inc. (Wabash); Connecticut Transport, Inc. (Connecticut).

Description of domestic service and vessels: Willamette, Wabash, and Connecticut, all affiliates of one another and of the other owning companies listed hereafter, have each requested written permission to continue employment in the domestic intercoastal and/or coastwise service for the below listed vessels owned by each or their affiliates, provided, however, the vessel(s) are not then currently receiving operating differential subsidy.

Ship	*Owning Company*
SS Albany	Albany River Transport, Inc.
ST Connecticut	Connecticut Transport, Inc.
SS James	James River Transport, Inc.
SS Missouri	Meadowbrook Transport, Inc.
SS Mohawk	Mohawk Shipping, Inc.
ST Ogden Wabash	Wabash Transport, Inc.
ST Ogden Willamette	Willamette Transport, Inc.
ST Ogden Yukon	Ogden Sea Transport, Inc.
SS Yellowstone	Rio Grande Transport, Inc.

Written permission is now required by the applicants (Willamette, Wabash, and Connecticut) notwithstanding that a voyage in the proposed service for which subsidy is sought would not be eligible for subsidy if the vessel carried domestic commerce of the United States on that voyage.

Interested parties may inspect these applications in the Office of The Secretary, Maritime Subsidy Board, Maritime Administration, Department of Commerce Building, 14th and E Streets NW., Washington, D.C. 20235.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in any application and desiring to be heard on issues pertinent to section 805(a) or desiring to submit comments or views concerning the application must, by close of business on November 13, 1972, file same with the Maritime Subsidy Board/Maritime Administration, in writing, in triplicate, together with petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief.

If no petitions for leave to intervene are received within the specified time or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Subsidy Board/Maritime Administration will take such action as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing has been tentatively scheduled for 10 a.m., November 15, 1972, Room 4896, Department of Commerce Building, 14th and E Streets NW., Washington, D.C. 20235. The purpose of the hearing will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal services, or (b) would be prejudicial to the objects and policy of the Act.

Dated: November 2, 1972.

By order of the Maritime Subsidy Board/Maritime Administration.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.72-19033 Filed 11-3-72;8:53 am]

National Oceanic and Atmospheric Administration

[Docket No. G-540]

WILLIAM K. DAHME

Notice of Loan Application

OCTOBER 31, 1972.

William K. Dahme has applied for a loan from the Fisheries Loan Fund to aid in financing the purchase of a new fiber glass vessel, about 44-foot in length, to engage in the fishery for red snapper, groupers, sea trout, mackerel, kingfish, pompano, and spiny lobsters.

Notice is hereby given, pursuant to the provisions of 16 U.S.C. 742c, Fisheries Loan Fund Procedures (50 CFR Part 250, as revised), and Reorganization Plan No. 4 of 1970, that the above entitled application is being considered by the National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, Washington, D.C. 20235. Any person desiring to submit evidence that the contemplated operation of such vessel will cause economic hardship or injury to efficient vessel operators already operating in that fishery must submit such evidence in writing to the Director, National Marine Fisheries Service, within 30 days from the date of publication of this notice. If such evidence is received it will be evaluated along with such other evidence as may be available before making a determination that the contemplated operation of the vessel will or will not cause such economic hardship or injury.

ROBERT W. SCHONING,
Acting Director.

[FR Doc.72-18932 Filed 11-3-72;8:48 am]

Social and Economic Statistics Administration

CENSUS ADVISORY COMMITTEE ON SMALL AREAS

Notice of Public Meeting

The Census Advisory Committee on Small Areas will convene on November 16, 1972 at 9:15 a.m. in Room 2113, Federal Building 3, at the Bureau of the Census in Suitland, Md.

The Census Advisory Committee on Small Areas was established in 1965 to advise the Bureau of the Census concerning development of statistical programs in metropolitan and other local communities regarding transportation, urban renewal, poverty, and other activities.

The agenda for the meeting is: (1) A review of the Census Bureau's Fiscal 1973 activities, the outlook for Fiscal 1974, and the status of the 1975 Sample Survey; (2) Survey of Census Users and Summary Tape Processing Centers and Proposed Seminars for Business Organizations; (3) Economic Census Summary Tape Program; (4) 1970 Public Use Samples of basic records; (5) Review of geographic planning for Small Areas; (6) The Revenue Sharing Program and its implications for Small Area Data; and (7) Program to study the uses of Census Statistics.

A limited number of seats—approximately 15—will be available to the public. A brief period will be set aside for public comment and questions. Extensive questions or statements must be submitted in writing to the Committee Guidance and Control Officer at least 3 days prior to the meeting.

Persons planning to attend and wishing additional information concerning this meeting should contact the Committee Guidance and Control Officer, Mr. Robert B. Voight, Chief, Data User Services Office, Bureau of the Census, Room 3555, Federal Building 3, Suitland, Md.

(Mail address: Washington, D.C. 20233). Telephone (301) 763–7720.

Dated: October 26, 1972.

HAROLD C. PASSER,
Assistant Secretary for Economic Affairs.

[FR Doc.72–18888 Filed 11–3–72;8:46 am]

SURVEY OF DISTRIBUTORS' STOCKS OF CANNED FOODS

Notice of Determination

In conformity with title 13, United States Code, sections 181, 224, and 225, and due notice of consideration having been published October 6, 1972 (37 F.R. 21195), I have determined that year-end data on stocks of 30 canned and bottled products, including vegetables, fruits, juices, and fish, are needed to aid the efficient performance of essential government functions, and have significant application to the needs of the public and industry and are not publicly available from nongovernmental or other governmental sources. This is a continuation of the survey conducted in previous years.

All respondents will be required to submit information covering their December 31, 1972, inventories of 30 canned and bottled vegetables, fruits, juices, and fish. Reports will not be required from all firms but will be limited to a scientifically selected sample of wholesalers and retail multiunit organizations handling canned foods, in order to provide year-end inventories of the specified canned food items with measurable reliability. These stocks will be measured in terms of actual cases with separate data requested for "all sizes smaller than No. 10" and for "sizes No. 10 or larger." (In addition, multiunit firms reporting separately by establishment will be requested to update the list of their establishments maintaining canned food stocks.)

Report forms will be furnished to firms covered by the survey. Additional copies of the forms are available on request to the Director, Bureau of the Census, Washington, D.C. 20233.

I have, therefore, directed that this annual survey be conducted for the purpose of collecting these data.

Dated: October 30, 1972.

HAROLD C. PASSER,
Administrator, Social and Economic Statistics Administration.

[FR Doc 72–18887 Filed 11–3–72;8:46 am]

SURVEY OF RETAIL SALES, PURCHASES, AND INVENTORIES

Notice of Consideration

Notice is hereby given that the Bureau of the Census is considering a proposal to repeat in 1973 the Annual Retail Trade Survey which has been conducted each year under title 13, United States Code, sections 181, 224, and 225 to collect data covering year-end inventories, purchases, and annual sales. This survey covering 1972 is the only continuing source available on a comparable classification and timely basis for use as the benchmark for developing monthly retail inventory estimates. It also assists in establishing a benchmark for the distribution of monthly sales by geographic area.

Information and recommendations received by the Bureau of the Census indicate that the data will have significant application to the needs of the public, the distribution trades, and governmental agencies, and are not publicly available from nongovernment or other governmental sources.

Such a survey, if conducted, shall begin not earlier than 30 days after the publication of this notice in the FEDERAL REGISTER.

Reports will be required only from a selected sample of retail establishments in the United States. The sample will provide, with measurable reliability, statistics on the subjects specified above. Reports will be requested from a sample of stores based on their sales size and location in Census sample areas. A group of the largest firms, in terms of number of retail stores, will be requested to report their sales and number of stores by county; but those firms which are participating monthly in the Bureau's geographic area survey will be asked to report at the national level only.

Copies of the proposed forms and a description of the collection methods are available upon request to the Director, Bureau of the Census, Washington, DC 20233.

Any suggestions or recommendations concerning the subject mater of the proposed survey, submitted in writing to the Director of the Bureau of the Census within 30 days after the date of this publication will receive consideration.

Dated: October 30, 1972.

HAROLD C. PASSER,
Administrator, Social and Economic Statistics Administration.

[FR Doc.72–18889 Filed 11–3–72;8:46 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[Docket No. FDC–D–518; NADA 10–954V etc.]

FORT DODGE LABORATORIES ET AL.

Various NADA's; Notice of Opportunity for Hearing

Regulations published in the FEDERAL REGISTER of September 14, 1971 (36 F.R. 18375) (21 CFR 135.35), required that each applicant for whom a new animal drug application or supplement for a drug for use in animals became effective or was approved at any time prior to June 20, 1963, shall submit in duplicate certain specified information for each dosage form within 90 days from the effective date of said regulations (October 14, 1971). The referenced regulation § 135.35 stated that if reports show that a new animal drug was not marketed or has been discontinued a notice may be published in the FEDERAL REGISTER proposing to withdraw approval of such application, on any of the grounds specified in section 512 of the act (21 U.S.C. 360b). The below listed firms responded by advising the Commissioner of Food and Drugs that the named drugs are not marketed.

Schering Corp. is delinquent in submitting reports concerning experience with new animal drugs for NADA No. 13–727V, Azium Ophthalmic Solution, as required by § 135.14a. None of the other firms listed herein have responded to the notice regarding drug effectiveness which was published in the FEDERAL REGISTER of July 9, 1966 (31 F.R. 9426) for the other new animal drugs listed herein. Therefore, notice is hereby given to the firms listed below and to any interested persons who may be adversely affected that the Commissioner proposes to issue an order under section 512 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b) withdrawing approval of the listed new animal drug applications.

1. Fort Dodge Laboratories, Division of American Home Products Corp., Fort Dodge, Iowa 50501; NADA (new animal drug application) No. 10–954V, Meprobamate.

2. Jensen-Salsbery Laboratories, Division of Richardson-Merrell, Inc., 2000 South 11th Street, Kansas City, KS 66103; NADA No. 8–821V, C–B–G Solution Improved.

3. Hess & Clark, Division of Rhodia Inc., Ashland, Ohio 44805; NADA No. 2–513V, PTZ Capsules; NADA No. 3–510V, PTZ Drench; NADA 3–850V, PTZ Pellets; NADA No. 5–160V, Nicozine; NADA No. 5–219V, Coxitrol; NADA No. 6–562V, Vermi-Tabs; and NADA No. 8–241V, PTZ Drench with Lead Arsenate.

4. Merck Sharp & Dohme Research Laboratories, Division of Merck & Co., Inc., Rahway, N.J. 07065; NADA No. 11–433V, 0.5 percent Ophthalmic Solution Hydeltrone.

5. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188; NADA No. 13–214V, Purina Hygromix for Hogs.

6. Schering Corp., Galloping Hill Road, Kenilworth, N.J. 07033; NADA No. 13–727V, Azium Ophthalmic Solution.

7. E. R. Squibb & Sons, Inc., Georges Road, New Brunswick, N.J. 08903; NADA No. 9–910V, Chick'n Tee.

In accordance with the provisions of section 512 of the act (21 U.S.C. 360b), the Commissioner hereby gives the applicants, 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 the above-named new animal drug applications should not be withdrawn.

Within 30 days after the date of publication hereof in the FEDERAL REGISTER, such persons are requested to file with the Hearing Clerk, Department of Health, Education, and Welfare, Office of

the General Counsel, Room 6–88, 5600 Fishers Lane, Rockville, Md. 20852, 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 approval of the new animal drug applications.

Failure of such persons to file a written appearance of election within said 30 days will be construed as an election by said persons not to avail themselves of the opportunity for a hearing.

The hearing contemplated by this order will be open to the public except that any portion of the hearing concerning a method or process which 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, they must file a written appearance requesting the hearing and giving the reasons why approval of the new animal drug application should not be withdrawn together with a well-organized and full-factual analysis of the clinical and other investigational data they are prepared to prove in support of their opposition to the grounds for this notice. A request for a hearing may not rest upon mere allegations or denials but must set forth the specific fact showing that there is a genuine and substantial issue of fact requiring a hearing. When it clearly appears from the data in the application and from the reasons and factual analysis in the request for the hearing that no genuine and substantial issue of fact precludes the withdrawal of approval of the applications, the Commissioner will enter an order stating his findings and conclusions on such data. If the hearing is requested and justified by the response to this notice, the issues will be defined, an administrative law judge will be named, and he shall issue a written notice of the time and place at which the hearing will commence.

Responses to this notice will be available for public inspection in the Office of the Hearing Clerk (address given above) during regular business hours, Monday through Friday.

This notice is issued pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 512, 82 Stat. 343–51; 21 U.S.C. 360b) and under the authority delegated to the Commissioner (21 CFR 2.120).

Dated: October 30, 1972.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.72–18911 Filed 11–3–72;8:47 am]

[FAP 8A2197]

SHELL CHEMICAL CO.

Notice of Withdrawal of Petition for Food Additives

Pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b), 72 Stat. 1786; 21 U.S.C. 348(b)), the following notice is issued:

In accordance with § 121.52 *Withdrawal of petitions without prejudice* of the procedural food additive regulations (21 CFR 121.52), Shell Chemical Co., a division of Shell Oil Co., 110 West 51st Street, New York, N.Y. 10020, has withdrawn its petition (FAP 8A2197), notice of which was published in the FEDERAL REGISTER of August 8, 1967 (32 F.R. 11449), proposing the issuance of a regulation to provide for the safe use of 1,3,5-trimethyl-2,4,6-tris(3,5-di-*tert*-butyl-4-hydroxybenzyl) benzene as an antioxidant alone or in combination with other permitted antioxidants in food whereby the total amount of all antioxidants added to such food shall not exceed 0.02 percent of the oil or fat content of the food, including the essential (volatile) oil content of the food.

Dated: October 26, 1972.

VIRGIL O. WODICKA,
Director, Bureau of Foods.

[FR Doc.72–18912 Filed 11–3–72;8:47 am]

Office of Education

NATIONAL ADVISORY COUNCIL ON EDUCATION OF DISADVANTAGED CHILDREN

Notice of Public Meeting

Notice is hereby given, pursuant to Executive Order 11671, that the next meeting of the National Advisory Council on the Education of Disadvantaged Children will be held on November 15, 1972, at 2:30 p.m. to 6 p.m., and November 16, 1972, at 8 a.m. to 6 p.m., local time, in Room 152, 1717 H Street NW., Washington, DC 20006.

The National Advisory Council on the Education of Disadvantaged Children is established under section 148 of the Elementary and Secondary Education Act (20 U.S.C. 2411). The Council is established to advise the President and the Congress on the effectiveness of compensatory education to improve the educational attainment of disadvantaged children.

The agenda of the meeting includes a discussion of legislative proposals and regulations from State Title I Coordinators to improve the delivery of title I, ESEA services.

Records shall be kept of all Council proceedings and shall be available for public inspection at the Office of the National Advisory Council on the Education of Disadvantaged Children, located in Room 202, 1717 H Street NW., Washington, DC.

Signed at Washington, D.C., on October 25, 1972.

ROBERTA LOVENHEIM,
Executive Director.

[FR Doc.72–18942 Filed 11–3–72;8:53 am]

Office of the Secretary

GRANTS ADMINISTRATION ADVISORY COMMITTEE

Notice of Public Meeting

The Grants Administration Advisory Committee, which advises the Secretary on matters relating to administrative and fiscal policies for grants administered by the Department, will meet November 15–17, 1972, in the Travelodge-at-the-Wharf, 250 Beech Street, San Francisco, CA. Daily sessions will begin at 9 a.m. and are open to the public. The agenda covers discussion of current and pending grant administration policies and procedures within the Department. A roster of committee members may be obtained from Dr. Ernest M. Allen, Deputy Assistant Secretary for Grant Administration Policy, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, DC 20201.

Dated at Washington, D.C., this 31st day of October 1972.

ERNEST M. ALLEN,
Executive Secretary, Grants Administration Advisory Committee.

[FR Doc.72–18940 Filed 11–3–72;8:55 am]

IMPROVED REGENERATION OF ABSORBENT FOR SULFUR OXIDES

Notice of Proposed Issuance of Exclusive License

Pursuant to § 6.3, 45 CFR Part 6, notice is hereby given of intent to issue a limited-term, revocable, exclusive patent license in and to an invention of James R. Birk and Christian M. Larsen, entitled "Improved Regeneration of Absorbent for Sulfur Oxides."

Any objection thereto together with request for opportunity to be heard, if desired, should be directed to Dr. Merlin K. DuVal, Assistant Secretary for Health and Scientific Affairs, Department of Health, Education, and Welfare, 330 Independence Avenue SW., Washington, DC 20201, within thirty (30) days of the date of publication of this notice. Interested parties may obtain a copy of the patent application directed to this invention upon request in writing to the party hereinabove named.

(45 CFR 6.3)

Dated: October 27, 1972.

MERLIN K. DUVAL,
Assistant Secretary for Health and Scientific Affairs.

[FR Doc.72–18941 Filed 11–3–72;8:51 am]

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[FRA–Pet–No. 65]

MERIDIAN & BIGBEE RAILROAD CO.

Notice of Petition for Exemption From Hours of Service Act

OCTOBER 27, 1972.

The Meridian & Bigbee Railroad Co., has petitioned the Federal Railroad Administration pursuant to 45 U.S.C. 64a (e) for an exemption, with respect to certain employees, from the Hours of Service Act, 45 U.S.C. sections 61, 62, 63, and 64.

Interested persons are invited to participate by submitting written data, views or comments. Communications should identify the docket number and should be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Attention: Docket FRA–Pet–No. 65, 400 Seventh Street SW., Washington, DC 20590. Communications received before December 4, 1972, will be considered by the Federal Railroad Administrator before taking final action. All comments received will be available for examination by interested persons at any time during regular working hours in Room 5428, Nassif Building, 400 Seventh Street SW., Washington, DC.

EDWARD F. CONWAY, Jr.,
Acting Assistant Chief Counsel for Safety Regulation.

[FR Doc.72–18939 Filed 11–3–72;8:51 am]

ATOMIC ENERGY COMMISSION

[Docket No. 50–358]

CINCINNATI GAS & ELECTRIC CO. ET AL.

Notice of Issuance of Construction Permit

Notice is hereby given that, pursuant to the initial decision of the Atomic Safety and Licensing Board, dated October 19, 1972, the Deputy Director for reactor projects has issued Construction Permit No. CPPR–88 to the Cincinnati Gas & Electric Co., Columbus & Southern Ohio Electric Co., and the Dayton Power & Light Co. for construction of a boiling water nuclear reactor at the applicants' site on the east shore of the Ohio River, just one-half mile north of Moscow and about 24 miles southeast of Cincinnati, in Washington Township, Clermont County, Ohio. The proposed reactor, known as the Wm. H. Zimmer Nuclear Power Station, is designed for initial operation at approximately 2,436 megawatts thermal with a net electrical output of approximately 807 megawatts.

A copy of the initial decision and the construction permit are on file in the Commission's Public Document Room, 1717 H Street NW., Washington, DC 20545, and at the Clermont County Library, Third and Broadway Streets, Batavia, Ohio 45103.

Dated at Bethesda, Md., this 27th day of October 1972.

For the Atomic Energy Commission.

ROBERT A. CLARK,
Acting Assistant Director for Boiling Water Reactors, Directorate of Licensing.

[FR Doc.72–18931 Filed 11–3–72;8:48 am]

[Docket No. 50–206]

SOUTHERN CALIFORNIA EDISON CO.

Notice of Availability of Applicant's Environmental Report

Pursuant to the National Environmental Policy Act of 1969 and the Atomic Energy Commission's regulations in Appendix D to 10 CFR Part 50, notice is hereby given that a report entitled "Southern California Edison Co., San Diego Gas & Electric Co. (San Onofre Nuclear Generating Station, Unit 1)—Environmental Report, Operating License Stage," submitted by Southern California Edison Co. has been placed in the Commission's Public Document Room at 1717 H Street NW., Washington, DC, and at the local public document room at the San Clemente Public Library in San Clemente, Calif. The report is also being sent to the Office of the Lieutenant Governor, Office of Intergovernmental Management, State Capitol, Sacramento, Calif. 95814, and to the San Diego County Comprehensive Planning Organization, 207 County Administration Center, 1600 Pacific Highway, San Diego, CA 92101.

This report discusses environmental considerations related to the proposed issuance of a full-term operating license for the San Onofre Nuclear Generating Station Unit No. 1 located near Camp Pendleton, San Diego County, Calif.

After the report has been analyzed by the Commission's Director of Regulation or his designee, a draft detailed statement of environmental considerations related to the proposed action will be prepared. Upon preparation of the draft detailed statement, the Commission will, among other things, cause to be published in the FEDERAL REGISTER a summary notice of availability of the draft detailed statement. The summary notice will request comments from interested persons on the proposed action and on the draft detailed statement. The summary notice will also contain a statement to the effect that the comments of Federal agencies, State and local officials thereon will be available when received.

Dated at Bethesda, Md., this 27th day of October 1972.

For the Atomic Energy Commission.

DONALD J. SKOVHOLT,
Assistant Director for Operating Reactors, Directorate of Licensing.

[FR Doc.72–18886 Filed 11–3–72;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket No. 24555]

MINIMUM CHARGES PER AIR FREIGHT SHIPMENT

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that a hearing in the above-entitled proceeding will be held on November 28, 1972, at 10 a.m., e.s.t., in Room 726, Universal Building, 1825 Connecticut Avenue NW., Washington, DC, before the undersigned.

For information concerning the issues involved and other details in this proceeding, interested persons are referred to the prehearing conference report, served October 2, 1972, the supplemental prehearing conference report, served October 13, 1972, and other documents in this docket on file in the Docket Section of the Civil Aeronautics Board.

Dated at Washington, D.C., November 1, 1972.

[SEAL] THOMAS P. SHEEHAN,
Administrative Law Judge.

[FR Doc.72–18964 Filed 11–3–72;8:52 am]

TEXAS INTERNATIONAL AIRLINES, INC.

Notice of Meeting

Notice is hereby given that a meeting with the above carrier will be held on November 13, 1972, at 2 p.m., local time, in Room 1027, Universal Building, 1825 Connecticut Avenue NW., Washington, DC, at which time Texas International will make a presentation on its overall strategy for restoring the airline to economic viability.

Dated at Washington, D.C., November 1, 1972.

[SEAL] HARRY J. ZINK,
Secretary.

[FR Doc.72–18965 Filed 11–3–72;8:52 am]

[Docket No. 24488; Order 72–10–90]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Regarding Passenger Fares

OCTOBER 27, 1972.

An agreement has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's economic regulations between various air carriers, foreign air carriers and other carriers embodied in the resolutions of Traffic Conference 2 of the International Air Transport Association (IATA). The agreement, which has been assigned the above-designated CAB agreement number, was adopted for expedited effectiveness at the Worldwide Passenger Conference held in Torremolinos, Spain, September–October 1972, for a limited period through March 31, 1973.

The agreement would increase normal first-class and economy fares between various specified points within Africa, as well as adding new points, and would establish a maximum discount of 40 percent to apply to student fares for travel wholly within Africa. Additionally, the agreement would eliminate provisions for ground transportation from the resolution governing group fares for seamen within the area comprised of Europe/Middle East/Africa. We are approving the agreement to the extent that it involves normal first-class and economy fares, which are combinable with fares to/from United States points and thus have indirect application in air transportation as defined by the Act. Student and seamen's fares, on the other hand, are not similarly combinable, and we are herein disclaiming jurisdiction with respect to that aspect of the agreement.

Pursuant to authority duly delegated by the Board in the Board's regulations, 14 CFR 385.14:

1. It is not found that the following resolutions, which are incorporated in agreement CAB 23342 as indicated and which do not directly affect air transportation within the meaning of the Act, are adverse to the public interest or in violation of the Act:

Agreement CAB 23342	IATA No.	Title	Application
R-1	052 I	TC2 First Class Fares (Amending)[1]	2(Africa).
R-2	052 II	TC2 First Class Fares (Amending)[2]	Do.
R-3	062 I	TC2 Economy Class Fares (Amending)[1]	Do.
R-4	062 II	TC2 Economy Class Fares (Amending)[2]	Do.

2. It is not found that the following resolutions, which are incorporated in agreement CAB 23342 as indicated, affect air transportation within the meaning of the Act:

Agreement CAB 23342	IATA No.	Title	Application
R-5	077a	TC2 Group Fares for Seamen (Amending).[1]	2.
R-6	092	Student Fares (Amending).[2]	2(Africa).

[1] For intended Nov. 1, 1972, effectiveness.
[2] For intended Dec. 1, 1972, effectiveness.

Accordingly, it is ordered, That:

1. Agreement CAB 23342, R-1 through R-4, be and hereby is approved; and

2. Jurisdiction is disclaimed with respect to Agreement CAB 23342, R-5 and R-6.

Persons entitled to petition the Board for review of this order pursuant to the Board's regulations, 14 CFR 385.50, may file such petitions within 10 days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

[SEAL] PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.72-18963 Filed 11-3-72;8:52 am]

FEDERAL MARITIME COMMISSION

NORTH ATLANTIC WESTBOUND FREIGHT ASSOCIATION

Notice of Agreement Filed

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, 1405 I Street NW., Room 1015; or may inspect the agreement at the field offices located at New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments on such agreements, including requests for hearing, 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. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of agreement filed by

D. J. K. Conway, Chairman, North Atlantic Westbound Freight Association, 74 St. James's Street, London SW1A 1PS, England.

Agreement No. 5850-19 modifies the organic agreement of the above named conference to provide for the selection of a conference chairman and the enumeration of his duties; to establish unauthorized disclosure of conference business as a breach of the agreement subject to self-policing sanctions; and to incorporate the self-policing provisions of the Associated North Atlantic Freight Conferences and to appoint its executive director as the conference's enforcement authority.

By order of the Federal Maritime Commission.

Dated: October 31, 1972.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.72-18975 Filed 11-3-72;8:50 am]

[Docket No. 72-48]

PACIFIC MARITIME ASSOCIATION

Rescheduling of Filing Dates

Pacific Maritime Association—cooperative working arrangements; possible violations of sections 15, 16, and 17, Shipping Act, 1916.

Upon request of various parties, and good cause appearing, the filing dates set forth in first supplemental order served October 19, 1972, are rescheduled as follows:

1. Requests for hearing shall be filed on or before December 15, 1972.

2. Simultaneous affidavits of fact and memoranda of law shall be filed on or before December 15, 1972.

3. Reply affidavits and memoranda shall be filed on or before January 12, 1973.

By the Commission.

[SEAL] FRANCIS C. HURNEY,
Secretary.

[FR Doc.72-18974 Filed 11-3-72;8:50 am]

[Commission Order No. I (Revised)]

ORGANIZATION AND FUNCTIONS; DELEGATION OF AUTHORITY

Licensing Requirements

The Federal Maritime Commission published in the FEDERAL REGISTER on January 15, 1972, 37 F.R. 678, a rule making whereby "Requirements for Licensing" would be amended for purposes of assuring continuity of responsibility and experience of persons associated with an applicant for an independent ocean freight forwarder license under 46 CFR Part 510.

Notice is hereby given that the Managing Director, Federal Maritime Commission, has been delegated the authority by the Commission under § 7.04 of Commission Order I (Revised) to grant, upon the showing of good cause, an extension or extensions of time to independent ocean freight forwarder licensees in which to report the name of qualifying partners or officers of such licensees.

Section 7.04 of Commission Order I is revised accordingly by adding thereto a new subparagraph as follows:

(h) Approve extension or extensions of time to licensed freight forwarders, in which to furnish the Commission the name(s) and ocean freight forwarding experience of the managing partner(s) or officer(s) who will re-

place the qualified partner or officer upon whose qualifications the original licensing was approved.

Since this change is merely procedural, it shall become effective immediately.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.72-18976 Filed 11-3-72;8:50 am]

FEDERAL POWER COMMISSION

[Docket No. IT-5331]

ARIZONA PUBLIC SERVICE CO.

Notice of Application

OCTOBER 31, 1972.

Take notice that Arizona Public Service Co. (Applicant), incorporated under the laws of the State of Arizona with its principal place of business at Phoenix, Ariz., has filed an application in Docket No. IT-5331 for a supplemental order, pursuant to section 202(e) of the Federal Power Act, authorizing an increase in the amount and rate of transmission of electric energy which Applicant may transmit from the United States to Mexico.

By Commission order issued October 22, 1970, in Docket No. IT-5331 (44 FPC 1284), Applicant was authorized to transmit electric energy from the United States to Mexico in an amount not in excess of 14 million kw.-hr. per year at a transmission rate not to exceed 3,200 kw. for sale and delivery to Compania de Servicios Publicos de Agua Prieta, S.A. (Mexican company), incorporated under the laws of the Republic of Mexico, over certain 2.4 kv. facilities of Applicant located at the international border between the United States and Mexico in or near Douglas, Ariz. Applicant's facilities are covered by the Presidential Permit signed by the President of the United States on July 30, 1941, Docket No. IT-5331, and released to Arizona Edison Co., Inc., corporate predecessor of Applicant. The Presidential Permit was subsequently transferred to Applicant by the Amendatory Presidential Permit signed by the President on August 28, 1952, Docket No. IT-5331.

Applicant now requests that the authorization granted by the Commission's October 22, 1970 order, referred to above, be modified so as to authorize Applicant to export electric energy in an amount not in excess of 26 million kw.-hr. per year at a transmission rate not to exceed 5,000 kw. to Mexican Company over Applicant's above-mentioned facilities for the purpose of meeting the growth in the electric load served by Mexican Company in Agua Prieta, Sonora, Mexico, and vicinity. The additional amount of energy proposed to be exported will be sold and delivered by Applicant to Mexican Company in accordance with the terms and at the rates set forth in the contract dated March 21, 1972, between Applicant and Mexican Company.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 17, 1972, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18943 Filed 11-3-72;8:49 am]

[Docket No. CI73-239]

CHARLES A. BARTON, SR., ET AL.

Notice of Application; Correction

OCTOBER 20, 1972.

In the notice of application, issued October 12, 1972, and published in the FEDERAL REGISTER October 14, 1972, 37 F.R. 21871:

Paragraph 2: Delete last sentence and substitute "Applicants propose to sell approximately 2,000 Mcf of gas per day at 36 cents per Mcf at 15.025 p.s.i.a., including 1 cent per Mcf reimbursement for severance taxes."

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18944 Filed 11-3-72;8:49 am]

[Docket No. E-7720]

DUKE POWER CO.

Order Accepting Immediate Appeal and Ordering Certification of Hearing Record

OCTOBER 30, 1972.

By motion dated October 3, 1972, staff sought to have this Commission overrule two rulings of the Presiding Administrative Law Judge in the above-styled proceeding.

The first ruling denied staff's motion to have evidence of discrimination, both introduced and sought to be introduced by Intervenors and Duke, stricken from the record.

Staff then sought to have the initial ruling appealed directly to the Commission pursuant to our rules of practice and procedure, § 1.28(a). When the Presiding Administrative Law Judge chose not to rule on this second motion, staff appealed directly to this Commission, alleging the Presiding Administrative Law Judge's inaction was a denial of the motion for an immediate appeal.

To support its motion for an immediate appeal, staff maintained that the introduction of evidence of discrimination was producing an excessively long and costly hearing which was not in the public interest. Staff also set forth reasons why the evidence should not be admitted. Intervenors responded by denying the hearing was excessively long and setting out reasons for the admission of the evidence.

While our ruling here is not a ruling on the substantive elements of staff's appeal, staff has noted that this same question of Duke's discrimination is currently before the Commission in another proceeding, Docket No. E-7557. This allegation is denied by the intervenors. Staff also asserts that the initial Commission order so limited the issue to be tried in this proceeding (i.e., fuel adjustment clause) as to exclude the issue of Duke's alleged discrimination.

While we do not now decide the substantive arguments, we think that their presence, and the public interest, merits an immediate appeal pursuant to § 1.28(a) of our rules, even though the hearing phase of this proceeding has been terminated.

The Commission finds:

(1) The inaction of the Presiding Administrative Law Judge on a motion for an immediate appeal pursuant to § 1.28 (a) of our rules of practice and procedure was a denial of that motion.

(2) It is necessary and proper and in the public interest that the record in this proceeding, Docket No. E-7720, be certified to the Commission.

The Commission orders:

(1) The Presiding Administrative Law Judge's denial of staff's motion for an immediate appeal is hereby overruled.

(2) The Presiding Administrative Law Judge shall forthwith certify the record in this proceeding, Docket No. E-7720, to the Commission.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18929 Filed 11-3-72;8:48 am]

[Docket No. G-2798, etc.]

FOREST OIL CORP.

Findings and Order After Statutory Hearing; Correction

OCTOBER 19, 1972.

Forest Oil Corp. (Operator) et al., Docket No. G-2798 et al.; Glen E. Jeffery, Dockets Nos. CI72-535 through CI72-539.

In the findings and order after statutory hearing issuing certificates of public convenience and necessity, amending orders issuing certificates, permitting and approving abandonment of service, terminating certificates, canceling FPC gas rate schedule supplements for filing, canceling docket number, and terminating rate proceedings, issued September 6,

1972, and published in the FEDERAL REGISTER September 15, 1972, 37 F.R. 18754: Appendix, page 18756: Under column "Description and Date of Document" for Dockets Nos. CI72-535 through CI72-539, change effective date "11-11-71" to "11-1-71".

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18945 Filed 11-3-72;8:49 am]

[Docket No. G-7425 etc.]

G. J. HOLLANDSWORTH ET AL.

Notice of Petition to Amend; Correction

OCTOBER 25, 1972.

In the notice of petition to amend, issued October 18, 1972, and published in the FEDERAL REGISTER October 21, 1972, 37 F.R. 22773: Paragraph 1: Delete lines 6 and 7 and substitute "by substituting Natural Gas Pipeline Company of America (Natural) in lieu of Petitioner as purchaser of natural gas from."

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18947 Filed 11-3-72;8:49 am]

[Docket No. E-7734]

MID-CONTINENT AREA POWER POOL AGREEMENT

Order Accepting Rate Schedules for Filing, Granting Petitions To Intervene, and Setting Matters for Hearing; Correction

OCTOBER 12, 1972.

In the order accepting rate schedules for filing, granting petitions to intervene, and setting matters for hearing, issued September 26, 1972, and published in the FEDERAL REGISTER September 30, 1972, 37 F.R. 20595: Page 20597, lines 5 and 6: Change "Basin Electric Power Corporation" to "Basin Electric Power Cooperative."

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18948 Filed 11-3-72;8:49 am]

[Docket No. E-7768]

PUBLIC SERVICE ELECTRIC AND GAS CO.

Order Accepting for Filing and Suspending Proposed Changes in Rate Schedules, Permitting Intervention, and Directing Submission of Offers of Proof

OCTOBER 30, 1972.

On August 30, 1972, Public Service Electric and Gas Co. (PSE&G) tendered for filing proposed changes in its Electric Rate Schedules FPC Nos. 47 and 48 and 49[1] (High Tension Service), to become effective on October 31, 1972. The proposed rates would constitute a revenue increase of approximately $785,238 based on a 1971 test year. PSE&G avers that the increase is necessary to offset an increase in operating expenses, taxes, and fixed charges.

The notice of proposed increase, issued on September 12, 1972, provided that the closing dates for petitions to intervene, protests, and comment was September 29, 1972. On October 10, 1972, the Borough of Milltown (Milltown) filed a letter protesting the proposed rate increases and expressing a desire to intervene. As Milltown has alleged that the proposed increases may be unjust and unreasonable, and since Milltown, as a customer of PSE&G, will be affected by this proposed increase, we shall construe this letter as a petition to intervene.

On October 19, 1972, PSE&G filed an answer to the letter of the Borough of Milltown, disputing Milltown's intervention in this proceeding and alleging that the facts stated in the letter of Milltown were irrelevant and inaccurate. In view of the fact that we will require offers of proof in this proceeding, we will defer taking action on the substantive arguments raised in the letter and answer until the 30-day period allowed for offers of proof by intervenors and staff has expired.

PSE&G's rate filing indicates the proposed rate increases would yield a rate of return on jurisdictional service of approximately 4.8 percent, based on a 1971 test year.

In order to determine the necessity of an evidentiary hearing, the Commission requests that the intervenor, Borough of Milltown, and staff submit offers of proof within thirty (30) days from the issuance of this order to support their position as to the lawfulness of the proposed rates. Within 15 days from the service of such offers of proof, PSE&G may file its answer to such pleadings. Upon review of the pleadings, the Commission will determine if a full evidentiary hearing is justified and set such further procedural dates as may be necessary.

Pending the Commission's determination of whether an evidentiary hearing is necessary, it is appropriate that the proposed increased rates be suspended for a period of one (1) day.

The Commission finds:

(1) Consideration of the letter of the Borough of Milltown, filed October 10, 1972, as a petition to intervene may be in the public interest.

(2) Participation in this proceeding of the above-named petitioner to intervene may be in the public interest.

(3) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Federal Power Act that the Commission request offers of proof from intervenor, Borough of Milltown and staff concerning the lawfulness of the rates and charges contained in PSE&G's Rate Schedule Nos. 47, 48, and 49 as proposed to be amended in this docket, and that the tendered rate schedule be suspended as hereinafter provided.

(4) The disposition of this proceeding should be expedited in accordance with the procedure set forth below.

(5) In the event this proceeding is not concluded prior to the termination of the suspension period herein ordered, the placing of the tariff changes applied for in this proceeding into effect, subject to refund with interest while pending Commission determination as to their justness and reasonableness, is consistent with the purpose of the Economic Stabilization Act of 1970, as amended.

The Commission orders:

(A) The aforementioned proposed rate schedules, filed on August 30, 1972, are accepted for filing subject to the terms and conditions of this order.

(B) The letter of the Borough of Milltown, filed October 10, 1972, constitutes a petition to intervene in this proceeding.

(C) The above-named petition to intervene is hereby granted subject to the Commission's rules of practice and procedure: *Provided, however,* The participation of such intervenor shall be limited to matters affecting asserted rights and interests specifically set forth in its petition to intervene; and *Provided, further,* That the admission of such intervenor shall not be construed as recognition by the Commission that he might be aggrieved by any orders entered in this proceeding.

(D) Not more than thirty (30) days after the issuance of this order, the Commission Staff and the above-named intervenor shall submit offers of proof as to the lawfulness of the proposed rate increases from which the Commission can make a finding as to the necessity of an evidentiary hearing.

(E) Not more than fifteen (15) days after the service of such offers of proof, PSE&G may file its answer to such pleadings.

(F) Pending a final decision in this proceeding, PSE&G's proposed rate schedules tendered August 30, 1972, are suspended and the use thereof deferred until November 1, 1972, subject to refund as provided by section 205(e) of the Federal Power Act and the regulations thereunder.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18930 Filed 11-3-72;8:48 am]

[Project 199]

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Notice of Application for Approval of Nonproject Use of Project Lands and Waters

OCTOBER 30, 1972.

Public notice is hereby given that application for approval of nonproject use of project lands and waters has been filed under the Federal Power Act (16 U.S.C.

[1] These schedules supersede FPC Nos. 39, 40, and 41, respectively.

791a-825r) by South Carolina Public Service Authority (correspondence to: Mr. J. B. Thomason, General Manager, South Carolina Public Service Authority, Santee-Cooper, Moncks Corner, S.C. 29461) in Project No. 199 located on the Santee River and the Cooper River.

Applicant has requested Commission approval of a raw water intake structure in Lake Moultrie of Project No. 199 by the South Carolina Wildlife Resources Department. The intake would furnish water for operation of the Bonneau Fish Hatchery. It is estimated that 0.61 acre-feet per day or about 200,000 gallons per day would be withdrawn from and not returned to the reservoir.

Applicant states that the hatchery would have rearing ponds to raise striped bass to fingerling size.

A permit to construct the subject intake was issued by the Corps of Engineers, Charleston, S.C. on April 21, 1972. The facility has also been approved by the U.S. Forest Service, the Fish and Wildlife Service of the U.S. Department of the Interior and appropriate State and local agencies.

Any person desiring to be heard or to make protest with reference to said application should on or before December 18, 1972, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to a proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18928 Filed 11-3-72;8:48 am]

[Docket No. E-7618]

SOUTHERN CALIFORNIA EDISON CO.

Notice of Filing of Settlement Agreement

NOVEMBER 1, 1972.

Pursuant to § 1.36(a) of the Commission's rules of practice and procedure, notice is hereby given that on August 17, 1972, a settlement agreement made and entered into between Southern California Edison Co. (Edison) and the cities of Anaheim, Banning, and Riverside (Cities) was filed with the Commission in the above-entitled proceeding. The settlement agreement provides, intra alia, for:

(1) Network transmission service.
(2) Partial requirements service.
(3) Point-to-point transmission service.
(4) Participation on a mutually agreeable basis in new generating units.
(5) Combined dispatch of power resources, sharing of reserves, transmission service, purchase and sale of capacity or energy and other necessary supplemental services, as part of integrated operation and interconnection of city-owned resources with those of Edison.
(6) Withdrawal by cities of various claims involving the parties presently pending before regulatory commissions, before U.S. Court of Appeals for the District of Columbia, and for the Department of Justice.
(7) A payment by Edison in the sum of $3,125,000 to the Cities in consideration of various matters as set out in the settlement agreement.

The settlement agreement is on file with the Commission and is available for public inspection. Comments with respect to the settlement agreement may be filed with the Commission on or before December 4, 1972.

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18926 Filed 11-3-72;8:48 am]

[Docket No. CI73-307]

STERLING W. WOOLSEY

Notice of Application

NOVEMBER 1, 1972.

Take notice that on October 24, 1972, Sterling W. Woolsey filed in Docket No. CI73-307 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to Texas Eastern Transmission Corp. from the East Bishop Field, Nueces County, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that he proposes to commence the sale of natural gas within the contemplation of § 157.29 of the the regulations under the Natural Gas Act (18 CFR 157.29) and that he proposes to continue said sale for 1 year from the end of the 60-day emergency period within the contemplation of § 2.70 of the Commission general policy and interpretations (18 CFR 2.70). Applicant proposes to sell up to 2,000 Mcf of gas per day at 35 cents per Mcf at 14.65 p.s.i.a.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before November 13, 1972, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to 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 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 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.

KENNETH F. PLUMB,
Secretary.

[FR Doc.72-18927 Filed 11-3-72;8:48 am]

FEDERAL RESERVE SYSTEM

CAMBRIDGE AGENCY, INC.

Formation of Bank Holding Company and Proposed Acquisition of Insurance Agency

Cambridge Agency, Inc., Cambridge, Nebr., has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 100 percent of the voting shares of The Cambridge State Bank, Cambridge, Nebr. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Cambridge Agency, Inc., has also applied, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire voting shares of Cambridge Insurance Agency, Inc., Cambridge, Nebr. Notice of the application was published on August 3, 1972, in the Cambridge Clarion, a newspaper circulated in Cambridge, Nebr. Applicant has also applied for permission to itself engage in the sale of credit life and accident and health insurance. Notice with respect thereto was published on October 5, 1972, in the Cambridge Clarion.

Applicant states that the proposed subsidiary would engage in the activities of a general insurance agency in a community of less than 5,000 people. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal under section 4(c)(8) can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The applications may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than November 27, 1972.

Board of Governors of the Federal Reserve System, October 30, 1972.

[SEAL] MICHAEL A. GREENSPAN,
Assistant Secretary of the Board.

[FR Doc.72-18933 Filed 11-3-72;8:48 am]

NORTH SHORE CAPITAL CORP.

Formation of Bank Holding Company

North Shore Capital Corp., Chicago, Ill., has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 50 percent or more of the voting shares of The North Shore National Bank of Chicago, Chicago, Ill. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than November 27, 1972.

Board of Governors of the Federal Reserve System, October 31, 1972.

[SEAL] MICHAEL A. GREENSPAN,
Assistant Secretary of the Board.

[FR Doc.72-18934 Filed 11-3-72;8:48 a.m.]

UNITED JERSEY BANKS

Acquisition of Bank

United Jersey Banks, Hackensack, N.J., has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 percent of the voting shares (less directors' qualifying shares) of United Jersey National Bank of Middlesex County, South Plainfield, N.J., a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of New York. Any person wishing to comment on the application should submit his views in writing to the Reserve Bank to be received not later than November 27, 1972.

Board of Governors of the Federal Reserve System, October 30, 1972.

[SEAL] MICHAEL A. GREENSPAN,
Assistant Secretary of the Board.

[FR Doc.72-18935 Filed 11-3-72;8:48 am]

OFFICE OF EMERGENCY PREPAREDNESS

ARIZONA

Notice of Major Disaster and Related Determinations

Pursuant to the authority vested in me by the President under Executive Order 11575 of December 31, 1970; and by virtue of the Act of December 31, 1970, entitled "Disaster Relief Act of 1970" (84 Stat. 1744), as amended by Public Law 92-209 (85 Stat. 742); notice is hereby given that on October 25, 1972, the President declared a major disaster as follows:

I have determined that the damages in certain areas of the State of Arizona from heavy rains and flooding, beginning about October 18, 1972, are of sufficient severity and magnitude to warrant a major disaster declaration under Public Law 91-606. I therefore declare that such a major disaster exists in the State of Arizona. You are to determine the specific areas within the State eligible for Federal assistance under this declaration.

Notice is hereby given that pursuant to the authority vested in me by the President under Executive Order 11575 to administer the Disaster Relief Act of 1970 (Public Law 91-606, as amended), I hereby appoint Mr. Robert C. Stevens, Regional Director, OEP Region 9, to act as the Federal Coordinating Officer to perform the duties specified by section 201 of that Act for this disaster.

I do hereby determine the following areas in the State of Arizona to have been adversely affected by this declared major disaster:

THE COUNTIES OF

Graham. Greenlee.

Date: October 26, 1972.

G. A. LINCOLN,
Director,
Office of Emergency Preparedness.

[FR Doc.72-18894 Filed 11-3-72;8:46 am]

SMALL BUSINESS ADMINISTRATION

[Delegation of Authority 30, Rev. 14, Admt. 4]

REGIONAL DIRECTORS

Delegation of Authority To Conduct Program Activities in the Field Offices

Delegation of Authority No. 30 (Revision 14) (37 F.R. 12651), as amended (37 F.R. 14840, 37 F.R. 19405, and 37 F.R. 21466), is hereby further amended to include approval and certain other authority for strategic arms limitation economic injury loans. Parts I and II are revised to read as follows:

PART I—FINANCING PROGRAM

SECTION A. *Loan approval authority.*

* * * * *

3. *Displaced business and other economic injury loans.* To decline displaced business loans, coal mine health and safety loans, consumer protection loans (meat, egg, poultry), occupational safety and health loans, strategic arms limitation economic injury loans, and economic injury disaster loans in connection with declarations made by the Secretary of Agriculture for natural disasters in any amount and to approve such loans up to $1 million (SBA share).

* * * * *

SEC. B. *Other financing authority—*
1. *Loan participation agreements.* To enter into business, economic opportunity, disaster, displaced business, consumer protection (meat, egg, poultry), coal mine health and safety, occupational health and safety, and strategic arms limitation economic injury loan participation agreements with banks.

* * * * *

3. *Cancel, reinstate, modify, and amend authorizations.* To cancel, reinstate, modify, and amend authorizations for all loans, i.e., business, economic opportunity, disaster, displaced business, consumer protection (meat, egg, poultry), coal mine health and safety, occupational health and safety, and strategic arms limitation economic injury loans.

* * * * *

PART II—DISASTER PROGRAM

SECTION A. *Disaster loan approval authority.* 1. To decline * * * (excluding displaced business loans, coal mine health and safety loans, occupational safety and health loans, strategic arms limitation economic injury loans, and economic injury disaster loans in connection with declarations made by the Secretary of Agriculture for natural disasters) except to the extent of refinancing of a previous SBA disaster loan.

* * * * *

Effective date: September 28, 1972.

THOMAS S. KLEPPE,
Administrator.

[FR Doc.72-18895 Filed 11-3-72;8:46 am]

INTERSTATE COMMERCE COMMISSION

[Notice 109]

ASSIGNMENT OF HEARINGS

NOVEMBER 1, 1972.

Cases assigned for hearing, postponement, cancellation, or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No Amendments will be entertained after the date of this publication.

MC 107295 Sub 521, Pre Fab Transit Co., now assigned November 7, 1972, at Birmingham, Ala., hearing is canceled and application dismissed.

No. 35634, Lighterage at New York Harbor, Erie Lackwanna Ry., assigned November 29, 1972, MC 107515 Sub 764, Refrigerated Transport Co., Inc., assigned November 27, 1972, at New York, N.Y., will be held in Room E-2222, 26 Federal Plaza.

MC-119767 Sub 287, and MC-119767 Sub 292, Beaver Transport Co., now assigned November 6, 1972, at Chicago, Ill., is canceled and transferred to Modified Procedure.

I & S M-25977, Classification of Gelatin Capsules, now assigned November 9, 1972, at Washington, D.C., postponed to January 9, 1973, at the Offices of the Interstate Commerce Commission, Washington, D.C.

MC 60196 Sub 7, Auto Express, hearing continued to December 4, 1972, Scranton, Pa., in a hearing room to be later designated.

MC 107743 Sub 17, System Transport, Inc., now being assigned hearing January 15, 1973 (3 days), at Chicago, Ill., in a hearing room to be later designated.

MC 4405 Sub 498, Dealer Transit, Inc., now being assigned hearing January 18, 1973 (1 day), at Chicago, Ill., in a hearing room to be later designated.

MC 107496 Sub 855, Ruan Transport Corp., now being assigned hearing January 19, 1973 (1 day), at Chicago, Ill., in a hearing room to be later designated.

AB-5 Sub 57, George P. Baker, Richard C. Bond, Jervis Langdon, Jr., and Willard Wirtz, Trustees of the Property of Penn Central Transportation Co., Debtor, Abandonment Between Columbus and Flat Rock, Bartholomew and Shelby Counties, Ind.; AB-5 Sub 58, George P. Baker, Richard C. Bond, Jervis Langdon, Jr., and Willard Wirtz, Trustees of the Property of Penn Central Transportation Co., Debtor, Abandonment Between Fenns and Shelbyville, Shelby County, Ind.; AB-5 Sub 59, George P. Baker, Richard C. Bond, Jervis Langdon, Jr., and Willard Wirtz, Trustees of the Property of Penn Central Transportation Co., Debtor, Abandonment Between Rays Crossing and Rushville, Shelby and Rush Counties, Ind., now being assigned hearing January 22, 1973 (1 week), at Rushville, Ind., in a hearing room to be later designated.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.72-18952 Filed 11-3-72;8:49 am]

FOURTH SECTION APPLICATIONS

NOVEMBER 1, 1972.

Protests to the granting of an application must be prepared in accordance with § 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. 42557—*Joint Water-Rail Container Rates—Sea-Land Service, Inc.* Filed by Sea-Land Service, Inc., (No. 70), for itself and interested rail carriers. Rates on general commodities, between ports in Europe and the United Kingdom, on the one hand, and rail carriers terminals at Long Beach, Oakland and Richmond, Calif., via Houston, Tex., on the other.

Grounds for relief—Water competition.

Tariffs—Sea-Land Service, Inc., tariffs ICC Nos. 67, 68, and 69. Rates are published to become effective on November 29, 1972.

FSA No. 42558—*Iron or Steel, Angles and Bars to Points in Texas.* Filed by Southwestern Freight Bureau, agent, (No. B-361), for interested rail carriers. Rates on angles and bars, iron or steel, in carloads, as described in the application, from specified points in Alabama, Georgia, Illinois, Missouri, and Oklahoma, to specified points in Texas.

Grounds for relief—Barge-rail competition.

Tariff—Supplement 336 to Southwestern Freight Bureau, agent, tariff ICC 4753. Rates are published to become effective on November 29, 1972.

FSA No. 42560—*Returned Shipments of Newsprint Paper Winding Cores From and to Points in Illinois, Southern and Southwestern Territories.* Filed by Southwestern Freight Bureau, agent (No. B-363), for interested rail carriers. Rates on returned shipments of newsprint paper winding cores, in carloads, as described in the application, from points in Illinois, officials, southern and southwestern (including Missouri (Northern Region)) territories, on the one hand, to points in southwestern territory, on the other; also to points in the reverse direction.

Grounds for relief—Carrier competition.

Tariffs—Supplements 68, 41, and 53 to Southwestern Freight Bureau, agent, tariffs ICC 4781, 4965, and 4891, respectively. Rates are published to become effective on November 29, 1972.

FSA No. 42561—*Pulpboard or Fibreboard to Rock Island, Ill.* Filed by Southwestern Freight Bureau, agent (No. B-354), for interested rail carriers. Rates on pulpboard or fibreboard, in carloads, as described in the application, from Bastrop and West Monroe, La., also Camden, Ark., to Rock Island, Ill.

Grounds for relief—Carrier competition.

Tariff—Supplement 40 to Southwestern Freight Bureau, agent, tariff ICC 4965. Rates are published to become effective on December 7, 1972.

AGGREGATE-OF-INTERMEDIATES

FSA No. 42559—*Iron or steel, angles and bars to points in Texas.* Filed by Southwestern Freight Bureau, agent (No. B-362), for interested rail carriers. Rates on angles and bars, iron or steel, in carloads, as described in the application, from specified points in Alabama, Georgia, Illinois, Missouri, and Oklahoma, to specified points in Texas.

Grounds for relief—Maintenance of depressed rates published to meet barge-rail competition without use of such rates as factors in constructing combination rates.

Tariff—Supplement 336 to Southwestern Freight Bureau, agent, tariff ICC 4753. Rates are published to become effective on November 29, 1972.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.72-18953 Filed 11-3-72;8:49 am]

[Notice 154]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. 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-73894. By order of October 24, 1972, the Motor Carrier Board approved the transfer to The Briggs Corp., Portland, Conn., of Permits Nos. MC-123695 issued February 8, 1962, and MC-123695 (Sub-No. 2), issued October 2, 1970, to Briggs Trans. Inc., Portland, Conn., authorizing the transportation of petroleum products and various other commodities from Portland, Conn., to specified points for the account of Cities Service Oil Company of New York, N.Y. John E. Fay, 342 North Main Street, West Hartford, CT 06117, attorney for applicants.

No. MC-FC-73930. By order of October 26, 1972, the Motor Carrier Board approved the transfer to Howe and Company, Inc., Framingham, Mass., of the certificate of registration in No. MC-98330 (Sub-No. 1), issued April 9, 1964,

to City Transfer of Lowell, Inc., West Chelmsford, Mass., evidencing a right to engage in transportation in interstate or foreign commerce corresponding to the grant of authority in irregular route common carrier certificate No. 6076 dated March 19, 1952, issued by the Massachusetts Department of Public Utilities. Mary E. Kelley, 11 Riverside Avenue, Medford, MA 02155, attorney for applicants.

No. MC–FC–73986. By order of October 24, 1972, the Motor Carrier Board approved the transfer to Julsco, Inc., Chicago, Ill., of Certificate No. MC–16567 and subs thereunder issued to J. L. Scheffler Transport, Inc., Chicago, Ill., authorizing the transportation of: General commodities, usual exception, and other specified commodities, between specified points in Illinois, Indiana, and Wisconsin. Edward G. Bazeion, attorney, 39 South La Salle Street, Chicago, IL 60603.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.72–18954 Filed 11–3–72;8:50 am]

[Notice 145]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

OCTOBER 31, 1972.

The following are notices of filing of applications[1] 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 1131), 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 protests 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 (6) copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 49304 TA, filed October 13, 1972. Applicant: BOWMAN TRUCKING COMPANY, INC., Post Office Box 6, Stephens City, VA 22655. Applicant's representative: James L. Bowman (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fly ash*, from Williamsport, Md., to points in Warren County, Va., for 180 days. Supporting shippers: Monongahela Power Co., 1310 Fairmont Avenue, Fairmont, WV 26554; Riverton Corp., Riverton, Va. 22651. Send protests to: Robert D. Caldwell, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 12th Street and Constitution Avenue NW., Washington, D.C. 20423.

No. MC 59640 TA, filed October 16, 1972. Applicant: PAULS TRUCKING CORPORATION, 3 Commerce Drive, Cranford, NJ. Applicant's representative: Charles J. Williams, 47 Lincoln Park, Newark, NJ 07102. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is dealt in by wholesale, retail, and chain grocery and food business houses, and in connection therewith, *equipment, materials, and supplies* used in the conduct of such business (except commodities in bulk), between the warehouse facilities of Supermarkets General Corp. at Mahwah, N.J., on the one hand, and, on the other, points in Hudson, Middlesex, Union, and Essex Counties, N.J., restricted to traffic which has a prior or subsequent movement by water or rail; New York, N.Y.; and points in Nassau, Westchester, Rockland and Suffolk Counties, N.Y.; Parkesburg and Philadelphia, Pa., and points in Bucks, Delaware, Berks, Dauphin, Montgomery, Cumberland, York, Lehigh, and Northampton Counties, Pa.; New Milford, Conn., and points in Fairfield, New Haven, Hartford, and Middlesex Counties, Del.; points in Wicomico County, Md. and the facilities of Supermarkets General Corp. at Baltimore, Md., and Hampden County, Mass. Restriction: The authority sought herein is limited to a transportation service to be performed under a continuing contract, or contract, with Supermarkets General Corp., for 180 days. NOTE: The authority sought herein is only to permit applicant to serve the new warehouse facilities of Supermarket General Corp. at Mahwah, N.J., in the area it is now authorized to serve. Supporting shipper: Supermarkets General Corp., 3 Commerce Drive, Cranford, NJ 07016. Send protests to: District Supervisor Robert E. Johnston, Interstate Commerce Commission, Bureau of Operations, 970 Broad St., Newark, NJ 07102.

No. MC 60186 TA, filed October 16, 1972. Applicant: NELSON FREIGHTWAYS, INC., Post Office Box 356, Rockville, CT 06066. Authority sought to operate as a *common carrier*, by motor vehicle, over 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, commodities requiring special equipment, and those injurious or contaminating to other lading, between points on Long Island on and east of New York Highway 112, on the one hand, and, on the other, points in Connecticut, for 180 days. NOTE: Applicant states that it does intend to tack with the authority in MC 60186 Subs 26 and 37. Supported by: There are approximately 15 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: District Supervisor David J. Kiernan, Bureau of Operations, Interstate Commerce Commission, 324 U.S. Post Office Building, 135 High Street, Hartford, CT 06101.

No. MC 61825 TA, filed October 13, 1972. Applicant: ROY STONE TRANSFER CORPORATION, Post Office Box 385, V.C. Drive, Collinsville, VA 24078. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt*, other than in bulk, from Rittman, Ohio to points in Amelia, Bedford, Blackstone, Brookneal, Catawba, Charlottesville, Chase City, Chesapeake, Christiansburg, Danville, Dillard, Eagle Rock, Emporia, Farmville, Galax, Hampton, Ivy, Kenbridge, Lynchburg, Luray, Martinsville, Mechanicsville, Norfolk, Petersburg, Portsmouth, Pulaski, Richmond, Roanoke, Salem, South Boston, Staunton, Suffolk, Virginia Beach, Waynesboro, West Point, Winchester and Wytheville, Va., for 180 days. Supporting shipper: Morton Salt Co., 939 North Delaware Avenue, Philadelphia, PA 19123. Send protests to: Clatin M. Harmon, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 215 Campbell Avenue SW., Roanoke, VA 24011.

No. MC 71164 (Sub-No. 5 TA), filed October 12, 1972. Applicant: LAND-SEA-AIR SERVICES, INC., 166 Northern Avenue, Boston, MA 02210. Applicant's representative: Frederick T. O'Sullivan, 622 Lowell Street, Peabody, MA 01960. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Commodities* requiring refrigeration (except commodities in bulk, in tank vehicles, in hopper-type vehicles) and *cured pickled meats:* (1) Between points in Massachusetts, on the one hand, and, on the other, points in Florida and (2) from points in Iowa to points in Massachusetts, for 180 days. Supporting shippers: Agar Supply Co., Inc., 6 Foodmart Road, Boston, MA; World Meat Exports Corp., Somerville, Mass., and Boston Sausage & Provision, Inc., Constitution Wharf, Boston, Mass. Send protests to: John B. Thomas, District Supervisor, Interstate Commerce Commission, Bureau of Operations, J. F. K. Federal Building, Room 2211B, Government Center, Boston, Mass. 02203.

No. MC 105159 TA, filed October 12, 1972. Applicant: KNUDSEN TRUCKING, INC., 1320 West Main Street, Red Wing, MN 55077. Applicant's representative: Robert D. Gisvold, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Cheese and cheese products* (a) from

[1] Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

Bongard and Dalbo, Minn., and Alpha, Arpin, Cadott, Ellsworth, Grantsburg, Greenwood, Loomis, Marathon, Monroe, Marinette, Waukesha, Wisconsin Rapids, Knapp, Thorp, and Seneca, Wis., to the plantsite and warehouse facilities of M. Wildstein & Sons, Inc., located in Philadelphia, Pa., (b) from the plant and warehouse facilities of M. Wildstein & Sons, Inc., located in Philadelphia, Pa., to Richmond and Norfolk, Va., Charlotte and Greensboro, N.C., Baltimore, Md., and Buffalo and New York, N.Y., (2) *empty steel drum containers* used for transporting cheese and cheese products, from the plantsite and warehouse facilities of M. Wildstein & Sons, Inc., in Philadelphia, Pa., to the origin points listed in (1) above; and (3) *inedible cheese* and *inedible cheese products* from the plantsite and warehouse facilities of M. Wildstein & Sons, Inc., in Philadelphia, Pa., to Peoria, Ill. Restriction: The authority set forth in Part (1)(a) above is restricted to traffic originating at the named origin points for the account of M. Wildstein & Sons, Inc., of Philadelphia, Pa., for 180 days. Supporting shipper: M. Wildstein & Sons, Inc., Delaware Avenue and Vine Street, Philadelphia, PA 19106. Send protests to: A. N. Spath, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 448 Federal Building, and U.S. Courthouse, 110 South Fourth Street, Minneapolis, MN 55401.

No. MC 107460 (Sub-No. 38 TA), filed October 11, 1972. Applcant: WILLIAM Z. GETZ, INC., 3055 Yellow Goose Road, Lancaster, PA 17601. Applicant's representative: Donald D. Shipley (same address as above). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Aluminum doors and windows*, glazed and unglazed; aluminum extrusions, from the plantsite of Capitol Products Corp. at or near Kentland, Ind., to points in Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Nebraska, Ohio, Oklahoma, Tennessee, Texas, Utah, Wisconsin, and Wyoming, for 180 days. Supporting shipper: Capitol Products Corp., Kentland, Ind. 47951. Send protests to: Robert W. Ritenour, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 508 Federal Building, Post Office Box 869, Harrisburg, PA 17108.

No. MC 107496 (Sub-No. 863 TA), filed October 11, 1972. Applicant: RAUN TRANSPORT CORPORATION, Third and Keosauqua Way, Post Office Box 855, Des Moines, IA 50309. Applicant's representative: E. Check (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Nitric acid*, in bulk, in tank vehicles, from Pine Bend, Minn., to Iron Mountain, Mich., for 150 days. Supporting shipper: St. Paul Ammonia Products, Inc., Post Office Box 418, South St. Paul, MN 55075. Send protests to: Herbert W. Allen, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 875 Federal Building, Des Moines, Iowa 50309.

No. MC 108449 TA, filed October 11, 1972. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, MN 55113. Applicant's representative: W. A. Myllenbeck (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned and preserved foodstuffs*, from Lomira, Wis., to points in Wisconsin on and north and west of a line beginning at the Wisconsin-Minnesota State line on Highway 16, thence along Highway 16 in a northeasterly direction to Sparta, Wis., thence along Highway 21 to the intersection of Highway 51, located at Coloma, Wis., thence north along Highway 51 to the Michigan-Wisconsin State line, for 180 days. Supporting shipper: California Canners & Growers, Plant 14, Fond du Lac, Wis. 54935. Send protests to: District Supervisor Raymond T. Jones, Interstate Commerce Commission, Bureau of Operations, 448 Federal Building, 110 South Fourth Street, Minneapolis, MN 55401.

No. MC 128527 (Sub-No. 30 TA), filed October 13, 1972. Applicant: MAY TRUCKING COMPANY, Post Office Box 398, Payette, ID 83661. Applicant's representative: Gatchel & Batt, Professional Building, Payette, Idaho. Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Aluminum sheet in coils and/or plates, pipe, or tubing; aluminum siding, roofing, and accessories; rejected or damaged shipments of the same material; and scrap aluminum and pallets on a return movement.* Authority is also sought to provide mixed loads of the aforementioned commodities between the points set forth. Material will be supplied for mobile homes, modular and assembled buildings, recreational vehicles and campers. From plantsite of AMAZ Building Products, a division of AMAX Aluminum Mill Products, Inc. (Post Office Box 418, East Highway 30, Boise, ID 83701) to plantsites located in or near the cities of Calgary and Red Deer, in the Province of Alberta, Canada for 180 days. Applicant does not intend to tack authority or to interline with any other carrier. Supporting shipper: Amax Building Products, Post Office Box 418, East Highway 30, Boise, ID 83701. Send protests to: C. W. Campbell, Bureau of Operations, Interstate Commerce Commission, 550 West Fort, Box 07, Boise, ID 83702.

No. MC 134439 (Sub-No. 1 TA), filed October 13, 1972. Applicant: JAMES G. FERNEYHOUGH, doing business as J. G. F. TRUCKING COMPANY, Post Office Box 2173, Lynchburg, VA 24501. Applicant's representative: Calvin F. Major, 200 West Grace Street, Richmond, VA 23220. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Corrugated paper sheets, containers, and parts thereof*, from the plantsite and facilities of Weyerhaeuser Co. at Lynchburg, Va., to points in Maryland, Pennsylvania, Tennessee, and West Virginia; and (2) *returned or refused shipments of the above commodities and materials, equipment, and supplies* used in the manufacture and sale of same, from the above-described destinations to the plantsite and facilities of Weyerhaeuser Co. at Lynchburg, Va., for 150 days. Supporting shipper: Weyerhaeuser Co., Tacoma, Wash. 98401. Send protests to: Clatin M. Harmon, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 215 Campbell Avenue SW., Roanoke, VA 24011.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.72-18955 Filed 11-3-72;8:50 am]

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federal register

SATURDAY, NOVEMBER 4, 1972
WASHINGTON, D.C.

Volume 37 ■ Number 214

PART II

ADMINISTRATIVE COMMITTEE OF THE FEDERAL REGISTER

Regulations affecting Federal Register

■

OFFICE OF THE FEDERAL REGISTER

Incorporation by Reference

Title 1—GENERAL PROVISIONS

Chapter I—Administrative Committee of the Federal Register

REVISION OF REGULATIONS

This document effects a complete revision of the regulations of the Administrative Committee of the Federal Register. The purpose of this revision is to make the FEDERAL REGISTER a more meaningful and more useful publication. With the enactment of the Administrative Procedure Act in 1946, Congress provided an opportunity for general participation in the administrative actions of the Federal Government. However, in order to participate effectively, citizens must be able to understand the actions, both proposed and final, as published in the FEDERAL REGISTER. Unfortunately, in many instances, documents are being written so that the criticisms by Rudolph Flesch in his 1946 book, "The Art of Plain Talk" are still valid. In a chapter entitled "How To Read the FEDERAL REGISTER," Mr. Flesch quotes several virtually unintelligible documents and reaches this conclusion:

> Slowly we begin to understand. The FEDERAL REGISTER is not supposed to be read at all. It simply prints things so that some day, somewhere, some government official can say: "Yes, but it says in the FEDERAL REGISTER * * *". All this government stuff, in other words, is not reading matter, but prefabricated parts of quarrels.

Today, interest in the FEDERAL REGISTER is at an all-time high. Consumer groups and other public-interest oriented organizations regularly examine its contents to keep up with the administrative rulings of the Federal Government. The Administrative Committee of the Federal Register feels that affirmative action is required to make the FEDERAL REGISTER more meaningful to readers and believes that the new requirements contained in this revision will further that purpose.

Following is a summary of the most significant changes in existing regulations effected by this revision:

1. Requirement for a preamble in each document that describes the contents of the document in a manner sufficient to apprise a reader who is not an expert in the subject area of the general subject matter of the document.

2. Requirement for setting forth specific effective dates and action dates.

3. Changes in publication dates of the daily FEDERAL REGISTER.

4. Staggered publication of the Code of Federal Regulations.

In general, the responses to the three proposals published by the Administrative Committee on which these amendments are based were almost completely favorable. Two of the proposals published on July 27, 1972, at 37 F.R. 15006, related to limited subject areas (effective dates and time periods and staggered publication of the Code of Federal Regulations) and because of overwhelmingly favorable comments received may be disposed of quickly.

Effective dates and time periods. There was no significant opposition to the Committee's proposal that to the extent practical each document submitted for publication in the FEDERAL REGISTER should set forth dates certain as opposed to dates based on publication which must be computed by each interested party. Nor was there any significant objection to the computation method proposed to be used by the staff of the FEDERAL REGISTER for inserting a date certain where a document does contain a time period based on the publication date.

In commenting on this proposal, a large number of commentors indicated that too often Federal agencies allow inadequate time periods for commenting on proposed regulations. Several commenters stated that for most proposals of any significance a 45-day comment period should be considered the minimal. While outside the scope of this proposal, the Administrative Committee calls these comments to the attention of regulatory agencies since it is apparent that many persons feel that in the past they have not had adequate time to analyze and comment on proposed Federal actions.

Staggered publication of the Code of Federal Regulations. The proposal to stagger the publication of the Code of Federal Regulations also received almost unanimous support. There was some concern that it would be more difficult to check on changes to a particular Code of Federal Regulations volume since the current finding aids (the General Index and List of Sections Affected) are based on the annual Code of Federal Regulations. The Office of the Federal Register will revise the coverage of these finding aids so that Code of Federal Regulations users will have no difficulty at any time determining the regulations currently in effect.

The proposed general revision of the Administrative Committee's Regulations. The remaining changes in the present regulations of the Administrative Committee of the Federal Register are based on the notice of proposed rule making published in the FEDERAL REGISTER on April 4, 1972 (37 F.R. 6805).

Adequate preambles. Not surprisingly, virtually all of the comments received from outside the Federal establishment enthusiastically supported the Committee's proposal that each rule making document contain adequate preamble statements that summarize the contents of the document and discuss such things as the substance of the proposed rules, major issues involved, and basis and purpose thereof, etc. The comments received from Federal rule making agencies generally supported the proposed requirement although several felt that the proposal went beyond the requirements of the Administrative Procedure Act (5 U.S.C. 551–555). Others questioned the authority for the Director of the Federal Register to return a document to a Federal agency when it is signed by a qualified official of the agency.

With respect to the first point, as was discussed in the preamble to the notice of proposed rule making and in the amendment adopting the "Highlights" requirement (36 F.R. 5203), the Administrative Committee believes that the proposed requirements are clearly within the spirit and intent of the Federal Register Act (44 U.S.C. 1501–1511) and the Administrative Procedure Act.

One Federal agency recommended that the required preamble statement should describe the contents of the document "in a manner sufficient to apprise a reader, who is not an expert, of the general subject matter of such rules." The Committee believes this language expresses its intent even better than the language proposed and has incorporated it in a revised § 18.12 so that it applies to both notices of proposed rule making and final rules. Also, as suggested by several comments, § 18.12, as adopted, requires that to the extent practicable each proposed rule making preamble should discuss the reasons for the proposed rule.

Where a final rule was preceded by a notice of proposed rule making, § 18.12, as adopted, also requires that the preamble "indicate in general terms the principal differences, if any, between the rules as proposed and the rules as adopted." This requirement (as commenters suggested) has been substituted for the proposed requirement that the preamble discuss "the disposition of the significant comments received."

The provision concerning the return of documents by the Director of the Federal Register to agencies has been transferred from section 18.12 to a more appropriate location, section 2.4, which relates to the general authority of the Director. It should be pointed out that throughout the years since the beginning of the FEDERAL REGISTER, the Director has exercised this authority many times. This does not mean that the Director is substituting his judgment for that of the issuing agency. In most cases, questions concerning the adequacy of documents are handled informally to the satisfaction of both the agency and the Office of the Federal Register. Only in an extreme case, when a document is patently inadequate, would the Director return the document.

Liaison officers. Several agencies questioned the proposed change concerning liaison officers to the extent that it appeared to inject the Director of the Federal Register into the internal affairs of an agency. This, of course, was not the intent of the proposal. As adopted, § 16.1(b) has been modified to simply recommend that each agency choose as its liaison officer a person who is directly involved in the agency's regulatory program. In this way the officer will be in the best position to serve both his agency and the Office of the Federal Register.

Publication dates. There were only two significant objections to the proposal that the FEDERAL REGISTER be published Monday through Friday rather than Tuesday through Saturday, as it has been for over 35 years. Several commenters were concerned that the former Saturday issue, which would now carry a Monday date, might not be put in the mails un-

til Monday rather than early Saturday morning, as is presently the case. As the preamble to the notice of proposed rule making stated, adoption of the new publication schedule would not change existing work schedules. The FEDERAL REGISTER bearing the Monday dateline will be printed and deposited at the post office before 9 a.m. on Saturday.

The other objection concerned certain agricultural marketing documents that have for many years been published in the Saturday FEDERAL REGISTER in advance of the new crop-week which begins on Sunday. While the Committee recognizes that elimination of the Saturday FEDERAL REGISTER will require certain adjustments in this particular regulatory area, it believes that the overall benefits justify this one inconvenience. Furthermore, any person depending on the FEDERAL REGISTER for notice of a particular action would be hard pressed to obtain copies of a Saturday FEDERAL REGISTER before the beginning of a time period commencing on Sunday. Therefore, while the practice of publishing such documents on a Saturday may have provided pro forma compliance with some legal requirement, the Committee believes that publication of the same class of documents in the Friday FEDERAL REGISTER will better serve to provide actual notice to those persons affected.

Inclusion of dates in the Highlights listing. The response to the Committee's request for advice on the advisability of continuing to publish significant dates in the Highlights listing was mixed. After considering all the comments received, the Committee has decided to continue the use of important dates in the Highlights listing where practicable.

Except for a few minor reorganization and other nonsubstantive changes, 1 CFR Chapter I, set forth below, conforms to the notices of proposed rule making referred to above.

In consideration of the foregoing, 1 CFR Chapter I is amended to read as set forth below:

Effective date. Except for the provisions of § 8.3, which take effect immediately, this amendment is effective January 2, 1973.

ADMINISTRATIVE COMMITTEE OF THE FEDERAL REGISTER,

JAMES B. RHOADS,
Archivist of the United States, Chairman.

H. J. HUMPHREY,
Acting Public Printer, Member.

MARY O. EASTWOOD,
Representative of the Attorney General, Member.

Approved:

RICHARD G. KLEINDIENST,
Attorney General.

A. SAMPSON,
Acting Administrator of General Services.

SUBCHAPTER A—GENERAL

PART 1—DEFINITIONS

§ 1.1 Definitions.

As used in this chapter, unless the context requires otherwise—

"Administrative Committee" means the Administrative Committee of the Federal Register established under section 1506 of title 44, United States Code;

"Agency" means each authority, whether or not within or subject to review by another agency, of the United States, other than the Congress, the courts, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States;

"Document" includes any Presidential proclamation or Executive order, and any rule, regulation, order, certificate, code of fair competition, license, notice, or similar instrument issued, prescribed, or promulgated by an agency;

"Document having general applicability and legal effect" means any document issued under proper authority prescribing a penalty or course of conduct, conferring a right, privilege, authority, or immunity, or imposing an obligation, and relevant or applicable to the general public, members of a class, or persons in a locality, as distinguished from named individuals or organizations; and

"Regulation" and "rule" have the same meaning.

(44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189)

PART 2—GENERAL INFORMATION

Sec.
2.1 Scope and purpose.
2.2 Administrative Committee of the Federal Register.
2.3 Office of the Federal Register; location; office hours.
2.4 General authority of Director.
2.5 Publication of statutes, regulations, and related documents.
2.6 Unrestricted use.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 2.1 Scope and purpose.

(a) This chapter sets forth the policies, procedures, and delegations under which the Administrative Committee of the Federal Register carries out its general responsibilities under Chapter 15 of Title 44, United States Code.

(b) A primary purpose of this chapter is to inform the public of the nature and uses of FEDERAL REGISTER publications.

§ 2.2 Administrative Committee of the Federal Register.

(a) The Administrative Committee of the Federal Register is established by section 1506 of Title 44, United States Code.

(b) The Committee consists of—

(1) The Archivist, or Acting Archivist, of the United States, who is the Chairman;

(2) An officer of the Department of Justice designated by the Attorney General; and

(3) The Public Printer or Acting Public Printer.

(c) The Director of the Federal Register is the Secretary of the Committee.

(d) Any material required by law to be filed with the Committee, and any correspondence, inquiries, or other material intended for the Committee or which relate to Federal Register publications shall be sent to the Director of the Federal Register.

§ 2.3 Office of the Federal Register; location; office hours.

(a) The Office of the Federal Register is a component of the National Archives and Records Service of the General Services Administration.

(b) The Office is located at 633 Indiana Avenue NW., Washington, D.C.

(c) The mailing address is: Office of the Federal Register, National Archives and Records Service, Washington, D.C. 20408.

(d) Office hours are 8:45 a.m. to 5:15 p.m., Monday through Friday, except for official Federal holidays.

§ 2.4 General authority of Director.

(a) The Director of the Federal Register is delegated authority to administer generally this chapter, the related provisions of Chapter 15 of Title 44, United States Code, and the pertinent provisions of statutes and regulations contemplated by section 1505 of Title 44, United States Code.

(b) The Director may return to the issuing agency any document submitted for publication in the FEDERAL REGISTER, or a special edition thereof, if in his judgment the document does not meet the minimum requirements of this chapter.

§ 2.5 Publication of statutes, regulations, and related documents.

(a) The Director of the Federal Register is responsible for the central filing of the original acts enacted by Congress and the original documents containing Executive orders and proclamations of the President, other Presidential documents, regulations, and notices of proposed rule making and other notices, submitted to the Director by officials of the executive branch of the Federal Government.

(b) Based on the acts and documents filed under paragraph (a) of this section, the Office of the Federal Register publishes the "slip laws," the "United States Statutes at Large," the daily FEDERAL REGISTER, and the "Code of Federal Regulations."

(c) Based on source materials that are officially related to the acts and documents filed under paragraph (a) of this section, the Office also publishes the "United States Government Organization Manual," the "Public Papers of the Presidents of the United States," and the "Weekly Compilation of Presidential Documents."

§ 2.6 Unrestricted use.

Any person may reproduce or republish, without restriction, any material appearing in any regular or special edition of the FEDERAL REGISTER.

PART 3—SERVICES TO THE PUBLIC

Sec.
3.1 Information services.
3.2 Public inspection of documents.
3.3 Reproductions and certified copies of acts and documents.
3.4 Availability of Federal Register publications.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 F.R. 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 3.1 Information services.

Except in cases where the time required would be excessive, information concerning the publications described in § 2.5 of this chapter and the original acts and documents filed with the Office of the Federal Register is provided by the staff of that Office. However, the staff may not summarize or interpret substantive text of any act or document.

§ 3.2 Public inspection of documents.

(a) Current documents filed with the Office of the Federal Register pursuant to law are available for public inspection in Room 405, 633 Indiana Avenue NW., Washington, D.C., during the Office of the Federal Register office hours. There are no formal inspection procedures or requirements.

(b) The Director of the Federal Register shall cause each document received by the office to be filed for public inspection not later than the working day preceding the publication day for that document.

(c) The Director shall cause to be placed on the original and certified copies of each document a notation of the day and hour when it was filed and made available for public inspection.

(d) Manual, typewritten, or other copies of documents or excerpts may be made at the inspection desk.

§ 3.3 Reproductions and certified copies of acts and documents.

The regulations for the public use of records in the National Archives (41 CFR Part 105–61) govern the furnishing of reproductions of acts and documents and certificates of authentication for them. Section 105–61.108 of those regulations provides for the advance payment of appropriate fees for reproduction services and for certifying reproductions.

§ 3.4 Availability of Federal Register publications.

(a) The publications described in § 2.5 of this chapter are published by the Government Printing Office and are sold by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. They are not available for free distribution to the public.

(b) Federal Register publications are available through subscription, as follows:

(1) *Slip laws.* In accordance with section 709 of title 44, United States Code, printed slip form copies of public and private laws are available from the Superintendent of Documents, individually or by subscription service on a yearly basis.

(2) *U.S. Statutes at Large.* In accordance with section 728 of title 44, United States Code, copies of the United States Statutes at Large are available from the Superintendent of Documents.

(3) *Federal Register.* Daily issues are furnished to subscribers on a monthly or yearly basis, at a price determined by the Administrative Committee and paid in advance to the Superintendent of Documents. Limited quantities of current or recent copies may be obtained from the Superintendent of Documents at a price determined by him.

(4) *Code of Federal Regulations.* Subscription services on a yearly basis to the volumes comprising the Code, and individual copies thereof, are sold by the Superintendent of Documents at prices determined by him, under the general direction of the Administrative Committee.

(5) *U.S. Government Organization Manual.* Placed on sale by the Superintendent of Documents at a price determined by him, under the general direction of the Administrative Committee.

(6) *Public Papers of the Presidents of the United States.* Annual volumes are placed on sale by the Superintendent of Documents at a price determined by him, under the general direction of the Administrative Committee.

(7) *Weekly Compilation of Presidential Documents.* Placed on sale by the Superintendent of Documents at a price determined by him, under the general direction of the Administrative Committee.

SUBCHAPTER B—THE FEDERAL REGISTER

PART 5—GENERAL

Sec.
5.1 Publication policy.
5.2 Documents required to be filed and published.
5.3 Publication of other documents.
5.4 Publication not authorized.
5.5 Supplement to the Code of Federal Regulations.
5.6 Daily publication.
5.7 Delivery and mailing.
5.8 Form of citation.
5.9 Categories of documents.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 5.1 Publication policy.

(a) Pursuant to Chapter 15 of Title 44, United States Code, and this chapter, the Director of the Federal Register shall publish a serial publication called the "FEDERAL REGISTER" to contain the following:

(1) Executive orders, proclamations, and other Presidential documents.

(2) Documents required to be published therein by law.

(3) Documents accepted for publication under § 5.3.

(b) Each document required or authorized to be filed for publication shall be published in the FEDERAL REGISTER as promptly as possible, within limitations imposed by considerations of accuracy, usability, and reasonable costs.

(c) In prescribing regulations governing headings, preambles, effective dates, authority citations, and similar matters of form, the Administrative Committee does not intend to affect the validity of any document that is filed and published under law.

§ 5.2 Documents required to be filed and published.

The following documents are required to be filed with the Office of the Federal Register and published in the FEDERAL REGISTER:

(a) Presidential proclamations and Executive orders in the numbered series, and each other document that the President submits for publication or orders to be published.

(b) Each document or class of documents required to be published by act of Congress.

(c) Each document having general applicability and legal effect.

§ 5.3 Publication of other documents.

Whenever the Director of the Federal Register considers that publication of a document not covered by § 5.2 would be in the public interest, he may allow that document to be filed with the Office of the Federal Register and published in the FEDERAL REGISTER.

§ 5.4 Publication not authorized.

(a) Chapter 15 of Title 44, United States Code, does not apply to treaties, conventions, protocols, or other international agreements, or proclamations thereof by the President.

(b) Chapter 15 of Title 44, United States Code, prohibits the publication in the FEDERAL REGISTER of comments or news items.

(c) The Director of the Federal Register may not accept any document for filing and publication unless it is the official action of the agency concerned. Chapter 15 of Title 44, United States Code, does not authorize or require the filing and publication of other papers from an agency.

§ 5.5 Supplement to the Code of Federal Regulations.

The FEDERAL REGISTER serves as a daily supplement to the Code of Federal Regulations. Each document that is subject to codification and published in a daily issue shall be keyed to the Code of Federal Regulations.

§ 5.6 Daily publication.

There shall be an edition of the FEDERAL REGISTER for each official Federal working day.

§ 5.7 Delivery and mailing.

The Government Printing Office shall distribute the FEDERAL REGISTER by delivery or by deposit at a post office at or before 9 a.m. on the publication day, except that each FEDERAL REGISTER dated for a Monday shall be deposited at a post office at or before 9 a.m. on the preceding Saturday.

§ 5.8 Form of citation.

Without prejudice to any other form of citation, FEDERAL REGISTER material may be cited by volume and page number, and the short form "FR" may be used for "FEDERAL REGISTER". For example, "37 FR 6803" refers to material beginning on page 6803 of volume 37 of the daily issues.

§ 5.9 Categories of documents.

Each document published in the FEDERAL REGISTER shall be placed under one of the following categories, as indicated:

(a) *The President.* Containing each Executive order or Presidential proclamation, and each other Presidential document that the President submits for publication or orders to be published.

(b) *Rules and regulations.* Containing each document subject to codification, except those covered by paragraph (a) of this section.

(c) *Proposed rule making.* Containing each notice of proposed rule making submitted pursuant to section 553 of Title 5, United States Code, or any other law, and each notice of a similar nature voluntarily submitted by an issuing agency.

(d) *Notices.* Containing miscellaneous documents not covered by paragraph (a), (b), or (c) of this section, such as notices of hearings that are not included under proposed rule making documents and documents accepted for publication on the basis of public interest.

PART 6—INDEXES AND ANCILLARIES

Sec.
6.1 Index to daily issues.
6.2 Analytical subject indexes.
6.3 Daily lists of parts affected.
6.4 Monthly list of sections affected.
6.5 Index-digests and guides.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 6.1 Index to daily issues.

Each daily issue of the FEDERAL REGISTER shall be appropriately indexed.

§ 6.2 Analytical subject indexes.

Analytical subject indexes covering the contents of the FEDERAL REGISTER shall be published as currently as practicable, and shall be cumulated and separately published at least once each calendar year.

§ 6.3 Daily lists of parts affected.

(a) Each daily issue of the FEDERAL REGISTER shall carry a numerical list of the parts of the Code of Federal Regulations specifically affected by documents published in that issue.

(b) Beginning with the second issue of each month, each daily issue shall also carry a cumulated list of the parts affected by documents published during that month.

§ 6.4 Monthly lists of sections affected.

A monthly list of sections of the Code of Federal Regulations affected shall be separately published on a cumulative basis during each calendar year. The list shall identify the sections of the Code specifically affected by documents published in the FEDERAL REGISTER during the period it covers.

§ 6.5 Index-digests and guides.

(a) The Director of the Federal Register may cause to be prepared and published, yearly or at other intervals as necessary to keep them current and useful, index-digests and similar guides, based on laws, Presidential documents, regulations, and notice materials published by the Office and which serve a need of users of the FEDERAL REGISTER.

(b) Each digest and guide is considered to be a special edition of the FEDERAL REGISTER whenever the public need requires special printing or special binding in substantial numbers.

PART 7—DISTRIBUTION WITHIN FEDERAL GOVERNMENT

Sec.
7.1 Members of Congress.
7.2 The Judiciary.
7.3 Executive agencies.
7.4 Requisitions for quantity overruns of specific issues.
7.5 Requisitions for quantity overruns of separate Part II issues.
7.6 Extra copies.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 7.1 Members of Congress.

Each Senator and each Member of the House of Representatives is entitled to not more than five copies of each daily issue of the FEDERAL REGISTER, without charge.

§ 7.2 The Judiciary.

(a) *The Supreme Court.* The Supreme Court is entitled to the number of copies of each daily issue of the FEDERAL REGISTER that it needs for official use, without charge.

(b) *Other courts.* Each other constitutional or legislative court of the United States is entitled to the number of copies of each daily issue of the FEDERAL REGISTER that it needs for official use, without charge, based on a written authorization submitted to the Director of the Federal Register by the Director of the Administrative Office of the U.S. Courts specifying the number needed.

§ 7.3 Executive agencies.

(a) Each Federal executive agency is entitled to the number of copies of each daily issue of the FEDERAL REGISTER that it needs for official use, without charge.

(b) The person in each agency concerned who is authorized under §§ 16.1 and 16.4 of this chapter to list the officers and employees of that agency who need the FEDERAL REGISTER for daily use shall send a written request to the Director of the Federal Register for placement of the names of those officers and employees on the mailing list.

§ 7.4 Requisitions for quantity overruns of specific issues.

(a) To meet its needs for special distribution of the FEDERAL REGISTER in substantial quantity, any agency may request an overrun of a specific issue.

(b) An advance printing and binding requisition on Standard Form 1 must be submitted by the agency directly to the Government Printing Office, to be received not later than 12 noon on the working day before publication.

§ 7.5 Requisitions for quantity overruns of separate Part issues.

(a) Whenever it is determined by the Director of the Federal Register to be in the public interest, one or more documents may be published as a separate Part (e.g., Part II, Part III) of the FEDERAL REGISTER.

(b) Advance arrangements for this service must be made with the Office of the Federal Register.

(c) Any agency may request an overrun of such a separate Part by submitting an advance printing and binding requisition on Standard Form 1 directly to the Government Printing Office, to be received not later than 12 noon on the working day before the publication date.

§ 7.6 Extra copies.

An agency may order limited quantities of extra copies of a specific issue of the FEDERAL REGISTER, for official use, from the Superintendent of Documents, to be paid for by that agency.

SUBCHAPTER C—SPECIAL EDITIONS OF THE FEDERAL REGISTER

PART 8—CODE OF FEDERAL REGULATIONS

Sec.
8.1 Policy.
8.2 Orderly development.
8.3 Periodic updating.
8.4 Indexes.
8.5 Ancillaries.
8.6 General format and binding.
8.7 Agency cooperation.
8.8 Official distribution.
8.9 Form of citation.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 8.1 Policy.

(a) Pursuant to Chapter 15 of Title 44, United States Code, the Director of the Federal Register shall publish periodically a special edition of the FEDERAL REGISTER to present a compact and practical code called the "Code of Federal Regulations", to contain each Federal regulation of general applicability and current or future effect.

(b) The Administrative Committee intends that every practical means be used to keep the Code as current and readily usable as possible, within limitations imposed by dependability and reasonable costs.

§ 8.2 Orderly development.

To assure orderly development of the Code of Federal Regulations along practical lines, the Director of the Federal Register may establish new titles in the Code and rearrange existing titles and subordinate assignments. However, before taking an action under this section, the Director shall consult with each agency directly affected by the proposed change.

§ 8.3 Periodic updating.

(a) *Criteria.* Each book of the Code shall be updated at least once each calendar year. If no change in its contents has occurred during the year, a simple notation to that effect may serve as the supplement for that year. More frequent updating of any unit of the Code may be made whenever the Director of the Federal Register determines that the content of the unit has been substantially superseded or otherwise determines that such action would be consistent with the intent and purpose of the Administrative Committee as stated in § 8.1.

(b) *Staggered publication.* The Code will be produced over a 12-month period under a staggered publication system to be determined by the Director of the Federal Register.

(c) *Cutoff dates.* Each updated Title of the Code will reflect each amendment to that Title published in the FEDERAL REGISTER on or before the "As of" date. Thus, each Title updated as of July 1 each year will reflect all amendatory documents appearing in the daily FEDERAL REGISTER on or before July 1.

§ 8.4 Indexes.

A subject index to the entire Code shall be annually revised and separately published. An agency-prepared index for any individual book may be published with the approval of the Director of the Federal Register.

§ 8.5 Ancillaries.

The Code shall provide, among others, the following-described finding aids:

(a) *Parallel tables of statutory authority and rules.* In Title 2 of the Code of Federal Regulations or at such other place as the Director of the Federal Register considers appropriate, numerical lists of all sections of the current edition of the United States Code (except section 301 of Title 5) which are cited by issuing agencies as rule making authority for currently effective regulations in the Code of Federal Regulations. The lists shall be arranged in the order of the titles and sections of the United States Code with parallel citations to the pertinent titles and sections of the Code of Federal Regulations.

(b) *Parallel tables of Presidential documents and agency rules.* In Title 3 of the Code of Federal Regulations, or at such other place as the Director of the Federal Register considers appropriate, tables of proclamations, Executive orders, and similar Presidential documents which are codified, cited as authority, quoted, cited in text, or included or referred to in currently effective regulations as published in the Code of Federal Regulations.

(c) *List of sections affected.* Following the text of each book or cumulative supplement, a numerical list of sections which are affected by documents published in the FEDERAL REGISTER. (A separate volume, "List of Sections Affected, 1949–1963" lists all sections of the Code which have been affected by documents published during the period January 1, 1949 to December 31, 1963.) Listings shall refer to FEDERAL REGISTER pages and shall be designed to enable the user of the Code to assure himself of the precise text that was in effect on a given date in the period covered.

§ 8.6 General format and binding.

The Director of the Federal Register shall provide for the binding of the Code into as many separate books as are indicated by the needs of users and compatible with the facilities of the Government Printing Office.

§ 8.7 Agency cooperation.

Each agency shall cooperate in keeping publication of the Code current by complying promptly with deadlines set by the Director of the Federal Register and the Public Printer.

§ 8.8 Official distribution.

(a) The Code shall be distributed to the following, without charge:

(1) *Congress.* To each committee of the Senate and House of Representatives in the quantity needed for official use, upon the written authorization of the committee chairman or his delegate, to the Director of the Federal Register.

(2) *Supreme Court.* To the Supreme Court in the quantity needed for official use.

(3) *Other courts.* To other constitutional and legislative courts of the United States, in the quantity needed for official use, upon the written authorization of the Director of the Administrative Office of the U.S. Courts to the Director of the Federal Register.

(4) *Executive agencies.* To officials, libraries, and major organizational units of the executive agencies in the quantity needed for official use, upon the written authorization of the authorizing officer or his alternate designated under § 16.1 of this chapter.

(b) Legislative, judicial, and executive agencies of the Federal Government may obtain selected units of the Code, as needed in substantial quantity for special distribution, by the timely submission of a printing and binding requisition to the Government Printing Office on Standard Form 1.

§ 8.9 Form of citation.

The Code of Federal Regulations may be cited by title and section, and the short form "CFR" may be used for "Code of Federal Regulations." For example, "1 CFR 10.2" refers to Title 1, Code of Federal Regulations, Part 10, section 2.

PART 9—U.S. GOVERNMENT ORGANIZATION MANUAL

Sec.
9.1 Publication required.
9.2 Scope.
9.3 Distribution to Government agencies.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 9.1 Publication required.

The Director of the Federal Register shall separately publish annually or at times designated by the Administrative Committee of the Federal Register a special edition of the FEDERAL REGISTER called the "United States Government Organization Manual" or any other title that the Administrative Committee of the Federal Register considers appropriate. The Director of the Federal Register may issue special supplements to the Manual when he considers such supplementation to be in the public interest.

§ 9.2 Scope.

(a) The Manual shall contain appropriate information about the Executive, Legislative, and Judicial branches of the Federal Government, which for the major Executive agencies shall include—

(1) Descriptions of the agency's public purposes, programs and functions;

(2) Established places and methods whereby the public may obtain information and make submittals or requests; and

(3) Lists of officials heading major operating units.

(b) Brief information about quasi-official agencies and supplemental information that in the opinion of the Director of the Federal Register is of enough public interest to warrant inclusion shall also be published in the Manual.

§ 9.3 Distribution to Government agencies.

(a) The Manual shall be distributed to the following, in the quantities indicated, without charge:

(1) *Members of Congress.* Each Senator and each Member of the House of Representatives shall be furnished two copies, and is entitled to not more than 10 additional copies upon his written authorization to the Director of the Federal Register.

(2) *Congressional committees.* Each committee is entitled to the quantity needed for official use, upon the written request of the chairman of the committee, or his delegate, to the Director, for placement on the mailing list.

(3) *Supreme Court.* The Supreme Court is entitled to 18 copies.

(4) *Other courts.* Each other constitutional or legislative court is entitled to one copy, upon the written authorization of the Director of the Administrative Office of the U.S. Courts to the Director of the Federal Register.

(5) *Executive agencies.* The head of each executive agency and each liaison officer designated under § 16.1 or § 20.1 of this chapter is entitled to one copy.

(b) Legislative, judicial, and executive agencies of the Federal Government may obtain additional copies of the Manual, at cost, for official use by submission, before the press run, of a printing and binding requisition to the Government Printing Office on Standard Form 1. After the press run, each request for extra copies of the Manual must be addressed to the Superintendent of Documents, to be paid for by the agency or official making the request.

PART 10—PRESIDENTIAL PAPERS

Subpart A—Annual Volumes

Subpart B—Weekly Compilation

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

Subpart A—Annual Volumes

§ 10.1 Publication required.

The Director of the Federal Register shall publish, at the end of each calendar year, a special edition of the FEDERAL REGISTER called the "Public Papers of the Presidents of the United States." Unless the amount of material requires otherwise, each volume shall cover one calendar year.

§ 10.2 Coverage of prior years.

After consulting with the National Historical Publications Commission on the need therefor, the Administrative Committee may authorize the publication of volumes of papers of the Presidents covering specified years before 1957.

§ 10.3 Scope and sources.

(a) The basic text of each volume shall consist of oral statements by the President or of writings subscribed by him, and selected from—

(1) Communications to the Congress;
(2) Public addresses;
(3) Transcripts of news conferences;
(4) Public letters;
(5) Messages to heads of State;
(6) Statements released on miscellaneous subjects; and
(7) Formal executive documents promulgated in accordance with law.

(b) In general, ancillary text, notes, and tables shall be derived from official sources.

§ 10.4 Format, indexes, and ancillaries.

(a) Each annual volume, divided into books whenever appropriate, shall be separately published in the binding and style that the Administrative Committee considers suitable to the dignity of the Office of the President of the United States.

(b) Each volume shall be appropriately indexed and contain appropriate ancillary information respecting significant Presidential documents not printed in full text.

§ 10.5 Distribution to Government agencies.

(a) The Public Papers of the Presidents of the United States shall be distributed to the following, in the quantities indicated, without charge:

(1) *Members of Congress.* Each Senator and each Member of the House of Representatives is entitled to one copy of each annual volume published during his term of office, upon his written request to the Director of the Federal Register.

(2) *Supreme Court.* The Supreme Court is entitled to 12 copies of each annual volume.

(3) *Executive agencies.* The head of each executive agency is entitled to one copy of each annual volume upon application to the Director.

(b) Legislative, judicial, and executive agencies of the Federal Government may obtain copies of the annual volumes, at cost, for official use, by the timely submission of a printing and binding requisition to the Government Printing Office on Standard Form 1.

§ 10.6 Extra copies.

Each request for extra copies of the annual volumes must be addressed to the Superintendent of Documents, to be paid for by the agency or official making the request.

Subpart B—Weekly Compilation

§ 10.10 Publication required.

The Director of the Federal Register shall publish a special edition of the FEDERAL REGISTER called the "Weekly Compilation of Presidential Documents."

§ 10.11 Format and indexes.

(a) The Weekly Compilation shall be published in the binding and style that the Administrative Committee considers suitable for public and official use.

(b) The Director of the Federal Register shall provide indexes and any other finding aids that he considers appropriate for effective use.

§ 10.12 Distribution to Government agencies.

(a) The Weekly Compilation shall be distributed regularly to Members of the Senate and House of Representatives and to officials of the legislative, judicial, and executive branches of the Federal Government in the quantities needed for official use.

(b) Requests for copies shall be made in writing by the authorizing officer to the Director of the Federal Register.

(c) Special needs for selected issues in substantial quantity shall be filled by the timely submission of a printing and binding requisition to the Government Printing Office on Standard Form 1.

SUBCHAPTER D—PREPARATION, TRANSMITTAL, AND PROCESSING OF DOCUMENTS

PART 15—SERVICES TO FEDERAL AGENCIES

Subpart A—General

Subpart B—Special Assistance

Subpart C—Supplemental Printing and Editorial Services

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

Subpart A—General

§ 15.1 Cooperation.

The Director of the Federal Register shall assist each agency in complying with the pertinent publication laws to assure efficient public service in promulgating administrative documents having the effect of legal notice or of law.

§ 15.2 Information services.

The Director of the Federal Register shall provide for the answering of each appropriate inquiry presented in person, by telephone, or in writing. Each written communication and each matter involving classified material or the Administrative Committee shall be sent to the Director, Office of the Federal Register, National Archives and Records Service, Washington, DC 20408.

§ 15.3 Staff assistance.

The staff of the Office of the Federal Register shall provide informal assistance and advice to officials of the various agencies with respect to general or specific programs of regulatory drafting, procedures, and promulgation practices.

§ 15.4 Reproduction of certified copies of acts and documents.

The Director of the Federal Register shall furnish to requesting agencies, without charge, reproductions or certified copies of original acts and documents filed with that Office that are needed for official use. However, in a case involving voluminous material or numerous copies, the requesting agency may be required to reimburse the cost of reproduction.

§ 15.5 Official subscriptions and requisitions of Federal Register publications.

The following governs the availability of Federal Register publications for official use.

(a) *Slip laws.* Single copies may be obtained from the House or Senate Document Room, U.S. Congress. Quantity overruns of any slip law may be obtained by the timely submission of a requisition to the Government Printing Office on Standard Form 1.

(b) *U.S. Statutes at Large.* Written requests should be directed to the Joint Committee on Printing, United States Capitol, Washington, D.C. 20510. General provisions relating to the distribution of the U.S. Statutes at Large are set forth in section 728 of Title 44, United States Code.

(c) *Federal Register.* See §§ 7.1 to 7.6 of this chapter.

(d) *Code of Federal Regulations.* See § 8.8 of this chapter.

(e) *U.S. Government Organization Manual.* See § 9.3 of this chapter.

(f) *Public Papers of the Presidents of the United States.* See §§ 10.5 and 10.6 of this chapter.

(g) *Weekly Compilation of Presidential Documents.* See § 10.12 of this chapter.

Subpart B—Special Assistance

§ 15.10 Information on drafting and publication.

The Director of the Federal Register may prepare, and distribute to agencies, information and instructions designed to promote effective compliance with the purposes of Chapter 15 of Title 44, United States Code, sections 553–554 of Title 5, United States Code, related statutes, and this chapter. The Director may also develop and conduct programs of technical instruction.

Subpart C—Supplemental Printing and Editorial Services

§ 15.15 Purpose.

The Director of the Federal Register may provide special services to agencies to promote efficiency and economy through the use of printing and editorial facilities developed in editing and publishing Federal Register publications.

§ 15.16 Use of Federal Register standing type.

Type used in printing the FEDERAL REGISTER is available for reuse by agencies in making reprints, on their own requisition, by submitting a printing and binding requisition on Standard Form 1 to the Office of the Federal Register for forwarding to the Government Printing Office.

§ 15.17 Special editorial service.

Upon written request by an appropriate agency official, the staff of the Office of the Federal Register may compile and collate Code units, as of a given date, to assist an issuing agency to prepare a document for publication in the FEDERAL REGISTER.

§ 15.18 Supplemental loose-leaf services.

The Director of the Federal Register may cooperate with agencies in developing supplemental loose-leaf services for special items in which the need would justify the cost.

PART 16—AGENCY REPRESENTATIVES

Sec.
16.1 Designation.
16.2 Liaison duties.
16.3 Certifying duties.
16.4 Authorizing duties.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 16.1 Designation.

(a) Each agency shall designate, from its officers or employees, persons to serve in the following capacities with relation to the Office of the Federal Register:

(1) A liaison officer and an alternate.

(2) A certifying officer and an alternate.

(3) An authorizing officer and an alternate.

The same person may be designated to serve in one or more of these positions.

(b) In choosing its liaison officer, each agency should consider that this officer will be the main contact between that agency and the Office of the Federal Register and that the liaison officer will be charged with the duties set forth in § 16.2. Therefore, the agency should choose a person who is directly involved in the agency's regulatory program.

(c) Each agency shall notify the Director of the name, title, address, and telephone number of each person it designates under this section and shall promptly notify the Director of any changes.

§ 16.2 Liaison duties.

Each liaison officer shall—

(a) Represent his agency in all matters relating to the submission of documents to the Office of the Federal Register, and respecting general compliance with this chapter;

(b) Be responsible for the effective distribution and use within his agency of FEDERAL REGISTER information on document drafting and publication assistance authorized by § 15.10 of this chapter; and

(c) Promote his agency's participation in the technical instruction authorized by § 15.10 of this chapter.

§ 16.3 Certifying duties.

The certifying officer is responsible for attaching the required number of true copies of each original document submitted by his agency to the Office of the Federal Register and for making the certification required by §§ 18.5 and 18.6 of this chapter.

§ 16.4 Authorizing duties.

The authorizing officer is responsible for furnishing, to the Director of the Federal Register, a current mailing list of officers or employees of his agency who are authorized to receive the FEDERAL REGISTER, the Code of Federal Regulations, and the Weekly Compilation of Presidential Documents for official use.

PART 17—PUBLICATION SCHEDULES

Sec.
17.1 Receipt and processing.

REGULAR SCHEDULE

17.2 Procedure and timing for regular schedule.

EMERGENCY SCHEDULE

17.3 Criteria for emergency schedule.
17.4 Procedure and timing for emergency schedule.
17.5 Transmittal from distant points.

DEFERRED SCHEDULE

17.6 Criteria.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 17.1 Receipt and processing.

Unless special arrangements are made with the Director of the Federal Register, the Office of the Federal Register receives documents only during official working hours. Upon receipt, each document shall be held for confidential processing until it is filed for public inspection.

REGULAR SCHEDULE

§ 17.2 Procedure and timing for regular schedule.

(a) Each document received shall be assigned to the regular schedule unless the issuing agency makes special arrangements otherwise. Receipt of a document in the ordinary course of business is considered to be a request for publication on the regular schedule.

(b) The regular schedule for publication is as follows:

Received	Filed	Published
Monday	Wednesday	Thursday.
Tuesday	Thursday	Friday.
Wednesday	Friday	Monday.
Thursday	Monday	Tuesday.
Friday	Tuesday	Wednesday.

Where a legal Federal holiday intervenes, one additional work day is added.

EMERGENCY SCHEDULE

§ 17.3 Criteria for emergency schedule.

The emergency schedule is designed to provide the fastest possible publication of a document involving the prevention, alleviation, control, or relief of an emergency situation.

§ 17.4 Procedure and timing for emergency schedule.

(a) Each agency requesting publication on the emergency schedule shall briefly describe the emergency and the benefits to be attributed to immediate publication in the FEDERAL REGISTER. The request shall be made by letter if time permits.

(b) The Director of the Federal Register shall assign a document to the emergency schedule whenever he concurs with a request for that action and it is feasible. The Director shall confirm the assignment as soon as possible.

(c) Each document assigned to the emergency schedule shall be published as soon as possible.

§ 17.5 Transmittal from distant points.

The text of a document assigned to the emergency schedule may be transmitted from a distant field installation to the Washington Office of the agency concerned by telecommunication. A certified transcription of the text may be filed in advance of receipt of the original document. The agency must file the original document at the earliest possible time. In such a case, the publication date is based on receipt of the certified transcribed copies by the Office of the Federal Register.

§ 17.6 Criteria.

A document may be assigned to the deferred schedule under the following conditions:

(a) There are technical problems, unusual tabulations, or illustrations, or the document is of such size as to require extraordinary processing time.

(b) The agency concerned requests a deferred publication date.

PART 18—PREPARATION AND TRANSMITTAL OF DOCUMENTS GENERALLY

Sec.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 18.1 Original and copies required.

(a) Except as provided in § 19.2 of this subchapter for Executive orders and proclamations, each agency submitting a document to be filed and published in the FEDERAL REGISTER shall send an original and two duplicate originals or certified copies. However, if the document is printed or processed on both sides, the agency shall send, in addition to the original, three duplicate originals or certified copies.

(b) In the case of a document issued outside of the District of Columbia, an agency may submit certified text in place of the original. However, it must replace the certified text with the original document as soon as practicable for filing as required by Chapter 15 of Title 44, United States Code.

§ 18.2 Prohibition on combined documents.

(a) The Director of the Federal Register may not accept a document for filing and publication if it combines material that must appear under more than one category in the FEDERAL REGISTER. For example, a document may not contain both rule making and notice of proposed rule making material.

(b) Where two related documents are to be published in the same FEDERAL REGISTER issue, the agency may arrange with the Office of the Federal Register for the insertion of cross-references in each document.

§ 18.3 Submission of documents and letters of transmittal.

(a) Each document authorized or required by law to be filed with the Office of the Federal Register, published in the FEDERAL REGISTER, or filed with the Administrative Committee shall be sent to the Director of the Federal Register.

(b) Except for cases involving special handling or treatment, there is no need for a letter of transmittal for a document submitted for filing and FEDERAL REGISTER publication.

§ 18.4 Form of document.

(a) Except as provided in paragraph (b) of this section, to be eligible for filing and publication in the FEDERAL REGISTER, a document must be typewritten on white bond paper approximately 8 by 10½ inches in size, double spaced, with a left-hand margin of approximately 1½ inches and a right-hand margin of approximately 1 inch.

(b) A printed or processed document may be accepted for filing and publication if it is suitable as an archival original. However, a photostatic copy may not be accepted as an original document.

(c) A document in the form of a letter may not be accepted for filing or publication in the rules and regulations, proposed rule making, or notices categories of the FEDERAL REGISTER.

§ 18.5 Certified copies.

(a) The certified copies or duplicate originals of each document must be attached to the original. Each copy or duplicate must be entirely clear and legible.

(b) Copies of a typewritten original may be the first two carbon copies of the ribbon original, positive photostats on paper with a matte surface, or electrostatic copies.

(c) Publication dates are determined at the time when clear and legible copies are received.

§ 18.6 Form of certification.

Each copy of each document submitted for filing and publication, except a Presidential document or a duplicate original, must be certified substantially as follows:

(Certified to be a true copy of the original)

signed by a certifying officer designated under § 16.1 of this chapter.

§ 18.7 Signature.

The original and each duplicate original document must be signed in ink, with the name and title of the official signing the document typed or stamped beneath his signature. Initialed or impressed signatures may not be accepted.

§ 18.8 Seal.

Use of a seal on an original document or certified copy is optional with the issuing agency.

§ 18.9 Style.

Each agency submitting a document for filing and publication shall prepare it in accordance with the following:

(a) Punctuation, capitalization, spelling, and other matters of style must conform, in general, to the current edition of the U.S. Government Printing Office Style Manual.

(b) The spelling of geographic names must conform to the decisions of the Board on Geographic Names, established by section 2 of the act of July 25, 1947, 61 Stat. 456 (43 U.S.C. 364a).

(c) Descriptions of land must conform, so far as practicable, to the current edition of the "Specifications for Descriptions of Tracts of Land for Use in Executive Orders and Proclamations" prepared by the Bureau of Land Management, Department of the Interior.

§ 18.10 Illustrations and tabular material.

(a) An original drawing, or a clear reproduction, of each map, chart, graph, or other illustration that is found to be a necessary part of a document to be filed and published may be accepted only after submission to the Director of the Federal Register at least 6 working days before the date on which publication is desired.

(b) A clear and legible reproduction of the original illustration, approximately 8 by 10½ inches, shall be included in the original document and each certified copy.

(c) Tabular material consisting of more than two typewritten pages that is to be a part of a document to be filed and published shall be submitted to the Director at least 6 working days before the date on which publication is desired.

§ 18.11 Forms.

Except when considered necessary by the Director of the Federal Register, tabulated blank forms for applications, registrations, reports, contracts, and similar items, and the instructions for preparing the forms, may not be published in full. In place thereof, the agency concerned shall submit for publication a simple statement describing the purpose and use of each form and stating the places at which copies may be obtained.

§ 18.12 Preamble requirements.

Each notice of proposed rule making and final rule making document shall conform to the following:

(a) There must be a clear preamble statement that describes the contents of the document in a manner sufficient to apprise a reader, who is not an expert in the subject area, of the general subject matter of the rule making document.

(b) To the extent practicable, the preamble statement for a proposed rule making document should also discuss the major issues involved in, and the reasons for, the proposed rules.

(c) To the extent practicable, the preamble statement for a rule or regulation that was preceded by a notice of proposed rule making, should also indicate in general terms the principal differences, if any, between the rules as proposed and the rules as adopted.

§ 18.13 Withdrawal of filed documents.

A document that has been filed with the Office of the Federal Register and placed on public inspection as required by this chapter, may be withdrawn from publication by the submitting agency only by a timely written instrument revoking that document, signed by a duly authorized representative of the agency. Both the original and the revoking document shall remain on file.

§ 18.14 Correction of errors in documents.

After a document has been filed for public inspection and publication, a substantive error in the text may be corrected only by the filing of another document effecting the correction.

§ 18.15 Correction of errors in printing.

Typographical or clerical errors made in the printing of the FEDERAL REGISTER shall be corrected by insertion of an appropriate notation or a reprinting in the FEDERAL REGISTER published without further agency documentation, if the Director of the Federal Register determines that—

(a) The error would tend to confuse or mislead the reader; or

(b) The error would affect text subject to codification.

§ 18.16 Highlights.

(a) Except as provided in paragraph (b) of this section, each agency which submits a document for publication in the FEDERAL REGISTER shall furnish with the document two copies of a descriptive catchword or phrase and a brief statement that:

(1) Names the agency issuing the document;

(2) Identifies the principal subject of the document; and

(3) States any important dates, such as closing date for comments, hearing date, or effective date.

The language of the statement submitted under this section and the headings required by Parts 17 and 22 of this chapter may be the same whenever appropriate. The following are examples of the kinds of statements intended by this requirement:

DETERGENTS—Proposed FTC labeling and advertising requirements for synthetic detergents—comment period ends 4–19–72; public hearing 4–26–72.

COAL MINE SAFETY—Interior Department procedures to assess civil penalties for violations—effective 1–16–73.

(b) A statement need not be submitted with a document that is making nonsubstantive changes that are corrective or editorial in nature. The Director of the Federal Register may grant additional exceptions to the requirements of this section. The Director shall publish once each month in the FEDERAL REGISTER a list of the classes of documents exempted under this section during the preceding month, stating the agency involved and the document or class of documents.

(c) Selected statements submitted under this section shall be included in a highlights listing which will be printed in a prominent place in the daily FEDERAL REGISTER. The Director shall exercise final editorial control over the wording of each statement and make the final determination as to its inclusion in the highlights listing.

(d) Neither failure to submit a statement under this section, nor failure to print such a statement in the highlights listing in the FEDERAL REGISTER affects the legal status of a document printed in the FEDERAL REGISTER. Highlights listings printed in the FEDERAL REGISTER are intended solely to serve as an aid to readers and the wording of a listed item is not intended to interpret the language of the document. FEDERAL REGISTER readers should continue to use the Table of Contents to identify the documents published in each issue and the text of a document to determine its legal effect.

§ 18.17 Effective dates and time periods.

(a) Whenever practicable, each document submitted for publication in the FEDERAL REGISTER should set forth dates certain. Thus, a document should state "all comments received before July 3, 1972, will be considered" or "this amendment takes effect July 3, 1972," rather than stating a time period measured by a certain number of days after publication in the FEDERAL REGISTER. Where a document does contain a time period rather than a date certain, the FEDERAL REGISTER staff will insert a date certain to be computed as set forth in paragraph (b) of this section.

(b) Dates certain will be computed by counting the day after the publication day as one, and by counting each succeeding day, including Saturdays, Sundays, and holidays. However, where the final count would fall on a Saturday, Sunday, or holiday, the date certain will be the next succeeding Federal business day.

PART 19—EXECUTIVE ORDERS AND PRESIDENTIAL PROCLAMATIONS

Sec.
19.1 Form.
19.2 Routing and approval of drafts.
19.3 Routing and certification of originals and copies.
19.4 Proclamations calling for the observance of special days or events.
19.5 Proclamations of treaties excluded.
19.6 Definition.

NOTE: The provisions of this Part 19 derived from sections 1 to 6 of Executive Order 11030, 27 FR 5847, 3 CFR 1959–1963 Comp., p. 610, and E.O. 11354, 32 FR 7695, 1966–1970 Comp., p. 652.

§ 19.1 Form.

Proposed Executive orders and proclamations shall be prepared in accordance with the following requirements:

(a) The order or proclamation shall be given a suitable title.

(b) The order or proclamation shall contain a citation of the authority under which it is issued.

(c) Punctuation, capitalization, spelling, and other matters of style shall, in general, conform to the most recent edition of the U.S. Government Printing Office Style Manual.

(d) The spelling of geographic names shall conform to the decisions of the Board on Geographic Names, established by section 2 of the act of July 25, 1947, 61 Stat. 456 (43 U.S.C. 364a).

(e) Descriptions of tracts of land shall conform, so far as practicable, to the most recent edition of the "Specifications for Descriptions of Tracts of Land for Use in Executive Orders and Proclamations," prepared by the Bureau of Land Management, Department of the Interior.

(f) Proposed Executive orders and proclamations shall be typewritten on paper approximately 8 x 13 inches, shall have a left-hand margin of approximately 1½ inches and a right-hand margin of approximately 1 inch, and shall be double-spaced except that quotations, tabulations, and descriptions of land may be single-spaced.

(g) Proclamations issued by the President shall conclude with the following-described recitation:

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, in the year of our Lord _____, and of the Independence of the United States of America the _____.

§ 19.2 Routing and approval of drafts.

(a) A proposed Executive order or proclamation shall first be submitted, with seven copies thereof, to the Director of the Office of Management and Budget, together with a letter, signed by the head or other properly authorized officer of the originating Federal agency, explaining the nature, purpose, background, and effect of the proposed Executive order or proclamation and its relationship, if any, to pertinent laws and other Executive orders or proclamations.

(b) If the Director of the Office of Management and Budget approves the proposed Executive order or proclamation, he shall transmit it to the Attorney General for his consideration as to both form and legality.

(c) If the Attorney General approves the proposed Executive order or proclamation, he shall transmit it to the Director of the Office of the Federal Register, National Archives and Records Service, General Services Administration: *Provided*, That in cases involving sufficient urgency the Attorney General may transmit it directly to the President: *And provided further*, That the authority vested in the Attorney General by this section may be delegated by him, in whole or in part, to the Deputy Attorney General, Solicitor General, or to such Assistant Attorney General as he may designate.

(d) After determining that the proposed Executive order or proclamation conforms to the requirements of § 19.1 and is free from typographical or clerical error, the Director of the Office of the Federal Register shall transmit it and three copies thereof to the President.

(e) If the proposed Executive order or proclamation is disapproved by the Director of the Office of Management and Budget or by the Attorney General, it shall not thereafter be presented to the President unless it is accompanied by a statement of the reasons for such disapproval.

§ 19.3 Routing and certification of originals and copies.

(a) If the order or proclamation is signed by the President, the original and two copies shall be forwarded to the Di-

rector of the Federal Register for publication in the FEDERAL REGISTER.

(b) The Office of the Federal Register shall cause to be placed upon the copies of all Executive orders and proclamations forwarded as provided in paragraph (a) of this section the following notation, to be signed by the Director or by some person authorized by him to sign such notation: "Certified to be a true copy of the original."

§ 19.4 Proclamations calling for the observance of special days or events.

Except as may be otherwise provided by law, responsibility for the preparation and presentation of proposed proclamations calling for the observance of special days, or other periods of time, or events, shall be assigned by the Director of the Office of Management and Budget to such agencies as he may consider appropriate. Such proposed proclamations shall be submitted to the Director at least 60 days before the date of the specified observance.

§ 19.5 Proclamations of treaties excluded.

Consonant with the provisions of Chapter 15 of Title 5 of the United States Code (44 U.S.C. 1511), nothing in these regulations shall be construed to apply to treaties, conventions, protocols, or other international agreements, or proclamations thereof by the President.

§ 19.6 Definition.

The term "Presidential proclamations and Executive orders," as used in Chapter 15 of Title 5 of the United States Code (44 U.S.C. 1505(a)), shall, except as the President or his representative may hereafter otherwise direct, be deemed to include such attachments thereto as are referred to in the respective proclamations or orders.

PART 20—HANDLING OF UNITED STATES GOVERNMENT ORGANIZATION MANUAL STATEMENTS

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

§ 20.1 Liaison officers.

Each of the following shall appoint an officer to maintain liaison with the Office on matters relating to the United States Government Organization Manual:

(a) Agencies of the legislative and judicial branches.

(b) Executive agencies that do not have a liaison officer designated under § 16.1 of this chapter or who wish to appoint a liaison officer for Manual matters other than the one designated under such § 16.1.

(c) Quasi-official agencies represented in the Manual.

(d) Any other agency that the Director believes should be included in the Manual.

Each liaison officer will insure his agency's compliance with Part 9 of this chapter and this Part 20.

§ 20.2 Preparation of agency statements.

In accordance with schedules established under § 20.7 each agency shall submit for publication in the Manual an official draft of the information required by § 9.2 of this chapter and this Part 20.

§ 20.3 Organization.

(a) Information about lines of authority and organization may be reflected in a chart if the chart clearly delineates the agency's organizational structure. Charts must be submitted in duplicate in the form of clear prints suitable for photographing. Charts should be prepared so as to be perfectly legible when reduced to the size of a Manual page. Charts that do not meet this requirement will not be included in the Manual.

(b) Listings of heads of operating units should be arranged wherever possible to reflect relationships between units.

(c) Verbal descriptions of organization that duplicate information conveyed by charts or by lists of officials will not be published in the Manual.

§ 20.4 Description of program activities.

Descriptions should state clearly the public purposes that the agency serves, and the programs that carry out those purposes. Detailed descriptions of the responsibilities of individuals will not be accepted for publication in the Manual.

§ 20.5 Sources of information.

Pertinent sources of information useful to the public, in areas of public interest such as employment, consumer activities, contracts, services to small business, and other topics of public interest should be provided with each agency statement. These sources of information shall plainly identify the places at which the public may obtain information or make submittals or requests.

§ 20.6 Form, style, arrangement and apportionment of space.

The form, style, and arrangement of agency statements and other material included in the Manual and the apportionment of space therein shall be determined by the Director of the Federal Register. The U.S. Government Printing Office Style Manual is the applicable reference work in determining style.

§ 20.7 Deadline dates.

The Manual is published on a schedule designed to provide the public with information about their Government on a timely basis. Therefore, agencies must comply with the deadline dates established by the Director of the Federal Register for transmittal of statements and charts and for the verification of proofs. Failure to do so may result in publication of an outdated statement or the omission of important material, thus depriving members of the public of information they have a right to expect in a particular edition of the Manual.

PART 21—PREPARATION OF DOCUMENTS SUBJECT TO CODIFICATION

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

Subpart A—General

§ 21.1 Drafting.

(a) Each agency that prepares a document that is subject to codification shall draft it as an amendment to the

Code of Federal Regulations, in accordance with this subchapter, before submitting it to the Office of the Federal Register.

(b) The agency shall place a promulgation statement in the document precisely describing the relationship of the new provisions to the Code.

§§ 21.2, 21.3 [Reserved]

§ 21.4 Descriptions of organization.

The Director of the Federal Register may designate documents submitted under section 552(a)(1)(A) of Title 5, United States Code, as "documents subject to codification" under special agreement with the issuing agency. The agreement must be in writing, signed by the head of the agency, or his designee, and stating that—

(a) Publication in the Code is necessary or desirable for the effective discharge of the agency's functions or activities; and

(b) Publication in the Code may be discontinued by the Administrative Committee for failure of the agency to keep publication current.

§ 21.5 Separate documents for each title and chapter amended.

Whenever an agency is taking an action that will amend more than one title, or more than one chapter, of the Code of Federal Regulations, it shall prepare a separate document for each title and each chapter that is to be amended.

§ 21.6 Notice of expiration of codified material.

(a) Whenever a document subject to codification expires after a specified period by its own terms or by law, the issuing agency shall submit a notification by document for publication in the FEDERAL REGISTER.

(b) If the preparation of the document is not practicable, the agency shall send a timely notice, in writing, to the Director of the Federal Register, stating that the document is no longer in effect, citing the pertinent terms.

CODE STRUCTURE

§ 21.7 Titles and subtitles.

(a) The major divisions of the Code are titles, each of which brings together broadly related Government functions.

(b) Subtitles may be used to distinguish between materials emanating from an overall agency and the material issued by its various components. Subtitles may also be used to group chapters within a title.

§ 21.8 Chapters and subchapters.

(a) The normal divisions of a title are chapters, assigned to the various agencies within a title descriptive of the subject matter covered by the agencies' regulations.

(b) Subchapters may be used to group related parts within a chapter.

§ 21.9 Parts, subparts, and undesignated center heads.

(a) The normal divisions of a chapter are parts, consisting of a unified body of regulations applying to a specific function of an issuing agency or devoted to specific subject matter under the control of that agency.

(b) Subparts or undesignated center heads may be used to group related sections within a part. Undesignated center heads may also be used to group sections within a subpart.

§ 21.10 Sections.

(a) The normal divisions of a part are sections. Sections are the basic units of the Code.

(b) When internal division is necessary, a section may be divided into paragraphs, and paragraphs may be further subdivided using the lettering indicated in § 21.11.

NUMBERING

§ 21.11 Divisions of the Code of Federal Regulations.

(a) Titles are numbered consecutively in Arabic throughout the Code.

(b) Subtitles are lettered consecutively in capitals throughout the title.

(c) Chapters are numbered consecutively in Roman capitals throughout each title.

(d) Subchapters are lettered consecutively in capitals throughout the chapter.

(e) Parts are numbered in Arabic throughout each title.

(f) Subparts may be lettered in capitals or be undesignated.

(g) Sections are numbered in Arabic throughout each part. A section number includes the number of the part followed by a decimal point and the number of the section. For example, the section number for section 15 of Part 21 is "§ 21.15".

(h) The lettering for divisions of a section is as follows:

Division	*Illustrative lettering*
Paragraph	(a), (b), etc.
Further subdivision of a paragraph.	(1), (2), etc.
	(i), (ii), etc.
	(A), (B), etc.
	(*I*), (*2*), etc.
	(*i*), (*ii*), etc.

§ 21.12 Reservation of numbers.

In a case where related parts or related sections are grouped under a heading, numbers shall be reserved at the end of each group to allow for expansion.

§ 21.13 Addition of new units between existing units.

(a) Whenever it is necessary to introduce a new part or section between existing consecutive parts or sections, the new part or section shall be designated by the addition of a lower case letter to the number of the preceding part or section. For example, a part inserted between Parts 31 and 32 is numbered "31a", and a section inserted between § 31.1 and § 31.2 is numbered "§ 31.1a".

(b) Whenever it is necessary to insert a paragraph between existing consecutive paragraphs, and revision of the entire paragraph is not desired, the new paragraph shall be designated by the addition of a hyphen and an Arabic number to the letter designating the preceding paragraph. For example, a paragraph inserted between paragraph (a) and (b) is designated "(a–1)".

§ 21.14 Keying to agency numbering systems.

The Director of the Federal Register may allow the keying of section numbers to correspond to a particular numbering system used by an agency only when, in his opinion, the keying will benefit both that agency and the public.

§ 21.15 Statements of policy and interpretations.

(a) Whenever a statement of general policy or an interpretation, submitted pursuant to section 552(a)(1)(D) of Title 5, United States Code, applies to an entire part, it shall be included in or appended to that part.

(b) Whenever a statement of general policy or an interpretation applies to a specific section it shall be appended to that section.

(c) Statements of policy and interpretations that are broader in scope than those covered by paragraphs (a) and (b) of this section shall be assigned to a part or group of parts within the chapter affected.

HEADINGS

§ 21.16 Required Code headings.

(a) The title, chapter, and part headings, in that order, shall be set forth in full on separate lines at the beginning of each document. Subtitle, subchapter, and subpart headings shall, if applicable, also be set forth.

(b) Each section shall have a brief descriptive heading, preceding the text, on a separate line.

§ 21.17 Additional captions.

(a) For the purpose of publication in the FEDERAL REGISTER, a brief caption more specifically describing the scope of a document constituting a partial amendment of the material in a part shall be provided immediately below the part heading.

(b) An agency that uses regulation numbers or other identifying symbols shall place them in brackets centered immediately above the part heading.

§ 21.18 Tables of contents.

A table of contents shall be used at the beginning of the part whenever a new part is introduced, an existing part is completely revised, or a group of sections is revised or added and set forth as a subpart or otherwise separately grouped under a center head. The table shall follow the part heading and precede the text of the regulations in that part. It shall also list the headings for the subparts, undesignated center headings, and sections in the part.

§ 21.19 Composition of part headings.

Each part heading shall indicate briefly the general subject matter of the part. Phrases such as "Regulations under the Act of July 28, 1955" or other expressions that are not descriptive of the sub-

ject matter may not be used. Introductory expressions such as "Regulations governing" and "Rules applicable to" may not be used.

AMENDMENTS

§ 21.20 General requirements.

(a) Each amendatory document shall identify in specific terms the unit amended, and the extent of the changes made.

(b) The number and heading of each section amended shall be set forth in full on a separate line.

REFERENCES

§ 21.21 General requirements.

(a) Each reference to the Code of Federal Regulations shall be in terms of the specific titles, chapters, parts, sections, and paragraphs involved. Ambiguous references such as "herein", "above", "below", and similar expressions may not be used.

(b) Each document that contains a reference to material published in the Code shall include the Code citation as a part of the reference.

§ 21.22 References between or within titles.

Unless the meaning is otherwise precisely expressed and an undue or awkward repetition would result, the following references shall be used:

(a) *Between titles.* When reference is made to material codified in a title other than that in which the reference occurs, the short form of citation shall be used. For example, a reference within Title 41 to § 2.4 of Title 1 is "1 CFR 2.4".

(b) *Within titles.* When reference is made to material codified in the same title, the following forms shall be used, as appropriate:

Chapter ------ of this title.
Part ------ of this title.
§ ------ of this title.

(c) *Within chapters.* When reference is made to material codified in the same chapter, the following forms shall be used, as appropriate:

Part ------ of this chapter.
§ ------ of this chapter.

(d) *Within sections.* When reference is made to material codified in the same section, the following forms shall be used, as appropriate:

Paragraph (------) of this section.

§ 21.23 Parallel citations of Code and Federal Register.

For parallel reference, the Code of Federal Regulations and the FEDERAL REGISTER may be cited in the following forms, as appropriate:

------ CFR ------ (------ FR ------).
§ ------ of this chapter (------ FR ------).

§ 21.24 References to 1938 edition of Code.

When reference is made to material codified in the 1938 edition of the Code of Federal Regulations, or a supplement thereto, the following forms may be used, as appropriate:

------ CFR, 1938 Ed., ------.
------ CFR, 1943, Cum. Supp., ------.
------ CFR, 1946 Supp., ------.

EFFECTIVE DATE STATEMENT

§ 21.30 General.

Each document subject to codification shall include a clear statement as to the date or dates upon which its contents become effective.

Subpart B—Citations of Authority

§ 21.40 General requirements.

(a) Each section in a document subject to codification shall include, or be covered by, a complete citation of the authority under which the section is issued, including—

(1) General or specific authority delegated by statute; and

(2) Executive delegations, if any, necessary to link the statutory authority to the issuing agency.

§ 21.41 Agency responsibility.

(a) Each issuing agency is responsible for the accuracy and integrity of the citations of authority in the documents it issues.

(b) Each issuing agency shall formally amend the citations of authority in its codified material to reflect any changes therein.

§ 21.42 Exceptions.

The Director of the Federal Register may make exceptions to the requirements of this subpart relating to placement and form of citations of authority whenever he determines that strict application would impair the practical use of the citations.

PLACEMENT

§ 21.43 Coverage.

(a) *Single section.* Authority covering a single section shall be cited in parentheses on a separate line immediately following the text of the section. For example:

(Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654))

(b) *Blanket coverage.* Authority covering two or more consecutive sections shall be cited following the word "AUTHORITY" and placed as a text note immediately preceding the first section of the group. For example:

AUTHORITY: Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654).

(c) *Combined blanket and separate coverage.* Whenever individual sections within a group covered by a blanket citation reflect additional authority, a combined form shall be used. For example:

AUTHORITY: Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654), unless otherwise noted.

(d) *Combined blanket coverage.* Whenever a group of two or more consecutive sections within a broader group covered by a blanket citation reflects the same additional authority, a combined blanket citation shall be used. For example:

AUTHORITY: Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654). §§ 7.1 to 7.11 also issued under sec. 313, Pub. L. 85-726, 72 Stat. 752 (49 U.S.C. 1354).

§ 21.44 Documents involving various amendments.

(a) Whenever a document prescribes several amendments issued under common authority, the citation to that authority shall be placed in parentheses on a separate line after the last amendment.

(b) Whenever a document prescribes several amendments issued under varying authorities, each amendment shall be followed by the appropriate citation in parentheses on a separate line.

§ 21.45 Nonstatutory authority.

Citation to a document as authority shall be placed after the statutory citations. For example:

AUTHORITY: Sec. 9, Pub. L. 89-670, 80 Stat. 944 (49 U.S.C. 1657). E.O. 11222, 30 FR 6469, 3 CFR 1965 Comp.

FORM

§ 21.51 General.

(a) Formal citations of authority shall be in the shortest form compatible with positive identification and ready reference.

(b) The Office of the Federal Register shall assist agencies in developing model citations.

§ 21.52 Statutory materials.

(a) *Public laws.* Citations to current public laws shall include reference to the volume and page of the U.S. Statutes at Large to which they have been assigned. For example:

Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654)

(b) *U.S. Statutes at Large.* Citations to the U.S. Statutes at Large shall refer to section, page, and volume. The page number should refer to the page on which the section cited begins. If the cited material is contained in a title of the United States Code that has not been positively enacted, the parallel United States Code citation shall also be given. For example:

Sec. 5, Pub. L. 89-670, 80 Stat. 935 (49 U.S.C. 1654); sec. 313, Pub. L. 85-726, 72 Stat. 752 (49 U.S.C. 1354)

(c) *Positive law titles of the United States Code.* Citations to titles of the United States Code that have been enacted into positive law (such as 1, 5, 10, etc.) shall be cited as follows, without public law or U.S. Statutes at Large citation:

10 U.S.C. 501.

§ 21.53 Nonstatutory materials.

Nonstatutory documents shall be cited by document designation and by FEDERAL REGISTER volume and page, followed, if possible, by the parallel citation to the Code of Federal Regulations. For example:

Special Civil Air Reg. SR-422A, 28 FR 6703, 14 CFR Part 4b. E.O. 11130, 28 FR 12789; 3 CFR 1959-1963 Comp.

PART 22—PREPARATION OF NOTICES AND RULE MAKING PROPOSALS

NOTICES IN GENERAL

Sec.
22.1 Name of issuing agency and subdivision.
22.2 Authority citation.

NOTICES OF PROPOSED RULE MAKING

22.5 General requirements.
22.6 Code designation.
22.7 Codification.

AUTHORITY: 44 U.S.C. 1506; sec. 6, E.O. 10530, 19 FR 2709; 3 CFR 1954–1958 Comp. p. 189.

NOTICES IN GENERAL

§ 22.1 Name of issuing agency and subdivision.

(a) The name of the agency issuing a notice shall be placed at the beginning of the document.

(b) Whenever a specific bureau, service, or similar unit within an agency issues a notice, the name of that bureau, service, or unit shall be placed on a separate line below the name of the agency.

(c) An agency that uses file numbers, docket numbers, or similar identifying symbols shall place them in brackets immediately below the other headings required by this section.

(d) A suitable short title identifying the subject shall be provided beginning on a separate line immediately after the other required caption or captions. Whenever appropriate, an additional brief caption indicating the nature of the document shall be used.

§ 22.2 Authority citation.

The authority under which an agency issues a notice shall be cited in narrative form within text or in parentheses on a separate line following text.

NOTICES OF PROPOSED RULE MAKING

§ 22.5 General requirements.

Each notice of proposed rule making required by section 553 of title 5, United States Code, or any other statute, and any similar notice voluntarily issued by an agency shall include a statement of—

(a) The time, place, and nature of public rule making proceedings; and

(b) Reference to the authority under which the regulatory action is proposed.

§ 22.6 Code designation.

The area of the Code of Federal Regulations directly affected by a proposed regulatory action shall be identified by placing the appropriate CFR citation in brackets immediately below the name of the issuing agency. For example:

[1 CFR Part 22]

§ 22.7 Codification.

Any part of a notice of proposed rule making document that contains the full text of a proposed regulation shall also conform to the pertinent provisions of Part 21 of this chapter.

[FR Doc.72-18989 Filed 11-3-72;8:51 am]

Chapter II—Office of the Federal Register

PART 51—INCORPORATION BY REFERENCE

The purpose of this amendment is to adopt a revised regulation governing the incorporation by reference of material outside the Code of Federal Regulations in Federal Register documents. This amendment is based on a notice of proposed rule making published in the FEDERAL REGISTER on April 4, 1972 (37 F.R. 6805).

Several of the commenters expressed general opposition to the use of "incorporation by reference" in Federal Register documents and recommended against adoption of proposed Part 51. With respect to these comments, it should be pointed out that specific congressional authority for the use of incorporation by reference has existed since 1967 (5 U.S.C. 552(a)) and that proposed Part 51 is for the most part a revision of 1 CFR Part 20, which was originally adopted the same year. Thus, adoption of Part 51 is not an invitation to increased usage of incorporation by reference. Actually, as was discussed in the notice of proposed rule making, in several respects revised Part 51 imposes more restrictions and places more control in the Director of the Federal Register than did the previous regulations.

One commenter suggested that the proposed regulations appear to apply to notice of proposed rule making documents although 5 U.S.C. 552(a) applies only to final rule making documents. To clarify this, a new paragraph (e) has been added to § 51.1. This new provision also encourages agencies to consult with the office of the Federal Register with respect to the requirements of Part 51 before submission of proposed rule making documents. In this way agencies can avoid problems that might surface after a document has gone through notice and public comment.

Another commenter pointed out that the use of incorporation by reference in a proposed rule making document can affect the reasonableness of the time period for public comment. This commenter made the valid point that sometimes it takes weeks to obtain a technical document proposed to be incorporated by reference and that little time may be left for review and submission of comments. While this comment is outside the scope of the proposed regulation, agencies are urged to consider this factor in establishing the comment period.

One commenter pointed out that, as proposed, § 51.10(c) would require the republication of a document or a portion thereof, whenever a document containing an incorporation by reference is published in the FEDERAL REGISTER without the Director's advance approval. The commenter suggested that a more flexible approach might be warranted since the incorporation by reference might well be one that the Director would be willing to approve after publication and that in such a case republication would serve no useful purpose. Section 51.10(c) has been rewritten to make it clear that the mere publication in the FEDERAL REGISTER of a document containing an incorporation by reference is not of itself approval by the Director of that incorporation. In such a situation, the Director will review the document after publication and the proper corrective action can be worked out between the agency and the Director.

In consideration of the foregoing, and after considering all relevant comments received, Part 51 is adopted as proposed with the following changes:

1. A new paragraph (e) is added to § 51.1.
2. A new paragraph (c) is added to § 51.10.
3. Section 51.12 is revised.

Effective date. This amendment is effective January 2, 1973.

FRED J. EMERY,
Director of the Federal Register.

GENERAL

Sec.
51.1 Policy.
51.2 Matter eligible.
51.3 Distinctions.
51.4 Elements on which approval may be based.
51.5 Filing.

DRAFTING STANDARDS

51.6 Language of incorporation.
51.7 Identification and description.
51.8 Statement of availability.

PUBLICATION PROCEDURES

51.10 Advance consultation.
51.11 Letter transmitting final document.
51.12 Stamp of approval.

AUTHORITY: The provisions of this Part 51 issued under 5 U.S.C. 552(a).

GENERAL

§ 51.1 Policy.

(a) Section 552(a) of Title 5, United States Code, provides, in part, that "matter reasonably available to the class of persons affected thereby is deemed published in the FEDERAL REGISTER when incorporated by reference therein with the approval of the Director of the Federal Register."

(b) The Director will strictly interpret the language quoted in paragraph (a) of this section to provide fairness and uniformity in administrative proceedings involving publication in the FEDERAL REGISTER.

(c) The Director will interpret and apply the language quoted in paragraph (a) of this section with full regard to the significance of related instruments governing publication in the FEDERAL REGISTER and the Code of Federal Regulations. Related instruments include—

(1) Subchapter II of Chapter 5 of Title 5, United States Code;

(2) Chapter 15 of Title 44, United States Code;

(3) Chapter I of this title; and

(4) Special statutory provisions listed in appendix B to Chapter I of this title, that require publication in the FEDERAL REGISTER.

(d) The Director will assume that the language quoted in paragraph (a) of this section is—

(1) Designed to cover the limited purposes of section 552(a) of title 5, United States Code;

(2) Intended to benefit both the Federal Government and the members of the classes affected by reducing the volume of matter printed in the FEDERAL REGISTER; and

(3) Not intended to detract from the legal or practical attributes of the system established under the basic instruments listed in paragraph (c) of this section.

(e) While the requirements of 5 U.S.C. 552(a) and of this part apply to a final rule making document, issuing agencies are encouraged to consult the Office of the Federal Register with respect to the requirements of this part before submitting for publication a notice of proposed rule making document that contains an incorporation by reference.

§ 51.2 Matter eligible.

To be eligible for incorporation by reference, under section 552(a) of Title 5, United States Code, in a document to be published in the FEDERAL REGISTER, material must conform to the policy stated in § 51.1 and be in the nature of published data, criteria, standards, specifications, techniques, illustrations, or other published information reasonably available to the members of the class that would be affected by the publication.

§ 51.3 Distinctions.

(a) *Ordinary references.* For the purposes of this part, informational references and cross references that do not purport to incorporate outside matter within a FEDERAL REGISTER document are not considered to be legal incorporations by reference under section 552(a) of Title 5, United States Code.

(b) *Regulations governing availability of agency issuances.* Regulations governing the availability of agency issuances are not considered to be legal incorporation by reference under section 552(a) of Title 5, United States Code.

§ 51.4 Elements on which approval may be based.

The Director of the Federal Register will approve an incorporation by reference only when the following considerations are favorable and reasonably stable:

(a) The matter is eligible.

(b) Incorporation will substantially reduce the volume of material published in the FEDERAL REGISTER.

(c) The matter incorporated is in fact available to the extent necessary to afford fairness and uniformity in the administrative process.

(d) The incorporating document is drafted and submitted for publication in accordance with this part.

§ 51.5 Filing.

Copies of material approved for incorporation by reference including copies of all amendments or revisions to that material, shall be filed with the Office of the Federal Register.

DRAFTING STANDARDS

§ 51.6 Language of incorporation.

(a) The language incorporating material by reference shall be as precise and complete as possible.

(b) The words expressing the incorporation shall make it clear that the incorporation by reference is intended and completed by the document in which it appears.

§ 51.7 Identification and description.

(a) Each incorporation by reference shall include an identification and subject description of the matter incorporated, in terms as precise and useful as practicable within the limits of reasonable brevity.

(b) Titles, dates, editions, numbers, authors, and publishers shall be stated whenever they would contribute to clear identification.

(c) A brief subject description shall be included to inform the user of his potential need to obtain the matter incorporated.

§ 51.8 Statement of availability.

(a) *Information.* Each incorporation by reference shall include a statement covering the availability of the material incorporated, including current information as to where and how copies of it may be examined and be readily obtained with maximum convenience to the user.

(b) *Official showing.* Inclusion of the statement required by paragraph (a) of this section constitutes an official showing by the issuing agency that the material incorporated is, in fact, reasonably available to the class of persons affected.

(c) *Future amendments or revisions.* In any case in which incorporated material will be subject to change, the statement required by paragraph (a) of this section shall set forth that information. However, the incorporation of material in a FEDERAL REGISTER document by reference is limited to the material as it exists on the effective date of the document. Future amendments or revisions of material incorporated by reference are not included. They may be added as they become available, or at any later time, by the issuance of an amendatory document. Separate approval of the Director of the incorporation of each amendment whose original incorporation was approved need not be obtained if all other requirements of this part are met.

PUBLICATION PROCEDURES

§ 51.10 Advance consultation.

(a) To avoid delay, each issuing agency shall consult in advance with the Director of the Federal Register regarding the approval of any specific incorporation by reference. The consultation should take place at least 10 working days before the proposed date of submission of the document.

(b) After completion of the consultation, the Director will notify the agency of his decision, at least 5 working days before the proposed date of submission of the document.

(c) Publication in the FEDERAL REGISTER of a document containing an incorporation by reference does not, of itself, constitute approval by the Director of the incorporation by reference.

§ 51.11 Letter transmitting final document.

Each agency submitting a document under this part shall send with it a letter of transmittal covering the matter of incorporation by reference and referring specifically to the advance consultation.

§ 51.12 Stamp of approval.

(a) Whenever the Director of the Federal Register accepts a document under this part a statement will be printed in the FEDERAL REGISTER as part of the document substantially as follows:

Incorporation by reference provisions approved by the Director of the Federal Register _____.

(date)

[FR Doc.72-18990 Filed 11-3-72;8:51 am]

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