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MONDAY, MAY 13, 1974

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PART I

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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reminders

(The items in this list were editorially compiled as an aid to FEDERAL REGISTER users. Inclusion or exclusion from this list has no legal significance. Since this list is intended as a reminder, it does not include effective dates that occur within 14 days of publication.)

Rules Going Into Effect Today

This list includes only rules that were published in the FEDERAL REGISTER after October 1, 1972.

page no. and date

HEW/Office of Education—Emergency School Aid; eligibility for funds.
13268; 4–12–74

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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, 1974, and specifies how they are affected.

rules and regulations

Title 7—Agriculture

CHAPTER XVIII—FARMERS HOME ADMINISTRATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER A—GENERAL REGULATIONS

[FHA Instruction 426.2]

PART 1806—INSURANCE

National Flood Insurance, Additions and Redesignations

Part 1806, "Real Property Insurance," of Subchapter A, 7 CFR Chapter XVIII is amended for expansion of this Part into Subparts A and B and to change the title of this Part to "Insurance." Part 1806 as presently shown in the CFR will be retained without change and is hereby redesignated as Subpart A; a new Subpart B entitled, "National Flood Insurance," provides regulations requiring flood insurance coverage for buildings and their contents in designated flood and mudslide prone areas. This regulation is being established to implement these provisions of the National Flood Insurance Act of 1969 as amended by the Flood Disaster Protection Act of 1973.

It is the policy of the Department that rules relating to public property, loans, grants, benefits or contracts shall be published for comment notwithstanding the exemption in 5 U.S.C. 553 with respect to such rules. See the Secretary of Agriculture's statement setting forth the policy on public participation in rulemaking 36 FR 13804, dated July 24, 1971. In accordance with the spirit of that policy, interested parties may submit written comments, suggestions, data or arguments to the Office of the Deputy Administrator Comptroller, Farmers Home Administration, U.S. Department of Agriculture, Room 5007, South Building, Washington, D.C. 20250, on or before June 12, 1974. Material thus submitted will be evaluated and acted upon in the same manner as if this document were a proposal. Since losses from floods have been increasing, this Subpart shall remain effective until it is amended. It is in the public interest for persons already living in flood prone areas to have an opportunity to purchase flood insurance.

Effective date. This new Subpart B will become effective May 15, 1974.

1. As amended, the title of Part 1806 is changed to read "Insurance"; its existing §§ 1806.1–1806.6 are designated as new Subpart A and Subpart B is added as follows:

Subpart A—Real Property Insurance

* * * * *

Subpart B—National Flood Insurance

Sec.

AUTHORITY: 7 U.S.C. 1989; 42 U.S.C. 1480; 40 U.S.C. 442; 42 U.S.C. 2942; 5 U.S.C. 301; delegation of authority by the Sec. of Agri., 38 FR 14944 (7 CFR 2.23); delegation of authority by the Asst. Sec. for Rural Development, 38 FR 14944, 14952, (7 CFR 2.70).

Subpart B—National Flood Insurance

§ 1806.21 General.

(a) *Authority.* This Subpart prescribes the policies and procedures to be followed in implementing the National Flood Insurance Act of 1968 as amended by the Flood Disaster Protection Act of 1973. The provisions of these Acts are applicable to Farmers Home Administration (FmHA) authorities permitting financing of buildings of any type now located in or to be located in special flood or mudslide prone areas as designated by the Federal Insurance Administration (FIA) of the Department of Housing and Urban Development (HUD), and any machinery, equipment, fixtures and furnishings contained or to be contained therein.

(b) *Background.* The Congress has found that annual losses throughout the nation caused by floods and mudslides are increasing at an alarming rate, largely as a result of the accelerated development and concentration of populations in areas subject to floods and mudslides. The availability of Federal funds in the form of loans, grants, guarantees, insurance and other forms of financial assistance are often determining factors in the utilization of land and the location and construction of industrial, commercial and residential facilities.

(c) *Scope.* The National Flood Insurance Program (the program) was authorized and created because the private insurance industry has been unable to provide insurance coverage at reasonable prices for such natural disasters as floods and mudslides. Subsidized and affordable insurance has been made available under the Act through an agreement between the Federal Insurance Administration and the National Flood Insurers Association.

§ 1806.22 Areas of responsibility.

(a) *Federal Insurance Administration (FIA).* (1) Identify and publish information with respect to all areas in the country which are subject to floods and mudslides and designate those areas on Flood Hazard Boundary maps.

(2) Notify affected communities of their designations and encourage them to adopt and enforce land use and other control measures and to adopt ordinances or laws which will regulate and control construction in areas designated as having special flood or mudslide hazards.

(3) Make flood insurance available at reasonable rates in sufficient amounts, within the statutory limits, to adequately protect owners against loss to their buildings and contents when those buildings are located in or will be located in designated special flood and mudslide prone areas in communities participating in the National Flood Insurance Program.

(b) *Farmers Home Administration.* The State Director, after being notified by the FmHA National Office or FIA of designated flood or mudslide hazard areas and receiving flood hazard boundary maps identifying the hazard areas, FIA insurance rate charts, or other information concerning the program, will inform the appropriate County Supervisors and provide them the maps, rate charts, and other relevant information concerning the program in areas they serve. Permanent records indicating the date a community was notified as containing identified flood hazard areas, communities participating in the program, and communities eligible to participate but not participating in the program will be maintained in the State Office. County Supervisors will notify, in writing, those borrowers whose insurable buildings are located in designated flood or mudslide hazard areas of the availability of national flood insurance and encourage them to obtain flood insurance to protect their and the Government's financial interest.

(c) *Community.* Communities are required to participate in the National Flood Insurance Program within 1 year after notification of its formal identification as a community containing one or more special flood and mudslide prone areas, or by July 1, 1975, whichever is later, or be denied Federal financial assistance or Federally-related financial assistance for acquisition or construction purposes in such areas. Communities wishing to qualify for the program may submit a completed application to: Administrator, Federal Insurance Administration, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, D.C. 20410.

(d) *Lender.* The lender must determine whether real property is located in

an area identified as having special flood or mudslide hazards and cannot discharge the responsibility merely by obtaining a self-certification from the applicant that the property is not located in an area having special flood hazards.

§ 1806.23 Definitions.

For the purpose of this subpart, the following definitions apply:

(a) Financial assistance means any form of direct, insured or guaranteed loan, including reamortization and assumption on new terms of any loan, any form of grant, or other form of direct or indirect assistance extended by the FmHA.

(b) Financial assistance for acquisition or construction purposes means any form of Federal financial assistance which is intended in whole or in part for the acquisition, construction, reconstruction, or substantial improvement of any building and for any machinery, equipment, fixtures and furnishings contained or to be contained in such buildings.

(c) Community means any state or political subdivision thereof, such as county, parish, township, city or other local government which has zoning and building code jurisdiction over a particular area having special flood hazards.

(d) Eligible community means a community in which the Administrator of FIA has authorized the sale of flood insurance under the program.

(e) Designated special flood or mudslide prone area means those areas in a community subject to flood or mudslide which have been identified by flood hazard boundary maps or those areas not identified by maps but where, due to emergency, the FIA Administrator has authorized the sale of flood insurance.

(f) Flood means a general and temporary condition of partial or complete inundation of normally dry land areas from the overflow of streams, rivers, or other inland water, the collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, or abnormally high tidal water or rising coastal waters resulting from severe storms, hurricanes, or tidal waves resulting from volcano eruptions or earthquakes.

(g) Mudslide or mudflow means a major occurrence involving the appearance of a large river or flow of "liquid mud" down a hillside, usually as a result of earlier brushfires followed by heavy rains over a widespread area.

(h) Flood insurance means insurance coverage for floods and/or mudslides under the program or otherwise acceptable to FIA.

(i) Building means any walled and roofed structure, other than a gas or liquid tank, that is principally above ground and affixed to a permanent site. Residential and most types of industrial, commercial, and agricultural buildings, such as lumber sheds, machinery storage sheds, grain storage bins, and silos, are included in this definition.

(j) Substantial improvement means any repair, reconstruction or improvement of a structure, the cost of which equals or exceeds 50 percent of the actual cash value of the structure either before the improvement is started or, if the structure has been damaged and is being restored, before the damage occurred.

§ 1806.24 Eligibility.

In addition to an applicant meeting the requirements for the type of financial assistance requested, the following requirements for eligibility of applicants for financial assistance for acquisition and construction purposes in designated special flood and mudslide prone areas must be met:

(a) If flood insurance is available, to be eligible after March 1, 1974, the applicant must have purchased a flood insurance policy at the time the loan or grant is closed.

(b) Applicants will not receive financial assistance in those communities that have been notified as having special flood and mudslide prone areas and where flood insurance is not available within 1 year after such notification or by July 1, 1975, whichever is later.

§ 1806.25 Conditions.

FmHA financial assistance may be extended to eligible applicants meeting the eligibility requirements of § 1806.24 of this subpart, provided the following conditions are also met:

(a) *Dwelling and multi-unit housing facilities.* (1) If the financial assistance is to buy a dwelling or multi-unit housing facility:

(i) The first floor elevation of the habitable space of the dwelling or housing unit must be above the 100-year flood level.

(ii) The housing must be served by public utilities and facilities, such as sewer, gas, electrical and water systems that are located and constructed to minimize or eliminate flood damage, or have an onsite water supply system and waste disposal system located so as to avoid impairment of such systems and contamination from the waste disposal system to the water supply system from flooding.

(2) If the financial assistance is to build or provide substantial improvement, the requirements of paragraph (a) (1) of this section must be met and all construction must meet requirements of the applicable minimum property standards.

(i) A building permit must be issued by the appropriate governing officials having jurisdiction in the area and compliance must be had with the zoning code or other established legal requirements of the area for reducing or eliminating flood or mudslide damage.

(ii) The structure must be designed and anchored to prevent flotation, collapse or lateral movement of the structure.

(iii) Construction materials and utility equipment that are resistant to flood damage must be used.

(iv) Construction methods and practices that will minimize flood damage must be followed.

(3) If the financial assistance is to make minor repairs, the conditions of paragraph (a) (1) (i) and (2) (i), (ii) and (iii) of this section must be met or the building must have existed on the site prior to the date the area was identified as having special flood or mudslide hazards and the loan approval official must determine that the dwelling is suitable as a residence.

(4) When applications for financial assistance are received in areas identified as having special flood and mudslide hazards, the loan approval official will consider the expected severity and frequency of floods and mudslides in determining whether any housing loans should be made in the area. He should be sure, if loans are made, that the objectives of the loans can be accomplished and the Government's financial interest will be adequately protected.

(b) *Nonresidential buildings.* Construction plans and specifications for new buildings or improvements to existing buildings must comply with flood plain area management or control laws, regulations or ordinances.

(c) *Flood insurance coverage.* (1) Any property on which flood insurance is required must be covered by such insurance during its anticipated economic and useful life in an amount at least equal to its development or replacement cost (except estimated land cost), or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Program, whichever is less. However, if the financial assistance provided is in the form of a loan, the amount of flood insurance required need not exceed the outstanding principal balance of the loan and need not be required beyond the term of the loan.

(2) The contents of a building must be insured separately from a building but coverage cannot be written on the contents of a three-walled machinery shed or similar type open building.

(3) Flood insurance shall not be required on any state owned property that is covered under an adequate state policy of self-insurance satisfactory to the Secretary of HUD, who will publish a list of states with such policies.

§ 1806.26 Coverage and premium rates.

Exhibit A sets forth limits of coverage and chargeable premium rates under the program. Insurance policies under the program can be obtained from any licensed property insurance agent or broker serving the eligible community or from the National Flood Insurers Association Serving Company (Serving Company) for the state. The Servicing Company for each state is shown in Exhibit B.

§ 1806.27 Acceptable policies and servicing.

The general acceptance of policies and servcing of insurance will be performed

in accordance with subpart A of this part. Any unusual situations that may arise with respect to obtaining or servicing flood insurance should be referred to the State Director. The State Director will attempt to resolve any problems concerning the flood insurance program in the state with the Servicing Company. Flood hazard boundary maps, insurance rate tables, the insurability of specific structures, and other information concerning the program may be obtained from the Servicing Company. Difficulties in administering the program which the State Director is unable to resolve should be referred to the National Office for assistance.

EXHIBIT A—COVERAGE AND PREMIUM RATES

1. The following table sets forth the limits of coverage available under the program:

Type of structure	Structure coverage		Contents of coverage [4]	
	Subsidized	Total [3]	Subsidized	Total [3]
Single family, residential [1]	$35,000	$70,000	$10,000	$20,000
All other, residential [1]	100,000	200,000	10,000	20,000
All nonresidential [2]	100,000	200,000	100,000	200,000

[1] For Alaska, Hawaii, and the Virgin Islands, the following limits of coverage apply: Structure coverage for one family residential is $50,000 subsidized and $100,000 total coverage, and structure coverage for other residential is $150,000 subsidized and $300,000 total coverage.
[2] Includes hotels and motels with normal occupancy of less than 6 months.
[3] Coverage in amounts exceeding the subsidized limits is available only after an actuarial cost has been established and flood insurance rate may be issued.
[4] Contents of a building must be insured separately from the building. However, coverage is applicable to contents only while in an enclosed building. Therefore, coverage cannot be written on the contents of a three-walled machinery shed or a similar type open building.

2. The following table sets forth the applicable premium rates:

Type of structure	Rates per $100 of coverage (subsidized only)	
	Structures	Contents
All residential	[1] $0.25	$0.35
All nonresidential	[1] .40	.75

[1] Actuarial (nonsubsidized) rates are applicable to any structure, the construction or substantial improvement of which started after Dec. 31, 1974, or the date on which the initial rate map was issued, whichever is later, in identified areas having special flood or mudslide hazards.

This list indicates the Servicing Company offices to be contacted for information relative to the availability of coverage under the National Flood Insurance Program in each state and from which information, flood hazard boundary maps, insurance rate tables, and related material can be obtained.

ALABAMA

The Hartford Insurance Group
Hartford Building
100 Edgewood Avenue
Atlanta, Georgia 30301
Phone: (404) 521-2059

ALASKA

Industrial Indemnity Co. of Alaska
943 West Sixth Avenue
Anchorage, Alaska 99501
Phone: (907) 279-9441

ARIZONA

Aetna Life and Casualty
Suite 901
3003 North Central Avenue
Phoenix, Arizona 85012
Phone: (602) 264-2621

ARKANSAS

The Travelers Indemnity Company
103 Seventh Street
Little Rock, Arkansas 72201
Phone: (501) 375-3253

CALIFORNIA—NORTHERN

Firemen's Fund American Insurance Co.
Post Office Box 3136
San Francisco, California 94120
Phone: (415) 421-1676

CALIFORNIA—SOUTHERN

Firemen's Fund American Insurance Co.
Post Office Box 2323
Los Angeles, California 90054
Phone: (213) 381-3141

COLORADO

CNA Insurance
1660 Lincoln—Suite 1800
Denver, Colorado 80203
Phone: (303) 266-0561

CONNECTICUT

Aetna Insurance Company
Post Office Box 1779
Hartford, Connecticut 06101
Phone: (203) 523-4861

DELAWARE

General Accident F&L Assurance Corp. Ltd.
414 Walnut Street
Philadelphia, Pennsylvania 19106
Phone: (215) 238-5000

FLORIDA

The Travelers Indemnity Company
1516 East Colonial Drive
Orlando, Florida 32803
Phone: (305) 896-2001

GEORGIA

The Hartford Insurance Group
Hartford Building
100 Edgewood Avenue
Atlanta, Georgia 30301
Phone: (404) 521-2059

HAWAII

First Insurance Co. of Hawaii, Ltd.
Post Office Box 2866
Honolulu, Hawaii 96803
Phone: (808) 548-5511

IDAHO

Allied Mutual Insurance Company
Snake River Division
1845 Federal Way
Boise, Idaho 83701
Phone: (208) 343-4931

ILLINOIS

State Farm Fire & Casualty Co.
Illinois Regional Office
2309 East Oakland Avenue
Bloomington, Illinois 61701
Phone: (309) 557-7211

INDIANA

United Farm Bureau Mutual Insurance Company
130 East Washington Street
Indianapolis, Indiana 46204
Phone: (317) 263-7200

IOWA

Employers Mutual Casualty Company
Post Office Box 712
Des Moines, Iowa 50304
Phone: (515) 280-2511

KANSAS

Royal-Globe Insurance Companies
1125 Grand Avenue
Kansas City, Missouri 64141
Phone: (816) 842-6116

KENTUCKY

CNA Insurance
111 East Fourth Street
Cincinnati, Ohio 45202
Phone: (513) 621-7107

LOUISIANA

Aetna Life & Casualty
Post Office Box 61003
New Orleans, Louisiana 70160
Phone: (504) 821-1511

MAINE

Commercial Union Insurance Company
c/o Campbell, Payson & Noyes
57 Exchange Street
Box 527 Pearl Street Station
Portland, Maine 04116
Phone: (207) 774-1431

MARYLAND

U.S. Fidelity & Guaranty Company
Calbert & Redwood Streets
Baltimore, Maryland 21203
Phone: (301) 539-0380

MASSACHUSETTS—EASTERN

Commercial Union Insurance Co.
1 Beason Street
Boston, Massachusetts 02108
Phone: (617) 725-6358

MASSACHUSETTS—WESTERN

Aetna Insurance Company
Post Office Box 1779
Hartford, Connecticut 06101
Phone: (203) 523-4861

MICHIGAN

Insurance Company of North America
Room 300—Buhl Building
Griswold & Congress Streets
Detroit, Michigan 48226
Phone: (313) 963-1441

MINNESOTA—EASTERN

The St. Paul Fire & Marine Insurance Company
Post Office Box 3470
St. Paul, Minnesota 55165
Phone: (612) 222-7751

MINNESOTA—WESTERN

The St. Paul Fire & Marine Insurance Company
7900 Xerxes Avenue South
Minneapolis, Minnesota 35431
Phone: (612) 920-6600

MISSISSIPPI

The Travelers Indemnity Company
5360 Interstate 55 North
Post Office Box 2361
Jackson, Mississippi 39205
Phone: (601) 956-5600

MISSOURI—EASTERN

MFA Insurance Companies
1817 West Broadway
Columbia, Missouri 65201
Phone: (314) 445-8441

MISSOURI—WESTERN

Royal-Globe Insurance Companies
1125 Grand Avenue
Kansas City, Missouri 64141
Phone: (816) 842-6116

MONTANA

The Home Insurance Company
8 Third Street North
Post Office Box 1031
Great Falls, Montana 59401
Phone: (406) 761–8110

NEBRASKA

Royal-Globe Insurance Companies
1125 Grand Avenue
Kansas City, Missouri 64141
Phone: (816) 842–6116

NEVADA

The Hardford Insurance
Post Office Box 500
Reno, Nevada 89504
Phone: (702) 329–1061

NEW HAMPSHIRE

Commercial Union Insurance Company
1 Beacon Street
Boston, Massachusetts 02108
Phone: (617) 725–6358

NEW JERSEY

Centennial Insurance Company
97 Main Street
Chatham, New Jersey 07928
Phone: (201) 635–6800

NEW MEXICO

CNA Insurance
518 17th Street
Denver, Colorado 80202
Phone: (303) 266–0561

NEW YORK—METROPOLITAN

Great American Insurance Company
5 Dakota Drive
Lake Success, New York 11040
Phone: (516) 775–6900

NEW YORK—UPSTATE

American Empire Insurance Company
215 Washington Street
Watertown, New York 13601
Phone: (315) 788–5000

NORTH CAROLINA

Kemper Insurance
1229 Greenwood Cliff
Charlotte, North Carolina 28204
Phone: (704) 372–7150

NORTH DAKOTA

The St. Paul Fire & Marine Insurance Company
Hamm Building
408 St. Peter Street
St. Paul, Minnesota 55102
Phone: (612) 227–9581

OHIO—NORTHERN

Commercial Union Insurance Company
1 Erieview Plaza
Cleveland, Ohio 44114
Phone: (216) 522–1060

OHIO—SOUTHERN

CNA Insurance
111 East Fourth Street
Cincinnati, Ohio 45202
Phone: (513) 621–7107

OKLAHOMA

Republic-Vanguard Insurance Group
Post Office Box 3000
Dallas, Texas 75221
Phone: (214) 528–0301

OREGON

State Farm & Casualty Company
4600 25th Avenue, NE.
Salem, Oregon 97303

PENNSYLVANIA—EASTERN

General Accident F&L Assurance Corp., LTD.
414 Walnut Street
Philadelphia, Pennsylvania 19106
Phone: (215) 238–5000

PENNSYLVANIA—WESTERN

Zurich-American Group
1665 Washington Road
Pittsburgh, Pennsylvania 15228
Phone: (412) 833–8000

PUERTO RICO

Puerto Rico Inspection & Rating Bureau
Post Office Box 1333
San Juan, Puerto Rico 00902
Phone: (809) 723–1830

RHODE ISLAND

American Universal Insurance Company
144 Wayland Avenue
Providence, Rhode Island 02904
Phone: (401) 351–4600

SOUTH CAROLINA

Maryland Casualty Company
Post Office Box 1849
Charlotte, North Carolina 28201
Phone: (704) 525–8330

SOUTH DAKOTA

The St. Paul Fire & Marine Insurance Company
Hamm Building
408 St. Peter Street
St. Paul, Minnesota 55102
Phone: (612) 227–9581

TENNESSEE

CNA Insurance
110 21st Avenue South
Nashville, Tennessee 37203
Phone: (615) 327–0061

TEXAS

The Home Insurance Company
2100 Travis Street
Houston, Texas 77002
Phone: (713) 225–0931

UTAH

CNA Insurance
518 17th Street
Denver, Colorado 80202
Phone: (303) 266–0561

VERMONT

Commercial Union Insurance Company
1 Beacon Street
Boston, Massachusetts 02108
Phone: (617) 725–6358

VIRGINIA

Insurance Company of North America
5225 Wisconsin Avenue, NW.
Washington, D.C. 20015
Phone: (202) 244–2000

WASHINGTON

Fireman's Fund America Insurance Companies
1000 Plaza 600 Building
Sixth & Stewart
Seattle, Washington 98101
Phone: (206) 587–3200

WEST VIRGINIA

U.S. Fidelity & Guaranty Company
3324 McCorkle Avenue SE.
Charleston, West Virginia 25304
Phone: (304) 344–1692

WISCONSIN

Aetna Insurance Company
5735 East River Road
Chicago, Illinois 60631
Phone: (312) 693–2500

WYOMING

CNA Insurance
518 17th Street
Denver, Colorado 80202
Phone: (303) 266–0561

Dated: May 6, 1974.

FRANK B. ELLIOTT,
Administrator,
Farmers Home Administration.

[FR Doc.74–10953 Filed 5–10–74;8:45 am]

Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Entire Executive Civil Service

Section 213.3102(v) is amended to state that the pay rate for Summer Aids shall be the equivalent of the highest minimum wage rate established by Fair Labor Standards Act of 1938, as amended, eliminating the use of State and local minimums in the pay of Summer Aids. In order to provide fair treatment in the rare cases in which a rate in excess of $2.00 per hour was paid in 1973 a provision is included stating that in a given location the rate of pay shall not be less than Federal agencies paid there in 1973. After 1974 pay shall be fixed only at the highest minimum established by the Fair Labor Standards Act of 1938, as amended.

Effective May 1, 1974, § 213.3102(v) is amended to read as follows:

§ 213.3102 Entire executive Civil Service.

* * * * *

(v) Temporary Summer Aid positions whose duties involve work of a routine nature not regularly covered under the General Schedule and requiring no specific knowledge or skills, when filled by youths appointed for summer employment under such economic or educational needs standards as the Commission may prescribe. A person may not be appointed unless he has reached his sixteenth but not his twenty-second birthday, or employed for more than 700 hours under this paragraph. This paragraph shall apply only to the positions whose pay is fixed at the equivalent of the highest minimum wage rate established by the Fair Labor Standards Act of 1938, as amended. However, during 1974 an agency shall not fix the pay at a rate less than that paid to Summer Aids by Federal agencies (other than the Postal Service) in the geographic area concerned in 1973.

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954–58 Comp. P. 218)

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

[FR Doc.74–10985 Filed 5–10–74;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 74-EA-23; Amdt. 39-1843]

PART 39—AIRWORTHINESS DIRECTIVES

Avco Lycoming Aircraft Engines

The Federal Aviation Administration is amending § 39.13 of Part 39 of the Federal Aviation Regulations so as to revise AD 73-5-1 applicable to Lycoming VO-540 type aircraft engines.

AD 73-5-1 required replacement of connecting rod assemblies with a newer assembly so as to correct deficiencies associated with failure of the assemblies. However, since promulgation, there have been reports of failures with the new assemblies. The manufacturer has improved and tested a newer design of bearing with a higher crush.

Since this deficiency can exist or develop in engines of similar type design an airworthiness directive is being issued which will require replacement of the assemblies with the newer high crush design.

Since the foregoing deficiency has an effect on air safety, notice and public procedure hereon are impractical 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 FR 13697] § 39.13 of Part 39 of the Federal Aviation Regulations is amended so as to revise AD 73-5-1 as follows:

AVCO LYCOMING. Applies to VO-540 Series engines beginning with S/N 101-43 thru 2299-43 IVO-540 series engines beginning with S/N 101-60 thru 150-60, TVO-540 Series engines beginning with S/N 101-53 thru 103-53 and TIVO-540 Series engines beginning with S/N 101-57 thru 163-57 and all engines overhauled (also known as remanufactured) by Lycoming before January 2, 1974 except the following Serial Numbers: RL-376-43, RL-483-43, RL-693-43, RL-695-43, RL-1091-43, RL-1205-43, RL-1429-43, RL-1753-43, RL-1960-43, RL-2017-43, RL-2032-43, RL-2125-43, RL-2139-43, RL-2244-43, RL-2245-43 and RL-2275-43.

Compliance required as indicated after the effective date of this AD, unless already accomplished or unless higher crush bearing P/N LW13212 has been installed in accordance with Lycoming Service Bulletins No. 303E or 303F.

To prevent failures of P/N 71947, P/N 73174, P/N 75548 and P/N LW10776 connecting rod assemblies and P/N 74450 connecting rod assembly with P/N 75547 connecting rod bearing installed in accordance with Lycoming Service Bulletins No. 303B, 303C or 303D, accomplish the following:

a. Engines with connecting rod assemblies that have accumulated 400 hours or more in service since new or overhaul must have the connecting rod assemblies replaced with new connecting rod assembly, P/N LW13422 and new connecting rod bearing, P/N LW13212 prior to 450 hours in service.

b. Engines that have connecting rod assemblies with less than 400 hours in service must have the connecting rod assemblies replaced with new connecting rod assembly, P/N LW13422 and new connecting rod bearing, P/N LW13212 prior to 450 hours in service.

c. Engines that have been modified in accordance with Lycoming Service Bulletins No. 303B, 303C or 303D must comply with items (a) or (b) above, except that the P/N 77450 connecting rod, free of any galling may be reused with P/N LW12596 connecting rod bolts and identified as assembly number LW13422.

This amendment is effective May 17, 1974.

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 Jamaica, N.Y., on May 3, 1974.

ROBERT H. STANTON,
Director, Eastern Region.

[FR Doc.74-10893 Filed 5-10-74;8:45 am]

[Docket No. 74-CE-4-AD; Amdt. 39-1841]

PART 39—AIRWORTHINESS DIRECTIVES

Beech Models 60 and A60 Airplanes

Amendment 39-1796, AD 74-5-5, published in the FEDERAL REGISTER on March 1, 1974, is an Airworthiness Directive (AD) applicable to Beech Models 60 and A60 airplanes (Serial Numbers P-3 through P-246) airplanes. This AD provides for replacement of the pilot's side window due to deterioration of the plexiglas or alternatively to deactivate the pressurization system. At the time AD 74-5-5 was issued the manufacturer neglected to inform the agency that two variations of the windows were available. Therefore, the AD is being revised to permit the installation of either window variation. In addition, Paragraph A of the AD is being revised to provide an acceptable method to deactivate the pressurization system.

Since this amendment is relaxatory in nature and is in the interest of safety, 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 FR 13697), Section 39.13 of Part 39 of the Federal Aviation Regulations, Amendment 39-1796, AD 74-5-5 is amended in the following respects:

1. The applicability statement is amended so that it now reads as follows:

BEECH. Applies to Models 60 and A60 (Serial Numbers P-3 through P-246) airplanes now having or subsequently accruing 27 months in service from the date of the original airworthiness certification, except those airplanes having Beech P/N 60-420013-59 or Beech P/N 60-420013-652 pilot's side window installed.

2. Paragraph A of AD 74-5-5 is amended so that it now reads as follows:

(A) Effective immediately, operation with the cabin pressurized is prohibited and prior to further flight (1) deactivate the pressurization system by securing the "TEST/DUMP" switch in the "Dump" position and install a placard on the control panel adjacent to the pressurized system controls reading:

"CABIN PRESSURIZATION PROHIBITED"

and (2) insert a copy of this AD in the limitation section of the airplane flight manual.

3. Paragraph B of AD 74-5-5 is amended so that it now reads as follows:

(B) In lieu of Paragraph A (1) and (2), and prior to operation with cabin pressurization, replace existing pilot's side window with Beech P/N 60-420013-59 or Beech P/N 60-420013-652 pilot side window in accordance with Beechcraft Service Instructions No. 0594-110, or later approved revisions or any equivalent approved by the Chief, Engineering and Manufacturing Branch, FAA, Central Region.

This amendment becomes effective May 17, 1974.

(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, Missouri, on May 3, 1974.

GEORGE R. LACAILLE,
Acting Director, Central Region.

[FR Doc.74-10894 Filed 5-10-74;8:45 am]

[Airspace Docket No. 74-AL-5]

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

Alteration of Control Zone Hours of Operation

On March 28, 1974, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (39 FR 11432) stating that the Federal Aviation Administration proposed amendments to Part 71 of the Federal Aviation Regulations that would alter the Fort Yukon, Alaska, control zone.

Interested persons were afforded an opportunity to participate in the proposed rulemaking through the submission of comments. No objections were received.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended effective 0901 G.m.t., May 23, 1974, as hereinafter set forth.

1. In § 71.171 (39 FR 354) the Fort Yukon control zone is amended by deleting the words "* * * except Sunday * * * "

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

Issued in Anchorage, Alaska, on May 3, 1974.

LYLE K. BROWN,
Director, Alaskan Region.

[FR Doc.74-10895 Filed 5-10-74;8:45 am]

[Airspace Docket No. 73-SW-42]

PART 73—SPECIAL USE AIRSPACE

Designation of Restricted Area

Correction

In FR Doc. 74-9406 appearing at page 14584 of the issue for Thursday, April 25,

1974, in the fifth line of the description of the restricted area in the first column of page 14585, "Lat. 30°50'00" " should read "Lat. 30°50'30" ".

[Airspace Docket No. 74-SO-8]

PART 75—ESTABLISHMENT OF JET ROUTES AND AREA HIGH ROUTES

Establishment of RNAV Route

On March 18, 1974, a Notice of Proposed Rule Making (NPRM) was published in the FEDERAL REGISTER (39 FR 10162) stating that the Federal Aviation Administration (FAA) was considering an amendment to Part 75 of the Federal Aviation Regulations that would replace J-873R serving Columbia, S.C., to Atlanta, Ga., with new RNAV route J-869R.

Interested persons were afforded an opportunity to participate in the proposed rule making through the submission of comments. No comments were received.

In consideration of the foregoing, Part 75 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., July 18, 1974, as hereinafter set forth.

Section 75.400 (39 FR 718) is amended as follows:

1. J-873R is revoked.

2. J-869R Columbia, S.C., to Atlanta, Ga.

Waypoint name	Location	Reference facility
ZOLLY	33°47'30" N., 81°23'00" W.	Columbia, S.C.
Augusta, Ga.	33°32'40" N., 82°03'00" W.	Do.
SINCA	33°05'19" N., 83°33'03" W. 9	Augusta, Ga."

is added.

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

Issued in Washington, D.C., on May 7, 1974.

RAYMOND M. MCINNIS,
Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-10896 Filed 5-10-74;8:45 am]

[Airspace Docket No. 73-EA-113]

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

Transition Area, Alteration

Correction

In FR Doc. 74-10409 appearing on page 16119 in the issue of May 7, 1974, the Airspace Docket number should be designated as set forth above.

Title 15—Commerce and Foreign Trade

CHAPTER III—DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION, DEPARTMENT OF COMMERCE

SUBCHAPTER B—EXPORT REGULATIONS

PART 370—EXPORT LICENSING GENERAL POLICY AND RELATED INFORMATION

PART 379—TECHNICAL DATA

Miscellaneous Amendments

Export Licensing Authority Over U.S. One-Cent Coins Containing Bronze (Pennies). The Export Administration Regulations have been amended to point out that United States one-cent coins containing bronze (Export Control Commodity Nos. 68 (22) and *896(1)*) are no longer under the export licensing authority of the U.S. Department of Commerce. Such coins are under the export licensing authority of the U.S. Treasury Department.

Accordingly, § 370.10(c) is revised as set forth below:

§ 370.10 Exports Controlled by U.S. Government Agencies Other than Department of Commerce.

* * * * *

(c) *One-cent coins (pennies).* Regulations administered by the U.S. Department of Treasury, Washington, D.C. 20220, govern the export of U.S. one-cent coins containing bronze (pennies) as published in the FEDERAL REGISTER (39 FR 13881). The Treasury regulations are issued under authority of section 105, Coinage Act of 1965, Pub. L. 89-81 (31 U.S.C. 395).

* * * * *

Effective date: April 18, 1974.

General License GDTR. Before exporting technical data relating to certain materials and equipment under the provisions of General License *GTDR*, the exporter must obtain from the importer a written assurance that neither the technical data nor the direct product thereof is intended to be shipped, directly or indirectly, to a destination in Country Group Q, W, Y or Z.

The list of materials and equipment subject to this requirement for a written assurance is revised to include technical data relating to certain cameras, as follows: (1) Other high speed continuous writing, rotating drum cameras capable of recording at rates in excess of 2,000 frames per second; and parts and accessories, n.e.c. (Export Control Commodity No. 86140); and (2) Other 16 mm. high speed motion picture cameras capable of recording at rates in excess of 2,000 frames per second; and parts and accessories, n.e.c. (Export Control Commodity No. 86150).

Accordingly, § 379.4(e)(1)(iii) is revised as follows:

§ 379.4 General license GDTR: Technical data under restriction.

* * * * *

(e) *Written assurance requirements—* (1) *Requirement of written assurance for certain data, services, and materials.*

* * *

(iii) * * *

(*l*) Other high speed continuous writing, rotating drum cameras capable of recording at rates in excess of 2,000 frames per second; and parts and accessories, n.e.c. (ECC No. 86140); and

(*m*) Other 16 mm. high speed motion picture cameras capable of recording at rates in excess of 2,000 frames per second; and parts and accessories, n.e.c. (ECC No. 86150).

* * * * *

Effective date: May 17, 1974.

RAUER H. MEYER,
Director, Office of Export Administration.

[FR Doc.74-10992 Filed 5-10-74;8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket No. C-2499]

PART 13—PROHIBITED TRADE PRACTICES

Atlantic Construction & Supply Co., et al.

Subpart—Advertising falsely or misleadingly: § 13.10 *Advertising falsely or misleadingly;* § 13.125 *Limited offers or supply;* § 13.155 *Prices;* 13.155-5 Additional charges unmentioned; 13.155-75 Product or quantity covered; 13.155-95 Terms and conditions; 13.155-100 Usual as reduced, special, etc.; § 13.240 *Special or limited offers.* Subpart—Contracting, for sale in any form binding on buyer prior to end of three day period: § 13.527 *Contracting, for sale in any form binding on buyer prior to end of three day period.* Subpart—Delaying or withholding corrections, adjustments or action owed: § 13.675 *Delaying or withholding corrections, adjustments or action owed.* Subpart—Failing to maintain records: *Failing to maintain records;* 13.1051-20 Adequate. Subpart—Misrepresenting oneself and goods—Goods: § 13.1747 *Special or limited offers.*—Prices: § 13.1778 *Additional costs unmentioned;* § 13.1785 *Comparative.*—Services: § 13.1835 *Cost.* Subpart—Neglecting, unfairly or deceptively to make material disclosure: § 13.1857 *Instruments' sale to finance companies;* § 13.1876 *Notice of third party sale of contract;* § 13.1882 *Prices;* § 13.1886 *Quality, grade or type;* § 13.1892 *Sales contract, right-to-cancel provision;* § 13.1905 *Terms and conditions.* Subpart—Offering unfair, improper and deceptive inducements to purchase or deal: § 13.2000 *Limited offers or supply;* § 13.2013 *Offers deceptively made and evaded.* Subpart—Using deceptive techniques in advertising: § 13.2275 *Using deceptive techniques in advertising.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Atlantic Construction & Supply Co., et al., Mt. Rainier, Md., Docket C-2499, Mar. 20, 1974]

In the Matter of Atlantic Construction & Supply Co., a Corporation, and Norman Glaser, and Stuart Schulman, Individually and as Officers of Said Corporation

Consent order requiring a Mt. Rainier, Md., seller and distributor of home improvement products and services, among other things to cease misrepresenting prices as reduced or special, the savings afforded purchasers, offers as limited or restricted as to time; disparaging or refusing to sell any product or service advertised; using deceptive or misleading representations to obtain prospective purchasers; misrepresenting the price of products or services; representing prices for products or services without showing in an estimate or contract each separate item included in the price; representing prices for a complete remodeling service without disclosing the additional costs to complete the remodeling service; including misleading illustrations in advertisements; contracting for any sale in the form of legal papers binding on the buyer prior to midnight of the 3rd day; failing to furnish buyers with completed receipts or copies of contracts or notices of cancellation in the same language used in oral sales presentation; failing to inform buyers orally of or misrepresenting their right to cancel and to honor valid notices of cancellation; transferring customers' notes to other parties prior to midnight of the fifth day following the day the contract was signed; and failing to keep for two years copies of advertisements or promotional material.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Atlantic Construction & Supply Co., a corporation, its successors and assigns and its officers, and Norman Glaser and Stuart Schulman, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of home improvement products and services, or any other product or service, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "All Prices Reduced" or "Special" or any other word or words of similar import or meaning not set forth specifically herein, unless the price of such product or service being offered for sale constitutes a reduction, in an amount not so insignificant as to be meaningless, from the actual bona fide price at which such product or service was sold or offered for sale to the public on a regular basis by respondents for a reasonably substantial period of time in the recent regular course of their business.

2. (a) Representing, orally or in writing, directly or by implication, that by purchasing any of said products or services customers are afforded savings amounting to the difference between respondents' stated price and respondents' former price, unless such products or services have been sold or offered for sale in good faith at the former price by respondents for a reasonably substantial period of time in the recent, regular course of their business.

(b) Representing, orally or in writing, directly or by implication, that by purchasing any of said products or services customers are afforded savings amounting to the difference between respondents' stated price and a compared price for said products or services in respondents' trade area unless a substantial number of the principal retail outlets in the trade area regularly sell said products or services at the compared price or some higher price.

(c) Representing, orally or in writing, directly or by implication, that by purchasing any of said products or services customers are afforded savings amounting to the difference between respondents' stated price and a compared value price for comparable products or services, unless substantial sales of products or services of like grade and quality are being made in the trade area at the compared price or a higher price and unless respondents have in good faith conducted a market survey or obtained a similar representative sample of prices in their trade area which establishes the validity of said compared price and it is clearly and conspicuously disclosed that the comparison is with merchandise of like grade and quality.

3. Representing, orally or in writing, directly or by implication, that any offer to sell a product or service is limited or restricted as to time or is limited or restricted in any other manner, unless the represented limitation or restriction is imposed and adhered to in good faith by the respondents.

4. Advertising, or offering for sale, any product or service for the purpose of obtaining leads to potential purchasers of different products or services, unless the advertised, or offered, product or service is capable of adequately performing its intended function and respondents maintain an adequate and readily available stock of said product and are willing and able to perform said service.

5. Disparaging in any manner, or refusing to sell, any advertised product or service.

6. Using any advertisement, sales plan or procedure which involves the use of any false, misleading or deceptive statement, representation or illustration designed to obtain leads to potential purchasers of respondents' products or services.

7. Representing, orally or in writing, directly or by implication, that any product or service is offered for sale when such is not a bona fide offer to sell said product or service.

8. Misrepresenting, orally or in writing, directly or by implication, the price, or proportionate price, of any of their products or services.

9. Representing, orally or in writing, directly or by implication, a price for any product or service unless the charge for such product or service, the quantity of material upon which such charge is based and a description of the type and grade of such material is shown as a separate item on an estimate and contract provided the purchaser.

10. Representing, orally or in writing, directly or by implication, prices for selected items of material, fixtures and labor which are available only as part of a complete remodeling service without disclosing an accurate estimate of the cost of such additional items of material, fixtures and labor normally necessary to complete the represented remodeling service.

11. Including illustrations in advertisements, unless such illustrations accurately depict the product being advertised and the quantity of the product available for the advertised price.

12. Contracting for any sale whether in the form of trade acceptance, conditional sales contract, promissory note, or otherwise which shall become binding on the buyer prior to midnight of the third day, excluding Sundays and legal holidays, after the date of execution.

13. Failing to furnish the buyer with a fully completed receipt or copy of any contract pertaining to such sale at the time of its execution, which is in the same language, e.g., Spanish, as that principally used in the oral sales presentation and which shows the date of the transaction and contains the name and address of the seller, and in immediate proximity to the space reserved in the contract for the signature of the buyer or on the front page of the receipt if a contract is not used and in bold face type of a minimum size of 10 points, a statement in substantially the following form:

"You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right".

14. Failing, in those transactions in which a security interest in the buyer's principal residence is not or will not be retained, to furnish each buyer, at the time he signs the sales contract or otherwise agrees to buy consumer goods or services from the seller, a completed form in duplicate, captioned "NOTICE OF CANCELLATION", which shall be attached to the contract or receipt and easily detachable, and which shall contain in ten point bold face type the following information and statements in the same language, e.g., Spanish, as that used in the contract:

NOTICE OF CANCELLATION

[enter date of transaction]
(Date)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security

interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to [Name of seller], at [address of seller's place of business], not later than midnight of _____.
(date)

I hereby cancel this transaction.

_____
(Date)

_____
(Buyer's signature)

15. Failing, in those transactions in which a security interest in the buyer's principal residence is not or will not be retained, before furnishing copies of the "Notice of Cancellation" to the buyer, to complete both copies by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction, by which the buyer may give notice of cancellation.

16. Including in any sales contract or receipt any confession of judgment of any waiver of any of the rights to which the buyer is entitled under this order including specifically his right to cancel the sale in accordance with the provisions of this order.

17. Failing to inform each buyer orally, at the time he signs the contract or purchases the goods or services, of his right to cancel.

18. Misrepresenting, directly or indirectly, orally or in writing, the buyer's right to cancel.

19. Failing or refusing to honor any valid notice of cancellation by a buyer and within 10 business days after the receipt of such notice, to (i) refund all payments made under the contract or sale; (ii) return any goods or property traded in, in substantially as good condition as when received by the seller; (iii) cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction.

20. Negotiating, transferring, selling, or assigning any note or other evidence of indebtedness to a finance company or other third party prior to midnight of the fifth business day following the day the contract was signed or the goods or services were purchased.

21. Failing, within 10 business days of receipt of the buyer's notice of cancellation, to notify him whether the seller intends to repossess or to abandon any shipped or delivered goods.

22. Failing to retain, for a period of not less than two (2) years from the date of their last use, a copy of each advertisement and item of promotional material, including, but not limited to, each newspaper advertisement, radio or television script, direct mail advertisement and product brochure, used for the purpose of obtaining leads to prospective purchasers of respondents' products and services or in promoting the sale of respondents' products and services and a record of the number of copies disseminated and the dates and means of dissemination.

23. Failing to retain, for a period of not less than two (2) years following each price reduction or savings claim, including, but not limited to, each claim of the types described in Paragraphs 1 through 3 of this order, adequate records to substantiate each such claim.

24. Failing to produce, for the purpose of examination and copying by representatives of the Federal Trade Commission, those records required to be retained by this order.

Provided, however, that nothing contained in this order shall relieve respondents of any additional obligations respecting contracts required by federal law or the law of the state in which the contract is made. When such obligations are inconsistent, respondents can apply to the Commission for relief from this provision with respect to contracts executed in the state in which such different obligations are required the Commission, upon showing, shall make such modifications as may be warranted in the premises.

It is further ordered, That respondents shall forthwith deliver a copy of this order to cease and desist, and a copy of the Commission's news release setting forth the terms of the order, to each advertising agency and advertising medium, such as newspaper publishing company, radio station or television station, presently utilized in the course of their business, and that respondents shall, immediately upon opening an account, deliver a copy of such order and news release to any such agency or medium with which they subsequently open an account.

It is further ordered, That respondents shall forthwith deliver a copy of this order to cease and desist to each of their agents, representatives and employees engaged in the offering for sale or sale of respondents' products or services, in the consummation of any extension of consumer credit or in any aspect of the creation, preparation or placing of respondents' advertisements and that respondents shall deliver a copy of such order to each such person whom they subsequently employ, immediately upon employing each such person, and that respondents shall secure from each such person a signed statement acknowledging receipt of said order.

It is further ordered, That respondent corporation shall forthwith deliver a copy of this order to each of its operating divisions.

It is further ordered, That respondents shall notify the Commission at least thirty (30) days prior to any proposed change in a corporate respondent, such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the individual respondents named herein promptly notify the Commission of the discontinuance of their present business or employment and of their affiliation with any other home improvement business or employment. Such notice shall include respondents' current business address and a statement as to the nature of the business or employment in which they are engaged as well as a description of their duties and responsibilities.

It is further ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form of their compliance with this order.

Issued: March 20, 1974.

By the Commission.

[SEAL] CHARLES A. TOBIN,
Secretary.

[FR Doc.74-10955 Filed 5-10-74;8:45 am]

[Docket No. C-2511]

PART 13—PROHIBITED TRADE PRACTICES

G. C. Services Corp., et al.

Subpart—Furnishing means and instrumentalities of misrepresentation or deception: § 13.1055 Furnishing means and instrumentalities of misrepresentation or deception. Subpart—Simulating another or Product thereof: § 13.2218 Legal process (New). Subpart—Threatening suits, not in good faith: § 13.2264 Delinquent debt collection.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, G. C. Services Corporation, et al., Houston, Tex., Docket C-2511, Apr. 16, 1974]

In the Matter of G. C. Services Corporation, a Corporation, and Jerold B. Katz and William A. Inglehart, and Martin M. Katz, Individually and as Officers of Said Corporation

Consent order requiring a Houston, Tex., collection agency, among other things to cease using printed material which cause harassment, fear or undue embarrassment to alleged debtors receiving them or which simulates legal process; misrepresenting that past due accounts have been referred to an attorney for collection or legal action has been or is about to be instituted; or threatening to contact a debtor's employer or to institute legal processes.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents G C Services Corporation, formerly doing business as Gulf Coast Collection Agency Company, a corporation, its successors and assigns, and its officers and Jerold B. Katz, William A. Inglehart, and Martin M. Katz, individually and as officers of said corporation and respondents' representatives, agents and employees, directly or through any corporation subsidiary, division or other device, in connection with the collection of accounts in commerce, as "commerce" is defined by the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using any forms, letters, or other printed materials which cause, or which respondents should know are likely to cause, harassment, fear, or undue embarrassment to alleged debtors who receive them.

2. Representing orally or in writing, or placing in the hands of others the means and instrumentalities by and through which they may represent, directly or by implication that:

(a) Past due accounts that are being or have been referred for collection to an attorney when these accounts are not being nor have they been so referred;

(b) Legal action with respect to an allegedly delinquent account has been or is about to be or may be initiated unless the respondents are able to establish that at the time the representation was made (1) legal action has been initiated or was about to be initiated, and (2) the true nature of the legal action was clearly and completely disclosed.

3. Using forms or any other items of printed or written matter which simulates legal process.

4. Representing orally or in writing that alleged debtor's employer has been notified or may be notified that any or all of the following actions have been or will be taken when no such action or actions have been or will be taken:

(a) Suit instituted against the alleged debtor to collect the alleged sum due;

(b) The alleged debtor's wages attached;

(c) The alleged debtor's wages garnished.

5. Using any means or devices for the collection of delinquent accounts from alleged debtors in circumstances where it has been brought to respondents' attention:

(a) That said debt has been paid;

(b) That said debt is being billed to an improper person;

(c) That alleged debtor is not liable to respondents' client for the reason that the client has not provided any articles, devices, services or other items of value to the alleged debtor.

(d) That materials ordered have been returned;

(e) That materials received were unordered merchandise and debtor is under no obligation to pay for such merchandise, or

(f) That there would be a defense in an action brought on the disputed debt; until such time as respondents can furnish to alleged debtor an affirmative written reply from their clients that said debt is, in fact, a just one.

6. Receiving from alleged debtors postdated checks, which will not be deposited immediately or which will be held by respondents or their representatives for more than fifteen business days after date of receipt.

It is further ordered, That respondents maintain and make available records relative to complaints received by respondents involving the acts and practices prohibited by this Order and which describe steps taken by respondents to investigate and dispose of said complaints. Said records shall be maintained for a period of six (6) months from the date such complaint is received, for inspection and copying by the Federal Trade Commission.

It is further ordered, That respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions and to each of its customers.

It is further ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent, such as dissolution, assignment or sale, resulting in emergence of a successor corporation, the creation of dissolution of subsidiaries, or any other change in the corporation which affects compliance obligations arising out of the order.

It is further ordered, That the individual respondents named herein promptly notify the Commission of the discontinuance of their present business or employment and of their affiliation with a new business or employment. Such notice shall include respondents' current business address and a statement as to the nature of the business or employment in which they are engaged as well as a description of their duties and responsibilities.

It is further ordered, That the respondent shall, within sixty (60) days after service upon them of this Order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this Order.

Issued: April 16, 1974.

By the Commission.

[SEAL] CHARLES A. TOBIN,
Secretary.

[FR Doc.74-10956 Filed 5-10-74;8:45 am]

Title 30—Mineral Resources

CHAPTER I—BUREAU OF MINES, DEPARTMENT OF THE INTERIOR

SUBCHAPTER O—COAL MINE HEALTH AND SAFETY

PART 71—MANDATORY HEALTH STANDARDS—SURFACE WORK AREAS OF UNDERGROUND COAL MINES AND SURFACE COAL MINES

Dust Sampling, Airborne Contaminants, Asbestos Conformity and Reporting Requirements

Pursuant to the authority vested in the Secretary of the Interior under section 101 of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 811), to promulgate mandatory health standards transmitted to him by the Secretary of Health, Education, and Welfare, there was published in the FEDERAL REGISTER for November 7, 1972 (37 FR 23645), proposed amendments to mandatory health standards applicable to surface coal mines and to surface work areas of underground coal mines.

Interested persons were afforded a period of 45 days within which to submit written comments, suggestions, or objections to the proposed standards. A number of comments were received by the Bureau of Mines (now the Mining Enforcement and Safety Administration) and transmitted to the Department of Health, Education, and Welfare for consideration. The following amendments to Part 71 have been transmitted by the Secretary of Health, Education, and Welfare for promulgation in accordance with section 101(e) of the Act: (1) A new § 71.110–1 has been added to require more frequent dust sampling of the working environments of miners who show evidence of the development of pneumoconiosis and who have exercised their option to transfer to jobs in less dusty areas; (2) the standards for airborne contaminants in § 71.200 have been amended by substituting the 1972 American Conference of Governmental Industrial Hygienists (ACGIH) threshold limit values for such substances for the 1970 ACGIH values; (3) the noise standard (subpart D) has been amended to clarify reporting requirements and the action required by an operator of a mine in which the standard is violated.

The proposed amendment establishing a new standard for exposure to asbestos has not been transmitted for promulgation since a request was filed for a hearing on that proposed standard.

In accordance with section 101(h) of the Act, the amendments to Part 71 are effective on May 13, 1974.

Dated: May 8, 1974.

C. K. MALLORY,
Deputy Assistant Secretary of the Interior.

Part 71 is amended as set forth below:

1. The following new section is inserted in Subpart B:

§ 71.110–1 Periodic sampling; transferred miners.

At least once every 90 days, one sample of respirable dust shall be taken from the atmosphere to which each miner who has exercised his option to transfer under section 203(b) of the Act is exposed.

2. In Subpart C, § 71.200(a) is amended to read as follows:

§ 71.200 Inhalation hazards; threshold limit values for gases, dust, fumes, mists, and vapors.

(a) No operator of an underground coal mine and no operator of a surface coal mine may permit any person working at a surface installation or surface worksite to be exposed to airborne contaminants (other than respirable coal

mine dust and respirable dust containing quartz, in excess of, on the basis of a time-weighted average, the threshold limit values adopted by the American Conference of Governmental Industrial Hygienists in "Threshold Limit Values of Airborne Contaminants" (1972) which is hereby incorporated by reference and made a part hereof. Excursions above the listed threshold limit values shall not be of greater magnitude than is characterized as permissible by the conference. This paragraph does not apply to airborne contaminants given a "C" designation by the conference in the document. This document is available for examination at the Mining Enforcement and Safety Administration, 18th and C Streets NW., Washington, D.C.; at every Coal Mine Health and Safety District and Subdistrict Office; at the National Institute for Occupational Safety and Health, 5600 Fishers Lane, Rockville, MD; and at the Public Health Service Information Centers listed in 45 CFR 5.31. Copies of the document may be purchased from the Secretary-Treasurer, American Conference of Governmental Industrial Hygienists, Post Office Box 1937, Cincinnati, OH 45202.

* * * * *

3. Subpart D is amended by inserting the following new sections:

§ 71.302 Initial noise level survey.

On or before November 13, 1974 each operator shall:

(a) Conduct, in accordance with this subpart, a survey of the noise levels to which each miner in each surface installation and at each surface worksite is exposed during his normal work shift; and,

(b) Report and certify to the Mining Enforcement and Safety Administration and the Department of Health, Education, and Welfare, the results of such survey using the Coal Mine Noise Data Report. (See Figure 1, Part 70 of this subchapter.) Reports shall be sent to:

Division of Automatic Data Processing, Post Office Box 25407, Building 41, Denver Federal Center, Denver, CO 80225.

§ 71.303 Periodic noise level survey.

(a) At intervals of at least every 6 months, after November 13, 1974 each operator shall conduct periodic surveys of the noise levels to which each miner in each surface installation and at each surface worksite is exposed and shall report and certify the results of such surveys to the Mining Enforcement and Safety Administration and the Department of Health, Education, and Welfare, using the Coal Mine Noise Data Report Form. The interval between each survey shall not be less than 3 months. Reports shall be sent to:

Division of Automatic Data Processing, Post Office Box 25407, Building 41, Denver Federal Center, Denver, CO 80225.

(b) Where no A-scale reading recorded for any miner during an initial or periodic noise level survey exceeds 90 dBa, the operator shall not be required to survey such miner during any subsequent periodic noise level survey required by this section: *Provided, however,* That the name and job position of each such miner shall be reported in every periodic survey and the operator shall certify that such miner's job duties and noise exposure levels have not changed substantially during the proceding 6-month period.

§ 71.304 Supplemental noise level survey; reports and certification.

(a) Where the certified results of an initial noise level survey conducted in accordance with § 71.302 or a periodic noise level survey conducted in accordance with § 71.303 indicate that any miner may be exposed to a noise level in excess of the permissible noise level, the operator shall conduct a supplemental noise level survey with respect to each miner whose noise exposure exceeds this standard. This survey shall be conducted within 15 days following notification to the operator by the Mining Enforcement and Safety Administration to conduct such survey.

(b) Supplemental noise level surveys shall be conducted by taking noise level measurements in accordance with § 70.506 of this Subchapter O; however, noise level measurements shall be taken of each individual operation to which the miner under consideration is actually exposed during his normal work shift and the duration of each such exposure shall be recorded.

(c) Each operator shall report and certify the results of each supplemental noise level survey conducted in accordance with this section to the Mining Enforcement and Safety Administration and the Department of Health, Education, and Welfare using the Coal Mine Noise Data Report Form to record noise level readings taken with respect to all operations during which such measurements were taken.

(d) Supplemental noise level surveys shall, upon completion, be mailed to:

Division of Automatic Data Processing, Post Office Box 25407, Building 41, Denver Federal Center, Denver, CO 80225.

§ 71.305 Violation of noise standard; notice of violation; action required by operator.

(a) Where the results of a supplemental noise level survey conducted in accordance with § 71.304 indicate that any miner is exposed to noise levels which exceed the permissible noise levels, the Secretary shall issue a notice to the operator that he is in violation of this subpart.

(b) Upon receipt of a notice of violation issued pursuant to paragraph (a) of this section, the operator shall:

(1) Institute, promptly, administrative and/or engineering controls necessary to assure compliance with the standard. Such controls may include protective devices other than those devices or systems which the Secretary or his authorized representative finds to be hazardous in such mine.

(2) Within 60 days following the issuance of the first notice of violation of this subpart, submit for approval to a joint Mining Enforcement and Safety Administration/Health, Education, and Welfare committee, a plan for the administration of a continuing, effective hearing conservation program to assure compliance with this subpart, including provision for:

(i) Reducing environmental noise levels;

(ii) Personal ear protective devices to be made available to the miners;

(iii) Preplacement and periodic audiograms.

(iv) Those administrative and engineering controls that it has instituted to assure compliance with the standard.

(3) Plans required under subparagraph (2) of this paragraph shall be submitted to:

Division of Automatic Data Processing, Post Office Box 25407, Building 41, Denver Federal Center, Denver, CO 80225.

(c) Within 30 days following the issuance of any subsequent notice of violation of this subpart, the operator shall submit in writing:

(i) a statement of the manner in which the plan is intended to prevent the violation or

(ii) a revision to its plan to prevent similar future violations.

NOTE.—The incorporation by reference provision in this document was approved by the Director of the Federal Register on July 6, 1973.

(Sec. 101, 83 Stat. 745 (30 U.S.C. 811))

[FR Doc.74-10937 Filed 5-10-74;8:45 am]

Title 36—Parks, Forests, and Public Property

CHAPTER II—FOREST SERVICE, DEPARTMENT OF AGRICULTURE

PART 261—TRESPASS

Use of Pesticides

On Friday, March 24, 1972, a notice of proposed rulemaking was published in the FEDERAL REGISTER (37 FR 6106). The proposal would have prohibited most uses of pesticides and chemical toxicants on National Forest System lands without written permission from the Forest Service. In addition to the Federal Register notice to the public at large, National Forest System grazing advisory boards were provided the specific opportunity to review the proposal as provided by the requirements of the Granger-Thye Act (Sec. 18, 64 Stat. 87, 16 U.S.C. 580k) and 36 CFR 231.10. All comments from advisory boards and from the public at large were considered in preparation of the regulation published below. In the regulation shown below, only that portion of the proposed regulation dealing with the subject of pesticides in general is finalized. The use of chemical toxicants for killing predatory mammals or birds and the use of chemical toxicants which cause secondary effects when used to kill other mammals, birds, or reptiles is included in the general prohibition of the regulation as finalized; however, the process for authorizing any

use of such chemical toxicants will be the subject of other regulations. Further attention is called to the point that the regulation deals only with the subject of permission for applying pesticides to National Forest System lands as a requirement of the Forest Service. It in no way relieves the applicator of compliance with applicable laws and other Agency regulations relating to the use of pesticides such as the Environmental Protection Agency regulations for implementing the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.

Specific changes are:

1. Elimination of paragraph (b) Chemical toxicants.

2. Elimination of paragraph (c) Exceptions for emergency use of chemical toxicants.

3. Elimination of paragraph (d)(3) Definition of chemical toxicants.

4. Elimination of paragraph (d)(4) Definition of predatory mammal or bird.

5. Elimination of paragraph (d)(5) Definition of secondary poisoning effect.

6. Elimination of paragraph (d)(6) Definition of field use.

7. Revision of paragraph (a) Pesticides to clarify that certain uses of pesticides for personal purposes or treatment of individual animals do not require authorization. Opportunity is also provided for the Forest Service to exempt other uses of a minor nature whenever the need for such exemption becomes apparent.

As so revised, the proposal is hereby adopted to read as set forth below. It becomes effective on May 15, 1974. The citation of authority remains the same as in the proposed regulation (37 FR 6106).

§ 261.17 Use of pesticides.

(a) *Pesticides.* Unless authorized in writing by the Forest Service, the use of pesticides by a person on National Forests, National Grasslands, and other lands administered by the Forest Service is prohibited. In all instances the requirements respecting the manufacture, transportation, purchase, use storage, and disposal of pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and the regulations promulgated pursuant thereto, must be complied with. Written authorization by the Forest Service is not required for personal use of pesticides intended for medicinal purposes or as insect repellents, or to such uses upon an individual animal; nor is it required for uses of a minor nature as might be exempted by the Forest Service.

(b) *Definitions.* As used in this section:

(1) "Person" means any individual, partnership, association, organization, or other private entity, but does not include Governmental Agencies.

(2) "Pesticide" means any substance or mixture of substances to prevent, destroy, repel, or mitigate any insect, rodent, nematode, fungus, weed, or other form of aquatic or terrestrial plant or animal life or virus, bacteria, or other micro-organism (except bacteria, viruses, or other micro-organisms in or on living man or other animals).

ROBERT W. LONG,
Assistant Secretary for Conservation, Research and Education.

MAY 8, 1974.

[FR Doc.74-10988 Filed 5-10-74;8:45 am]

Title 41—Public Contracts and Property Management

CHAPTER 8—VETERANS ADMINISTRATION

PART 8-2—PROCUREMENT BY FORMAL ADVERTISING

PART 8-18—PROCUREMENT OF CONSTRUCTION

Procurement of Construction

On page 5326 of the FEDERAL REGISTER of February 12, 1974, there was published a notice of proposed regulatory revision of 41 CFR Parts 8-2 and 8-18, to relocate material on the procurement of construction to conform to the arrangement of Federal Procurement Regulations and to add material formerly contained in internal regulations. Interested persons were given 30 days in which to submit written comments, suggestions, or objections regarding the proposed regulations.

One comment was received. A newspaper association suggested that, particularly in the case of invitations to bid for small construction contracts, the regulations be amended to provide for publication of public notice(s) in a local newspaper or newspapers of general circulation in the area of the proposed construction. Since newspaper advertisements may be paid for only under written authority of the Administrator (44 U.S.C. 3702) or his duly authorized designee (5 U.S.C. 302), the placing of advertisements must be restricted to those cases where they are clearly warranted. We do not believe that small construction contracts in general warrant such special treatment. Accordingly, the revised regulations are adopted as proposed.

Effective date. These VA Regulations are effective May 13, 1974.

Approved: May 6, 1974.

By direction of the Administrator.

[SEAL] RICHARD L. ROUDEBUSH,
Deputy Administrator.

§ 8-2.205-4 [Revoked]

1. Section 8-2.205-4, Excessively long bidders mailing lists, is revoked.

2. In § 8-2.407-1, paragraph (e) is revoked.

§ 8-2.407-1 General.

* * * * *

(e) [Revoked.]

3. Section 8-18.202 is added to read as follows:

§ 8-18.202 Preinvitation notices.

An SF 19, Invitation, Bid and Award (Construction, Alteration, or Repair), or SF 20, Invitation for Bids (Construction Contract), modified as necessary to include the information required by § 1-18.202, may be used as a preinvitation notice. When so used, it will be submitted to prospective bidders at least 14 days prior to the date on which the drawings and specifications will be issued. When preinvitation notices are not used, see §§ 8-2.203-1 and 8-18.203-2.

4. Section 8-18.203-1 is revised to read as follows:

§ 8-18.203-1 Preparation of invitations for bids.

In addition to complying with the provisions of FPR 1-2.201 and 1-18.203, the following referenced provisions and clauses will be included in the invitations for bids, to the extent applicable:

(a) Small business set-asides. (§ 8-1.706-5)

(b) Aggregate award. (§ 8-2.201(f))

(c) Bid samples. (FPR 1-2.202-4)

(d) Buy American Act. (FPR 1-18.604 and § 8-18.604)

(e) Contract clauses. (FPR 1-7.6, Subpart 8-7.6)

(f) Bid guarantees. (§ 8-10.103)

(g) Performance bonds. (§ 8-10.104)

(h) Payment bonds. (FPR 1-10.105)

(i) Federal, State, and local taxes. (FPR 1-11.401-1)

(j) Liquidated damages. (FPR 1-18.110 and § 8-1.315)

(k) Revisions to prescribed forms. (FPR 1-16.401)

(l) Termination clauses. (§ 8-8.700-2)

5. Sections 8-18.203-2 and 8-18.203-3 are added to read as follows:

§ 8-18.203-2 Distribution of invitations for bids.

(a) On the issue date shown on SF 19 or SF 20, specifications, drawings, and all other material necessary to prepare a bid will be issued to each eligible prospective bidder and other agencies who request them in writing and who meet the qualifications stated in the invitation.

(b) On the issue date, two copies of the drawings and specifications for station level projects funded from construction appropriations will be furnished to the Assistant Administrator for Construction.

(c) Distribution of specifications and drawings on Central Office projects will be in accordance with that established by the Project Director.

(d) Invitations should also be sent to Chambers of Commerce, Builders Exchanges, various trade journals, and other organizations which make a practice of publishing such information for the benefit of the construction industry.

§ 8–18.203–3 Amendment of invitations for bids.

Amendments will be sent to holders of drawings and specifications by certified mail, return receipt requested.

[FR Doc.74–10954 Filed 5–10–74;8:45 am]

Title 45—Public Welfare

CHAPTER I—OFFICE OF EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER A—GENERAL PROVISIONS

PART 118—SUPPLEMENTARY CENTERS AND SERVICES; GUIDANCE COUNSELING AND TESTING

PART 121—PROGRAMS FOR THE EDUCATION OF HANDICAPPED CHILDREN

PART 166—FINANCIAL ASSISTANCE FOR ADULT EDUCATION PROGRAMS

PART 167—SPECIAL PROJECTS AND TEACHER TRAINING IN ADULT EDUCATION

PART 170—FINANCIAL ASSISTANCE FOR CONSTRUCTION OF HIGHER EDUCATION FACILITIES

PART 187—FINANCIAL ASSISTANCE FOR THE IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

Miscellaneous Corrections

Pursuant to section 403(b)(1) of the General Education Provisions Act (20 U.S.C. 1221c(b)(1)), the Commissioner of Education with the approval of the Secretary of Health, Education, and Welfare makes the technical corrections set forth below to the document published in the FEDERAL REGISTER on November 6, 1973, at 38 FR 30654 (Office of Education General Provisions regulation). The corrections are of errors in the section numbers of Office of Education regulations which were to have been revoked by the document published at 38 FR 30654. Since these corrections merely rectify errors in the original document, and do not affect the substance of any regulations, proposed rulemaking procedures are unnecessary, and are dispensed with pursuant to 5 U.S.C. 553(b).

The document published at 38 FR 30654 (November 6, 1973) is corrected as follows:

1. On page 30659, the number "118.1," in each of the two places it appears, is corrected to read: "118.2."

2. On page 30659, the number "121.1," in each of the two places it appears, is corrected to read: "121.2."

3. On page 30660, the number "116.34," in the one place it appears, is corrected to read: "166.44."

4. On page 30660, the reference to lettered paragraph "(b)" of § 167.3, is corrected to be a reference to lettered paragraph "(l)" of § 167.3.

5. On page 30660, the phrase "170.6 (a)(1) and (2), and (b)," is corrected to read: "170.6(b)(1) and (2), and (c)."

6. On page 30660, the list of sections in Part 170 which are revoked (numbered paragraph 45) is amended by adding: "170.8."

7. On page 30661, under numbered paragraph 59–8, the number "181.21" is corrected to read: "187.21."

8. On page 30661, the reference "Appendix E—Procurement Standards," is deleted.

Effective date. These corrections shall become effective on May 13, 1974.

Dated: April 29, 1974.

JOHN OTTINA,
U.S. Commissioner of Education.

Approved: May 7, 1974.

CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare

[FR Doc.74–10979 Filed 5–10–74;8:45 am]

PART 177—FEDERAL, STATE AND PRIVATE PROGRAMS OF LOW-INTEREST LOANS TO VOCATIONAL STUDENTS AND STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

Special Allowances

Subparagraph (3) of § 177.4(c), Special Allowances, which deals with the payment to lenders of the allowances authorized by section 2 of the "Emergency Insured Student Loan Act of 1969" (Public Law 91–95) is amended to provide for the payment of such an allowance for the period January 1, 1974, through March 31, 1974, inclusive.

In light of the directives in the Emergency Insured Student Loan Act of 1969 with respect to the factors that the Secretary of Health, Education, and Welfare is to consider and the officials with whom he is to consult in setting the rate of the special allowance, and since a comment period would cause delay of at least 30 days, following each quarterly 3-month period, before lenders could apply for the special allowance for such period, it has been determined pursuant to 5 U.S.C. 553 that the solicitation of comment as to the rate of the special allowance for any particular quarter is both impracticable and contrary to the public interest.

Effective date. This regulatory amendment is effective on June 12, 1974.

Section 177.4(c)(3)(xix) is added as follows:

§ 177.4 Payment of interest benefits, administrative cost allowances and special allowance.

* * * * *

(c) * * *

(3) * * *

(xix) For the period January 1, 1974, through March 31, 1974, inclusive, a special allowance is authorized to be paid in an amount equal to the rate of two and one-quarter percent per annum of the average unpaid balance of disbursed principal of eligible loans.

(Sec. 2, 83 Stat. 141)

(Catalog of Federal Domestic Assistance No. 13.460 Guaranteed Student Loan Program)

Dated: May 2, 1974.

JOHN OTTINA,
U.S. Commissioner of Education.

Approved: May 8, 1974.

CASPER W. WEINBERGER,
Secretary of Health, Education, and Welfare.

[FR Doc.74–11030 Filed 5–10–74;8:45 am]

proposed rules

DEPARTMENT OF THE TREASURY

Customs Service

[19 CFR Parts 133, 141]

TRADEMARKS, TRADE NAMES, AND COPYRIGHTS AND ENTRY OF MERCHANDISE

Invoices Accompanying Shipments of Books; Extension of Time

MAY 7, 1974.

On February 28, 1974, a notice of proposed rulemaking was published in the FEDERAL REGISTER (39 FR 7799) which proposed to amend §§ 133.45(c)(2) and 141.89 of the Customs regulations pertaining to the requirement of certain information on invoices accompanying shipments of books. Thirty days from the date of publication of the notice were given for submission of data, views, or arguments pertinent to the proposed amendment.

Requests have been received for extension of the time for submission of comments. The period of submission of data, views, or arguments relating to the proposed amendments to §§ 133.45(c)(2) and 141.89, Customs regulations, is extended to May 3, 1974.

[SEAL] VERNON D. ACREE,
Commissioner of Customs.

[FR Doc.74-10987 Filed 5-10-74;8:45 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 930]

CHERRIES GROWN IN CERTAIN STATES

Limitation of Handling

This notice invites written comments relative to proposed amendment of the rules and regulations established pursuant to Marketing Order 930. Such amendment would prescribe a procedure governing tree selection under the diversion provisions; permit the packing of reserve pool cherries in 30 pound capacity containers other than 30 pound metal cans when authorized by the Cherry Administrative Board; establish a handler charge for fiscal 1974–75 at 12.01 cents per pound for processing, freezing and the first 30 days storage of reserve pool cherries and set a storage charge of 5.5 cents per container for each additional month of storage; prescribe a minimum grade for reserve pool cherries; and authorize said Board to maintain a reserve fund to meet the costs of maintaining records pertaining to reserve pool cherries.

Notice is hereby given that the Department is considering a proposed amendment, as hereinafter set forth, to the rules and regulations (Subpart—Rules and Regulations, 7 CFR Part 930.101–930.161), currently in effect pursuant to the applicable provisions of marketing Order No. 930 (7 CFR Part 930), regulating the handling of cherries grown in Michigan, New York, Wisconsin, Pennsylvania, Ohio, Virginia, West Virginia, and Maryland hereinafter referred to as "the order." This is a regulatory program effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

This proposed amendment of the rules and regulations was unanimously recommended by the Cherry Administrative Board, established under said order, as the agency to administer the terms and provisions thereof. It specifies the procedure for the Board to use in supervising diversion under the order. It provides that containers other than the 30-pound new metal can may, upon approval of the Board, be used for reserve pool cherries. It proposes that reserve pool cherries meet at least the requirements of U.S. Grade B (39 FR 13551) to up-grade reserve pool cherries to make them more desirable and more marketable. It proposes to compensate handlers at the rate of 12.01 cents per pound of reserve pool cherries delivered for processing, freezing and the first 30 days storage of such cherries, and a fee of 5.5 cents per container per month for storage of such cherries thereafter. Since reserve pool expenses, such as storage of records, continue after liquidation of a reserve pool, the proposal is to establish a reserve fund, not to exceed $10,000, for use in defraying such expenses.

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed amendment shall file the same, in quadruplicate, with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than June 3, 1974. 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 proposed amendment would provide as follows:

1. Section 930.103 *Diversion* is revised to read as follows:

§ 930.103 Diversion.

Diversion shall be accomplished by leaving restricted percentage cherries unharvested: *Provided*, That such cherries shall remain on the tree until final inspection and shall not be removed from the premises other than by board approval: *Provided further*, That unless an alternate method of tree selection for diversion is requested by an applicant and is approved by the board, the trees involved with non-harvest shall be designated on a random basis by the board through its authorized representatives.

2. § 930.104 *Reserve pool requirements* is amended to read as follows:

§ 930.104 Reserve pool requirements.

(a) Reserve pool cherries shall be set aside in the form of 5 plus 1 (five pounds of raw pitted cherries combined with one pound of sugar) frozen cherries packed in new 30 pound capacity metal cans or such other 30 pound capacity containers as may be prescribed by the board. Such cherries shall be graded and certified by the United States Department of Agriculture.

* * * * *

(c) Such cherries, for each handler who freezes cherries, shall reflect not less than the overall grade, quality and condition of the total frozen production of said handler: *Provided*, That not less than 50 percent of said reserve pool cherries shall grade not lower than U.S. Grade "A" and the remainder not lower than proposed U.S. Grade "B" (39 FR 13551) unless otherwise exempted by the board.

(d) Such cherries, for each handler who does not freeze cherries and therefore obtains reserve pool cherries from another handler who does freeze cherries, shall reflect not less than the overall grade, quality and condition of the total frozen production of the handler who freezes such cherries: *Provided*, That not less than 50 percent of said reserve pool cherries shall grade not lower than U.S. Grade "A" and the remainder not lower than proposed U.S. Grade "B" (39 FR 13551) unless otherwise exempted by the board.

3. Paragraph (c) of § 930.109 *Distribution of reserve pool proceeds* is revised to read as follows:

§ 930.109 Distribution of reserve pool proceeds.

* * * * *

(c) In accordance with § 930.60 all reserve pool funds, after deductions, shall be distributed to equity holders in direct proportion to each person's equity in the total reserve pool. In the event of complete disposition of all reserve pool cherries, the board may, prior to making distribution of the resulting funds, set aside a portion of such funds, not to exceed $10,000, as a reserve to defray

costs of storage and maintenance of records and supporting material of the pool.

* * * * *

(4) Section 930.158 *Handler compensation charge 1* is revised to read as follows:

§ 930.158 Handler compensation charge 2.

During the fiscal period ending April 30, 1975, each handler shall be compensated, as provided by § 930.58, by producers having an interest in the reserve pool, or their successors in interest: (1) at the rate of $0.1201 (12.01 cents) per pound of reserve pool cherries for receiving raw unpitted cherries, processing such cherries into the form of 5 plus 1 frozen cherries packed in new 30 pound capacity metal cans or any other 30 pound capacity as may be prescribed by the board, as specified in § 930.104(a), and for storage in a suitable freezer storage facility for 30 days from the date the reserve pool cherries are placed in such storage facility; and (2) at the rate of 5½ cents per pound container per month for storage thereafter in a suitable freezer storage facility.

Dated: May 7, 1974.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.74-10950 Filed 5-10-74;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

[42 CFR Part 57]

PHYSICIAN SHORTAGE AREAS

Scholarship Grants

Notice is hereby given that the Assistant Secretary for Health, with the approval of the Secretary of Health, Education, and Welfare, proposed to add a new Subpart W entitled "Physician Shortage Area Scholarship Grants", to Part 57 of Title 42, Code of Federal Regulations. The proposed new Subpart W is in tentative form below.

Section 784 of the Public Health Service Act authorizes the Secretary of Health, Education, and Welfare to award scholarship grants to students of medicine and osteopathy who agree to engage in the practice of primary care for a prescribed period of time (a) in a physician shortage area or (b) in such manner as to assure that of the patients receiving medical care in such practice a substantial portion will consist of migratory agricultural workers or members of their families. The purpose of the proposed new Subpart W is to establish regulations implementing section 784 of the Public Health Service Act.

Written comments concerning the proposed regulations are invited from interested persons. Inquiries may be addressed, and data, views and arguments relating to the proposed regulations may be presented in writing, in triplicate, to the Director, Bureau of Health Resources Development, 9000 Rockville Pike, Building 31, Rm. 5C02, Bethesda, Maryland 20014. All comments received in response to this notice will be available for public inspection at the Office of Grants Policy, Bureau of Health Resources Development, Health Resources Administration, 9000 Rockville Pike, Building 31, Rm. 5B34, Bethesda, Maryland 20014 on weekdays (Federal Holidays excepted) between the hours of 8:30 a.m. and 5:00 p.m. In light of the need to publish final regulations in time to make awards from fiscal year 1974 funds for the 1974–75 school year only those comments received on or before May 28, 1974 will be considered.

It is therefore proposed to add a new Subpart W to Part 57 as set forth below.

Dated: April 25, 1974.

CHARLES C. EDWARDS,
Assistant Secretary for Health.

Approved May 6, 1974.

CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare.

Subpart W—Physician Shortage Area Scholarship Grants

Sec.
57.2201 Applicability.
57.2202 Definitions.
57.2203 Eligibility.
57.2204 Application.
57.2205 Priority for selection of scholarship recipients.
57.2206 Grant award.
57.2207 Amount of scholarship grant.
57.2208 Payment of scholarship grant.
57.2209 Conditions of scholarship grant.
57.2210 Failure to comply.
57.2211 Waiver or suspension.

AUTHORITY: Sec. 215, 58 Stat. 690, as amended (42 U.S.C. 216).

§ 57.2201 Applicability.

The regulations of this subpart are applicable to scholarship grants awarded under section 784 of the Public Health Service Act, which authorizes the Secretary to award scholarship grants to students of medicine and osteopathy who agree to engage in the practice of primary care for a prescribed period of time (a) in a physician shortage area or (b) in such manner as to assure that of the patients receiving medical care in such practice a substantial portion will consist of migratory agricultural workers or members of their families.

§ 57.2202 Definitions.

As used in this subpart, the following terms shall have the following meanings:

(a) "Act" means the Public Health Service Act, as amended.

(b) "Secretary" means the Secretary of Health, Education, and Welfare and any other officer or employee of the Department of Health, Education, and Welfare to whom the authority involved has been delegated.

(c) "School" means a public or other nonprofit school of medicine or osteopathy which provides a course of study, or a portion thereof, which leads respectively to a degree of Doctor of Medicine or Doctor of Osteopathy and which is accredited as provided in section 721(b)(1)(B) of the Act.

(d) "Scholarship grant" means the amount of money awarded to an individual by the Secretary for an academic year pursuant to section 784(a) of the Act.

(e) "Full-time student" means a student who is enrolled, or accepted for enrollment, in a school and pursuing a course of study which constitutes a full-time academic workload, as determined by the school, leading to a degree specified in paragraph (c) of this section.

(f) "Academic year" means the traditional, approximately 9-month September to June annual session. For the purpose of computing academic year equivalents for students who, during a 12-month period, attend for a longer period than the traditional academic year, the academic year will be considered to be of 9 months' duration.

(g) "National of the United States" means (1) a citizen of the United States or (2) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (8 U.S.C. 1101(a)(22)).

(h) "Professional training" means the course of study leading to the degree of doctor of medicine or doctor of osteopathy, plus a period, not to exceed a total of four years, of internship and residency training.

(i) "Low-income background" as applied to any individual means that the individual comes from a family with an annual income below low-income levels developed pursuant to § 57.605(c).

(j) "The practice of primary care" means the provision of health services characterized by the delivery of first contact medicine, the assumption of longitudinal responsibility for the patient regardless of the presence or absence of disease, and the integration of the physical, psychological and social aspects of health care to the limits of the capability of the practitioner. For purposes of this section, primary care shall include the fields of general practice, family practice, general internal medicine, and general pediatrics.

(k) "Migratory agricultural worker" means a domestic agricultural migratory worker as defined in § 56.102(d).

(l) "Physician shortage area" means an area designated by the Secretary pursuant to § 57.216(a)(5) as an area having a need for and shortage of physicians.

§ 57.2203 Eligibility.

To be eligible for a scholarship grant under this subpart, the applicant must:

(a) Be a national of the United States or a permnent resident of the Trust Territory of the Pacific Islands or be in the United States, Puerto Rico, the Virgin Islands, or Guam for other than temporary purposes and intend to become a permanent resident thereof;

(b) Be a full-time student in a school located in the United States, the Trust Territory of the Pacific Islands, Puerto

Rico, the Virgin Islands, the Canal Zone, American Samoa or Guam; and

(c) Agree to engage in the practice of primary care as defined in § 57.2202(j) in accord with conditions specified in § 57.2209.

§ 57.2204 Application.

Each eligible applicant desiring a scholarship grant under this subpart shall submit an application at such time and in such form as the Secretary may prescribe.

§ 57.2205 Priority for selection of scholarship recipients.

(a) When funds determined by the Secretary to be available for scholarship grants under this subpart are insufficient to permit the awarding of scholarships to all individuals applying therefor, the Secretary shall accord priority to eligible applicants as follows:

(1) First priority for scholarship grants shall be accorded to applicants who (i) are from a low-income background as defined in § 57.2202 (i), (ii) reside in a physician shortage area and (iii) agree to return to such area and engage in the practice of primary care. For purposes of this subparagraph, an individual resides in a physician shortage area if he presently is residing in such an area or if he (or his parents) resided in such an area in the year prior to his admission to an institution of higher education.

(2) Second priority shall be accorded to applicants meeting the criteria in paragrap (a)(1) (ii) and (iii) of this section.

(3) Third priority shall be accorded to applicants meeting the criteria in paragraph (a)(1) (ii) and (iii) of this section.

(4) Fourth priority shall be accorded to other applicants.

(b) Where there are insufficient funds available to make scholarship grants to all members of any single priority grouping enumerated in paragraph (a) of this section, the following criteria will be used to accord priority within each affected priority group:

(1) Within the priority groupings specified in paragraph (a) (1) and (2) of this section, the Secretary shall rank recipients according to the degree of the severity of shortage of physicians practicing primary care in such area. Scholarship grants shall be awarded within each priority group first to applicants within that grouping from physician shortage areas with the least favorable ratio of such physicians to the population to be served.

(2) Within the priority groupings specified in paragraph (a) (3) and (4) of this section, the Secretary shall award scholarship grants within each priority group first to applicants who agree to practice primary care in a physician shortage area with a substantial portion of migratory agricultural workers in such area; second, to applicants within that grouping who agree to practice in a physician shortage area; and third, to applicants within that grouping who agree to practice in such place or places, facility or facilities, and in such manner as the Secretary finds necessary to assure that, of the patients receiving medical care in such practice, a substantial portion will consist of persons who are migratory agricultural workers or members of their families.

§ 57.2206 Grant award.

The Secretary may award scholarship grants to individuals who have been selected to receive scholarship grants in accordance with § 57.2205. Any such award under this subpart shall state the specific conditions under which the award is being made and shall indicate the distribution between funds awarded to cover the costs of tuition and fees payable to the school and funds awarded for the costs of equipment, supplies, books, and living expenses payable to the individual.

§ 57.2207 Amount of scholarship grant.

(a) The amount of the scholarship grant to any student for any academic year shall be the total of (1) the lesser of (i) $5,000 or (ii) the amount determined by the Secretary to be the cost of tuition and fees; plus (2) an allowance for equipment, supplies, books and living expenses which shall be the lesser of (i) $3,600 or (ii) the difference between $5,000 and the amount determined pursuant to paragraph (a)(1) of this section.

(b) The maximum amount of a scholarship grant during a 12-month period to any student enrolled in a school which provides a course of study longer than the traditional 9-month academic year may be proportionately increased.

§ 57.2208 Payment of scholarship grant.

The portion of a scholarship grant awarded for the costs of tuition and fees as indicated on the notice of grant award document will be paid directly to the school upon receipt of an invoice from the school. The portion of the scholarship grant awarded for the costs of equipment, supplies, books, and living expenses will be paid to the individual in equal monthly installments.

§ 57.2209 Conditions of scholarship grant.

(a) Any scholarship grant made to any individual under this subpart shall be awarded upon the condition that such individual will, following completion of his professional training, engage in the practice of primary care for a period of 12 continuous months for each academic year (i.e., 9 months) for which a scholarship grant was made, as follows:

(1) In the case of any individual selected pursuant to § 57.2205(a) (1) or (2), such practice must be in the physician shortage area to which such individual agreed to return: *Provided however,* That if the Secretary determines at the time the individual proposes to engage in the required practice that such area is no longer a physician shortage area and cannot reasonably be expected to become such an area within 2 years from such time, such practice shall, at the option of the individual be, either in any then current physician shortage area, or in such place or places, facility, or facilities, and in such manner as the Secretary finds necessary to assure that, of the patients receiving medical care in such practice, a substantial portion will consist of persons who are migratory agricultural workers or members of their families.

(2) In the case of any individual selected pursuant to § 57.2205(a) (3) or (4), such practice must be in accordance with the agreement described in § 57.2205 (b)(2) (i.e., in a physician shortage area with a substantial portion of migratory agricultural workers in such area; a physician shortage area; or in such place or places, facility or facilities, and in such manner as may be necessary to assure that, of the patients receiving medical care in such practice, a substantial portion will consist of persons who are migratory agricultural workers or members of their families; as the case may be).

(b) Subject to the provision of § 57.2211(e), any individual to whom the conditions of this section apply must complete the practice required by paragraph (a) of this section within a period beginning on the date of completion by such individual of his professional training, as determined by the Secretary, and not to exceed the period of practice determined in accordance with such paragraph (a), plus 6 months.

(c) Where an individual has received scholarship grant support for four academic years, such individual shall be considered to have received scholarship grant support for only three academic years if the Secretary determines (1) that such individual has served his internship or residency in a hospital (i) which is located in a physician shortage area, or (ii) in which a substantial portion of the patients of such hospital consists of persons who are migratory agricultural workers or members of the families of such workers and (2) that while so serving such internship or residency, he has received training or professional experience designed to prepare him to engage in the practice of primary care.

(d) For purposes of paragraph (c)(2) of this section, (1) internships which will be recognized by the Secretary as providing training or professional experience designed to prepare an individual to engage in the practice of primary care are: rotating internships without a major emphasis, rotating internships with an emphasis on internal medicine, rotating internships with an emphasis on pediatrics, straight internships in internal medicine and straight internships in pediatrics; *Provided,* That such internships are approved or provisionally approved by the Council on Medical Education of the American Medical Association or the Board of Trustees of the American Osteopathic Association; and

(2) Residencies which will be recognized as providing such training or experience are those in general practice,

family practice, general internal medicine and general pediatrics; *Provided*, That such residencies are approved or provisionally approved by the Council on Medical Education of the American Medical Association or the Board of Trustees of the American Osteopathic Association.

(e) No individual who has received a scholarship grant under this subpart may enter into an agreement with the Secretary pursuant to section 741(f) of the Act until either (1) such individual has completed the practice required by paragraph (a) of this section, or (2) the Secretary has determined that the United States is entitled to recover from such individual an amount determined in accordance with § 57.2210. In no case, however, shall a scholarship grant under this subpart be considered an educational loan for purposes of section 741(f) of the Act.

§ 57.2210 Failure to comply.

(a) Subject to the provision of § 57.2211, if any individual fails to complete the course of study or fails, within the time period set forth in § 57.2209(b), to meet the applicable conditions of practice imposed by receipt of a scholarship grant for the full number of months to which such condition is applicable, the United States shall be entitled to recover from such individual an amount determined in accordance with section 784(c)(3) of the Act.

§ 57.2211 Waiver or suspension.

(a) Any obligation of any individual under this subpart will be cancelled upon the death of such individual as documented by a certification of death, or such other official proof as is conclusive under State law, and submitted to the Secretary.

(b) Subject to the provision of paragraph (e) of this section, where an individual fails to complete the practice required by § 57.2209(a) within the period prescribed in § 57.2209(b), the Secretary may waive the obligation of such individual to repay pursuant to § 57.2210 where the Secretary determines that compliance by such individual with such obligation (1) is impossible, or (2) would involve extreme hardship to such individual and enforcement of such obligation with respect to such individual would be against equity and good conscience.

(c) For purposes of paragraph (b)(1) of this section, compliance by an individual will be deemed impossible where the Secretary determines, on the basis of such information and documentation as he may require, that the individual is permanently and totally disabled.

(d) For purposes of paragraph (b)(2) of this section, in determining whether compliance by an individual would involve extreme hardship to such individual and would be against equity and good conscience, the Secretary will take into consideration the following:

(1) The individual's present financial resources and obligations;

(2) The individual's estimated future financial resources and obligations;

(3) The reasons for the individual's failure to complete such practice within the prescribed period, such as problems of a personal nature; and

(4) The extent to which the individual is practicing his profession in a manner consistent with the purposes of section 784 of the Act.

(e) The Secretary may extend the period (prescribed in § 57.2209(b)) within which an individual must complete the practice required pursuant to § 57.2209(a) for a period not to exceed one year where the Secretary finds that (1) such individual is unable to complete such practice within such period because of a temporary physical or mental disability, or (2) completion by such individual of such practice within such period would involve extreme hardship to such individual and that failure to so extend such period would be against equity and good conscience.

[FR Doc.74-10980 Filed 5-10-74;8:45 am]

DEPARTMENT OF TRANSFORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 74-WA-12]

ADDITIONAL CONTROL AREA

Proposed Alteration

The Federal Aviation Administration (FAA) is considering an amendment to Part 71 of the Federal Aviation Regulations that would expand the additional control area in the vicinity of Sault Ste. Marie, Mich.

Interested persons may participate in the proposed rule making by submitting such written data, views or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Great Lakes Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 2300 East Devon, Des Plaines, Ill. 60018. All communications received on or before May 28, 1974, will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20591. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The proposed amendment would expand the Sault Ste. Marie, Mich., Additional Control Area (§ 71.163 of the Federal Aviation Regulations) as follows:

An area bounded by a line beginning at Lat. 46°48'45" N., Long. 84°33'00" W., to Lat. 46°33'00" N., Long. 85°01'40" W., to Lat. 47°00'00" N., Long. 86°25'30" W., to Lat. 47°19'40" N., Long. 86°10'10" W., thence to the point of beginning. The airspace within Canada is excluded.

The expansion of this portion of the additional control area would provide aircraft operating in the Sault Ste. Marie and Kincheloe, Mich., areas more controlled airspace for radar vectors and would improve air traffic control procedures.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a)) and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on May 7, 1974.

RAYMOND M. MCINNIS,
Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.74-10900 Filed 5-10-74;8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 74-SW-21]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation regulations to alter the Harlingen, Tex., transition area.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to Chief, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, Texas 76101. All communications received on or before June 12, 1974 will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Chief, Airspace and Procedures Branch. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested persons at the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, Fort Worth, Texas. An informal docket will also be available for examination at the Office of the Chief, Airspace and Procedures Branch, Air Traffic Division.

It is proposed to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth.

In § 71.181 (39 FR 440), the Harlingen, Tex., transition area is amended to read:

HARLINGEN, TEX.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the Harlingen Municipal Airport (latitude 26°13'36" N., longitude 97°39'12" W.); within 3.5 miles either side of the Harlingen ILS localizer north course extending from the 5-mile radius zone to 11.5 miles north of the

outer marker (latitude 26°18'17.7" N., longitude 97°39'28.2" W.); within 1.5 miles each side of the localizer (latitude 26°12'48" N., longitude 97°39'31" W.) back course 181° T radial extending from the 5-mile radius zone to 5.5 miles south of the localizer and within 2 miles either side of the Harlingen VOR 118° radial extending from the 5-mile radius zone to the VOR.

The amendment to the transition area will provide the necessary controlled airspace for aircraft executing the LOC (BC) RWY 36L instrument approach procedure.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348) and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655 (c)).

Issued in Fort Worth, TX, on May 1, 1974.

ALBERT H. THURBURN,
Acting Director, Southwest Region.

[FR Doc.74-10897 Filed 5-10-74;8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 74-WE-8]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would designate a new transition area for El Rico Airport, Corcoran, California.

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, Airspace and Procedures Branch, Federal Aviation Administration, 15000 S.Aviation Boulevard, Lawndale, California 90261. All communications received on or before June 12, 1974 will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 15000 S. Aviation Boulevard, Lawndale, California 90261.

A new special instrument approach procedure (VOR/DME-A) has been developed for El Rico Airport (Pvt), Calif. The procedure turn and final approach course are developed on the Avenal, Calif. VORTAC 034° T (018° M) radial. The proposed 700 foot transition area is required to provide airspace protection for aircraft utilizing the new appoach procedure.

In consideration of the foregoing, the FAA proposes the following airspace action.

In § 71.181 (39 FR 440) the following transition area is added:

EL RICO, CALIF.

That airspace extending upward from 700 feet above the surface within a 3-mile radius of El Rico Airport (latitude 36°02'43" N., longitude 119°38'44" W.) and within 3 miles each side of the Avenal VORTAC 034° radial, extending from the 3-mile radius area to 24 miles NE of the VORTAC.

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 Los Angeles, California, on April 29, 1974.

ROBERT O. BLANCHARD,
Acting Director, Western Region.

[FR Doc.74-10898 Filed 5-10-74;8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 74-WE-9]

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 Phoenix, Arizona 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, Airspace and Procedures Branch, Federal Aviation Administration, 15000 S. Aviation Boulevard, Lawndale, California 90261. All communications received on or before June 12, 1974 will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 15000 S. Aviation Boulevard, Lawndale, California 90261.

The United States Air Force has requested additional portions of 700 foot and 1,200 foot transition area. This airspace is required to provide additional controlled airspace wherein air traffic service may be provided to aircraft from Luke AFB performing instrument flight rule training.

In consideration of the foregoing, the FAA proposes the following airspace action.

In § 71.181 (39 FR 440) the description of the Phoenix, Ariz. transition area is amended as follows: Add the following to the description of the 700 foot portion of the transition area "that airspace NW of Phoenix bounded by a line beginning at latitude 33°59'00" N., longitude 112°38'00" W. to latitude 33°49'00" N., longitude 112°55'00" W., thence counterclockwise via an arc of a 20-mile radius circle centered on Luke AFB to latitude 33°12'00" N., to latitude 33°14'00" N., longitude 112°45'00" W. to latitude 33°55'00" N., longitude 112°45'00" W. to point of beginning."

In the description of the 1,200 foot portion of the transition area delete longitude "112°30'00" W." in the first set of coordinates and substitute "112°39'00" W." therefor. In the last set of coordinates delete longitude "112°43'00" W." and substitute "112°52'00" W." therefor.

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 Los Angeles, California, on April 29, 1974.

ROBERT O. BLANCHARD,
Acting Director, Western Region.

[FR Doc.74-10899 Filed 5-10-74;8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 74-EA-20]

TRANSITION AREA

Proposed Alteration

Correction

In FR Doc. 74-10414 appearing in the issue of May 7, 1974, make the following correction.

On page 16156 in the 2d column, 23d line, the 4th entry should read "225°".

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 52]

PUERTO RICO

Implementation Plans; Approval of Compliance Schedules

On May 31, 1972 (37 FR 10482), pursuant to Section 110 of the Clean Air Act and 40 CFR Part 51, the Administrator of the Environmental Protection Agency approved the implementation plan submitted by the Commonwealth of Puerto Rico for attainment and maintenance of national ambient air quality standards. On April 5, April 9, April 17 and September 10, 1973, proposed revisions to the approved plan were submitted by Puerto Rico in the form of compliance schedules covering sources located in the Commonwealth. Set forth

below are proposed regulations for approval of forty-seven of these compliance schedules.

These compliance schedules were adopted by Puerto Rico after notice and public hearings in conformity with the requirements of 40 CFR 51.4 and 51.6, as certified by supporting documents submitted by the Puerto Rico Environmental Quality Board. The Administrator determined that these schedules could not be approved as originally submitted by the Commonwealth, and requested that additional information be supplied relating to the procedures employed in adoption of these schedules by the Commonwealth, and to the enforceability of their terms. This information was received by EPA on February 1 and February 12, 1974. The Administrator thereupon found these schedules to be approvable as consistent with the requirements of the Clean Air Act, 40 CFR Part 51, and Puerto Rico's approved control strategies. The Administrator therefore proposes to approve these schedules in the form of the regulation set out below.

The date indicated for final compliance in forty-six of these schedules will have passed by the time of their final approval. This fact is attributable to delays occasioned by the necessity of ministering to infirmities existing at the time of their initial submission. The Administrator believes approval of these schedules to be nonetheless desirable in order to make the incremental and final compliance dates contained therein federally enforceable. This is considered appropriate inasmuch as each schedule reflects the consensus of EPA and the Puerto Rico Environmental Quality Board as to the abatement actions to be taken, and the date by which compliance should be achieved. Failure to approve these schedules would limit EPA to enforcement of the state implementation plan, the provisions of which were immediately effective as of the date of the plan's promulgation.

Each of these schedules will, when approved, establish a new date by which the source involved must comply with the applicable emission limitation provisions of the federally-approved state implementation plan. This date is indicated in the table below, under the heading "Final Compliance Date". In no case does this compliance date fall beyond the April 30, 1975 date established in Puerto Rico's implementation plan for attainment of primary ambient air quality standards, nor is relaxation of any emission standard involved. Achievement of ambient air quality standards by the attainment date will therefore not be jeopardized by approval of these schedules.

Copies of the forty-seven compliance schedules proposed to be approved are available for public inspection at the offices of the Environmental Protection Agency, Region II, 26 Federal Plaza, New York, New York 10007, and the Puerto Rico Environmental Quality Board, 1550 Ponce de Leon Avenue, Santurce, Puerto Rico 00910. Interested persons may participate in this rule making by submitting written comments in triplicate to Stephen Dvorkin, Attorney, Enforcement and Regional Counsel Division, in care of the Region II Office at the above address. All comments submitted no later than thirty days after the date of publication of this proposal will be considered. Receipt of comments will be acknowledged but substantive responses will not be provided. All comments received, as well as copies of the Puerto Rico implementation plan, will be available for inspection during normal business hours at the Regional Office.

(42 U.S.C. 1857c-5)

Dated: May 3, 1974.

JOHN QUARLES,
Acting Administrator.

It is proposed to amend Part 52 of Chapter I, Title 40 of the Code of Federal Regulations as follows:

Subpart BBB—Puerto Rico

1. Section 52.2720 is amended by adding a new paragraph (c) as follows:

§ 52.2720 Identification of plan.

* * * * *

(c) Supplemental information was submitted by the Commonwealth of Puerto Rico Environmental Quality Board on April 5, April 9, April 17, May 30, June 18 and September 10, 1973, and on February 1 and February 12, 1974.

2. A new § 52.2724 is added as follows:

§ 52.2724 Compliance schedules.

(a) The compliance schedules for the sources identified below are approved as meeting the requirements of § 51.15 of this chapter. All regulations cited are air pollution control regulations of the Commonwealth, unless otherwise noted.

PUERTO RICO

Source	Location	Regulations involved	Date of adoption	Effective date	Final compliance date
1. Hormigonera Oriental, Inc	Fajardo	5.2, 5.5	Apr. 4, 1973	Immediately	Apr. 30, 1973
2. Hormigonera Metropolitana, Inc.	Caguas	5.2, 5.5	do	do	Do.
3. Hormigonera, Inc	do	5.1, 5.2, 5.5	Apr. 5, 1973	do	Do.
4. Industria Alimenticia	Barceloneta	5.5, 8	do	do	Nov. 30, 1973
5. Jocarlrick	Vega Baja	5.2, 5.5	do	do	Apr. 28, 1973
6. Inabon Aggregates, Inc	Coto Laurel	5.2	do	do	Mar. 31, 1973
7. Ponce Asphalt, Inc., Santa Isabela Plant.	Ponce	5.2, 5.5, 6.1	do	do	Apr. 15, 1973
8. Cantera Diaz, Inc	Trujillo Alto	5.2	do	do	June 15, 1973
9. Inabon Asphalt, Inc	Coto Laurel	5.1, 5.2, 6.1	do	do	June 1, 1973
10. Betteroads Asphalt Corp. Plant 2.	Aguada	5.2, 6.1, 5.1	do	do	May 31, 1973
11. Hormigonera, Inc. Plant 6	Bayamon	5.2	Apr. 4, 1973	do	Mar. 30, 1973
12. Hormigonera, Inc. Plant 15	Canovanas	5.2	Apr. 5, 1973	do	Apr. 30, 1973
13. Hormigonera, Inc. Plant 7	Fajardo	5.2	do	do	Mar. 30, 1973
14. Hormigonera, Inc. Plant 5 Tempo.	Dorado	5.2	do	do	Mar. 31, 1973
15. Hormigonera Oriental, Inc	Humacao	5.2	Apr. 4, 1973	do	Apr. 30, 1973
16. Betteroads Asphalt Corp. Plant 6.	Arecibo	5.2, 5.4	Apr. 5, 1973	do	Dec. 31, 1973
17. Empress O'Neill	Manati	5.2, 5.4	do	do	July 15, 1973
18. General Electric Switchgear	Vieques	5.2, 4.1	Apr. 4, 1973	do	Mar. 16, 1973
19. Terrozos Pico, Inc	Ponce	5.1, 5.2	Apr. 5, 1973	do	June 30, 1973
20. South Caribe Aggregates, Inc	do	5.1, 5.2	do	do	June 20, 1973
21. Rexach Block, Santurce	Santurce	5.1, 5.5	Apr. 9, 1973	do	Aug. 15, 1973
22. Integrated Industries	Mayaguez	5.5	Apr. 8, 1973	do	Dec. 22, 1972
23. Amrex Construction Co., Inc	Cayey	5.2	Apr. 9, 1973	do	Mar. 15, 1974
24. Bloques La Plata	Toa Baja	5.2, 5.5	do	do	Apr. 30, 1973
25. Rodfall Muebles	Saint Just	5.2, 5.5	do	do	Aug. 31, 1973
26. South Caribe Aggregates, Inc	Juana Diaz	5.2, 5.5	do	do	June 30, 1973
27. Rexach Asphalt Corp	Aguadilla	5.2	do	do	May 15, 1973
28. Betteroads Asphalt Corp	Sabana Grande	5.2	do	do	Dec. 31, 1973
29. Ponce Asphalt	Ponce	5.2	Apr. 8, 1973	do	Apr. 15, 1973
30. Puerto Rico Aggregates	Caroliwa	5.2	Apr. 5, 1973	do	July 31, 1973
31. Ibec Packing Co	Mayaguez	5.5, 8	Apr. 8, 1973	do	Aug. 15, 1973
32. Rexach Concrete Corp	Garubo	5.2	Apr. 9, 1973	do	May 1, 1973
33. Omark Caribbean, Inc	Bayamon	5.1, 5.5	Apr. 8, 1973	do	Nov. 30, 1973
34. Best Contracting Corp	Rio Piedras	5.2	Apr. 5, 1973	do	Mar. 22, 1973
35. Betteroads Asphalt Corp	do	5.2	do	do	Nov. 30, 1973
36. Hormigonera, Inc	do	5.1, 5.2, 5.5	do	do	Dec. 31, 1973
37. Agregados Gurabo, Inc	Garubo	5.1, 5.2, 5.5	Apr. 8, 1973	do	Mar. 12, 1973
38. Rexach Aggregates Corp	Caguas	5.1, 5.2, 5.5	Apr. 9, 1973	do	Feb. 28, 1973
39. Quality Concre-Mix, Inc. (Sabana Seca).	Bayamon	5.1, 5.2, 5.5	do	do	June 15, 1973
40. Rexach Concrete Corp	Aguirre	5.1, 5.2, 5.5	do	do	Apr. 1, 1973
41. Eli Lilly	Mayaguez	7.3	Apr. 8, 1973	do	Dec. 31, 1974
42. Tito Castro Ready Mix	Ponce	5.1, 5.2, 5.5	July 23, 1973	do	Aug. 22, 1973
43. Puerto Rico Concrete Products	Rio Piedras	5.2	July 5, 1973	do	Aug. 30, 1973
44. Ponce Concrete Products	Ponce	5.2	do	do	Aug. 31, 1973
45. Motors and Parts Distributors	Hato Rey	5.5	do	do	July 29, 1973
46. Hormigonera, Inc	Rio Piedras	5.1, 5.2, 5.5	June 28, 1973	do	Dec. 31, 1973
47. Inabon Ready Mix	Coto Laurel	5.1, 5.2	do	do	Apr. 27, 1973

[FR Doc.74-10806 Filed 5-10-74;8:45 am]

FEDERAL POWER COMMISSION

[18 CFR Part 35]

[Docket No. RM74-15]

INITIAL AND SUPERSEDING ELECTRIC RATE SCHEDULES

Fixed Rate Contract Provisions; Correction

MAY 3, 1974.

In the Notice of Proposed Rulemaking, issued April 22, 1974 and published in the FEDERAL REGISTER April 26, 1974, 39 FR 14730,

Page 14730, Column three, line 3, change "June 6" to read "May 28".

On page 14730, Column three, line 13 change May 28, 1974 to read June 6, 1974.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-10906 Filed 5-10-74;8:45 am]

SMALL BUSINESS ADMINISTRATION

[13 CFR Part 121]

SMALL BUSINESS SIZE STANDARDS

Size of Concern Affected by a Military Installation Closing

On March 27, 1974, there was published in the FEDERAL REGISTER (39 FR 11256) an amendment providing a method for computing a concern's size status for the purpose of receiving a Small Business Administration loan if such concern has suffered a reduction of at least 25 percent in annual receipts or employment (depending on the size standard applicable) due to the shortage of energy or materials.

It has been suggested that a comparable method of computation should be established to cover situations in which a concern has suffered such a reduction in annual receipts or employment and such reduction is determined to have been caused by the closing of a United States military installation such as a post, camp, or station. It also has been suggested that in the case of reduction caused by an installation closing, the designated method of computation should also be utilized in determining a concern's size for the purpose of bidding on Government procurement as a small business.

Accordingly, it is proposed to amend Part 121 of Chapter I of Title 13 of the Code of Federal Regulations by:

1. Adding a new sentence to § 121.3-2 (b) and inserting a new sentence immediately following the first sentence of § 121.3-2(f) to read as follows:

§ 121.3-2 Definition of terms used in this part.

* * * * *

(b) "Annual Receipts" * * * *It is further provided,* That, if, for the purpose of receiving financial assistance under a Small Business Administration program and for the purpose of bidding on Government procurement, it is determined that such concern has completed at least 3 months of its current fiscal year, its gross receipts for the completed months of its current fiscal year are at least 25 percent lower than its receipts during the corresponding months of its most recently completed fiscal year, the reduction in its receipts was primarily due to the closing of a United States military installation such as a post, camp, or station, and at least 51 percent of its annual receipts for its preceding fiscal year were the result of its business transactions with such installation or its personnel, its annual receipts for size determination purposes shall be computed by reducing its annual receipts for its most recently completed fiscal year (or its average annual receipts for its preceding 3 fiscal years) by the determined percentile.

* * * * *

(f) * * * *It is further provided,* That, if, for the purpose of determining a concern's eligibility for financial assistance under a Small Business Administration program and for the purpose of bidding on Government procurement, it is determined that (1) a concern's employment in its most recently completed calendar quarter is at least 25 percent lower than its employment in the corresponding quarter in the preceding calendar year, (2) such reduction in employment was primarily due to the closing of a United States military installation such as a post, camp, or station, and (3) at least 51 percent of its annual receipts for its preceding fiscal year were the result of its business transactions with such installation or its personnel, its number of employees for size determination purposes shall be determined by reducing its average employment for the preceding four quarters by the determined percentile. * * *

* * * * *

Interested parties may, on or before May 28, 1974 file with the Small Business Administration written statements of facts, opinions, or arguments concerning the proposal.

All correspondence shall be addressed to:

William L. Pellington
Director, Office of Industry Studies and Size Standards
Small Business Administration
1441 L Street, NW.
Washington, D.C. 20416

Dated: May 2, 1974.

(All Catalogue of Federal Domestic Assistance Program Numbers)

THOMAS S. KLEPPE,
Administrator.

[FR Doc.74-10968 Filed 5-10-74;8:45 am]

notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF STATE

[Public Notice 420]

DENMARK

Validity of Passports

Denmark is added to the list of countries which have entered into agreements with the Government of the United States whereby their passports are recognized as valid for the return of the bearer to the country of the foreign-issuing authority for a period of at least six months beyond the expiration date specified in the passport.

This notice amends Public Notice 375 of January 10, 1973 (38 FR 1224).

Dated: April 30, 1974.

[SEAL] BARBARA M. WATSON,
Administrator, Bureau of Security and Consular Affairs, Department of State.

[FR Doc.74-10940 Filed 5-10-74;8:45 am]

DEPARTMENT OF THE TREASURY

Comptroller of the Currency

COMPTROLLER OF THE CURRENCY'S REGIONAL ADVISORY COMMITTEE ON BANKING POLICIES AND PRACTICES OF THE SECOND NATIONAL BANK REGION

Notice of Closed Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463), notice is hereby given that a closed meeting of the Comptroller of the Currency's Regional Advisory Committee on Banking Policies and Practices of the Second National Bank Region will be held at Seaview Country Club, Absecon, New Jersey, on May 17-18, 1974, at 8:30 a.m.

The purpose of this meeting is to assist the Regional Administrator and Comptroller of the Currency in a continuing review of bank regulations and policies. The meeting will also apprise agency officials of current conditions and problems banks are experiencing in the Second National Bank Region.

It is hereby determined pursuant to section 10(d) of Public Law 92-463 that the meeting is concerned with matters listed in section 552(b) of Title 5 of the United States Code and particularly with exceptions (3), (4) and (8) thereof, and is therefore exempt from the provisions of section 10 (a)(1) and (a)(3) of the Act (Public Law 92-463) relating to open meetings and public participation therein.

Dated: May 8, 1974.

[SEAL] JAMES E. SMITH,
Comptroller of the Currency.

[FR Doc.74-10986 Filed 5-10-74;8:45 am]

DEPARTMENT OF DEFENSE

Office of the Secretary

DEFENSE INTELLIGENCE AGENCY SCIENTIFIC ADVISORY COMMITTEE

Notice of Closed Meeting

Pursuant to the provisions of section 10 of Public Law 92-463, effective January 5, 1973, notice is hereby given that a closed meeting of the DIA Scientific Advisory Committee will be held at the Pentagon, Washington, D.C. on: Friday, May 31, 1974.

The meeting commencing at 9 a.m. will be to discuss classified matters.

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

MAY 8, 1974.

[FR Doc.74-10964 Filed 5-10-74;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

ABERDEEN AREA OFFICE, ABERDEEN, SOUTH DAKOTA

Change of Address

MAY 3, 1974.

This notice is published in the exercise of authority delegated by the Secretary of the Interior to the Commissioner of Indian Affairs by 230 DM 2 (32 FR 13938).

Notice is hereby given that the address of the Aberdeen Area Office of the Bureau of Indian Affairs will be changed from 820 South Main Street to 115 4th Avenue SE., Aberdeen, South Dakota 57401. This change will be effective on April 22, 1974.

LAFOLLETTE BUTLER,
Acting Deputy Commissioner of Indian Affairs.

[FR Doc.74-10966 Filed 5-10-74;8:45 am]

Bureau of Land Management

[New Mexico 20273]

NEW MEXICO

Notice of Application

MAY 2, 1974.

Notice is hereby given that, pursuant to Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), Southern Union Gas Company has applied for a 4-inch natural gas pipeline right-of-way across the following land:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO
T. 31 N., R. 12 W.,
Sec. 26, SE¼NW¼, NE¼SW¼, N½SE¼, SE¼SE¼.

This pipeline will convey natural gas across .667 miles of national resource land in San Juan County, New Mexico.

The purpose of this notice is to allow the public an opportunity to comment upon the filing of the above right-of-way application.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, 3550 Pan American Freeway, NE., Albuquerque, NM 87107.

FRED E. PADILLA,
Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-10941 Filed 5-10-74;8:45 am]

[New Mexico 20532]

NEW MEXICO

Notice of Application

MAY 3, 1974.

Notice is hereby given that, pursuant to Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for a 4½ inch natural gas pipeline right-of-way across the following land:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

T. 22 S., R. 34 E.,
Sec. 15, NE¼SW¼, W½SE¼, SE½SE¼.

This pipeline will convey natural gas across .620 mile of national resource land in Lea County, New Mexico.

The purpose of this notice is to allow the public an opportunity to comment upon the filing of the above right-of-way application.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, P.O. Box 1397, Roswell, NM 88201.

FRED E. PADILLA,
Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-10942 Filed 5-10-74;8:45 am]

[New Mexico 20117, NM 20260]

NEW MEXICO

Notice of Applications

MAY 2, 1974.

Notice is hereby given that, pursuant to Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for two 6⅝ inch natural gas

pipeline rights-of-way across the following lands:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

T. 25 N., R. 11 W.,
Sec. 8, NW¼NW¼, S½NW¼, N½SW¼, SE¼SW¼;
Sec. 17, W½NE¼.
T. 32 N., R. 12 W.,
Sec. 17, lot 8.

These rights-of-way will convey natural gas across 1.377 miles of national resource lands in San Juan County, New Mexico.

The purpose of this notice is to allow the public an opportunity to comment upon the filing of the above two right-of way applications.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, 3550 Pan American Freeway, NE, Albuquerque, NM 87107.

FRED E. PADILLA,
Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-10943 Filed 5-10-74;8:45 am]

Bureau of Reclamation

CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT

Notice of Public Hearing on Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a draft environmental statement for the Central Nebraska Public Power and Irrigation District Project located in Gosper County in south-central Nebraska. The statement (INT DES 74-44, dated April 23, 1974) was made available to the public on April 29, 1974.

The proposed project involves construction of additional facilities for the existing E-65 Irrigation System by the Central Nebraska Public Power and Irrigation District, hereafter referred to as the Central District, with headquarters at Holdrege, Nebraska. The district has submitted an application for a loan for irrigation system improvements and a grant for fish and wildlife enhancement under the Small Reclamation Projects Act, Public Law 84-984. The Central Nebraska Public Power and Irrigation District is a public corporation formed and chartered on July 24, 1933, under the laws of the State of Nebraska. That statute has been revised and amended and is presently defined in Section 70-601, R.R.S. Nebraska, 1943. It is within that statute that the Central Nebraska Public Power and Irrigation District is duly organized and operates.

The principal features (Exhibit B) included in the proposed E-65 System are: the Elwood Dam, two saddle dams, reservoir, and pump station; inlet-outlet canal; the enlargement of 26.6 miles of canal; the enlargement of three inverted siphons; the replacement of five metal flumes with earth embankment; replacement and betterment of 170 miles of distribution laterals with compacted earth lining or pipe; and cooperative acquisition and development of two wildlife management areas to be utilized as flood water storage areas. The construction of the dam is tentatively scheduled to begin in 1975 with completion anticipated in 1977. Construction of the lateral improvement program is scheduled to be performed with district funds within 10 years after the loan project is completed. The dam, reservoir, and pump station are located in Gosper County, and are about 3 miles north of Elwood, Nebraska, and approximately 1 mile west of U.S. Highway No. 283.

The environmental impact statement describes the E-65 Improvement Project and its purposes and functions and evaluates the project's impact upon the physical, biological, social and aesthetic aspects of the environment. The statement discusses the actions taken by the project to minimize or mitigate adverse project impacts and describes actions taken to provide enhancement of project effects, particularly in the area of fish and wildlife.

Public hearings will be held in the City Hall in Bertrand, Nebraska, at 9:45 a.m. on June 12, 1974, to receive views and comments from interested organizations and individuals relating to the draft environmental impact statement. Oral statements at the hearing will be limited to a period of 10 minutes. Speakers will not trade their time to obtain a longer oral presentation; however, the person authorized to conduct the hearing may allow any speaker to provide additional oral comment after all persons wishing to comment have been heard. Speakers will be scheduled according to the time preference, if any, mentioned in their letter or telephone request. Any scheduled speaker not present when called will lose his privilege in the scheduled order and his name will be recalled after the scheduled speakers have finished. Requests for scheduled presentation will be accepted up to 4 p.m., June 7, 1974, and any subsequent requests will be handled on a first-come-first-served basis following the scheduled presentation.

Organizations or individuals desiring to present statements at the hearing should contact Regional Director James M. Ingles, Bureau of Reclamation, Building 20, Denver Federal Center, Denver, Colorado, 80225, telephone (303) 234-4441, and announce their intention to participate. Written comments from those unable to attend and from those wishing to supplement their oral presentation at the hearing should be received by June 21, 1974, for inclusion in the hearing record.

Dated: May 7, 1974.

E. F. SULLIVAN,
Acting Commissioner of Reclamation.

[FR Doc.74-10890 Filed 5-10-74;8:45 am]

Office of the Secretary

[INT FES 74-21]

AUTHORIZED INITIAL STAGE OF GARRISON DIVERSION UNIT, N. DAK.

Availability of Supplement to the Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a supplement to the final environmental statement for the authorized initial stage of the Garrison Diversion Unit, North Dakota.

The environmental statement addresses comments raised by the Bureau of Sport Fisheries and Wildlife in their review of the final statement.

Copies are available for inspection at the following locations:

Office of Communications, Room 7220, Department of the Interior, Washington, D.C. 20240, Telephone (202) 343-9247.

Office of Assistant to the Commissioner—Ecology, Room 7622, Bureau of Reclamation, Department of the Interior, Washington, D.C. 20240, Telephone (202) 343-4991.

Division of Engineering Support, Technical Services Branch, E&R Center, Denver Federal Center, Denver, Colorado 80225, Telephone (303) 234-3007.

Office of the Regional Director, Bureau of Reclamation, P.O. Box 2553, Billings, Montana 59103, Telephone (406) 245-6711.

Missouri-Souris Project Office, Bureau of Reclamation, P.O. Box 1017, Bismarck, North Dakota 58501, Telephone (701) 255-4011.

Single copies of the final environmental statement may be obtained on request to the Commissioner of Reclamation or the Regional Director. Please refer to the statement number above.

Dated: May 3, 1974.

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

[FR Doc.74-10944 Filed 5-10-74;8:45 am]

[INT DES 74-55]

PROPOSED CHARLES SHELDON WILDERNESS AREA, NEVADA

Availability of Draft Environmental 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 the Proposed Charles Sheldon Wilderness Area, Nevada, and invites written comments within 45 days of this notice.

The proposal recommends that 277,200 acres of high desert habitat on the Charles Sheldon Antelope Range and the Sheldon National Antelope Refuge in Humboldt and Washoe Counties, Nevada, be designated a part of the National Wilderness Preservation System.

Copies of the draft statement are available for inspection at the following locations:

Bureau of Sport Fisheries and Wildlife
1500 Plaza Building
1500 N.E. Irving Street
P.O. Box 3737
Portland, Oregon 97208

Headquarters
Charles Sheldon Antelope Range
Box 111
Lakeview, Oregon 97630

Bureau of Sport Fisheries and Wildlife
Office of Environmental Coordination
Department of the Interior
Room 2246
18th and "C" Streets, NW.
Washington, D.C. 20240

Single copies may be obtained by writing the Chief, Office of Environmental Coordination, Bureau of Sport Fisheries and Wildlife, Department of the Interior, Washington, D.C. 20240. Comments concerning the proposed action should also be addressed to the Chief, Office of Environmental Coordination. Please refer to the statement number above.

Dated: May 7, 1974.

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

[FR Doc. 74-10969 Filed 5-10-74;8:45 am]

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

[FmHA Instruction 449.2]

INSURED BUSINESS AND INDUSTRIAL LOANS

Interest Rates

Notice is hereby given by the Farmers Home Administration that the current rate of interest for insured business and industrial loans, established pursuant to 7 CFR 1842.61(b) is as follows:

a. Insured loans to private entrepreneurs will be at the rate of ten percent (10 percent). This rate will remain in effect until a change is published in the FEDERAL REGISTER.

b. The rate for guaranteed loans is as agreed upon between the borrower and lender.

Effective date. This notice shall be effective on May 13, 1974.

Dated: May 3, 1974.

FRANK B. ELLIOTT,
Administrator,
Farmers Home Administration.

[FR Doc.4-74-10952 Filed 5-10-74;8:45 am]

Forest Service

RADIOBIOLOGY OF NORTHERN FOREST COMMUNITIES

Availability of Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a final environmental statement on Radiobiology of Northern Forest Communities for the Institute of Forest Genetics, USDA-FS-NCFES-FES-(Adm)-73-28.

The environmental statement concerns the implementation of research on the Radiobiology of Northern Forest Communities. Research is being conducted in a 1,440-acre forest, a 6½-acre cultivated gamma radiation field, and in the laboratory at the Institute of Forest Genetics near Rhinelander, Wisconsin, in Oneida County.

This final environmental statement was filed with CEQ on May 3, 1974.

A limited number of single copies are available upon request to Director, North Central Forest Experiment Station, Folwell Avenue, St. Paul, Minnesota 55101.

Copies of the environmental statement have been sent to various Federal, State, and local agencies as outlined in the CEQ Guidelines.[1]

JOHN H. OHMAN,
Director, North Central Forest
Experiment Station.

[FR Doc.74-10970 Filed 5-10-74;8:45 am]

Office of the Secretary

FLUE-CURED TOBACCO ADVISORY COMMITTEE

Notice of Determination

Pursuant to section 9(a)(2) of the Federal Advisory Committee Act (Public Law 92-463), and after consultation with the Office of Management and Budget, the Secretary of Agriculture has determined that is is in the public interest to establish a Flue-Cured Tobacco Advisory Committee.

The purpose of this committee will be to assist the Secretary in making apportionment and assignment of inspectors and to advise and recommend to the Secretary marketing area opening dates and selling schedules for the flue-cured tobacco to be sold in each marketing area and each warehouse.

Any comments on the determination to establish this committee may be directed to J. W. York, Director, Tobacco Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250, not later than May 28, 1974. All written submissions made pursuant to this notice shall be made available for public inspection at the Office of the Director, Tobacco Division, AMS, Room 501 Annex Bldg., 12th and C Streets SW., Washington, D.C., during regular business hours. (7 CFR 1.27(b).)

Dated: May 8, 1974.

JOSEPH R. WRIGHT, Jr.,
Assistant Secretary
for Administration.

[FR Doc.74-10951 Filed 5-10-74;8:45 am]

[1] A copy of the environmental statement is filed with the Office of Federal Register as part of the original document.

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

HOMOSASSA SPRINGS, INC.

Issuance of Permit for Marine Mammals

On December 27, 1973, notice was published in the FEDERAL REGISTER (38 FR 35340), that an application had been filed with the National Marine Fisheries Service by Homosassa Springs, Incorporated, P.O. Box 8, Homosassa Springs, Florida 32647, for a permit to take two male and four female California sea lions (*Zalophus californianus*) for the purpose of public display.

Notice is hereby given that, on May 3, 1974, and as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361-1407), the National Marine Fisheries Service issued a Permit to Homosassa Springs, Incorporated, subject to certain conditions set forth therein. The Permit is available for review by interested persons in the Office of the Director, National Marine Fisheries Service, Washington, D.C. 20235, and the offices of the Regional Director, National Marine Fisheries Service, Southeast Region, Duval Building, 9450 Gandy Boulevard, St. Petersburg, Florida 33702, and the Regional Director, National Marine Fisheries Service, Southwest Region, 300 South Ferry Street, Terminal Island, California 90731.

Dated: May 3, 1974.

JOSEPH W. SLAVIN,
Acting Director,
National Marine Fisheries Service.

[FR Doc.74-10945 Filed 5-10-74;8:45 am]

SEA WORLD, INC.

Issuance of Permit for Marine Mammals

On February 4, 1974, notice was published in the FEDERAL REGISTER (39 FR 4493), that an application had been filed with the National Marine Fisheries Service by Sea World, Incorporated, San Diego, California 92109, to take four (4) killer whales (*Orcinus orca*) for the purpose of public display at Sea World of Florida.

Notice is hereby given that, on May 7, 1974, and as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361-1407), the National Marine Fisheries Service issued a Permit to Sea World, Incorporated, subject to certain conditions set forth therein. The Permit is available for review by interested persons in the Office of the Director, National Marine Fisheries Service, Washington, D.C. 20235, and the office of the Regional Director, National Marine Fisheries Service, Northwest Region, 1700

West Lake Avenue, North, Seattle, Washington 98109.

Dated: May 7, 1974.

ROBERT W. SCHONING,
Director,
National Marine Fisheries Service.

[FR Doc.74-10946 Filed 5-10-74;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Alcohol, Drug Abuse, and Mental Health Administration

NATIONAL ADVISORY MENTAL HEALTH COUNCIL

Notice of Meeting

The Interim Administrator, Alcohol, Drug Abuse, and Mental Health Administration, announces the meeting dates and other required information for the following National Advisory Body scheduled to assemble the month of June 1974:

Committee name	Date/time/place	Type of meeting and/or contact person
National Advisory Mental Health Council.	June 10-12, 9:30 a.m., conference room 14-105, Parklawn Bldg., Rockville, Md.	June 10—open. June 11-12—closed. Contact Mrs. Zelia Diggs, Parklawn Bldg., room 9C-05, 5600 Fishers Lane, Rockville, Md. 20852, area code 301-443-4335.

Purpose. Reviews applications for grants-in-aid relating to research, training and instructions in the field of psychiatric disorders, and makes recommendations to the Secretary, Department of Health, Education, and Welfare, with respect to approval of applications for, and the amounts of, these grants. Advises on matters of program planning and evaluation relevant to mental health programs.

Agenda. June 10 will be devoted to discussion of NIMH policy issues. These will include current administrative, legislative, and program developments. On June 11-12, the Council will conduct a final review of grant applications for Federal assistance and this session will not be open to the public, in accordance with the determination by the Interim Administrator, Alcohol, Drug Abuse, and Mental Health Administration, pursuant to the provisions of Public Law 92-463, section 10(d).

Agenda items are subject to change as priorities dictate.

Substantive information may be obtained from the contact person listed above.

The NIMH Information Officer who will furnish summaries of the meetings and rosters of the committee members is Mr. Edwin Long, Deputy Director, Division of Scientific and Technical Information, National Institute of Mental Health, Room 15-105, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20852, telephone: Area Code 301/443-3600.

Dated: April 25, 1974.

ROGER O. EGEBERG,
Interim Administrator, Alcohol, Drug Abuse, and Mental Health Administration.

[FR Doc.74-10972 Filed 5-10-74;8:45 am]

Office of Educattion

TEACHER CORPS CONTINUATION INSERVICE PROJECTS

Closing Date for Receipt of Applications

Notice is hereby given that pursuant to the authority contained in Part B-1 of the Education Professions Development Act of 1965, as amended (79 Stat. 1255-1258 as amended (20 U.S.C. 1101-1107(a))), applications are being accepted jointly from institutions of higher education and local educational agencies for continuing the second year of the inservice project grant.

Applications must be received by the U.S. Office of Education Application Control Center on or before June 14, 1974.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Application Control Center, 400 Maryland Avenue, S.W., Washington, D.C. 20202, Attention: 13.489. An application sent by mail will be considered to be received on time by the Application Control Center if:

(1) The application was sent by registered or certified mail not later than the fifth calendar day prior to the closing date (or if such fifth calendar day is a Saturday, Sunday, or Federal holiday, not later than the next following business day (as evidenced by the U.S. Postal Service postmark on the wrapper or envelope, or on the original receipt from the U.S. Postal Service; or

(2) The application is received on or before the closing date by either the Department of Health, Education, and Welfare, or the U.S. Office of Education mail rooms in Washington, D.C. (In establishing the date of receipt, the Commissioner will rely on the time-date stamp of such mail rooms or other documentary evidence of receipt maintained by the Department of Health, Education, and Welfare, or the U.S. Office of Education.)

B. *Hand delivered applications.* An application to be hand delivered must be delivered to the U.S. Office of Education Application Control Center, Room 5673, Regional Office Building Three, 7th and D Streets SW., Washington, D.C. Hand delivered applications will not be accepted by the Application Control Center after 4 p.m. Washington, D.C. time, on the closing date.

C. *Program information and forms.* Information and application forms may be obtained from the Teacher Corps, Office of the Commissioner, Office of Education, Washington, D.C. 20202.

(20 U.S.C. 1101-1107a)

Dated: May 7, 1974.

(Catalog of Federal Domestic Assistance Number 13.489 Teacher Corps—Operations and Training)

JOHN OTTINA,
U.S. Commissioner of Education.

[FR Doc.74-10892 Filed 5-10-74;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. D-74-276]

ASSISTANT SECRETARY FOR POLICY DEVELOPMENT AND RESEARCH

Designation and Delegation of Authority

Michael H. Moskow, the Assistant Secretary for Policy Development and Research, is designated as the Secretary's liaison with the Federal National Mortgage Association and is authorized to exercise the regulatory power and authority conferred on the Secretary by section 309(h) and other provisions of the National Housing Act with respect to all matters regarding the Association. The authority conferred by this delegation may not be redelegated.

(Sec. 7(d) of the Department of HUD Act, 42 U.S.C. 3535(d); Title III of the National Housing Act, 12 U.S.C. 1716, et seq.)

Effective date. This designation and delegation is effective on May 13, 1974.

JAMES T. LYNN,
Secretary of Housing and Urban Development.

[FR Doc.74-10981 Filed 5-15-74;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[FRA Waiver Petition HS-74-2]

PORT TERMINAL RAILROAD OF SOUTH CAROLINA

Petition for Exemption

The Port Terminal Railroad of South Carolina, Charleston, South Carolina, 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. secs. 61, 62, 63 and 64.

Interested persons are invited to participate in this proceeding by submitting written data, views, or comments. Communications should be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Attention: FRA Waiver Petition No. HS-74-2, Room 5101, 400 Seventh Street, SW., Washington, D.C. 20590. Communications received before June 15, 1974, will be considered before final action is taken on this petition. All comments received will be available for examination by interested persons during business hours in Room 5101, Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20590.

Issued in Washington, D.C. on May 7, 1974.

DONALD W. BENNETT,
Chief Counsel,
Federal Railroad Administration.

[FR Doc.74-10947 Filed 5-10-74;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket No. 26679; Order 74-5-37]

CERTAIN AIR CARRIERS AND CANADIAN AIR CARRIERS

Order Regarding Trips Between the United States and Canada

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 8th day of May 1974.

On May 8, 1974 the United States and Canada executed a Nonscheduled Air Service Agreement (hereinafter referred to as the Agreement) governing nonscheduled air services between their respective territories. Charter flights between the United States and Canada by specifically designated scheduled air carriers, supplemental air carriers, and air taxi operators of the United States, as well as by specifically designated Canadian trunk, regional, charter, and small aircraft operators will henceforth be governed by this Agreement as well as by licenses and permits issued by the air transport authorities of each Government and by their applicable regulations.

In order to facilitate the movement of traffic under the Agreement and to maximize the efficiency of the regulatory processes involved, the Governments of Canada and the United States further agreed, by a supplemental exchange of diplomatic notes, to interim and transitional arrangements to be applied to implement the Agreement to the fullest extent possible pending the issuance of new or amended licenses or permits conforming to the terms of the Agreement.

Each of the Board's charter regulations, as set forth in its Economic Regulations and its Special Regulations, expressly reserves the Board's power to waive any of the various charter provisions upon a finding that such waiver is in the public interest and that there are special and unusual circumstances justifying the waiver.

Upon consideration of the Agreement between the United States and Canada, the exchange of notes attached thereto, and section 1102 of the Act, we have tentatively decided to grant all Canadian carriers presently holding foreign air carrier permits authorizing charter service appropriate waivers of Parts 212 and 214 of the Board's regulations, and to grant the U.S. carriers listed in Appendix A hereto appropriate waivers of Parts 207 and 208 of the Board's regulations, insofar as they would otherwise prevent the U.S. and Canadian carriers from operating charter services as provided for in the Agreement.[1] We will afford interested parties a period of 15 days from the date of service of this order in which to file comments on our tentative action. If no comments objecting to our tentative actions are received within this period this order will become effective as the final order of the Board.

The Agreement provides in pertinent part that neither Canada nor the U.S. may impose any requirement that prior approval be obtained for any individual flight or series of flights enplaned in the other's country by a designated carrier of such other party. Part 212 of the Board's Economic Regulations presently requires prior approval of "off-route" charter trips and certain ITC flights by Canadian air carriers whose permits require compliance with that Part. We have decided to waive section 212.4(a) with respect to all charters by Canadian carriers between the United States and Canada.[2] While the Board retains its right under the Agreement to require prior approval of United States-originating charter trips, in order to foster greater freedom of charter service within the spirit of the Agreement we have decided to extend such blanket waiver of section 212.4(a) to United States-originating charters of Canadian carriers, as well.[3]

The Agreement also provides generally that the regulations of the party in whose territory the enplanement occurs shall govern. In this connection, it provides that Canadian-originating charter flights with both "large" and "small" aircraft[4] shall be operated pursuant to Canadian Transport Commission Air Carrier Regulations governing single entity passenger or property,[5] pro rata common purpose,[6] advance booking,[7] inclusive tour,[8] and split charter[9] trips, and that U.S.-originating charters with "small" aircraft shall meet certain conditions for charterworthiness.[10]

While the types of charters which the Board has thus far seen fit to authorize are set forth in our various regulations, they do not represent the maximum use by the Board of its authority with respect to charter operations. As we have repeatedly stated, our authority to accept charters is limited only by the statutory mandate to distinguish charter services from individually ticketed services. Thus, the mere fact that the charter regulations of a particular foreign country contain different restrictions than our own does not preclude us from permitting that foreign country's rules to apply to certain operations within our jurisdiction, so long as we find that the foreign rules serve to distinguish charter service from individually ticketed service. Accordingly, we may permit the Canadian charter rules, as summarized hereinabove, to apply to air transportation to the extent necessary to implement the subject Agreement, since we tentatively find that those rules, while they differ somewhat from our own, sufficiently distinguish between charter air transportation and individually ticketed air transportation, and the waiving of our regulations to permit application of

[1] Waiver of the charterworthiness requirements of Parts 207, 208, 212, and 214 is obviously necessary to implement the Agreement. To the extent that these parts incorporate the provisions of the Board's various Special Regulations (Parts 372, 372a, 373, and 378), we are also waiving those provisions which apply to direct air carriers and foreign direct air carriers.

[2] We also find it in the public interest to revoke Orders 73-2-27, dated February 6, 1973, and 73-3-17, dated March 7, 1973, which required certain Canadian air carriers to obtain prior approval of all charter flights obtained from U.S. carriers by exercising a right of first refusal. In light of the Agreement such requirements no longer appear to be necessary.

[3] Canadian air carriers subject to Part 212 of the Board's Economic Regulations are advised that prior-approved requirements for flights outside the scope of the Agreement, such as flights involving third-country points, will be unaffected by this waiver.

[4] Under the terms of the Agreement, "large aircraft" means aircraft having both (1) a maximum passenger capacity of more than 30 seats or a maximum payload capacity of more than 7,500 pounds; and (2) a maximum authorized take-off weight on wheels greater than 35,000 pounds. "Small aircraft" consist of other than "large aircraft."

[5] The Canadian rules for single entity passenger and single entity property charters, known in Canada as "entity charters," are substantially similar to U.S. single entity charters.

[6] The pro rata common purpose group charter is quite similar in concept and structure to the Board's pro rata prior affinity and study group charter, except that the criterion of sole purpose being to get to and from a single event of a distinctive and special character is substituted for specific prior affinity requirements where a programmed educational group is not involved. Flights must be applied for at least 90 days in advance. There may be no public solicitation. The carrier may pay no commission to the charterer and a maximum of five percent to any agents of the charterer. This type of charter may not be used if another type could be used.

[7] Advance Booking charters are as provided for in Subpart F of Part 372a of the Board's Special Regulations, except that the 90-day lists filing requirements have been changed to 60 days.

[8] Inclusive tour charters are conceptually and structurally the same as those of Part 378 of the Board's Special Regulations except that no multiple-stop requirement is imposed. On the other hand, in certain respects the Canadian ITC rules are somewhat more restrictive than ours, *e.g.*, in requiring a minimum price of no less than 115 percent of the lowest scheduled round-trip fare.

[9] Split charters (including ITC's) must be for at least 40 persons and unlike the Board's rules are limited to (except for ABC's) three groups of the same type, each of at least 40 persons. No types may be commingled in each aircraft, and entity charters cannot be split.

[10] U.S.-originating charter air service with small aircraft is defined under the Agreement as commercial air transportation of traffic on a time, mileage or trip basis where the entire planeload capacity has been engaged by a person for his own use or by a person for the transportation of a group of persons and/or their property, as agent or representative of such group.

the Canadian regulations would not be detrimental to the public interest.[11] Similarly, the bilateral description of the charter authority for U.S.-originating charters with "small" aircraft is sufficiently similar to the U.S. concept of a charter to adequately maintain the distinction between charter and individually ticketed air transportation.[12] Accordingly, to the extent the Board's regulations might preclude operations which conform to the terms of the Agreement, and in order to place U.S. and Canadian carriers on an equal competitive footing, we will waive our charterworthiness requirements for the U.S. air carriers listed in Appendix A hereto and designated Canadian air carriers, with a limited exception for Canadian-originating inclusive tour charters.[13]

In this connection, in an exchange of diplomatic notes attached to the Agreement, the United States expressed certain reservations with respect to the provision in the Agreement which applies the current Canadian Transport Commission regulations with respect to Canadian-originating inclusive tour charters. The effect of these reservations is to require that the land portion of the tour provide overnight hotel accommodations at a minimum of three points at least 50 air miles apart for Air Canada and Canadian Pacific Air Lines, Limited (CP Air), and that the land portion of tours to the Continental United States by Eastern Provincial Airways (1963) Ltd., Gateway Aviation Limited, Great Lakes Airlines Limited, Harrison Airways Ltd., Nordair Ltee-Nordair Ltd., Pacific Western Airlines, Ltd., Quebecair, Transair Ltd., and Wardair Canada Ltd. (hereinafter referred to as Canadian charter carriers) provide overnight accommodations at a minimum of two places at least 50 air miles apart. The waivers granted herein to Air Canada and CP Air provide that the land portion of all inclusive tour charters operated by those carriers provide overnight accommodations at a minimum of three points at least 50 air miles apart. The foreign air carrier permits presently held by the Canadian charter carriers, however, authorize the holder to perform inclusive tour charter trips originating in Canada subject to the terms, conditions, and limitations contained in licenses to be issued by the Canadian Transport Commission authorizing the performance of such charters. Thus, the Canadian charter carriers' permit authority is broader than the U.S. reservation. However, the permits of such carriers also contain a condition that the Board may require advance approval of individual charter trips if it finds such action to be required in the public interest. Therefore, the Board finds and concludes that the public interest requires the Board to invoke the above-mentioned condition in the permits of the Canadian charter carriers. Accordingly, the Canadian charter carriers will be required to obtain advance approval from the Board for each inclusive tour charter flight originating in Canada and bound for the Continental United States in which the land portion of the tour does not provide overnight hotel accommodations at a minimum of two places other than the point of origin, such places being not less than 50 air miles from each other, unless the flight has been approved by the Canadian Transport Commission prior to the date of signature of the Agreement.[14]

The Agreement also requires the filing of certain information with the aeronautical authorities of both parties. The information required concerns charter trpis to U.S. "sun spot" destinations,[15] and certain charter flight reports. Accordingly, we shall require that one copy of each such document and each such report henceforth be filed with the Director, Bureau of International Affairs.[16]

Upon consideration of the foregoing, the Board tentatively finds that the Nonscheduled Air Service Agreement, coupled with section 1102 of the Act,[17] establishes special and unusual circumstances which warrant grant of the waivers herein, and that it would be in the public interest to grant such waivers.

Accordingly, it is ordered:

1. That waivers of the provisions of § 212.4(a) of the Board's Economic Regulations are hereby granted to foreign air carriers designated by the Government of Canada pursuant to Article III of the May 8, 1974 Nonscheduled Air Service Agreement, and who hold foreign air carrier permits authorizing them to engage in charter foreign air transportation "subject to the terms, conditions, and limitations prescribed by Part 212 of the Board's Economic Regulations" insofar as such provisions would require that prior approval be sought from the Board for any off-route or inclusive tour charter trip for which a Statement of Authorization is now required: *Provided, however,* That this waiver shall not apply to: (a) charter trips operated for a direct air carrier or another direct foreign air carrier for transportation of its traffic pursuant to § 212.8(a)(4–a); (b) charter trips which involve a point or points outside the territories of the United States and Canada; and (c) charter trips for which prior approval may subsequently be ordered by the Board;

2. That waivers of the provisions of Parts 212 and 214 of the Board's Economic regulations (and of such provisions of our various Special Regulations authorizing particular types of charters, to the extent that such provisions apply to foreign direct air carriers) are hereby granted to foreign air carriers designated by the Government of Canada pursuant to Article III of the Agreement, and who currently hold foreign air carrier permits authorizing charter foreign air transportation between the U.S. and Canada insofar as any provisions therein regarding charterworthiness may conflict with the charterworthiness regulations of the Canadian Transport Commission for single entity passenger, single entity property, pro rata common purpose, advance booking, inclusive tour, and split passenger charter trips of the above types which first take on board passengers and their accompanied baggage, or property, at a point or points in Canada for deboarding or reboarding in the United States, and are operated in conformity with such applicable regulations of the Canadian Transport Commission and in conformity with the Agreement: *Provided, however,* That inclusive tour charter trips operated by Air Canada and Canadian Pacific Air Lines, Limited shall also provide, on the land portion of the tour, overnight hotel accommodations at a minimum of three places other than the point of origin, such places to be no less than 50 air miles from each other;

3. That waivers of the provisions of Parts 207 and 208 of the Board's Economic Regulations (and of such provisions of our various Special Regulations authorizing particular types of charters, to the extent that such provisions apply to direct air carriers) are hereby granted to the U.S. carriers listed in Appendix A hereto[18] insofar as any provisions therein regarding charterworthiness may conflict with the charterworthiness

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[11] We also note that the Agreement provides that the U.S. can object if Canada substantially changes its charter rules. Thus, should the Canadian charter rules be changed in such a way as to blur the distinction between charter and individually ticketed air transportation, the Board has an avenue of redress which could lead to nonacceptance of such charters.

[12] Canadian-originating charters with both "large" and "small" aircraft are required to comply with the same Canadian rules, while U.S.-originating charters with "small" aircraft are not required to conform to the Board's detailed charter rules.

[13] This waiver, of course, does not serve to authorize the operation of aircraft by Canadian air carriers larger than that authorized in their foreign air carrier permits. By the same token, it should be noted that the waiver of our rules affecting charterworthiness does not affect our other requirements in these rules imposed on U.S. and Canadian air carriers with respect to their charter operations, such as tariff and record retention requirements. On the other hand, to the extent that operation of a particular type of charter covered by the Agreement entails functions to be performed by indirect air carriers within our jurisdiction, we would expect to waive such provisions of our Special Regulations as would otherwise prevent the indirect air carrier from performing the charter which the direct carrier is hereby authorized to perform.

[14] Since it has been further agreed that this reservation will not apply with regard to inclusive tour charters which have been approved by the Canadian Transport Commission prior to signing of the Agreement, we will not require prior approval of such flights.

[15] These are points located in the States of Hawaii, Florida, California, Arizona, and Nevada, and points in Puerto Rico and the U.S. Virgin Islands.

[16] This does not, of course, relieve Canadian carriers of the reporting requirements of Part 217 of the Board's Economic Regulations.

[17] Section 1102 requires the Board to perform its duties consistently with any obligations assumed by the U.S. in any agreement between the U.S. and a foreign country.

[18] Filed as part of the original document.

regulations of the Canadian Transport Commission for single entity passenger, single entity property, pro rata common purpose, advance booking, inclusive tour, and split passenger charter trips of the above types which first take on board passengers and their accompanied baggage or property, at a point or points in Canada for deboarding or reboarding in the United States, and are operated in conformity with such applicable regulations of the Canadian Transport Commission and in conformity with the Agreement: *Provided, however,* That inclusive tour charter trips operated by such carriers shall also provide, on the land portion of the tour, overnight hotel accommodations at a minimum of three places other than the point of origin, such places to be no less than 50 air miles from each other;

4. That Eastern Provincial Airways (1963) Ltd., Gateway Aviation Limited, Great Lakes Airlines Limited, Harrison Airways Ltd., Nordair Ltee-Nordair Ltd., Pacific Western Airlines, Ltd., Quebecair, Transair Ltd., and Wardair Canada Ltd. shall not perform, absent prior Board approval, any inclusive tour charter trips which first take on board passengers and their accompanied baggage at a point or points in Canada for deboarding or reboarding in the continental United States (including Alaska) unless on the land portion of the tour, overnight hotel accommodations are provided at a minimum of two places other than the point of origin, such places to be no less than 50 air miles from each other; *Provided, however,* That this prohibition shall not apply to any inclusive tour charter trips which have been approved by the Canadian Transport Commission prior to the date of signature of the Agreement;

5. That requests for advance approval pursuant to paragraph 4 above shall be filed with the Board and acted upon prior to the advertising or sale of the charters to the public for which approval is requested; [18a]

6. That waivers of the provisions of Parts 212 and 214 of the Board's Economic Regulations are hereby granted to foreign air carriers designated by the Government of Canada pursuant to Article III of the Agreement insofar as any provisions therein may relate to the charterworthiness of any "small aircraft" charter trips [19] which first take on board passengers and their accompanied baggage, or property, at a point or points in the United States for deboarding and/or reboarding in Canada; *Provided, however,* That any such "small aircraft" charter trip shall be performed solely for the commercial air transportation of traffic on a time, mileage or trip basis where the entire planeload capacity of the aircraft utilized shall be engaged by a person for his own use or by a person for the transportation of a group of persons and/or their property, as agent or representative of such group;

7. That any Canadian air carrier or U.S. air carrier submitting to the Canadian Transport Commission any statements, documents, or information required by the rules of the Canadian Transport Commission prior to the organization of passenger traffic for charter trips or any program of charter trips (to be operated on or after the date of signature of the Agreement) which are to first take on board charter passengers in Canada for deboarding or reboarding at any point or points in the States of Hawaii, California, Nevada, Arizona, and Florida, or a point or points in Puerto Rico or the U.S. Virgin Islands, shall (at the time of submission to the Canadian Transport Commission, or within thirty days of the effective date of this order for those materials already submitted) also submit by mail one copy thereof to the Civil Aeronautics Board, 1825 Connecticut Avenue NW., Washington, D.C. 20428, marked for the attention of the Director, Bureau of International Affairs;

8. That any Canadian air carrier or U.S. air carrier submitting to the Canadian Transport Commission a Canadian Transport Commission Statement 40 which has reported thereon any charter flight performed by it (operated on or after the date of signature of the Agreement) between a point or points in Canada and a point or points in the United States utilizing aircraft having a maximum authorized take-off weight on wheels greater than 18,000 pounds, shall at the same time also submit by mail one copy thereof to the Civil Aeronautics Board, 1825 Connecticut Avenue NW., Washington, D.C. 20428, marked for the attention of the Director, Bureau of International Affairs;

9. That Orders 73-2-27 and 73-3-17 are hereby revoked;

10. That this Order may be modified, amended or revoked by the Board without notice or hearing;

11. That interested persons are hereby afforded a period of 15 days from date of service to file comments on the tentative actions taken herein. The filing of comments objecting to the Board's tentative actions shall serve to stay the effectiveness of this order pending further order of the Board. However, if no such comments are received during this period, the order will become effective as the final order of the Board upon the expiration of the above period; and

12. That this order shall be served upon all Canadian holders of, and applicants for, foreign air carrier permits; the U.S. air carriers listed in the appendices hereto; the Departments of State and Transportation; and the Ambassador of Canada.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND, *Secretary.*

[FR Doc.74-11110 Filed 5-10-74;8:45 am]

[18a] Such requests shall be marked for the attention of the Director, Bureau of Operating Rights.

[19] See footnotes 4 and 13 supra.

[Docket No. 26668]

EASTERN AIR LINES AND OZARK AIR LINES

Route Transfer Agreement; Prehearing Conference

Notice is hereby given that a prehearing conference in this proceeding is assigned to be held on May 30, 1974, at 10 a.m. (local time), in Room 911, Universal Building, 1825 Connecticut Avenue, N.W., Washington, D.C., before Administrative Law Judge Harry H. Schneider.

In order to facilitate the conduct of the conference, parties are instructed to submit one copy to each party and four copies to the Judge of (1) proposed statements of issues; (2) proposed stipulations; (3) requests for information; (4) statement of positions of parties; and (5) proposed procedural dates. The Bureau of Operating Rights will circulate its material on or before May 16, 1974, and the other parties on or before May 23, 1974. The submissions of the other parties shall be limited to points on which they differ with the Bureau of Operating Rights, and shall follow the numbering and lettering used by the Bureau to facilitate cross-referencing.

Dated at Washington, D.C., May 8, 1974.

[SEAL] RALPH L. WISER, *Chief Administrative Law Judge.*

[FR Doc.74-10983 Filed 5-10-74;8:45 am]

[Docket No. 26218]

FRONTIER AIRLINES, INC.

Deletion of Stillwater, Oklahoma; Prehearing Conference

Notice is hereby given that a prehearing conference in this proceeding is assigned to be held on June 6, 1974, at 10 a.m. (local time), in Room 911, Universal Building, 1825 Connecticut Avenue, NW., Washington, D.C., before Administrative Law Judge Milton H. Shapiro.

In order to facilitate the conduct of the conference, parties are instructed to submit one copy to each party and four copies to the Judge of (1) proposed statements of issues; (2) proposed stipulations; (3) requests for information; (4) statement of positions of parties; and (5) proposed procedural dates. The Bureau of Operating Rights will circulate its material on or before May 20, 1974, and the other parties on or before May 30, 1974. The submissions of the other parties shall be limited to points on which they differ with the Bureau of Operating Rights, and shall follow the numbering and lettering used by the Bureau to facilitate cross-referencing.

Dated at Washington, D.C., May 7, 1974.

[SEAL] RALPH L. WISER, *Chief Administrative Law Judge.*

[FR Doc.74-10982 Filed 5-10-74;8:45 am]

COMMISSION ON CIVIL RIGHTS

MARYLAND STATE ADVISORY COMMITTEE

Agenda and Notice of Open Meeting

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Maryland State Advisory Committee (SAC) to this Commission will convene at 8 p.m. on May 16, 1974, in Room G-20, 6401 Security Boulevard, Baltimore, Maryland 21235.

Persons wishing to attend this meeting should contact the Committee Chairman, or the Mid-Atlantic Regional Office of the Commission, Room 510, 2120 L Street, NW., Washington, D.C. 20425.

The purpose of this meeting shall be to introduce new SAC members to the Committee, elect SAC officers and plan future programs for the Maryland SAC.

This meeting will be conducted pursuant to the rules and regulations of the Commission.

Dated at Washington, D.C., May 7, 1974.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.74-10962 Filed 5-10-74;8:45 am]

OKLAHOMA STATE ADVISORY COMMITTEE

Agenda and Notice of Open Meeting

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Oklahoma State Advisory Committee (SAC) to this Commission will convene at 9 a.m. on May 17, 1974, in the El Cortez Room of the Ramada Inn West, 800 South Meridian, Oklahoma City, Oklahoma 73127.

Persons wishing to attend this meeting should contact the Committee Chairman, or the Southwestern Regional Office of the Commission, Room 231, New Moore Building, 106 Broadway, San Antonio, Texas 78205.

The purposes of this meeting shall be (1) to plan for the release of the report entitled "Indian Civil Rights Issues in Oklahoma," (2) to discuss followup activities to this report and (3) to consider reconstituting the Oklahoma SAC.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., May 7, 1974.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.74-10963 Filed 5-10-74;8:45 am]

UTAH STATE ADVISORY COMMITTEE

Agenda and Notice of Open Meeting

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Utah State Advisory Committee (SAC) to this Commission will convene at 7 p.m. on May 23, 1974, in the Governor's Board Room, Utah State Capitol, State Street, Salt Lake City, Utah 84114.

Persons wishing to attend this meeting should contact the Committee Chairman, or the Mountain States Regional Office of the Commission, Room 216, 1726 Champa Street, Denver, Colorado 80202.

The purpose of this meeting shall be to discuss plans for a factfinding meeting, tentatively scheduled for June, on the subject: Credit Availability for Women in the State of Utah.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., May 8, 1974.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.74-10961 Filed 5-10-74;8:45 am]

COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

APPELLATE SYSTEM STRUCTURAL CHANGES

Notice of Hearing

MAY 6, 1974.

The Commission on Revision of the Federal Court Appellate System will hold hearings on proposals for structural change in the Federal Court of Appeals System. Administrative appeals and patent appeals will be specially considered. Proposals for improvement in the internal operating procedures of the Courts of Appeals will also be discussed.

The hearings will begin Monday at 1:30 p.m., May 20 and 1:30 p.m. Tuesday, May 21 in Room 2247, Rayburn House Office Building.

Among witnesses scheduled to appear are: Mr. Justice Tom C. Clark, Professor Charles Alan Wright of the University of Texas, Judge Harold Leventhal, Judge John Minor Wisdom, Judge Thomas Gibbs Gee, Professor Paul A. Bator of Harvard, Professor Nathaniel Nathanson of Northwestern University, Honorable Antonin Scalia, Chairman of the United States Administrative Conference, Francis Browne, Esq., Irving Kayton, Esq., Richard Kline, Esq., James Flug, Esq., and Melvin L. Wulf, Esq.

A. LEO LEVIN,
Executive Director.

[FR Doc.74-10939 Filed 5-10-74;8:45 am]

STRUCTURE AND INTERNAL OPERATING PROCEDURE

Notice of Meeting

MAY 6, 1974.

Notice is hereby given that the Commission on Revision of the Federal Court Appellate System will meet Monday, May 20, 1974, at 9:30 a.m., in Room 2247 of the Rayburn House Office Building.

The purpose of the meeting is to discuss proposals relevant to the Commission's study of the "structure and internal operating procedures of the Federal courts of appeal system," including use of central staff for the courts of appeal and possible solutions for the problems engendered by long-vacant judicial positions on the various United States Courts of Appeal.

The Commission will, in addition, further formulate plans for the second phase of its work.

The meeting is open to all interested persons.

A. LEO LEVIN,
Executive Director.

[FR Doc.74-10938 Filed 5-10-74;8:45 am]

COUNCIL ON ENVIRONMENTAL QUALITY

ENVIRONMENTAL IMPACT STATEMENTS

Notice of Public Availability

Environmental impact statements received by the Council on Environmental Quality from April 29 through May 3, 1974. The date of receipt for each statement is noted in the statement summary. Under Council Guidelines, the minimum period for public review and comment on draft environmental impact statements is forty-five (45) days from this FEDERAL REGISTER notice of availability. (June 24, 1974)

Copies of individual statements are available for review from the originating agency. Back copies will also be available from a commercial source, the Environmental Law Institute, of Washington, D.C.

DEPARTMENT OF AGRICULTURE

Contact: Dr. Fred H. Tschirley, Acting Coordinator, Environmental Quality Activities, Office of the Secretary, U.S. Department of Agriculture, Room 331-E, Administration Building, Washington, D.C. 20250, 202-447-3965.

FOREST SERVICE

Draft

Sawtooth National Recreation Area, several counties, Idaho, April 30: The statement refers to the proposed management plan for the Sawtooth National Recreation Area, which contains 754,000 acres of land. The plan proposes: the addition of as many as 877 new camping and picnicking areas; the designation of 250,000 acres as wilderness study areas; the harvesting of 900,000 board feet of timber and timber products; the phasing out of grazing in key wildlife habitat areas; and the construction of new roads and trails. The major environmental impacts will be on vegetation and soils (two volumes). (ELR Order No. 40687.)

Final

Vegetation Management, Oregon and Washington, April 30: The statement refers to the proposed use of the chemical agents 2,4-D, 2,4,5-T, 2,4,5-TP, Amitrole-T, Dicamba, and Picloram on Malheur, Umatilla, and Wallowa-Whitman National Forests. The herbicides will be used in reforestation, site preparation, utility and road right-of-way maintenance, range vegetation, and noxious weed and poison plant control. The use of the chemicals will put herbicide residues into the environment in varying amounts

depending upon the chemical used, formulation rates, methods of application, and its fate in the environment. There is a hazard to wildlife in the altering or eliminating of its habitat (two volumes). Comments made by: EPS, USDA, HUD, DOC, HEW, COE, state and local agencies, and concerned citizens. (ELR Order No. 40698.)

FOREST SERVICE

Presidential Range, White Mountain National Forest, Coos County, N.H., April 29: Proposed is the legislative designation of the 20,380 acre Presidential Range of the Forest as units of the Eastern Wilderness System. Adverse impact will include the prohibition of timbering and public motorized access. Visitation of the area may increase (42 pages). (ELR Order No. 40681.)

Vegetation Management, Washington National Forest, several counties, Washington, April 30: The statement refers to the use of the chemical herbicides amitrole, dicamba, 2,4,5-T, 2,4-D, picloram, and silvex, on lands of the Olympic, Mt. Baker, Snoqualmie, and Gifford Pinchot National Forests. The herbicides are used for control of undesirable vegetation in crop tree release, site preparation, weeding, range vegetation, right-of-way maintenance, and noxious weed control programs. The action will result in a loss of some non-target species, as well as an adverse aesthetic (visual) impact (two volumes). Comments made by: USDA, DOC, COE, HUD, state agencies, and concerned citizens. (ELR Order No. 40696.)

SOIL CONSERVATION SERVICE

Draft

Bayou Bonne Idee Watershed, Morehouse County, La., April 30: The statement refers to a proposed project which will be constructed for watershed protection, flood prevention, drainage, and recreation. Project measures will include 202 miles of channel work with appurtenant measures; the construction of two water control structures and the modification of two others; a recreation development; and mitigation measures. Approximately 2,360 acres of land will be disturbed during construction. Habitat for deer, squirrel, rabbit and waterfowl will be lost to project measures (138 pages). (ELR Order No. 40697.)

Final

Lee Phillips Watershed Project, Lee and Phillips Counties, Ark., April 30: The proposed project consists of 78.3 miles of channel work, 19 grade stabilization structures, 1 low water weir, and the acceleration of the establishment of land treatment measures. The purposes of the project are watershed protection, flood protection, and agricultural water management. Adverse effects include disturbance to fish habitat during construction; clearing of 357 acres of woodland of which 120 acres will be replanted; and increased traffic with associated dust and noise (73 pages). Comments made by: DOD, HEW, DOI, DOT, EPA, and state agencies. (ELR Order No. 40700.)

ATOMIC ENERGY COMMISSION

Contact: For nonregulatory matters: Mr. W. Herbert Pennington, Office of Assistant General Manager, E-201, AEC, Washington, D.C. 20545, 301-973-4241. For regulatory matters: Mr. A. Giambusso, Deputy Director for Reactor Projects, Directorate of Licensing, P-722, AEC, Washington, D.C. 20545, 301-973-7373.

Draft

Greenwood Energy Center, Units 2 and 3, St. Claire County, Mich., April 30: Proposed is the issuance of construction permits to the Detroit Edison Co. for Units 2 and 3 of the Greenwood Energy Center. The plant will employ two identical pressurized water reactors to produce up to 3,600 MWt and 1208 MWe (net). Future power levels of 3,760 MWt and 1,283 MWe are anticipated. Exhaust steam will be cooled in a closed cycle system incorporating a spray canal and utilizing makeup water from Lake Huron at a consumptive rate of 39,500 acre-ft. annually. Construction-related activities will occupy 1,200 of the 3,600 acres in the site. Farming, hunting and grazing on the site will be suspended. (ELR Order No. 40701.)

UF6 conversion plant, Barnwell, S.C., April 29: Proposed is the issuance of a full term special nuclear material license to Allied-Gulf Nuclear Services for the operation of a uranium hexafluoride (UF6) conversion facility as part of the Barnwell Nuclear Fuel Plant. The UF6 facility is designed to process 1500 metric tons of uranium as uranyl nitrate solution into gaseous UF6. Plutonium contaminated solid wastes will be stored by onsite burial (107 pages). (ELR Order No. 40683.)

DEPARTMENT OF DEFENSE

AIR FORCE

Contact: Dr. Billy Welch, Room 4D 873, The Pentagon, Washington, D.C. 20330, (202) OX 7-9297.

Draft

Disposal of Herbicide Orange (2), May 3: Proposed is the incineration of approximately 2.3 million gallons (including 0.86 million gallons currently at Gulfport, Miss.), of Orange herbicide in a remote area near or on Johnston Island, in the Pacific Ocean. The incineration would take place either on a specially designed vessel, or in a facility on the Island. The incineration would convert the herbicide to carbon dioxide, hydrogen chloride, and water, to be released without scrubbing. Carbon, carbon monoxide and "environmentally insignificant" amounts of unburned and pyrolyzates of the herbicide will also be released. (ELR Order No. 40722.)

DEPARTMENT OF DEFENSE

ARMY CORPS

Contact: Mr. Francis X. Kelly, Director, Office of Public Affairs, Attn: DAEN-PAP, Office of the Chief of Engineers, U.S. Army Corps of Engineers, 1000 Independence Avenue SW., Washington, D.C. 20314, 202-693-7168.

Draft

Maquoklta River and Kitty Creek, Jones County, Iowa, May 2: Proposed is a flood protection project for a portion of the city of Monticello. Project measures will consist of 0.8 mile of earthen levee. Adverse impact will include the temporary commitment of 25 acres of agricultural land to borrow removal; and the permanent loss of three acres of agricultural land and one acre of bottomland timber to project purposes (Rock Island District) (64 pages). (ELR Order No. 40711.)

Ponce Harbor, P.R., May 3: Proposed is the dredging of a main channel 36' deep, from the Caribbean Sea to Ponce Harbor, and the modification and deepening of the harbor channel and turning basin. Approximately 1,043,000 cu. yds. of spoil will be dredged. There will be some adverse impact to marine biota. (Jacksonville District) (68 pages). (ELR Order No. 40723.)

Mill Creek flood control, Walla Walla, Walla Walla County, Wash., April 30: The statement refers to the impacts of continued operation and maintenance of a diversion dam, an off-channel storage reservoir, and surrounding lands which comprise the Mill Creek project. The major impact is that of poor water quality of the reservoir due to high turbidity (Walla Walla District) (53 pages). (ELR Order No. 40695.)

Final

Inland Waterway, Delaware River to Chesapeake Bay, Delaware and Maryland, May 2: The project, now approximately 87 percent complete, provides for the enlarging of the channel to 35' by 450' from the Delaware River to Pooles Island in Chesapeake Bay. Additional work includes a cutoff at a railroad crossing, a vertical lift bridge, high level bridges at Summit and Reedy Points, and development of recreational facilities. There will be some loss of wildlife habitat; turbidity and changes in salinity levels will affect some marine biota. (Philadelphia District). Comments made by: USDA, DOC, DOT, FPC, and state and local agencies. (ELR Order No. 40721.)

Grand Isle and vicinity, Lafourche County, La., May 2: The statement refers to the proposed construction of 43 miles of levee, along with appurtenant structures, along both banks of Bayou Lafourche, in order to provide protection from hurricane-induced floods. The completion of the project would encourage residential, commercial, and industrial development within the protected area, which includes 24,600 acres of biologically productive marsh (100 pages). Comments made by: USDA, DOC, HEW, DOI, DOT, EPA, and state and local agencies. (ELR Order No. 40720.)

Great Lakes Connecting Channels, Supplement (2), Chippewa County, Mich., May 2: The document is a Final statement to Draft, Supplement No. 2 filed in December 1973. The proposed action is the widening of channel bends in St. Mary's River, in order to provide safer navigation for wider vessels using the waterway. Dredging and disposal operations will damage aquatic life; recreational boating and fishing will be adversely affected; greater wave wash of larger vessels could contribute to shore erosion problems (Detroit District). Comments made by: DOC, DOT, DOI, USDA, FPC, EPA and state and local agencies. (ELR Order No. 40719.)

Beach Erosion Control, Rockaway Peninsula, N.Y., May 2: The statement refers to the beach erosion project for the Rockaway Beaches, Queens. The project consists of the placement of beach fill, which will be taken from one of two borrow areas located near the project area. There are several alternates for the proposed beach maintenance. Adverse impacts include increased turbidity due to maintenance procedures and disruption of present marine life caused by withdrawal of materials from offshore sources and subsequent placement on beaches (New York District) (50 pages). Comments made by: USDA, HEW, DOC, DOI, DOT, EPA, and state and local agencies. (ELR Order No. 40714.)

Saw Mill River, Flood Protection (2), Westchester County, N.Y., May 2: The revised draft refers to the Saw Mill River Flood protection project which consists of channel deepening and sheet piling along the existing channel alignment to contain the channel excavation. Existing channel and foundation walls would be capable of containing a design flood of 1450 cubic feet per second. Adverse impacts include the removal of vegetation in the project area, and the encouragement of further development in the newly protected flood plain. The first draft was submitted to the Council on October 10, 1973 (New York District) (67 pages). Comments made by: USDA, DOI, EPA, DOC, DOD, HEW, DOT, and state and local agencies. (ELR Order No. 40715.)

Falls Lake, Neuse River, Wake, Durham, and Granville Counties, N.C., April 30: The statement refers to the proposed construction and operation of a multi-purpose (flood

control, water supply and quality control, recreation, and fish and wildlife conservation) reservoir project on the Neuse River, near Raleigh. The project will require the acquisition of 42,259 acres, of which 12,490 acres, along with 22 miles of stream, will be inundated. There will be changes in land use, as well as economic impact, potential impact to rare and endangered species, and loss of archeological sites, along other impacts (Wilmington District) (825 pages). Comments made by: EPA, AEC, HEW, DOC, USDA, and state and local agencies. (ELR Order No. 40703.)

Union City Dam, Erie County, Pa., April 30: The statement refers to the proposed construction of a 580 acre conservation pool at the existing detention reservoir. Approximately 7.4 miles of stream environment would be eliminated. Wildlife habitat would be eliminated on the inundated 580 acres, and reduced on 2,120 acres of surrounding Federal land (92 pages). Comments made by: EPA, DOI, USDA, and state and local agencies. (ELR Order No. 40702.)

Final

Galveston Harbor and Channel, Texas, May 2: Proposed is the deepening of Galveston Channel from its previous authorized depth of 36 feet to its new authorized depth of 40 feet. Spoil will be deposited in leveed areas on Pelican and Galveston Islands. Dredging activities will have adverse impact to marine biota. (Galveston District) (86 pages). Comments made by: DOC, HEW, HUD, DOI, USCG, EPA, and state and local agencies. (ELR Order No. 40718.)

ENVIRONMENTAL PROTECTION AGENCY

Contact: Mr. Sheldon Meyers, Director, Office of Federal Activities, Room 3630, Waterside Mall, Washington, D.C. 20460, 202–755–0940.

Final

Treatment Facilities, Onondaga Lake, Onondaga County, N.Y., May 3: The statement refers to two related projects. The first involves the expansion and upgrading of the Metropolitan Syracuse sewage treatment plant, from a 50 mgd primary treatment facility to an 86.5 mgd advanced waste treatment facility, and the construction of a new shoreline outfall to Onondaga Lake. The second involves the construction of force mains and additions and alterations to the existing West Side Pumping Station. Adverse impact will include construction disruption; the creation of a visible plume of MSSTP effluent in mixing with Onondaga Lake waters; and continued nitrogen loadings to the Lake (252 pages). Comments made by: USDA, HEW, DOI, and state and local agencies. (ELR Order No. 40724.)

DEPARTMENT OF INTERIOR

Contact: Mr. Bruce Blanchard, Director, Environmental Project Review, Room 7260, Department of the Interior, Washington, D.C. 20240, 202–343–3891.

BUREAU OF LAND MANAGEMENT

Draft

Proposed Coal Leasing Program, May 3: The statement refers to a program resuming nationwide coal leasing by the Bureau of Land Management, utilizing the Energy Mineral Allocation Recommendation System. The program primarily involves 65 million acres of identified coal reserves in the Northern Great Plains, and northward along the continental divide from New Mexico and Arizona through Montana. Extraction of the coal would create a wide range of social, economic, and environmental impacts. (two volumes). (ELR Order No. 40726.)

Oil and Gas Lease Sale 36, Louisiana, May 1: Proposed is the sale of oil and gas leases to 295 tracts (totaling 1,421,739.13 acres) of outer continental shelf lands Louisiana. Seventy-two tracts are situated in water depths of 200 meters or more. All tracts pose some degree of pollution risk. Each tract offered is subject to a matrix analytical technique in order to evaluate significant environmental impacts should leasing occur and subsequent oil and gas exploration ensue. The sale is tentatively scheduled for late fall, 1974. (two volumes). (ELR Order No. 40704.)

BUREAU OF RECLAMATION

Draft

Palmetto Bend Project, Jackson County, Tex., April 30: The statement refers to the Palmetto Bend Project, which is intended to provide municipal and industrial water supply and associated recreational, fish, and wildlife facilities. Project measures will include an earthfill dam, concrete spillway, multiple level river outlet works, and a dual-level outlet for municipal water releases. A total of 16,300 acres of land, including 1,000 acres of cropland and 8,300 acres of pasture, will be committed to project measures; 11,000 acres of wildlife habitat and 47 miles of fish stream habitat will be inundated. Downstream freshwater and nutrient inflow to the Lavaca-Matagorda estuarine system will be reduced by as much as 15 percent. (ELR Order No. 40694.)

Unit 2, Huntington Canyon, and Transmission Line, Emery County, Utah, May 1: Proposed is Federal approval, (because of the terms of a water sale contract), for the addition of a 415 MW coal burning generating unit to the Utah Power & Light Co.'s Huntington Station. There will also be 75 miles of 345KV transmission line constructed in conjunction with the plant. Operation of the unit would require an additional 1.4 million tons of coal annually from Deer Creek Mine. There will be emissions of particulates, sulfur dioxide. The transmission lines will interfere with deer and elk range lands. (ELR Order No. 40705.)

BUREAU OF SPORTS FISHERIES AND WILDLIFE

Draft

Proposed UL Bend National Wildlife Refuge, Phillips County, Mont., May 2: The statement refers to the proposed legislative designation of 20,893 acres of the UL Bend National Wildlife Refuge as wilderness within the National Wilderness Preservation System. Any impact would derive from protection against exploitation of the natural resources (73 pages). (ELR Order No. 40716.)

Proposed Back Bay Wilderness Area, Va. May 2: Proposed is the legislative designation of 1,950 acres of Back Bay National Wildlife Refuge in Virginia Beach as wilderness within the National Wilderness Preservation System. Any impact from the action would derive from protection against exploitation of the natural resources (57 pages). (ELR Order No. 40717.)

DEPARTMENT OF TRANSPORTATION

Contact: Mr. Martin Convisser, Director, Office of Environmental Quality, 400 7th Street SW., Washington, D.C. 20590, 202–426–4357.

FEDERAL AVIATION ADMINISTRATION

Draft

Bay County Airport, Panama City, Bay County, Fla., May 2: The statement refers to Panama City-Bay County's proposal to install a medium intensity approach lighting system with runway alignment indicator light. Approximately 45 piles will be sunk in North Bay. Adverse impacts are danger to the retina of the eye caused by light emissions from the sequenced flasher, and short-term negative effects normally associated with construction (25 pages). (ELR Order No. 40712.)

Brookhaven Municipal Airport, Lincoln County, Miss., May 2: The project consists of the extension and levelling of a runway, and the replacing of existing low intensity lighting with new medium intensity lights. There will be minor short-term adverse effects normally associated with construction (20 pages). (ELR Order No. 40713.)

FEDERAL HIGHWAY ADMINISTRATION

Draft

Western Access Road, Kougarok to Kobuk, Alaska, April 30: The statement refers to the construction of the Western Access Road, approximately 340 miles in length, from the Kougarok Road on the Seward Peninsula to the Village of Kobuk on the Alaska mainland. Adverse impact will include the loss of vegetation, and increases in stream turbidity, and air and noise pollution (245 pages). (ELR Order No. 40693.)

103rd St., and Timuquana Road, Jacksonville, Fla., April 29: The statement refers to the proposed upgrading of 103rd Street and Timuquana Road in Jacksonville from an existing two-lane facility to a modern multilane urban facility. The project follows the existing alignment to Wescornett Boulevard then eastward on new alignment north of Manor Drive, then southeastward across Fishing Creek to Timuquana Road. Adverse impacts include increased noise levels, loss of frontage property, temporary degradation of water quality in Fishing Creek, and the displacement of 18 families and 11 businesses (55 pages). (ELR Order No. 40684.)

Twelfth Street, Detroit, Wayne County, Mich., April 29: The statement refers to the proposed widening of Twelfth Street. The southerly portion, between Fort and Howard, 0.14 mile in length and the northerly portion from south of Bagley to Fisher Freeway South Service Drive is about 0.43 miles in length. Adverse impacts include disruption of local traffic, displacement of people and businesses, and increased levels of air and noise pollution (52 pages). (ELR Order No. 40689.)

I–440, Oklahoma City, Oklahoma County, Okla., April 29: The statement refers to the proposed upgrading of existing US 66, a ground-level four-lane expressway to provide the north leg of the I–440, a six-laned freeway with full control of access through Oklahoma City. Adverse impacts are the displacement of 27 families and 12 businesses (already have been relocated), the reduction of privately owned lands and the disruption of traffic services during construction (45 pages). (ELR Order No. 40685.)

SH 288, Houston, Harris County, Tex., April 29: The statement refers to SH 288 on new location from Bellfort northward 4.5 miles to Elgin Street in the southerly portion of Houston. It is proposed as a dual-dual freeway consisting of 4 service lanes in each direction. Adverse impacts consist of small amounts of erosion and sedimentation during construction, and increased noise levels (80 pages). (ELR Order No. 40686.)

Randall Road Interchange, Thurston County, Wash., April 29: The statement proposes the replacement of a grade intersection with a new one on SR 101, a principal highway linking Puget Sound with points west and the Olympic Peninsula. The interchange will consist of 4 ramps, providing traffic movements in all directions, crossroads, with bridge structure, and a frontage road. Adverse impacts include the acquisition of 3 acres for right-of-way, displacement of 1 business, and Perry Creek and Mud Bay will receive increased run off because of the improvement (63 pages). (ELR Order No. 40682.)

Rock Springs Circumferential Rte. (Belt Loop), Wyo., April 30: The statement refers

to the construction of a circumferential route (Belt Loop) around the developed areas lying south of the Union Pacific Railroad in Rock Springs. The length of the project is 4.1 miles. Adverse impacts include the taking of right-of-way, the displacement of people, and the increase of noise levels (47 pages). (ELR Order No. 40699.)

Final

Route 99, Stanislaus County, Calif., May 3: The proposed project is the conversion of a portion of Route 99 from four to six lanes. Total length of the project is 5.1 miles; land acquisition will total 25 acres, with 1 family and 2 businesses being displaced. Noise and air pollution will increase. Comments made by: DOI, EPA, state and local agencies, and concerned citizens. (ELR Order No. 40725.)

Penn Central and B & O Railroad Grade Separations, New Castle County, Del., May 2: The proposed safety project on Ruthby Road is the construction of 2 railroad grade separations, totalling 0.6 mile in length. Four families would be displaced by the project (50 pages). Comments made by: HUD, USDA, EPA, DOI, state and local agencies. (ELR Order No. 40709.)

Madison North and South (U.S. 81), Madison County, Nebr. April 29: The proposed project is the reconstruction of a 7.39 mile segment of U.S. Highway 81, including a proposed bypass section east of Madison. The improvements include grading, full safety sections, roadway drainage structures, and a crossing of Union Creek (47 pages). Comments made by: DOT, COE, USDA, HUD, DOI, EPA, and state agencies. (ELR Order No. 40680.)

Final

S.R. 44, Sandoval County, Sandoval County, N. Mex., May 2: The statement refers to the proposed improvement and realignment of 8.6 miles of New Mexico State Route 44 from 2.6 miles south of San Ysidro in Sandoval County. Adverse impacts include the loss of approximately 100 acres of land, displacement of 2 businesses, and increased levels of air, water, and noise pollution during construction (40 pages). Comments made by: USDA, HEW, HUD, DOI, state and local agencies, and concerned citizens. (ELR Order No. 40706.)

U.S. 52, Davidson and Forsyth Counties, N.C., May 2: The statement refers to the proposed continuation of new U.S. 52 southward from Winston-Salem on new location for 6 miles to existing U.S. 52 north of Welcome. The corridor will be a 4 lane divided highway. Adverse impacts include the displacement of 53 families and 2 businesses, siltation of creeks, and loss of 350 acres of land (65 pages). Comments made by: USDA, COE, GSA, HEW, HUD, DOI, EPA, and state and local agencies. (ELR Order No. 40708.

Lane Street, Kannapolis, Cabarrus County, N.C., May 2: The statement refers to the proposed widening of Lane St. in Kannapolis from I–85 westward to Cannon Boulevard to a four lane curb and gutter street. Project length is 2.6 miles. Adverse impacts include the taking of additional land for right-of-way and the displacement of 2 businesses (75 pages). Comments made by: USDA, COE, DOC, EPA, GSA, HEW, HUD, DOI, and State and local agencies. (ELR Order No. 40710.)

Coose Bay—Roseburg Highway, Douglas County, Oreg., May 2: The proposed project involves widening of 3.8 miles of the existing Coos Bay—Roseburg Highway from a two-lane to a four lane highway. The project will provide for four 12-foot travel lanes; an 8-foot bicycle lane; revision of three intersections and installation of a 3-phase traffic signal. Forty-four acres of land will be committed to right-of-way. Other adverse impacts of the action include loss of flora and fauna; relocation of 16 families; removal or modification of 31 structures and increased noise levels (80 pages). Comments made by: USCG, USDA, EPA, DOC, DOT, and State and local agencies. (ELR Order No. 40707.)

I–82, Yakima and Benton Counties, Wash., April 30: The project consists of the construction of a 42 miles section of I–82 from Union Gap to Prosser. Adverse impacts include the displacement of 78 families, and the increase of air and noise pollution (three volumes). Comments made by: HUD, DOI, EPA, DOC, and USDA. (ELR Order No. 40692.)

S.T.H. 70, Oneida and Vilas Counties, Wis., April 29: The proposed project is the reconstruction and realignment of S.T.H. 70 for a distance of 10.6 miles. The facility will traverse portions of the Chequamegon National Forest and the Lac du Flambeau Indian Reservation. One hundred and forty acres of timberland will be acquired for right-of-way. The facility will traverse the Squaw, Koernet and Lower Creeks. Adverse affects are loss of timberland and wildlife habitat (38 pages). Comments made by: EPA, DOI, and USDA. (ELR Order No. 40679.)

URBAN MASS TRANSPORTATION ADMINISTRATION

Final

Archer Avenue Line, Queens, N.Y., April 29: The New York City Transit Authority has filed an application for Federal capital grant assistance to construct a rapid rail transit extension 2.5 miles in length on the Archer Avenue Line. The whole structure will be underground except for 0.2 mile. Displacements include 12 families and 11 businesses (200 employees). Increases in noise will occur (142 pages). Comments made by: DOT, EPA, DOI, HEW, USDA, and state and local agencies. (ELR Order No. 40691.)

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

Draft

Pennsylvania Avenue Plan, 1974, District of Columbia, May 3: Proposed is the adoption of a comprehensive development plan for the Pennsylvania Avenue Development Area, for transmittal to Congress, and upon Congressional approval, implementation by the Corporation. The plan would encompass a 21 block area along the north side of the Avenue, from Third Street to the White House. The main objectives of the plan are to reinforce the proper development and uses of the Ave. and its adjacent area in a manner suitable to its ceremonial physical, and historic character; and to eliminate urban blight. (ELR Order No. 40727.)

The following environmental impact statements were received during the week of April 22 through April 26, 1974. Notice of these statements appeared in the May 6, 1974 FEDERAL REGISTER, and the commenting period for them began on that date. Summaries of the statements were not available at that time, however, and therefore are provided below.

DEPARTMENT OF AGRICULTURE

Contact: Dr. Fred H. Tschirley, Acting Coordinator, Environmental Quality Activities, Office of the Secretary, U.S. Department of Agriculture, Room 331–E, Administration Building, Washington, D.C. 20250, 202–447–3965.

FOREST SERVICE

Draft

Elkhorn Planning Unit, Helena National Forest, Mont., April 22: Proposed is the implementation of a revised multiple use plan for the 95,000 acre Elkhorn Planning unit of the Helena National Forest. Planning is designed to a Level 2 intensity, for such values as timber harvest, grazing, wildlife habitat, and recreation. The unit contains 40,100 acres of inventoried roadless areas, of which 33,600 acres would remain undeveloped. 48 pages). (ELR Order No. 40628).

Final

West Fork Ranger District, Bitterroot National Forest, Ravalli County, Mont., April 26: The statement refers to a proposed revised management plan for 157,075 acres of the West Fork Ranger District of the Forest. The planning unit has been subdivided into eight smaller units which will be managed for such values as timber production, wildlife habitat enhancement, and recreational values. Of the 157,075 acres in the unit, 111,240 are inventoried as roadless. Implementation of the plan will result in management keyed to road development of 75,946 acres. The remaining 81,129 acres will continue to be managed in a roadless condition. Comments made by: EPA, DOI, USDA, state and local agencies, and concerned citizens. (ELR Order No. 40677.)

DEPARTMENT OF DEFENSE

ARMY CORPS

Contact: Mr. Francis X. Kelly, Director, Office of Public Affairs, Attn: DAEN–PAP, Office of Chief of Engineers, U.S. Army Corps of Engineers, 1000 Independence Avenue SW., Washington, D.C. 20314, 202–693–7168.

Draft

Starlings Creek Navigation Project, Accomacki County, Va., April 25: Proposed is the maintenance dredging of a navigation channel from Pocomoke Sound into Starlings Creek, where a turning basin will also be dredged. An estimated 55,000 cu. yds. of bottom material will be removed, and deposited offshore along Saxis Island. Adverse impact would occur to marine biota (Norfolk District) (21 pages). (ELR Order No. 40663.)

DEPARTMENT OF INTERIOR

Contact: Mr. Bruce Blanchard, Director, Environmental Project Review, Room 7260, Department of the Interior, Washington, D.C. 20240, 202–343–3891.

NATIONAL PARK SERVICE

Final

Transpark Road, Bighorn National Recreation Area, Mont. and Wyo., April 26: The proposal calls for the construction of a 50 mile roadway from Horseshoe Bend, Wyoming to Fort Smith, Montana including a major bridge over Dryhead Canyon. The primary purpose of the road is that of increasing access to the National Recreation Area. Adverse impacts will include increased visitor impact, scarring by construction, bisecting of a wild horse range, the loss of some archeologic values, animal road mortality, and the visual impact of fencing. The Crow Indian Reservation will be crossed by the roadway (two volumes). Comments made by: USDA, DOI, EPA, DOT, and state and local agencies. (ELR Order No. 40666.)

Draft

Proposed Buffalo National River Master Plan, several counties, Arkansas, April 26: The statement refers to the proposed master plan for the Buffalo National River. The plan includes the acquisition of 95,730 acres of land. The action will result in increased visitation to the river; approximately 330 area residents will be displaced due to the acquisition. (ELR Order No. 40669.)

Proposed Klondike Gold Rush N.P., Washington and Alaska, April 26: The statement refers to the proposed legislative designation of a national historical park of four separate units to commemorate the Klondike Gold

Rush epic. The proposed park will join at the international boundary with the Canadian Klondike Gold Rush Park, creating the first Canada-United States international historical park. Impact includes the removal of land from tax rolls; temporary construction disruption; and the effects of increased visitation (two volumes). (ELR Order No. 40673.)

BUREAU OF RECLAMATION

Final

Gila Gravity Main Channel, Arizona, April 26: The statement refers to the proposed rehabilitation and improvement of the Gila Main Canal. Included would be the benching of rock cuts, modifying of wash inlet structures, and construction of new maintenance roads. Adverse impact will include the loss of a small seepage pond and some waterline habitat; disturbance to wildlife; and changes in aesthetics. Comments made by: DOI, EPA, USDA, COE, and state and local agencies. (ELR Order No. 40670.)

BUREAU OF SPORTS FISHERIES AND WILDLIFE

Draft

Bombay Hook National Wildlife Refuge, Kent County, Del., April 26: Proposed is the legislative designation of two islands, totalling 120 acres, of the Bombay Hook National Wildlife Refuge as wilderness within the National Wilderness Preservation System. The option to intensively manage for maximum wildlife production would be foregone by the action (47 pages). (ELR Order No. 40668.)

INTERNATIONAL BOUNDARY AND WATER COMMISSION

Contact: Mr. T. R. Martin, ARA/Mex., State Department, Room 3906 A, Washington, D.C. 20520, 202-632-1317.

Draft

Tijuana River Flood Control Project, San Diego County, Calif., April 26: The statement refers to a proposed flood control project on the Tijuana River near the international boundary with Mexico. Project measures will include 300 feet of concrete lined trapezoidal channel; a 3,650 foot long energy dissipator; and 1.3 miles of levee. Adverse impact will include the loss of some riparian habitat (75 pages). (ELR Order No. 40676.)

The following statement was received by the Council on Environmental Quality on April 19, 1974, and should have appeared in CEQ's FEDERAL REGISTER listing of April 26, 1974. Because the statement was erroneously omitted, the commenting period will be calculated from April 26.

TENNESSEE VALLEY AUTHORITY

Contact: Dr. Francis Gartrell, Director of Environmental Research and Development, 720 Edney Building, Chattanooga, Tenn. 37401, 615-755-2002.

Draft

Duck River Project, Supplement, April 19: The document supplements a final statement which was filed with the Council on May 8, 1972. The supplement, which was prepared in response to a court order, contains information on: the Duck River project's impact on agriculture; the costs to be paid under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; the possibility of a wildlife management area near Normandy Reservoir; and the impact of the project on future canoeing and floating recreational demands (104 pages). (ELR Order No. 40688.)

GARY L. WIDMAN,
General Counsel.

[FR Doc.74-10948 Filed 5-10-74;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[OPP-32000/57]

NOTICE OF RECEIPT OF APPLICATIONS FOR PESTICIDE REGISTRATION

Data To Be Considered in Support of Applications

On November 19, 1973, the Environmental Protection Agency published in the FEDERAL REGISTER (38 FR 31862) its interim policy with respect to the administration of section 3(c)(1)(D) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 979), and its procedures for implementation. This policy provides that EPA will, upon receipt of every application, publish in the FEDERAL REGISTER a notice containing the information shown below. The labeling furnished by the applicant will be available for examination at the Environmental Protection Agency, Room EB-37, East Tower, 401 M Street, SW., Washington, D.C. 20460.

On or before July 12, 1974, any person who (a) is or has been an applicant, (b) desires to assert a claim for compensation under section 3(c)(1)(D) against another applicant proposing to use supportive data previously submitted and approved, and (c) wishes to preserve his opportunity for determination of reasonable compensation by the Administrator must notify the Administrator and the applicant named in the FEDERAL REGISTER of his claim by certified mail. Every such claimant must include, at a minimum, the information listed in this interim policy published on November 19, 1973.

Applications submitted under 2(a) or 2(b) of the interim policy in regard to usage of existing supportive data for registration will be processed in accordance with existing procedures. Applications submitted under 2(c) will be held for the 60-day period before commencing processing. If claims are not received, the application will be processed in normal procedure. However, if claims are received within 60 days, the applicants against whom the particular claims are asserted will be advised of the alternatives available under the Act. No claims will be accepted for possible EPA adjudication which are received after July 12, 1974.

APPLICATIONS RECEIVED

EPA Reg. No. 275-23. Abbott Laboratories, Abbott Park, North Chicago, Illinois 60064. *Dipel 150 Dust.* Active Ingredients: *Bacillus thuringiensis,* Berliner, Potency of 320 International Units per mg. (at least 0.5 billion viable spores per g.) 0.064%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 275-18. Agricultural and Veterinary Products Division, Abbott Laboratories, Abbott Park, North Chicago, Illinois 60064. *Dipel Biological Insecticide Wettable Powder.* Active Ingredients: *Bacillus thuringiensis,* Berliner, 16,000 International Units of Potency per mg. (at least 25 billion viable spores per g.) 3.2%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4828-UO. ABCO Inc., P.O. Box J, Irwin, Pennsylvania 15642. *GF-250 Disinfectant—Sanitizer—Deodorizer.* Active Ingredients: n-Alkyl (60% C14, 30% C16, 5% C12, 5% C18) dimethyl benzyl ammonium chlorides 2.5%; n-Alkyl (68% C12, 21% C14) dimethyl ethylbenzyl ammonium chlorides 2.5%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 8866-EN. Arco Chemical Corporation, 4871 North 119th Street, Milwaukee, Wisconsin 53225. *Chlorine Concentrated Tablets for Swimming Pool Disinfection.* Active Ingredients: Trichlorostriazinetrione 99.5%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 34137-R. BECO Chemical Company, Inc., 3201-C N. Alameda Street, Compton, California 90222. *BECO Pine Oil Disinfectant.* Active Ingredients: Pine Oil 80%; Soap 10%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 3125-EOO. Chemagro Division of Baychem Corporation, Box 4913, Kansas City, Missouri 64120. *Dasanit+Di-Syston 4-2 Spray Concentrate Insecticide—Nematicide.* Active Ingredients: *O,O*-Diethyl *O* - [4 - (methylsulfinyl) phenyl] phosphorothioate 43%; *O,O*-Diethyl *S*-[2-(ethylthio) ethyl] phosphorodithioate 21%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 3125-GOO. Chemagro Division of Baychem Corporation, Box 4913, Kansas City, Missouri 64120. *Dasanit+Di-Syston 10%—5% Granular Insecticide—Nematicide.* Active Ingredients: *O,O*-Diethyl *O* - [4 - (methylsulfinyl) phenyl] phosphorothioate 10%; *O,O*-Diethyl *S*-[2-(ethylthio) ethyl] phosphorodithioate 5%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 10147-GU. Birko Chemical Corporation, 5600 Brighton Boulevard, P.O. Box 1315, Denver, Colorado 80201. *Birko Chemical Egg Wash Chlorinated Cleanser and Sanitizer.* Active Ingredients: Trisodium phosphate, dodecahydrate 90.83%; Sodium hypochlorite 3.22%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 7173-113. Chempar Chemical Co., Inc., 260 Madison Avenue, New York, New York 10016. *Rozol Tracking Powder for Mice and Rats.* Active Ingredients: 2-[(p-chlorophenyl) phenylacetyl] 1,3-indandione 0.2%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 239-2402. Chevron Chemical Co., 940 Hensley Street, Richmond, California 94801. *Dibrom LVC 10.* Active Ingredients: Naled 15%; Aromatic Petroleum Derivative Solvent 80%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 5549-TN. Coastal Chemical Corp., P.O. Box 856, Greenville, North Carolina 27834. *Coastal 2% Methomyl Insecticide Dust.* Active Ingredients: Methomyl (S - methyl - N - [(methylcarbamoyl) oxy] thioacetimidate 2%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4715-EUE. Colorado International Corp., 5321 Dahlia Street, Commerce City, Colorado 80022. *Best 4 Servis Brand Four-Way Hospital Disinfectant Cleaner.* Active Ingredients: Didecyl dimethyl ammonium chloride 4.25%; Tetrasodium ethylenediamine tetraacetate 1.60%; Sodium carbonate 2.00%; Sodium metasilicate, anhydrous 0.50%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA Reg. No. 3813–14. Crouch Supply Company, Inc., P.O. Box 906, Fort Worth, Texas 76101. *Crouch Improved Steep #2–A Liquid Acid Sanitizer Concentrate.* Active Ingredients: Phosphoric Acid 30.00%; Dodecyl Benzene Sulfonic Acid 5.00%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 14950–E. DAL Industrial Products, 2609 Parvia, Dallas, Texas 75212. *Dip Quick Kill Fogging Type.* Active Ingredients: (5-Benzyl-3-furyl) methyl 2,2-dimethyl - 3 - (2-methylpropenyl)-cyclopropanecarboxylate 0.250%; Related compounds 0.034%; Aromatic petroleum hydrocarbons 0.331%; Petroleum distillate 99.375%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 11741–A. D. W. Davies and Company, Inc., 3200 Phillips Avenue, Racine, Wisconsin 53403. *San-A-Kleen 160.* Active Ingredients: Alkyl (60% C14, 30% C16, 5% C12, 5% C18) Dimethyl Benzyl Ammonium Chlorides 1.28%; Alkyl (68% C12, 32% C14) Dimethyl Ethylbenzyl Ammonium Chlorides 1.28%; Sodium carbonate 2.00%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA Reg. No. 3772–8. Earl May Seed & Nursery Co., Shenandoah, Iowa 51601. *Earl May Chlordane E. C.* Active Ingredients: Technical Chlordane 42.29%; Aliphatic Petroleum Hydrocarbons 53.71%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 1871–OU. Farmcraft, Inc., 8800 SW Commercial Street, Tigard, Oregon 97223. *Farmcraft Dust Thuricide-HP 216M.* Active Ingredients: *Bacillus thuringiensis* Berliner, potency of 480 International Units (at least 600 thousand viable spores) per milligram 0.096%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 279–EITG. FMC Corporation, Agricultural Chemical Division, 100 Niagara Street, Middleport, New York 14105. *Thiodan 1.5 Toxaphene 6 EC.* Active Ingredients: Endosulfan (Hexachlorohexahydromethano-2,4,3-benzodioxathiepin oxide) 13.50%; Toxaphene 54.00%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 279–EOTU. FMC Corporation, Agricultural Chemical Division, 100 Niagara Street, Middleport, New York 14105. *Pyrenone 50-5 W-B Intermediate For Aqueous Pressurized Insecticide.* Active Ingredients: Pyrethrins 5.0%; Piperonyl Butoxide, Technical 50.0%; Petroleum Distillate 43.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 279–EOTL. FMC Corporation Agricultural Chemical Division, 100 Niagara Street, Middleport, New York 14105. *Captan Terraclor 10–10 Soil Treater.* Active Ingredients: Captan N-Trichloromethylthio-4-cyclohexene1,2 - dicarboximide 10.00%; Pentachloronitrobenzene 10.00%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 9598–2. Fults Chemical, Inc., P.O. Box 239, 863 Levin Avenue, Tulare, California 93274. *Iodet Iodine Disinfectant and Detergent Sanitizer.* Active Ingredients: Nonylphenox Poly(Ethyleneoxy)Ethanol-Iodine complex (Provides 1.75% Titratable Iodine) 17.0%; Phosphoric Acid 8.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 5905–GAG. Helena Chemical Company, 5100 Poplar Avenue, Memphis, Tennessee 38137. *Hel–Dust.* Active Ingredients: *O,O*-Diethyl *O*-[3-chloro-4-methyl-2-oxo-(2*H*)-1benzopyran-7-yl] phosphorothioate 1%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2907–RL. Arch C. Heller Co., P.O. Box 88, Darby, Pennsylvania 19023. *Home Garden Fast Insect Killer.* Active Ingredients: Tetramethrin 0.250%; Related compounds 0.034%; (5-Benzyl-3-furyl) methyl 2,2-dimethyl-3-(2-methylpropenyl cyclopropanecarboxylate 0.106%; Related compounds 0.014%; Petroleum distillate 9.000%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2907–RA. Arch C. Heller Co., P.O. Box 88, Darby, Pennsylvania 19023. *Exo Long Distance Spray Fast Acting Wasp & Hornet Killer.* Active Ingredients: Pyrethrins 0.10%; Piperonyl butoxide, technical 0.20%; N-Octylbicycloheptene dicarboximide 0.33%; o-Isopropoxyphenyl methylcarbamate 0.50%; Petroleum distillate 83.87%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 27995–E. Henry Interdonati, Inc., 295 Northern Boulevard, Great Neck, Long Island, New York 11021. *Strychnine Alkaloid N.F.X. Powder.* Active Ingredients: Strychnine Sulfate Pentahydrate 100%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 407–GTR. Imperial Inc., P.O. Box 423, Shenandoah, Iowa 51601. *Imperial Ciodrin Insecticide Emulsifiable.* Active Ingredients: Dimethyl phosphate of alpha - methylbenzyl 3-hydroxy-cis-crotonate 14.4%; Petroleum hydrocarbons 72.3%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 6311–G. K & E Chemical Co., 16810 Miles Avenue, Cleveland, Ohio 44128. *Klenztone Mint 7 Disinfectant Cleaner.* Active Ingredients: Alkyl (C14 58%, C16 28%, C12 14%) dimethyl benzyl ammonium chloride 2.0%; Isopropanol 2.0%; Methyl salicylate 0.5%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA Reg. No. 1381–5. Land O'Lakes, Inc., 2827 8th Avenue South, Fort Dodge, Iowa 50501. *Pyrenone Dairy Cattle Spray.* Active Ingredients: Piperonyl Butoxide technical 0.30%; Pyrethrins 0.03%; Mineral Oil 99.67%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 1381–46. Land O'Lakes, Inc., P.O. Box 423, Fort Dodge, Iowa 50501. *Ciodrin 150 Emulsifiable Concentrate.* Active Ingredients: Dimethyl phosphate of alpha-methylbenzyl 3 - hydroxy - cis - crotonate 13.1%; Aromatic Petroleum Hydrocarbons 76.9%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 12310–0. Misco International Chemicals, Inc., 1021 South Noel Avenue, Wheeling, Illinois 60090. *Glycol Disinfectant Deodorant Spray.* Active Ingredients: Isopropyl Alcohol 28.46%; Triethylene Glycol 10.80%; Propylene Glycol 3.0%; Paradiisobutylphenoxyethoxyethyl Dimethyl Benzyl Ammonium Chloride 0.24%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 259–LE. Missouri-Kansas Chemical Company, 1708–16 Campbell, Kansas City, Missouri 64108. *Balance Disinfectant and Cleaner.* Active Ingredients: Isopropanol 20%; Triethanolamine dodecyl benzene sulfonate 4.5%; Soap 3.5%; o-benzyl-p-chlorophenol 3.0%; o-phenylphenol 3.0%; Para-Tertiary-Amylphenol 1.5%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 1812–ERE. Parramore & Griffin, P.O. Box 188, Valdosta, Georgia 31601. *Methomil Tobacco Dust.* Active Ingredients: Methomyl [S-methyl-N-(methylcarbamoyl)oxy] thioacetimidate 2.25%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 32849–G. The Pest Patrol Ltd., 4743 North 11th Street, Philadelphia, Pennsylvania 19141. *XL–100.* Active Ingredients: Diphacinone (2-Diphenylacetyl-1,3-Indandione) 0.005%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 3095–14. Pic Corporation, 28 Sylvan Street, Linden, New Jersey 07036. *Pic Mosquito Coils.* Active Ingredients: D-trans allethrin (allyl homolog of Cinerin I) 0.25%; Vegetable matter & wood fiber 65.00%; Pyrethrum constituents 32.00%; Xylene-green 0.35%; Potassium nitrate 0.90%; Sodium Benzoate 0.50%; Polyethylene Glycol 1.00%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 655–LNG. Prentiss Drug & Chemical Co., Inc., 363 7th Avenue, New York, New York 10001. *Prentox Encapsulated Rax Powder #A For The Formulation of A Rodenticide Bait.* Active Ingredients: Warfarin (3-(a-acetonylbenzyl)-4-hydroxycoumarin) 0.5%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 655–LNU. Prentiss Drug & Chemcial Co., Inc., 363 7th Avenue, New York, New York 10001. *Prentox Encapsulated Rax Powder #B For The Formulation of A Rodenticide Bait.* Active Ingredients: Warfarin (3-(a-acetonylbenbyl)-4-hydroxycoumarin) 0.5%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 523–TO. Roberts Laboratories, 4995 North Main Street, Rockford, Illinois 61101. *Roberts Flygon 2–E Systemic Insecticide.* Active Ingredients: Dimethoate (0,0-dimethyl S-(N-methylcarbamoylmethyl) phosphorodithioate) 23.4%; Xylene 38.4%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 572–EIL. Rockland Chemical Co., Inc., P.O. Box 204, Caldwell, New Jersey 07006. *Rockland Pyrenone Vegetable Garden Spray.* Active Ingredients: Pyrethrins 0.02%; Piperonyl Butoxide, technical 0.20%; Petroleum distillate 0.08%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 14416–R. Wm. Schlueter & Son, 301 Nottingham Road, Syracuse, New York 13210. *Concord Pine Oil Disinfectant.* Active Ingredients: Pine Oil 75.45%; Soap 15.19%. Method of Support: Application proceeds under 2(c) of interim policy.

Dated: May 3, 1974.

JOHN B. RITCH, JR.,
Director, Registration Division.

[FR Doc.74–10813 Filed 5–10–74;8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[Report 699]

COMMON CARRIER SERVICES INFORMATION [1]

Domestic Public Radio Services Applications Accepted for Filing [2]

MAY 6, 1974.

Pursuant to §§ 1.227(b)(3) and 21.30 (b) of the Commission's rules, an appli-

[1] All applications listed in the appendix are subject to further consideration and review and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations and other requirements.

[2] The above alternative cut-off rules apply to those applications listed in the appendix as having been accepted in Domestic Public Land Mobile Radio, Rural Radio, Point-to-Point Microwave Radio and Local Television Transmission Services (Part 21 of the rules).

cation, in order to be considered with any domestic public radio services application appearing on the attached list, must be substantially complete and tendered for filing by whichever date is earlier: (a) the close of business one business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing. An application which is subsequently amended by a major change will be considered to be a newly filed application. It is to be noted that the cut-off dates are set forth in the alternative—applications will be entitled to consideration with those listed in the appendix if filed by the end of the 60 day period, only if the Commission has not acted upon the application by that time pursuant to the first alternative earlier date. The mutual exclusivity rights of a new application are governed by the earliest action with respect to any one of the earlier filed conflicting applications.

The attention of any party in interest desiring to file pleadings pursuant to section 309 of the Communications Act of 1934, as amended, concerning any domestic public radio services application accepted for filing, is directed to § 21.27 of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] VINCENT J. MULLINS,
Secretary.

APPLICATIONS ACCEPTED FOR FILING

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

20990–C2–MP–74, Polito Communications, Inc. (KUO606). Mod. Permit to change antenna system operating on 454.050 MHz located at 101 Walnut Street, Rochester, New York.

21058–C2–P–74, Bloomingdale Home Telephone Company, Inc. (KSJ817). C.P. to change antenna system operating on 152.72 MHz located at West side of Main Street at Smith Street, Bloomingdale, Indiana.

21306–C2–AL–74, Racom, Inc. (KCA752). Consent to Assignment of License from Racom, Inc., Assignor to Yankee Microwave Corporation, Inc., Assignee. Station: KCA752, Auburn, Maine.

21307–C2–AL–74, Northern Ohio Telephone Company (KQK723). Consent to Assignment of License from Northern Ohio Telephone Company, Assignor to General Telephone Company of Ohio, Assignee. Station: KQK723, Medina, Ohio.

21308–C2–P–74, S & H Communications (New). C.P. for a new 2-way station to operate on 152.18 MHz to be located NE of Harvester Rd., & Hwy 36, Chillicothe, Missouri.

21309–C2–P–(2)–74, Yakima County Communications (New). C.P. for a new 1-way station to operate on 158.70 MHz and 35.22 MHz to be located at Ahtanum Ridge, 4 miles South of Yakima, Washington.

21310–C2–P–74, Empire Paging Corporation (KEC933). C.P. to add antenna location #2 to operate on 454.150 MHz at 1 Strawberry Hill Court, Stamford, Connecticut.

21311–C2–AL–74, Jersey Information Center, Inc. Consent to Assignment of License from Jersey Information Center, Inc., assignor to Vineland Mobile Telephone Company, Assignee. Station: KSW209, Greenwich Township, New Jersey.

21312–C2–AP–74, Jersey Information Center, Inc. Consent to Assignment of Permit from Jersey Information Center, Inc., Assignor to Vineland Mobile Telephone Company, Assignee. Station KWH306, Salem, New Jersey.

21313–C2–P–74, General Communications Service, Inc. (KOF328). C.P. to relocate facilities operating on 158.70 MHz to be located at 4400 E. Broadway, Southern Arizona Bank Financial Center, Tucson, Arizona.

21314–C2–P–74, Williston Telephone Company (KIY790). C.P. for additional facilities to operate on 152.63 MHz located 5.75 miles, 58 degrees East of Williston, South Carolina.

21316–C2–TC–(2)–74, Communications Engineering, Inc. Consent to Transfer of Control from Mary C. Forsberg Harris, Robert Lally, Francis J. Nosek III, Transferors to Sernco, Inc. (formerly Serendipity, Inc.), a California corporation, Transferee. Stations: KWA634 and KWB404, Anchorage, Alaska.

21317–C2–P–74, Rogers Radio Communication Services, Inc. (KTS204). C.P. to add antenna location #6 to operate on 152.24 MHz located at 171 Hart Road, Batavia, Illinois.

21318–C2–P–74, Chillicothe Communications (New). C.P. for a new 2-way station to operate on 152.06 MHz to be located at Narrows Road, South of Mount Logan, Chillicothe, Ohio.

Renewal of License expiring April 1, 1974. Term: April 1, 1974, to April 1, 1979.

New Mexico

Associated Telephone Answering Service, KUO581.

Corrections

7231–C2–P–73, New Jersey Mobile Telephone Company, Inc. (KEK290). Change the location of the 454.20 MHz facility to 125 Broad Street, Elizabeth, New Jersey. Also, change the antenna system. All other particulars of operation to remain as reported on PN #643 dated April 9, 1973.

20133–C2–P–(2)–74, West Texas Rural Telephone Cooperative, Inc. (KUA223) Correct to read C.P. for two additional channels on frequencies 454.400 and 454.525 MHz for station KUA223. All other particulars to remain as reported on PN #661 dated August 13, 1973.

RURAL RADIO SERVICE

60282–C6–TC–74, Communications Engineering, Inc. Consent to Transfer of Control from Communications Engineering, Inc., Transferor to Sernco, Inc. (formerly Serendipity, Inc.), a California corporation, Transferee. Station: KXP26, Temporary-fixed.

60283–C6–P/L–74, The Mountain States Telephone and Telegraph Company (New). C.P. for a new rural subscriber station to operate on 158.01 MHz to be located 26.0 miles SSE of Point-of-Rocks, Wyoming.

POINT-TO-POINT MICROWAVE RADIO SERVICE

3549–C1–ML–74, American Telephone and Telegraph Company (KYC30). Bingham, Idaho. Mod. of License to change polarity from H to V on freqs. 3730 3810 4130 MHz towards Mud Lake, Idaho.

3550–C1–ML–74, Same (KYC29), Birch Creek, Idaho. Mod. of License to change polarity from H to V on freqs. 3770, 3850, 4170 MHz towards Atomic City, Idaho.

4009–C1–P–74, General Telephone Company of the Northwest Inc. (KTF53), Paradise Ridge, 3.8 miles SE of Moscow, Idaho. Lat. 46°40'42" N., Long. 116°58'29" W. C.P. to add freq. 2123.8H MHz towards a new point of communication at Deary, Idaho.

4010–C1–P–74, Same (New), ½ Block South of Fifth on Oregon Street, Deary, Idaho. Lat. 46°48'01" N., Long. 116°33'12" W. C.P. for a new station on freq. 2176.8H MHz towards Paradise Ridge, Idaho.

4011–C1–P/ML–74, Hawaiian Telephone Company (KUQ93). Within the operating territory of the grantee. C.P. and Mod. of License to use portable Hewlett Packard Sweep Generators on freqs. 3700–4200, 5925–6425, and 10,700–11,700 MHz.

4012–C1–R–74, Same (KUQ93). Within the operating territory of the grantee. Application for Renewal of License for Term: May 23, 1974; to May 23, 1975.

4013–C1–AL–74, The Mountain States Telephone and Telegraph Company. Consent to Assignment of License from the Mountain States Telephone and Telegraph Company, Assignor to Navajo Communications Company, Assignee for Station KPP86—Defiance Plateau, Arizona.

4014–C1–P–74, The Offshore Telephone Company (New), Gulf of Mexico, Block 513, West Cameron Area. Lat. 28°26'04" N., Long. 93°11'53" W. C P. for a new station on freq. 2162.0H MHz towards East Cameron Block 261 on azimuth 81°21'; freq. 2178.0V MHz towards West Cameron Block 587 on azimuth 205°54'.

4015–C1–P–74, Same (WGI40), Block 261, East Cameron Area, Gulf of Mexico. Lat. 28° 28'19" N., Long. 92°54'55" W. C.P. to add freq. 2112.0H MHz towards Block 513, West Cameron on azimuth 261°21'.

4016–C1–P–74, Same (New), Block 587, West Cameron Area, Gulf of Mexico. Lat. 28° 09'39" N., Long., 93°20'47" W. C.P. for a new station on freq. 2128.0V MHz towards West Cameron Block 513 on azimuth 25°54'.

4017–C1–ML–74, American Telephone and Telegraph Company (KSA47), Cloverdale, 4.0 miles N of Wheaton (Du Page), Illinois. Lat. 41°56'05" N., Long. 88°05'57" W. Mod. of License to change polarity from H to V on freqs. 3710, 3790, 3870, 3950, 4030, and 4110 MHz towards Plato Center, Illinois, on azimuth 286°34'; from V to H on freqs. 3730, 3810, 3890, 3970, 4050, and 4130 MHz towards Plato Center, Illinois.

4018–C1–ML–74, Same (KSA48), Plato Center, (Kane) Illinois. Lat. 42°01'10" N., Long. 88°29'02" W. Mod. of License to change polarity from V to H on freqs. 3770, 3850, 3930, 4010, 4090, and 4170 MHz; from H to V on freqs. 3990, 4070, and 4150 MHz towards Cloverdale, Illinois, on azimuth 106°19'; change polarity from V to H on freq. 3830 and from H to V on freq. 4010 MHz towards Lee, Illinois on azimuth 242°15'.

4019–C1–P–74, Southern Bell Telephone and Telegraph Company (KJG22), Corner SW "E" Avenue and State Road #717 Belle Glade (Palm Beach) Florida. Lat. 26°41'02" N., Long. 80°40'56" W. C.P. to change freqs. and transmitter to 6226.9V, 6286.2V, 6404.8V MHz towards Loxahatchee, Florida, on azimuth 90°01"; change transmitter on freqs. 6226.9V and 6345.5V MHz towards Clewiston, Florida, on azimuth 286°21'.

4020–C1–P–74, Same (KJG23), 3.3 miles W of Loxahatchee (Palm Beach) Florida. Lat. 26°41'00" N., Long. 80°19'42" W. C.P. to change freqs. and transmitters to 5974.8V, 6034.2V, 6152.8V MHz towards Belle Glade, Florida, on azimuth 270°11'; freqs. 5974.8V, 6034.2V, and 6152.8V MHz towards West Palm Beach, Florida, on azimuth 83°55'.

4021–C1–P–74, Same (WDD43), 325 Gardenia Street, West Palm Beach (Palm Beach), Florida. Lat. 26°42'34" N., Long. 80°03'11" W. C.P. to change freq. and replace transmitter to freq. 6226.9V, 6286.2V, and 6404.8V MHz towards Loxahatchee, Florida, on azimuth 264°02'.

4026–C1–ML–74, American Telephone and Telegraph Company (KGH89), 1.8 mi. E of Eagles Mere, (Sullivan) Pennsylvania. Lat. 41°24'23" N., Long. 76°32'41" W. Mod. of License to change polarity from V to H on freqs. 6177.5, 6223.9, 6286.2, 6345.5, and 6404.8; from H to V 6197.2, 6256.5, 6315.9, 6375.2, and 6424.5 MHz towards Elimsport, Pennsylvania, on azimuth 236°39'.

4027–C1–P–74, The Ohio Bell Telephone Company (KQN77), Townshio Rd., 113, 2.8 miles SW of Carroll, (Fairfield) Ohio. Lat. 39°46'15" N., Long. 82°44'25" W. C.P. to change power on freqs. 5937.8H and 10915V MHz towards Columbus, Ohio on azimuth 314°30'.

4028–C1–P–74, Same (KVI38), 111 North Fourth Street, Columbus (Franklin) Ohio. Lat. 39°57'54" N., Long. 82°59'51" W. C.P. to change power of freqs. 6189.8H and 11365V MHz towards Carroll, Ohio, on azimuth 134°20'.

[FR Doc. 74–10975 Filed 5–10–74;8:45 am]

CABLE TELEVISION TECHNICAL ADVISORY COMMITTEE PANEL 7

Notice of Meeting

MAY 2, 1974.

Pursuant to Public Law 92–463, notice is hereby given of a meeting of the CTAC Panel 7 Committee on May 16, 1974, to be held at 2025 M Street, N.W., Washington, D.C. in Room 6331 (Conference Room). The time of the meeting is 10 a.m.

The agenda is as follows:

(1) Chairman's Report.
(2) Review of Minutes of February 20, 1974 Meeting.
(3) Review of Points Raised at Ohio Meeting April 23, 1974.
(4) Review of First Draft of Final Report.
(5) Discussion of Other Areas.
(6) Establish Milestones for Next Meeting.
(7) New Business.
(8) Establish Date, Time and Place for Next Meeting.

Any member of the public may attend or may file a written statement with the Committee either before or after the meeting. Any member of the public wishing to make an oral statement must consult with the Committee prior to the meeting. Inquiries may be directed to Mr. Cort Wilson, FCC, 1919 M Street, N.W., Washington, D.C. 20554—(202) 632–9797.

Dated: April 30, 1974.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] VINCENT J. MULLINS,
Secretary.

[FR Doc. 74–10973 Filed 5–10–74;8:45 am]

DATAPHONE DIGITAL SERVICE

Notice of Meeting

MAY 7, 1974.

A meeting has been called for 9:30 a.m., May 21, 1974 in the Commission's Offices for the purpose of obtaining clarification of AT&T's filing relating to Dataphone Digital Service (DDS). This meeting will afford an opportunity for any interested party to raise pertinent questions as an aid in the evaluation of the use of Data Under Voice, (DUV) facilities in the provision of DDS service. Representatives of the Bell System will be present to answer and discuss questions raised by the parties. Questions should be submitted in writing to

Thomas W. Scandlyn, Assistant Vice President
American Telephone and Telegraph Company
195 Broadway
New York, New York 10007

no later than May 14, 1974. Every effort should be made to limit the questions to important elements that will aid the Staff and the parties in their analysis and preparation of comments by the parties on AT & T's application for operational authority.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] VINCENT J. MULLINS,
Secretary.

[FR Doc.74–10974 Filed 5–10–74;8:45 am]

[Dockets Nos. 20030, 20031; Files Nos. BPH–[8341, BPH–8472]

WAVV COMMUNICATIONS, INC. AND AVALON BROADCASTING CO.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of WAVV Communications, Inc., Avalon, New Jersey, Docket No. 20030, File No. BPH–8341; Request: 94.3 MHz, #232; 3 kW (H & V); 281 feet.

Avalon Broadcasting Co., Avalon, New Jersey, Docket No. 20031, File No. BPH–8472; Requests: 94.3 MHz, #232; 3 kW (H & V); 300 feet, for Construction Permits.

1. The Commission, by the Chief, Broadcast Bureau, acting pursuant to delegated authority, has under consideration the above-captioned and described applications for construction permits.

2. Except as indicated by the issues specified below, the applicants are qualified to construct and operate as proposed. However, since the proposals are mutually exclusive, they must be designated for hearing in a consolidated proceeding on the issues specified below.

3. *Accordingly, it is ordered,* That, pursuant to section 309(e) of the Communications Act of 1934, as amended, the applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

(1) To determine which of the proposals would, on a comparative basis, better serve the public interest.

(2) To determine, in light of the evidence adduced pursuant to the foregoing issue which, if either, of the applications should be granted.

4. *It is further ordered,* That, to avail themselves of the opportunity to be heard, the applicants herein, pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall, within 20 days of the mailing of this Order, file with the Commission in triplicate, a written appearance stating an intention to apear on the date fixed for the hearing and present evidence on the issues specified in this Order.

5. *It is further ordered,* That the applicants herein shall, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.594 of the Commission's rules, give notice of the hearing, either individually or, if feasible and consistent with the rules, jointly, within the time and in the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by § 1.594(g) of the rules.

Adopted: April 25, 1973.

Released: May 3, 1973.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc.74–10976 Filed 5–10–74;8:45 am]

SELECTIVE SERVICE SYSTEM

[Temporary Instruction 613–6]

REGISTRANTS PROCESSING MANUAL

Mail-in Registration Survey

The Registrants Processing Manual is an internal manual of the Selective Service System. The following portion of that Manual is considered to be of sufficient interest to warrant publication in the FEDERAL REGISTER.

Temporary Instruction No. 613–6. Subject: Mail-In Registration Survey.

BYRON V. PEPITONE,
Director.

MAY 6, 1974.

[Temporary Instruction 613–6]

MAIL-IN REGISTRATION SURVEY

APRIL 29, 1974.

1. To provide State and National Headquarters with initial data by which the effectiveness of the Mail-In Registration Program can be evaluated, a one-year survey program has been established which will require quarterly reports from each local board and State Headquarters.

2. The Mail-In Registration Survey, (SSS Form 1–S (Temporary)), with format as shown in the Attachment to this Temporary Instruction shall be prepared by local boards to reflect the periods May 1–July 31, August 1–October 31, November 1–January 31, and February 1 to April 30, with the reports to be received by the State Headquarters within five days of the end of the reporting period.

3. Each State Director shall consolidate the quarterly reports from local boards within his state and prepare a state report to be received by National Headquarters, Operations Division, Attention: OOPR, on or before the 15th of the month following the end of the reporting period.

4. This Temporary Instruction will serve as the Procedural Directive for SSS Form 1–S (Temporary). State Directors will receive an initial distribution of this form in early May.

This Temporary Instruction will terminate on May 31, 1975.

BYRON V. PEPITONE.

MAIL-IN REGISTRATION SURVEY

Local Board or State Reporting _____
Reporting Period _____ to _____
1. Number of mail-in sites _____
2. Number of mail-in cards received during period _____
3. Number of valid registrations _____
A. Not requiring follow-up _____
B. Requiring follow-up _____
4. Number of fictitious registrations _____
A. Obvious upon receipt _____
B. Determined after follow-up _____
5. Number of mail-in cards from individuals not required to be registered _____

[FR Doc.74–10949 Filed 5–10–74;8:45 am]

FEDERAL POWER COMMISSION

[Docket No. CI74–560, etc.]

AUTHORIZATION TO SELL NATURAL GAS

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates [1]

MAY 3, 1974.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to Section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before May 30, 1974, 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 particiate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure a hearing will be held without further notice before the Commission on all applications in which no petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a petition for leave to intervene is timely filed, or where 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 Applicants to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
CI74–560 (G–4579) F 4–16–74	HiGar Petro, Inc. (successor to Cities Service Oil Co.), 1145 North Prospect, Liberal, Kans. 67901.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Greenwood (Topeka) Field, Morton County, Kans.	[1] 18.0	14.65
CI74–560 (G–6178) F 4–16–74	HiGar Petro, Inc. (successor to The Superior Oil Co.)	do	[1] 16.0	14.65
CI74–571 (CI66–726) F 4–16–74	Diamond Shamrock Corp. (successor to Skelly Oil Co.), P.O. Box 631, Amarillo, Tex. 79173.	Panhandle Eastern Pipe Line Co., acreage in Hemphill County, Tex.	[1] 18.07	14.65
CI74–574 (G–14536) B 4–12–74	Edwin L. Cox (Operator) et al., 3800 First National Bank Bldg., Dallas, Tex. 75202.	United Gas Pipe Line Co., McFaddin Field, Refugio County, Tex.	Depleted	
CI74–576 (G–14292) F 4–19–74	Amoco Production Co. (successor to Exxon Corp.), Security Life Bldg., Denver, Colo. 80202.	Panhandle Eastern Pipe Line Co., Mocane Gas Area, Beaver County, Okla.	19.5	14.65
CI74–578 (CI61–1265) F 4–8–74	Chace Oil Co., Inc. (successor to Southern Union Production), 313 Washington, SE., Albuquerque, N. Mex. 87108.	El Paso Natural Gas Co., San Juan Basin, Rio Arriba County, N. Mex.	[2] 28.76	15.025
CI74–582 (G–3973) B 4–19–74	Mobil Oil Corp., 3 Greenway Plaza East, Suite 800, Houston, Tex. 77046.	Arkansas Louisiana Gas Co., Waskom (Minnie Downs) Field, Harrison County, Tex.	Depleted	
CI74–583 (CI65–1023) B 4–12–74	Edwin L. Cox	Anadarko Production Co., Interstate Field, Morton County, Kans.	Depleted	
CI74–584 (CI63–877) B 4–18–74	Sarkeys, Inc., 1170 First National Center, Oklahoma City, Okla. 73102.	Natural Gas Pipeline Co. of America, acreage in Dewey County, Okla.	[3]	
CI74–585 A 4–22–74	Placid Oil Co., 2500 First National Bank Bldg., Dallas, Tex. 75202.	Michigan Wisconsin Pipe Line Co., Block 306, Eugene Island Area, offshore Louisiana.	[1] 32.00	15.025
CI74–586 A 4–22–74	do	Michigan Wisconsin Pipe Line Co., Block 171, West Cameron Area, offshore Louisiana.	[1] 32.0	15.025
CI74–587 4–2–74 [4]	Pioneer Production Corp., P.O. Box 2542, Amarillo, Tex. 79163.	Natural Gas Pipeline Co. of America, North Lovedale Field, Harper County, Okla.	[1] [5] 18.7	14.65
CI74–588 (CS72–4) B 4–19–74	The Algas Co., P.O. Drawer 1579, Alice, Tex. 78332.	United Gas Pipe Line Co., Rowe Field, Jim Wells County, Tex.	Depleted	
CI74–591 (CI68–152) B 4–24–74	Eason Oil Co., P.O. Box 18755, Oklahoma City, Okla. 73118.	Columbia Gas Transmission Corp., Washington District, Kanawha County, W. Va.	Depleted	
CI74–594 (G–10342) B 4–26–74	Jean Paul Getty, Trustee, P.O. Box 1404, Houston, Tex. 77001.	Phillips Petroleum Co., Christine W. Hitch Unit, Texas County, Okla.	[6]	

[1] Subject to upward and downward Btu adjustment.
[2] Subject to upward Btu adjustment; estimated adjustment is 2.86 cents per M ft³.
[3] The Pankratz No. 1–35 Well located in Dewey County, Okla., did not qualify for connection resulting in no gas being sold or purchased thereform.
[4] Applicant proposes to cover its own interest in the sale of natural gas heretofore authorized to be made by A.I.K. Ltd. number 2, now holder of a small producer certificate.
[5] Applicant is willing to accept a certificate conditioned to the applicable area rates.
[6] Acreage assigned to the purchaser.

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.
See footnotes at end of table.

[FR Doc.74–10767 Filed 5–10–74;8:45 am]

[Docket No. RI74–217]

AIKMAN BROTHERS

Notice of Petition for Special Relief

MAY 6, 1974.

Take notice that on April 25, 1974, Aikman Brothers (Petitioner), 1204 Vaughn Building, Midland, Texas 79701, filed a petition for special relief in Docket No. RI74–217, seeking a rate above the applicable area ceiling under Opinion No. 586. Petitioner seeks a price of 22.0 cents per Mcf for the sale of gas to Natural Gas Pipeline Company of America under its FPC Gas Rate Schedule No. 5 from the Zaerr Gas Unit, NW, Quinlan Field, Woodward County, Oklahoma. The petition is based upon the escalation in costs of materials, labor, and services in the oil and gas industry and the current energy crisis.

Any person desiring to be heard or to make any protest with reference to said petition should on or before May 28, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to

[1] This notice does not provide for consolidation for hearing of the several matters covered herein.

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 party 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10907 Filed 5–10–74;8:45 am]

[Docket No. RI74–218]

AIKMAN BROTHERS

Notice of Petition for Special Relief

MAY 6, 1974.

Take notice that on April 25, 1974, Aikman Brothers, (Petitioner), 1204 Vaughn Building, Midland, Texas 79701, filed a petition for special relief in Docket No. RI74–218 seeking a rate above the applicable area ceiling under Opinion No. 586. Petitioner seeks a price of 22.0 cents per Mcf for the sale of gas to Natural Gas Pipeline Company of America under its FPC Gas Rate Schedule No. 20 from the Ames Gas Unit, Quinlan Field, Woodward County, Oklahoma. The petition is based upon the escalation in costs of materials, labor, and services in the oil and gas industry and the current energy crisis.

Any person desiring to be heard or to make any protest with reference to said petition should on or before May 28, 1974 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 party 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10908 Filed 5–10–74;8:45 am]

[Docket No. E–8755]

CENTRAL KANSAS POWER CO., INC.

Notice of Filing of Proposed FPC Electric Tariffs

MAY 6, 1974.

Take notice that Central Kansas Power Company, Inc., (CKP) on April 30, 1974, tendered for filing a proposed change in its existing FPC Electric Tariff, together with a proposed initial rate to its existing wholesale customer for service in excess of the amount covered by such existing tariff. The proposed rate filing would increase revenues from jurisdictional sales and service by $373,776, based upon the twelve-month period ending December 31, 1973, as adjusted for known and measurable changes in its costs and revenues.

Since the present rates became effective, the Company has experienced increases in the costs of capital, labor, materials and taxes. CKP states that the proposed rates are necessary to provide the Company with a fair return on its investment so as to maintain the financial integrity of the Company and enable it to continue to provide its customers with safe and adequate service. CKP requests an effective date of June 1, 1974.

Copies of this filing were served upon the Company's only jurisdictional customer, Sunflower Electric Cooperative, and upon the State Corporation Commission of the State of Kansas.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 21, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10910 Filed 5–10–74;8:45 am]

[Docket No. CP72–15]

CITIES SERVICE GAS CO.

Notice of Petition To Amend

MAY 6, 1974.

Take notice that on April 22, 1974, Cities Service Gas Company (Petitioner), P.O. Box 25128, Oklahoma City, Oklahoma 73125, filed in Docket No. CP72–15 a petition to amend further the order of the Commission issued in said docket on November 1, 1971 (46 FPC 1110), as amended July 17, 1972 (48 FPC 102), April 20, 1973 (unreported), and January 21, 1974 (51 FPC ——), pursuant to section 7(c) of the Natural Gas Act authorizing an exchange of natural gas between Petitioner and Arkansas Louisiana Gas Company (Arkla), by authorizing the construction and operation of additional points of delivery and a modification in the transportation charge paid under the exchange agreement, all as more fully set forth in the petition to amend, which is on file with the Commission and open to public inspection.

By the order issued on November 1, 1971, as amended by the orders issued July 17, 1972 and April 20, 1973, Petitioner was authorized, in order to aid Arkla in transporting natural gas from certain wells in Hemphill and Roberts Counties, Texas, and Woodward County, Oklahoma, to receive under an exchange agreement with Arkla, dated June 11, 1971, up to 10,000 Mcf per day of natural gas from three points in Hemphill County and one point in Woodward County, and to deliver to Arkla an equivalent amount of gas at points in Reno and Rice Counties, Kansas, and Caddo County, Oklahoma. Arkla was to pay a transportation charge of 6 cents per Mcf of gas, although it was not clear for which volumes of gas Arkla was to pay. Said agreement was to continue for two years from November 1, 1971, or until Arkla constructed its own facilities for transporting gas from said areas, whichever came first. The amending order issued January 11, 1974, provided for Petitioner to deliver gas to Arkla, as part of the exchange, from the MuCulloch-State Well in Hemphill County and for the parties to continue the exchange until March 31, 1978. Said order clarified that Arkla was to pay a transportation charge of 6 cents per Mcf for the volume of gas delivered only at the three Hemphill County points at which Arkla delivered gas to Petitioner.

Petitioner herein requests, pursuant to a further amendment to the June 11, 1971, exchange agreement, authority to construct and operate two additional delivery points on its pipeline in Woods and Ellis Counties, at a combined cost of $10,200, in order to receive gas from Arkla; and to operate, as an additional point of delivery, existing facilities, constructed pursuant to budget-type authority granted by the Commission order issued on November 6, 1973 (50 FPC ——), which facilities are connected to the Shaller Well in Hemphill County, in order to receive for Arkla's account Arkla's share of the production from the Shaller Well lease.

Petitioner states that Arkla has filed in Docket No. CP72–9 a petition to amend further the November 1, 1971, order by permitting Arkla to receive for Petitioner's account, pursuant to the further amendment to the June 11, 1971, agreement, the 12.5 percent interest committed to Petitioner from the McCulloch-Wright Well in Hemphill County.

Petitioner further proposes that Arkla pay to Petitioner, under said further amendment to the exchange agreement, a transportation charge of 6 cents per Mcf for each Mcf of exchange gas transported by Petitioner from all seven exchange points at which Arkla delivers gas to Petitioner after deducting therefrom the volumes of exchange gas delivered by Petitioner to Arkla at the exchange point in Caddo County, and the McCulloch-State and McCulloch-Wright exchange points in Hemphill County.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 28, 1974, 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 pro-

cedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10911 Filed 5-10-74;8:45 am]

[Docket No. CP74-269]

COLUMBIA GAS TRANSMISSION CORP.

Notice of Application

MAY 6, 1974.

Take notice that on April 19, 1974, Columbia Gas Transmission Corporation (Applicant), 1700 MacCorkle Avenue, SE, Charleston, West Virginia 25314, filed in Docket No. CP74-269 an application pursuant to sections 7 (b) and (c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of a natural gas transmission loop replacement pipeline and an increase in the volumes of natural gas exchanged by it with Washington Gas Light Company (Washington Gas) all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate approximately 8.4 miles of 36-inch transmission pipeline loop in Loudoun County, Virginia, replacing approximately 20.1 miles of existing 26-inch gas transmission pipeline, which has experienced failures during operation and testing, in the same county.[1] Applicant alleges that the capacity of the proposed line is sufficient to replace the loss in capacity due to the retirement of the 20.1 miles of pipeline and that the new capacity will be sufficient to permit the proposed increase in service to Washington Gas.

Applicant states that it was authorized by the Commission in Docket No. CP71-198 on April 26, 1971 (45 FPC 600), to provide an exchange service to Washington Gas pursuant to a letter agreement between Washington Gas and Applicant dated December 15, 1970, which agreement is on file with the Commission as Applicant's Rate Schedule X-30 in its FPC Gas Tariff, Original Volume No. 2. Applicant indicates that it receives 35,000 Mcf of gas per day from Washington Gas' subsidiary, Hampshire Gas Company, at Applicant's Lost River Compressor Station in Hardy County, West Virginia, and that Applicant simultaneously delivers equivalent volumes to Washington Gas at existing points of delivery in Washington Gas' market area. Applicant states that Washington Gas has requested that Applicant increase the existing exchange service from 35,000 Mcf of gas per day to 50,000 Mcf of gas per day. Applicant indicates that it is willing to provide the expanded service to Washington Gas and indicates that the terms and conditions of the new exchange detailed under an April 9, 1974, agreement between Applicant and Washington Gas will be identical to the existing agreement except for the volumes exchanged. The application states that no change is contemplated in the basis of Applicant's charges to Washington Gas and that the identical unit rate is maintained and applied to the proposed increase in exchange volumes.

Applicant estimates that the cost of the proposed construction, including Commission filing fees is $2,710,000, which cost will be financed by the sale of securities to Applicant's parent company, Columbia Gas System, Inc. Applicant also indicates that the estimated net debit to retirement due to the proposed retirement of the 20.1 miles of 26-inch pipeline will be $1,468,105.

Any person desiring to be heard or to make any protests with reference to said application should on or before May 28, 1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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 teh 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 and permission and approval for the proposed abandonment are 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10909 Filed 5-10-74;8:45 am]

[1] The application indicates that 21,634 feet of 26-inch pipe will be removed, 32,777 feet of 26-inch pipe will be utilized in place as ground bed, and the remaining 51,458 feet of 26-inches pipe will be retired in place.

[Docket No. CP73-70]

COLUMBIA GULF TRANSMISSION CO.

Notice of Amendment to Application

MAY 6, 1974.

Take notice that on April 22, 1974, Columbia Gulf Transmission Company (Applicant), P.O. Box 683, Houston, Texas 77001, filed in Docket No. CP73-70 an amendment to its application currently pending before the Commission in said docket, which application requests a certificate of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act for authorization to exchange and transport natural gas, by proposing an additional delivery point for said exchange of natural gas and additional delivery volumes, all as more fully set forth in said amendment to the application, which is on file with the Commission and open to public inspection.

In its application Applicant proposed, pursuant to an agreement between Applicant and Amoco Production Company (Amoco), dated July 31, 1972, to take natural gas into its pipeline system for the account of Amoco at two points in Vermilion Parish, Louisiana, and to deliver said gas into the pipeline system of Florida Gas Transmission Company (Florida Gas) at the point near Judice, Lafayette Parish, Louisiana, where Applicant's pipeline and Florida Gas' pipeline intersect at a price of 0.434 cent per Mcf of gas.

Applicant states that its affiliate, Columbia Gas Transmission Corporation (Columbia), has entered into a gas purchase and sales agreement with Amoco providing for the purchase and sale for resale of 50 percent of Amoco's available gas from the Lake Boudreaux Field, Terrebonne Parish, Louisiana, provided a certificate of public convenience and necessity satisfactory to the parties is issued in this docket, as amended. Applicant further states that it has been requested to transport such gas for Columbia and intends to attach the Lake Boudreaux reserves to its existing transmission system by constructing gas purchase facilities under its budget-type authorization in Docket No. CP74-88.

In connection with said purchase and sale for resale of gas, Applicant proposes, pursuant to an amendment, dated March 7, 1974, to the exchange and transportation agreement of July 31, 1972, to transport for Amoco through Applicant's facilities the 50 percent of gas from the Lake Boudreaux Field which is not committed to Columbia and redeliver said gas to Florida Gas for Amoco's account at the Judice delivery point at a price of 2.28 cents per Mcf of gas.

Any person desiring to be heard or to make any protest with reference with said amendment should on or before May 28, 1974, 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) and the

regulations under the Natural Gas Act (18 CFR 157.10). 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. Persons who have heretofore filed petitions to intervene or protests need not file again.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10912 Filed 5-10-74;8:45 am]

[Docket No. CP74-268]

CONSOLIDATED GAS SUPPLY CORP. AND NORTH PENN GAS CO.

Notice of Joint Application

MAY 6, 1974.

Take notice that on April 18, 1974, Consolidated Gas Supply Corporation (Consolidated), 445 West Main Street, Clarksburg, West Virginia 26301, and North Penn Gas Company (North Penn), 76-80 Mill Street, Port Allegany, Pennsylvania 16743, filed in Docket No. CP74-268 a joint application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the joint operation and further development of the Tioga Storage Pool, Tioga County, Pennsylvania, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Applicants state that the Tioga Storage Pool consists of the Palmer Storage Pool (West End Tioga), which has been operated by North Penn or its predecessor in interest, Allegany Gas Company, under Commission order issued March 16, 1943 (3 FPC 943), and the Boom Storage Pool (East End Tioga), which has been operated by Consolidated or its predecessor in interest, New York State Natural Gas Corporation, under Commission Orders issued on October 27, 1942 (3 FPC 844), September 12, 1945 (4 FPC 1047), March 29, 1950 (9 FPC 620), and January 2, 1958 (19 FPC 5). Applicants state further that these storage pools are in geological communication, which fact has resulted in the migration from time to time of gas toward that portion of the pool which was being operated at a lower pressure, thereby depriving the applicant whose gas had migrated of the full turnover capability of its inventory.

In order to permit each applicant to make full use of its storage capability, Applicants propose to connect their respective pipeline facilities and to operate jointly the said portions of the Tioga Pool, pursuant to an agreement, effective January 1, 1974, although each applicant will remain in full control and ownership of all facilities which it has previously constructed and proposes to construct.

In furtherance of the above scheme, Applicants propose the following:

(1) To construct and operate approximately 2,500 feet of 8-inch pipeline to interconnect their respective pipeline facilities in the Tioga storage area, in order to maintain an open system that will equalize pressures throughout the field,

(2) To revamp their existing pipeline system to permit operation throughout both areas of the pool at 1,500 psig;

(3) To reclassify their respective base gas storage inventories in the pool from 5 million Mcf for North Penn and 4,720,225 Mcf for Consolidated to 6 million Mcf for each;

(4) To increase storage turnover capability from 5.9 million Mcf for North Penn and 6 million Mcf for Consolidated to 9 million Mcf for each.

In addition, North Penn intends to construct approximately 15,450 feet of 6-inch and 400 feet of 8-inch pipeline to connect 8 additional wells for active storage.

Applicants estimate the cost of these facilities to be $1,640,465 for Consolidated to be financed from funds on hand and funds to be obtained from Consolidated's parent corporation, Consolidated Natural Gas Company, and $851,730 for North Penn to be financed from funds on hand.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 24, 1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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 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 Applicants to appear or be represented at the hearing.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10914 Filed 5-10-74;8:45 am]

[Docket No. CI74-589]

CONTINENTAL OIL CO.

Notice of Application

MAY 6, 1974.

Take notice that on April 22, 1974, Continental Oil Company (Applicant), P.O. Box 2197, Houston, Texas 77001, filed in Docket No. CI74-589 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 of natural gas in interstate commerce to Texas Gas Transmission Company (Texas Gas) from the Block 217 Field, Eugene Island Area, offshore, Louisiana, and delivery of said gas to Michigan Wisconsin Pipe Line Company, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Applicant states that it commenced the sale of gas to Texas Gas within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29) and proposes to continue said sale after the end of the emergency period for one year at 50.0 cents per Mcf at 15.025 psia, subject to upward and downward Btu adjustment from a base of 1,000 Btu per cubic foot of gas, within the contemplation of § 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicant is willing to accept a certificate conditioned to a price of 45.0 cents per Mcf. Applicant estimates monthly deliveries of gas to Texas Gas at 30,000 Mcf.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 28, 1974, 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 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10913 Filed 5-10-74;8:45 am]

[Docket No. E-7769]

DELMARVA POWER & LIGHT CO.

Notice of Tendered Tariff Sheets

MAY 6, 1974.

Take notice that on April 12, 1974, Delmarva Power and Light Company (Delmarva) tendered the followir·g revised tariff sheets for filing with the Commission:

Delmarva Power & Light Company:
First Revised Leaf No. 6—FPC Electric Tariff Volume No. 4
Supplement No. 2 to Rate Schedule FPC No. 35
Delmarva Power & Light Company of Maryland:
First Revised Leaf No. 6—FPC Electric Tariff Volume No. 4

Delmarva states that this filing is being made pursuant to the Commission order of April 1, 1974, in this docket and that the changes reflected in the tariff sheets will be effective March 1, 1973, as required in that order. Delmarva states further that a revised fuel adjustment clause will be prepared and filed, as required by Ordering Paragraph (B) of the Commission's April 1, 1974 order, as promptly as such clause can be drafted and the supporting material completed. At that time, Delmarva states, the fuel adjustment clause in Supplement No. 2 to Rate Schedule FPC No. 35 will be revised and filed as well.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 16, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10915 Filed 5-10-74;8:45 am]

[Docket No. CI74-579]

HYDROCARBON DEVELOPMENT CORP.

Notice of Application

MAY 6, 1974.

Take notice that on April 1, 1974, Hydrocarbon Development Corp. (Applicant), P.O. Box 2806, Corpus Christi, Texas 78403, filed in Docket No. CI74-579 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to transport natural gas in interstate commerce for Occidental Petroleum Corporation (Occidental), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that in the early part of 1966, Lumar Gas Corporation (Lumar) borrowed $150,000 from Occidental for use in the construction of 8.6789 miles of 8-inch pipeline from the Lacal Field, Willacy County, Texas, to a connection with Texas Eastern Transmission Corporation's 30-inch transmission line in Hidalgo County, Texas. Under the terms of the loan agreement Lumar was to repay such monies, including interest calculated at a rate of 5½ percent per annum, to Occidental with repayment to be made at the rate of one cent per Mcf of gas transported through said 8-inch pipeline produced by Occidental, its associates, and others from leases held by them in the Lacal Field, which gas would subsequently be sold in interstate commerce.

Applicant states that it acquired the subject pipeline from Lumar and has continued to transport gas in accordance with the terms of the loan agreement between Lumar and Occidental as described above. Applicant states further that $50,000 of the loan is still due and owing Occidental. Applicant asserts that inasmuch as Occidental, its associates, and others are currently producing only 5,000 Mcf of gas per day from the Lacal Field, repayment of such indebtedness solely on the basis of the original rate of one cent per Mcf of such production transported is doubtful. Applicant, therefore, requests authorization to transport gas produced by Occidental in the Lacal Field for a transportation charge of one and one-half cents per Mcf for all gas so transported for delivery to Texas Eastern for resale in interstate commerce until such indebtedness is satisfied and for a transportation charge of one-half cent per Mcf transported thereafter, pursuant to an agreement between Applicant and Occidental dated December 29, 1972.

Applicant indicates that Occidental has filed an application in Docket No. CI74-260 requesting a limited term certificate authorizing such a sale of up to 5,000 Mcf of gas per day at 45 cents per Mcf at 14.65 psia to Texas Eastern, which gas may be delivered by Applicant for Occidental. Applicant states that it is currently transporting 4,000 Mcf of gas per day through the subject pipeline for Occidental.

Any person desiring to be heard or to make any protests with reference to said application should on or before May 24, 1974, 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 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10916 Filed 5-10-74;8:45 am]

[Docket No. CI73-620]

KILROY PROPERTIES INC.

Notice of Petition To Amend

MAY 6, 1974.

Take notice that on April 24, 1974, Kilroy Properties Incorporated (Petitioner), 1908 First City National Bank Building, Houston, Texas 77002, filed in Docket No. CI73-620 a petition to amend the order of the Commission issued in said docket on May 4, 1973 (unreported), pursuant to section 7(c) of the Natural Gas Act granting a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to United Gas Pipe Line Company (United) from the Lake Hatch Field, Terrebonne Parish, Louisiana, by permitting said sale to continue for an additional year at an increased price, all as more fully set forth in the petition to amend, which is on file with the Commission and open to public inspection.

The order of May 4, 1973, authorized Petitioner to sell to United up to 2,000 Mcf of natural gas per day from the subject acreage for one year ending May 4, 1974, at a rate of 45.0 cents per Mcf at 15.025 psia, subject to upward and downwarn Btu adjustment from a base of 1,000 Btu per cubic foot of natural gas, within the contemplation of § 2.70 of the Commission's General Policy and Interpretations (18 CFR 2.70).

Petitioner requests the Commission to amend said certificate to authorize said sale at 59.0 cents per Mcf of gas, subject to Btu adjustment, for one year commencing with the date of expiration of

the certificate or the date on which Petitioner shall be issued and shall accept the certificate amendment as sought herein, whichever shall last occur. Applicant's amended contract with United provides that if authorization is not received prior to May 5, 1974, Applicant shall commence deliveries thereunder within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29).

Any person desiring to be heard or to make any protest with reference with said petition to amend should on or before May 28, 1974, file with the Federal Power Commission, Washington, D.C. 20423, 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10917 Filed 5-10-74;8:45 am]

[Docket No. CP74-272]

LONE STAR GAS CO.

Notice of Application

MAY 6, 1974.

Take notice that on April 22, 1974, Lone Star Gas Company (Applicant), 301 Harwood Street, Dallas, Texas 75201, filed in Docket No. CP74-272 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities and the transportation of natural gas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate approximately 18.5 miles of 8-inch pipeline extending its existing Line E-32 from a point southeast of Durant, Bryan County, Oklahoma, to Line E, east of Denison, Grayson County, Texas. Applicant further proposes to install one 400 horsepower reciprocal compressor unit at the Denison Compressor Station. Applicant states that the proposed facilities are required due to a decline in the reserves and deliverability in the Cumberland Field area which necessitate the transportation of volumes of gas from Line E to augment gas supply to the Southeast Oklahoma area. Applicant indicates that its existing pipeline system capacity is not sufficient to transport the required volumes of gas.

The application states that the proposed facilities will not be installed for the purpose of providing new service, but for the continued service of residential, commercial and industrial customers in the Southeastern Oklahoma area and that such facilities are required to provide service to these customers during the 1974-75 heating season. Applicant estimates the cost of the proposed extension of Line E-32 to be $781,261 and the compressor facilities to be $189,000, such costs to be financed with working capital.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 24, 1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10918 Filed 5-10-74;8:45 am]

[Docket No. RP72-149]

MISSISSIPPI RIVER TRANSMISSION CORP.

Notice of Proposed Rate Changes

MAY 6, 1974.

Take notice that on April 29, 1974 Mississippi River Transmission Corporation (MRT) tendered for filing the following tariff sheets to its FPC Gas Tariff, First Revised Volume No. 1:

1. Eighteenth Revised Sheet No. 3A
2. Alternate Eighteenth Revised Sheet No. 3A

MRT states the said Sheets are to supersede either Substitute Seventeenth Revised Sheet No. 3A or Alternate Substitute Revised Sheet No. 3A, as may be appropriate.

MRT states that the said Revised Sheets are being filed pursuant to the provisions of its Purchased Gas Cost Adjustment Clause to its tariff to reflect rate change filing made its pipeline supplier.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 15, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10919 Filed 5-10-74;8:45 am]

[Docket No. CP74-270]

NATURAL GAS PIPELINE COMPANY OF AMERICA

Notice of Application

MAY 6, 1974.

Take notice that on April 19, 1974, Natural Gas Pipeline Company (Applicant), 122 South Michigan Avenue, Chicago, Illinois 60603, filed in Docket No. CP74-270 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon its Compressor Station No. 157 in Stephens County, Oklahoma, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Applicant proposes to abandon its Compressor Station No. 157, which consists of one 2,745 SHP compressor unit and appurtenant facilities, located on Applicant's 26-inch pipeline extending from Wise County in North Central Texas to Hutchinson County in the Texas Panhandle. Applicant states that said compressor station was placed in service on December 28, 1965, pursuant to a Commission order issued on August 13, 1965 (34 FPC 597), in order to increase by 185,000 Mcf the daily design sales capacity of Applicant's transmission system, and that that segment of Applicant's system served by Compressor Station No. 157 is now operating at reduced capacity due to decline in gas volumes from sources of supply in the general area upstream from the station. Applicant states further that the proposed abandonment will not reduce system capability of transporting scheduled new gas supplies.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 24,

1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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 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 permission and approval for the proposed abandonment are 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10920 Filed 5-10-74;8:45 am]

[Docket No. CP74-260]

NATURAL GAS PIPELINE COMPANY OF AMERICA

Notice of Application

MAY 6, 1974.

Take notice that on March 29, 1974, Natural Gas Pipeline Company of America (Applicant), 122 South Michigan Avenue, Chicago, Illinois 60603, filed in Docket No. CP74-260 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to sell and deliver additional volumes of natural gas during winter months to 17 existing customers, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to sell and deliver 47,846 Mcf of gas per day, plus additional quantities of gas as available, to 17 existing customers who participated with Applicant in funding the development by Shell Oil Company (Shell) of certain reserves underlying nine blocks offshore Louisiana. The application states that these customers reimbursed Applicant in the aggregate approximately $36,000,000 of the $40,000,000 advanced by Applicant to Shell pursuant to an agreement dated April 19, 1971.

Under related agreements with Applicant, participating customers, in consideration for their funding, received rights to obtain from Applicant a winter service based on deliverability from the Shell reserves. These agreements provide that such service is to commence when the average deliverability of gas contracted for purchase from Shell by Applicant reached 100,000 Mcf. Sales are to be limited to 100 times the peak day amount of such service during the Winter Period and will be made to said participating customers with deliveries and sales of the subject gas to be made in proportion to their contribution in the funding and under the terms and conditions of their agreements with Applicant and a new Rate Schedule WS. A tabulation of said customers' proportionate shares of winter service daily quantity for deliveries from the Shell reserves of 51,000 Mcf per day is included as the appendix hereto.

Applicant anticipates that the Shell deliveries will attain 51,000 Mcf per day by November 1, 1974, and although the terms of the funding arrangements do not require an offer of service until daily availability reaches 100,000 Mcf, Applicant proposes to initiate such deliveries of gas to meet the customers' need for additional winter gas supply. Applicant projects that this service will commence December 1, 1974; however, the service is not to be implemented until, in Applicant's judgment, deliveries from the Shell reserves can be maintained at the level of 51,000 Mcf per day.

The application states that the proposed service would make available to participating customers 100/365 of the availability from the Shell reserves on an annual basis providing such customers with 100 day's deliverability from these reserves over a 120-day period commencing December 1 of each year. The remainder of the gas from the Shell reserves will be added to Applicant's overall gas supply.

Applicant states further that it does not propose to construct any new facilities and that flow gas from the Shell reserves will be utilized to serve customers whose needs are now supplied from storage, thus releasing storage gas for participating customers without jeopardizing current levels of service to all customers. The proposed rate for the new service is $1.03 per Mcf.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 24, 1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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 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.

MARY B. KIDD,
Acting Secretary.

APPENDIX

Sales and Deliveries to Participating Customers based on deliveries from the Shell reserves at the level of 51,000 M ft³ [1] of natural gas per day:

DMQ-1 customers	*Winter service daily quantity (thousand cubic feet)* [1]
Associated Natural Gas Co	68
Illinois Power Co	1,973
Iowa Power and Light Co	304
North Shore Gas Co	2,367
Northern Illinois Gas Co	18,644
Northern Indiana Public Service Co	7,116
The Peoples Gas Light and Coke Co	16,543
City of Sullivan, Ill	13
G-1 customers	
Central Illinois Light Co	41
Kaskaskia Gas Co	24
City of Nashville, Ill	37
Peoples Natural Gas Division	60
City of Pinckneyville, Ill	46
City of Salem, Ill	76
United Cities Gas Co	70
Town of Wellman, Iowa	13
Wisconsin Southern Gas Co., Inc	451
Total	47,846

[1] Equivalent to 52,632 M ft³ on a basis of 1,000 Btu per cubic foot, of which 47,846 M ft³ is being offered for service. The remaining 4,786 M ft³ is attributable to Applicant's share of the funding program.

[FR Doc.74-10921 Filed 5-10-74;8:45 am]

[Docket No. E-8752]

NORTHERN STATES POWER CO. (MINNESOTA)

Notice of Application

MAY 7, 1974.

Take notice that on April 29, 1974, Northern States Power Company (Applicant) filed an application pursuant to section 204 of the Federal Power Act

seeking an order authorizing the Applicant to enter into Guaranty Agreements with Midland National Bank of Billings, Montana, guaranteeing payment of the principal and interest on borrowings by Cormorant Corporation, a Montana corporation, a wholly owned subsidiary of applicant. The principal amount of such obligations shall not exceed $1,000,000 at any one time.

Applicant is incorporated under the laws of the State of Minnesota with its principal business office at Minneapolis, Minnesota, and is engaged primarily in the electric utility business in central and southern Minnesota, southeastern South Dakota, and in the Fargo-Grand Forks and Minot areas of North Dakota.

Expenditures during 1974 for the total construction program of Applicant are estimated at $258 million, of which $239 million is for electric facilities, $11 million for gas facilities, and $8 million for heating, telephone, and general facilities.

Any person desiring to be heard or to make any protest with reference to said application should, on or before May 28, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). 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 and is available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10922 Filed 5–10–74;8:45 am]

[Docket No. E–8751]

NORTHERN STATES POWER CO.

Notice of Firm Power Agreement

MAY 6, 1974.

Take notice that on April 26, 1974 Northern States Power Company (NSP) tendered for filing as an initial rate schedule Firm Power Agreement dated April 24, 1974 between NSP and the City of Sleepy Eye, Minnesota (Sleepy Eye).

NSP states the said Agreement provides for the sale of 200 KW of power and associated energy to Sleepy Eye for the period May 20, 1974 to May 19, 1975. The charge for such service is determined by the following rate:

1. Capacity Charge: $4260 per year per kilowatt of Billing Demand.

2. Energy Charge: 0.66¢ per kwh.

3. Fuel Clause: Adjustment of .012¢ per kwh for one-half cent increase above or decrease below 47.50¢ per million BTU and for each whole cent thereafter in the cost of fuel used in the preceding month by NSP's system.

NSP proposes an effective date of May 20, 1974 for said Agreement.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 16, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10923 Filed 5–10–74;8:45 am]

[Rate Schedule Nos. 342, et al.]

SUN OIL CO., ET AL.

Notice of Rate Change Filings Pursuant to Commission's Opinion No. 639

MAY 6, 1974.

Take notice that the producers listed in the Appendix attached hereto have filed proposed increased rates to the applicable area new gas ceiling based on the interpretation of vintaging concepts set forth by the Commission in its Opinion No. 639, issued December 12, 1972.

The information relevant to each of these sales is listed in the Appendix.

Any person desiring to be heard or to make any protest with reference to said filings should on or before May 28, 1974, 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 party 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.

MARY B. KIDD,
Acting Secretary.

APPENDIX

Filing date	Producer	Rate schedule No.	Buyer	Area
Apr. 22, 1974	Sun Oil Co., Southland Center, P.O. Box 2880, Dallas, Tex. 75221.	342	United Gas Pipe Line Co.	Other Southwest.
Apr. 24, 1974	Gulf Oil Corp., P.O. Box 1589, Tulsa, Okla. 74102.	108	Texas Eastern Transmission Corp.	Texas gulf coast.

[FR Doc.74–10924 Filed 5–10–74;8:45 am]

[Docket No. CI74–290]

TERRA RESOURCES, INC., ET AL.

Notice of Extension of Time and Postponement of Hearing

MAY 7, 1974.

On May 1, 1974, Colorado Interstate Gas Company filed a motion for an extension of the procedural dates fixed by Order issued April 25, 1974, in the above-designated matter. The motion states that neither Staff Counsel nor the applicant has any objection to the motion.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of testimony and exhibits by applicant and supporting parties, May 13, 1974.
Hearing, May 22, 1974 (10 a.m. e.d.t.)

MARY B. KIDD,
Acting Secretary.

[FR Doc.74–10929 Filed 5–10–74;8:45 am]

[Docket No. CP66–43]

TEXAS EASTERN TRANSMISSION CORP.

Notice of Petition To Amend

MAY 6, 1974.

Take notice that on April 19, 1974, Texas Eastern Transmission Corporation (Petitioner), P.O. Box 2521, Houston, Texas 77001, filed in Docket No. CP66–43 a petition to amend the Commission's order issued April 29, 1966, in said docket (35 FPC 655), pursuant to section 7(c) of the Natural Gas Act, by authorizing, to the extent required, the repair or replacement of Petitioner's Staten Island, New York, LNG storage tank and connecting facilities and by deleting the rate condition imposed by ordering paragraph (G) of the order of April 29, 1966, all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

The order of April 29, 1966, among other things, authorized Petitioner to construct and operate the LNG facility on Staten Island with a total capacity of 2,040,000 Mcf and a vaporization-redelivery capability of 199,000 Mcf per day. Said order also contained the following condition in ordering paragraph (G) thereof:

(G) That Applicant shall not, in any rate proceeding, assess against any other class of service any deficiency in revenues under its Storage Service Rate Schedule below the cost of service associated with (i) the facilities proposed herein to be assigned to storage Service deliveries, plus (ii) any additional facilities which may be required to provide the Storage Service deliveries.

Petitioner states that on February 10, 1973, the LNG tank, which constituted a major, integral part of the LNG facility, was partially destroyed by fire and that at the time the fire occurred, the tank was undergoing repair and maintenance work. Petitioner now requests authorization, to the extent required, to repair or replace the LNG tank and to

modify the storage capacity of the LNG facility as previously certificated. Applicant indicates that the proposed repair or replacement operations will involve the installation of a double-walled, 9 percent nickel-steel liner for cryogenic service and a permanently attached dome roof of carbon steel which has a 9 percent nickel-steel sector in the process piping area. The installation operations will be conducted within the original concrete wall and earthen berm and will occupy the same location and land area. Applicant further states that upon completion of repairs, the LNG tank will have a total storage capacity of 1,734,000 Mcf, and further that the total maximum daily delivery quantity and total storage volume under the Storage Service Rate Schedule previously authorized will be unchanged, with no reduction or abandonment of service rendered by means of such facility. The application shows that the total estimated cost of the proposed project is $21,817,000.

Further, Petitioner requests deletion of the condition imposed by ordering paragraph (G) of the order of April 29, 1966. Petitioner asserts that such condition provided in effect that Petitioner should absorb any deficiency in revenue from the operation of the Staten Island LNG facility not recovered through the Storage Service Rate Schedule. Petitioner asserts further that at the time the certificate was initially issued, the facility capacity in excess of the 1,100,000 Mcf necessary for the storage service was not required for peaking service to Petitioner's jurisdictional customers. It is stated that because of changing load patterns and gas supply conditions, all of the capacity of the Staten Island LNG facility in excess of the 1,100,000 Mcf required for the storage service is now neeeded to satisfy peak-day requirements and to provide flexibility in Petitioner's system to assure maximum utilization of its facilities and the rendering of the highest possible level of service to Petitioner's customers. Petitioner states that all customers will benefit from the use and operation of this portion of the capacity of the Staten Island LNG facility, and, accordingly, all of the costs associated therewith are properly includable in Petitioner's jurisdictional cost of service.

Any person desiring to be heard or to make any protest with reference to said petition should on or before May 28, 1974, 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) and the regulations under the Natural Gas Act (18 CFR 157.10). 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.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10930 Filed 5-10-74;8:45 am]

TOLEDO EDISON CO.

[Docket No. E-7929]

Notice of Revised Tariff Sheets

MAY 7, 1974.

Take notice that The Toledo Edison Company (Toledo) on April 30, 1974, tendered for filing service agreements with the City of Bryan, Ohio, and the village of Pemberville, Ohio, under Toledo's FPC Electric Tariff, Original Volume No. 1. Toledo states that the existing contracts (Rate Schedule FPC Nos. 7 and 17) with these two customers terminate on May 31, 1974, and that as of that date they will be served under Toledo's Tariff. An effective date of June 1, 1974, is requested.

Any person desiring to be heard or to protest said unexecuted service agreements should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 20, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of these revised tariff sheets are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10931 Filed 5-10-74;8:45 am]

[Docket No. RP74-20]

UNITED GAS PIPE LINE CO.

Order Granting Permission To Amend Suspended Rates

MAY 6, 1974.

On September 21, 1973, United Gas Pipe Line Company (United) filed in this docket proposed changes in its FPC Gas Tariff, First Revised Volume No. 1. The proposed changes would increase revenues from jurisdictional sales and services by approximately $34.9 million, based upon the 12 month period ended June 30, 1973, as adjusted. By order of November 6, 1973, the Commission suspended the proposed charges until April 6, 1974, set the matter for hearing and permitted various interventions.

On February 15, 1974, as later supplemented on March 8, 1974, United filed with the Commission Substitute Fifteenth Revised Sheet No. 4, with a proposed effective date of April 6, 1974. United states in its filing that the Substitute Sheet is intended to modify those tariff sheets filed on September 21, 1973, and suspended until April 6, to reflect certain events which have occurred that materially affect the rates reflected therein. United states that the Substitute Sheet makes the following changes:

(1) The Sheet reclassifies and reallocates the fixed transmission costs in the proportions of 25 percent to demand charges and 75 percent to commodity charges in accordance with the Commission's cost allocation embodied in Order No. 671.

(2) The Sheet reflects changes in the Louisiana Severance Tax rate enacted in December 1973.

(3) The Sheet includes the current gas cost of 29¢ per Mcf as reflected in United's PGA filing in Docket No. RP72-133, which became effective January 1, 1974.

(4) The Sheet changes the surcharge adjustment of .69¢ as filed, which expired December 31, 1973, and substitutes the surcharge adjustment of 2.06¢ applicable to the period commencing January 1, 1974.

The February 15 filing was noticed on March 20, 1974, with protests and petitions to intervene due on or before April 1, 1974. On March 26, 1974, Laclede Gas Company (Laclede), previously permitted to intervene in the docket, filed a Protest which states that United's Substitute Sheet is, at least in part, a new general rate increase filing which appears to recover additional commodity charges in excess of proposed demand reductions. Laclede also asserts that there is no apparent reason to support what appears to be a redesign of rates in purported compliance with the Commission's order issued October 31, 1973, in Docket No. RP72-75 (Phase II) without a proper allocation of costs which such rates are designed to recover, and that there may be a misallocation of costs between jurisdictional and nonjurisdictional service. Laclede also takes exception to the inclusion of the effects of the Louisiana severance tax increase and increased average cost of purchased gas in an existing rate proceeding rather than in its deferred purchased gas account. Laclede urges that the Commission reject the proposed Substitute Sheet, or, in the alternative, suspend the filing for the full statutory period and set the matter for hearing. On April 1, 1974, Memphis Light, Gas and Water Division, City of Memphis, Tennessee (Memphis) filed a Protest and Petition to Intervene. Memphis was permitted to intervene in this docket by order of November 6, 1973, and therefore no further permission to intervene need be granted. Memphis also requests that the substitute tariff sheet be rejected and if not rejected, be suspended for the full statutory period of five months. In addition to making substantially the same arguments as made by Laclede, Memphis states that United's filing should reflect other determinations in Opinion No. 671 which affect the rates originally filed in this docket. Memphis states that the entire original filing should be reformed, as such reformation would reduce the unit rates originally

filed, because, since United made its original filing, it has been determined that sales by United exceed the original estimate by 24,579,244 Mcf.

By order of March 29, 1974, the Commission, inter alia, denied United special permission to amend its rates suspended in this docket, as such amendment would relate to an increase in Louisiana severance tax, and rejected the proposed Substitute Sheet without prejudice to United refiling to reflect adjustments other than increases in Louisiana severance tax.

On April 5, 1974, United filed Sixteenth Revised Sheet No. 4 (Revised Sheet) in purported compliance with the March 29 order, reflecting the same changes previously discussed, except for the elimination of the Louisiana severance tax adjustment. Also included in the filing was a motion to make the Revised Sheet effective as of April 6, 1974, and an agreement and undertaking. The filing was noticed on April 19, 1974, with protests and petitions to intervene due on or before May 1, 1974. No further protests or petitions were received.

On April 11, 1974, United filed an Answer to Laclede's Protest stating that by virtue of action of the Commission and United subsequent to the filing of Laclede's Protest, that protest is moot except that the Revised Sheet complies with Opinion No. 671 contrary to an apparent allegation of Laclede. United states that, in any event, Laclede's objections may properly be considered in the hearing established in the docket. United urges the Commission to deny Laclede's Protest.

Our review of the April 5 filing indicates that the proposed adjustments appear to reflect the Commission's cost allocation embodied in Order No. 671. We do not believe that the other adjustments are, at least on their face, improper. While the allegations set forth in the protests of Laclede and Memphis may or may not have some basis in fact, the questions they raise are best resolved through an evidentiary hearing such as the one presently established in this docket. We therefore believe that it is in the public interest to grant United permission to amend its rates, under suspension prior to April 6, 1974, and shall permit United to place in effect, subject to refund, its Revised Sheet effective April 6, 1974.

The Commission finds: It is necessary and proper and in the public interest in carrying out the provisions of the Natural Gas Act that the Commission grant United permission to amend its rates under suspension in Docket No. RP74-20 and to accept United's amended Revised Sheet filed April 5, 1974, to be effective subject to refund, April 6, 1974.

The Commission orders: (A) Permission is hereby granted to United to amend its rates under suspension in Docket No. RP74-20.

(B) United's Revised Sheet filed April 5, 1974, designated Sixteenth Revised Sheet No. 4 to its FPC Gas Tariff, First Revised Volume No. 1, is hereby accepted to be effective April 6, 1974, subject to refund, pending the outcome of the hearing established in Docket No. RP74-20.

(C) The Commission Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.[1]

[SEAL] MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10933 Filed 5-10-74;8:45 am]

[Docket No. RP74-85]

WESTERN GAS INTERSTATE CO.

Notice of Change in Rate Schedule

MAY 7, 1974.

Take notice that on April 24, 1974, Western Gas Interstate Company (Western) filed with the Commission a proposed change in rates for natural gas service rendered by its Southern Division System and its Northern Division System to customers served under Original Volume No. 1 of its FPC Tariff.

Western states that its current jurisdictional rates for natural gas service rendered to customers served under Original Volume No. 1 of its FPC Tariff are deficient by some $669,538.37 annually, based on test period sales volumes from its transmission systems.

Western proposes an effective date of June 15, 1974, for said changes.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before May 27, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-10932 Filed 5-10-74;8:45 am]

[Docket No. CP73-329]

CHATTANOOGA GAS CO.

Notice of Technical Conference

MAY 8, 1974.

In order to effect a rapid and satisfactory resolution of the problems involving safety aspects of the operation of Chattanooga Gas Company's liquefied natural gas (LNG) facility which is the subject of the above-entitled proceeding, a technical conference to be attended by members of the Staff of the Federal Power Commission, the Office of Pipeline Safety of the Department of Transportation, and representatives of the Applicant shall be convened in this proceeding. Such meeting shall be for the purpose of establishing procedures agreeable to all concerned parties for the early return to a safe operation of the subject facility. Any interested persons, whether formal intervenors in the instant proceeding or not, are invited to attend.

Whereby, Notice is given to all interested parties that a technical conference to be presided over by the Commission Staff, will be convened at 10 a.m. on May 20, 1974, in a conference room of the Federal Power Commission.

MARY B. KIDD,
Acting Secretary.

[FR Doc.74-11078 Filed 5-10-74;8:45 am]

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[1] Commissioner Brooke, concurring, agrees only to the disposition of the rate filings and not to the rate design of the principles involved.

FEDERAL RESERVE SYSTEM

FIDELITY FINANCIAL CORPORATION OF MICHIGAN

Acquisition of Bank

Fidelity Financial Corporation of Michigan, Birmingham, Michigan, 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 all of the voting shares of Fidelity Bank of Southfield, Southfield, Michigan. 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 views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received not later than May 31, 1974.

Board of Governors of the Federal Reserve System, May 6, 1974.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.74-10935 Filed 5-10-74;8:45 am]

FIRST BANC GROUP OF OHIO, INC.

Order Approving Acquisition of Bank

First Banc Group of Ohio, Inc., Columbus, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire the successor by merger to The Citizens Baughman National Bank, Sidney, Ohio ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been

given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and none has been timely received. The Board has considered the application in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the seventh largest bank holding company in the State, controls 14 banks with aggregate deposits of $1.1 billion, representing about 4 per cent of deposits in commercial banks in Ohio.[1] The acquisition of Bank (deposits of $36.8 million) would not significantly increase the concentration of banking resources in the State.

Bank is the largest of three banks located in the relevant banking market and controls approximately 56 percent of the total deposits in commercial banks in the market.[2] One of Applicant's subsidiary banks is located in a separate and adjacent banking market, and there is some slight existing competition between that subsidiary and Bank, but the amount of competition does not appear to be substantial. None of Applicant's other subsidiaries compete with Bank to any significant extent. Furthermore, due to the distances involved and Ohio branching laws, among other factors, it is unlikely that substantial competition would develop in the future between Bank and any banking subsidiary of Applicant. Although Bank is the largest banking organization in terms of deposits in the relevant market, there is no evidence in the record that the present proposal would alter in any significant respect the existing position of Bank. Moreover, Applicant's entry into the market de novo is unlikely since the market is unattractive for such entry as measured by the low population and deposits per banking office ratios relative to the State averages. On the basis of the record, the Board concludes that competitive considerations relating to the application are consistent with approval.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Bank are considered to be generally satisfactory and consistent with approval of the application. Considerations relating to the convenience of the community to be served lend some support for approval of the application since Applicant plans to expand and improve the quantity and quality of Bank's services such as initiating trust services and expanding lending services. Specifically, Applicant plans to provide increased funds and managerial expertise for agricultural loans which should benefit this primarily agricultural area. It is the Board's judgment that the acquisition would be in the public interest and that the application should be approved.

[1] All banking data are as of June 30, 1973, and reflect bank holding company acquisitions approved by the Board through March 31, 1974.

[2] The relevant banking market is approximated by Shelby County excluding McLean Township.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be executed (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Cleveland pursuant to delegated authority.

By order of the Board of Governors,[3] effective May 6, 1974.

[SEAL] CHESTER B. FELDBERG,
Secretary of the Board.

[FR Doc.74-10936 Filed 5-10-74;8:45 am]

NATIONAL DETROIT CORP.

Acquistion of Bank

National Detroit Corporation, Detroit, Detroit, Michigan, 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 of National Bank of Dearborn, Dearborn, Michigan, 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 Chicago. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received not later than June 3, 1974.

Board of Governors of the Federal Reserve System, May 6, 1974.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.74-10934 Filed 5-10-74;8:45 am]

[3] Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns and Governor Brimmer.

NATIONAL ENDOWMENT FOR THE HUMANITIES

NATIONAL COUNCIL ON THE HUMANITIES ADVISORY COMMITTEE

NOTICE OF MEETING

MAY 8, 1974.

Pursuant to the Provisions of the Federal Advisory Committee Act (Public Law 92-463) notice is hereby given that a meeting of the National Council on the Humanities will be conducted at Washington, D.C., on May 23 and 24, 1974.

The purpose of the meeting is to advise the Chairman of the National Endowment for the Humanities with respect to policies, programs, and procedures for carrying out his functions, and to review applications for financial support and gifts offered to the Endowment and to make recommendations thereon to the Chairman.

The meeting will be held in the Shoreham Building, 806 15th Street, NW., Washington, D.C. The morning session will convene at 9:30 a.m. on Thursday, May 23, and will be open to the public. The agenda for the morning session will be as follows:

I. Minutes of Previous Meeting
II. Reports
A. Introduction of New Members
B. Summary of Recent Business
C. Appropriation Prospects
D. Bicentennial Activities
E. Application Report
F. Gifts and Matching Funds
G. Report on Chairman's Grants
H. Science, Technology, and Human Values Program
I. Selected Project Evaluations
J. NEH Support of Foreign Nationals

Because the remainder of the proposed meeting will consider financial information and personnel and similar files the disclosure of which would constitute a clearly unwarranted invasion of privacy, pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee Meetings, dated August 13, 1973, I have determined that the meeting would fall within exemptions (4) and (6) of 5 U.S.C. 552(b) and that it is essential to close the meeting to protect the free exchange of internal views and to avoid interference with operation of the committee.

It is suggested that those desiring more specific information contact the Advisory Committee Management Officer John W. Jordan, 806 15th Street, NW., Washington, D.C. 20506, or call area code 202-382-2031.

JOHN W. JORDAN,
Advisory Committee Management Officer.

[FR Doc.74-10978 Filed 5-10-74;8:45 am]

NATIONAL ENDOWMENT FOR THE ARTS

ARCHITECTURE AND ENVIRONMENTAL ARTS PROGRAM

Guidelines, Fiscal Year 1975

The following are guidelines for grants made under the Architecture + Environmental Arts Program of the National Endowment for the Arts, an independent agency of the Federal government which makes grants to organizations and individuals concerned with the arts throughout the United States.

Notice is hereby given that the deadlines for the following programs are: Public Education and Awareness and Assistance to State Arts Agencies, July 1, 1974; and Professional Education and Development, January 6, 1974. Interested persons should contact Bill N. Lacy, Director, Architecture + Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506 (202) 382-6657. Only the Architecture + Environmental Arts Program Office may distribute application form.

Signed at Washington, D.C. on May 3, 1974.

FANNIE TAYLOR,
Director, Program Information.

INTRODUCTION

The National Endowment for the Arts, an independent Federal agency, was established in 1965. The major goals of the Endowment are to make the arts more widely available to Americans, to preserve our rich cultural heritage for present and future generations, to strengthen cultural organizations, and to encourage the creative development of our nation's finest talent.

Architecture + Environmental Arts constitutes one of the Endowment's twelve program areas. The primary concern of the Architecture + Environmental Arts Program is the quality of the man-made environment. The scope of the program, especially as it relates to the "environmental arts," is subject to broad interpretation. Thus, it is useful to think of the program's operational setting as encompassing those design professions whose main function is the shaping of the physical environment—architecture, landscape architecture, urban design, city and regional planning interior design, and industrial design.

Architecture + Environmental Arts grants are available for the support of research, program development, and exploratory design studies. The National Council on the Arts has recommended that the Endowment not support the acquisition of real property, capital construction, or the renovation/modification of existing structures. *No grant requests will be considered for these purposes.* (NOTE: The Endowment has a modest program to assist museums in preserving collections of aesthetic and cultural significance. The program seeks to encourage renovation of facilities for climate control, security, and storage in existing structures. For further information write: Museum Program, National Endowment for the Arts, Washington, D.C. 20506.)

APPLICATION DEADLINES

	Application deadline	Announcement of results	Earliest beginning project date
Public education and awareness	July 1, 1974	October 1974	November 1974.
Assistance to state arts agencies	do	do	Do.
Professional education and development:			
Academic and professional research grants	Jan. 6, 1975	June 1975	July 1975.
Design fellowships	do	do	August 1975.
Services to the field	do	do	July 1975.

GENERAL INFORMATION

ELIGIBILITY

Grants may be awarded to individuals, universities, state and local governmental entities, or groups possessing nonprofit, tax-exempt status. Professional offices are not eligible for grants, but may participate as part of a team under the employment or contract of an applicant who meets the eligibility requirements.

Submissions are limited to one grant proposal per "applicant" or "applicant organization" in each program category.

Architecture + Environmental Arts grants to individuals are available on a non-matching basis for amounts up to $10,000. By statute, Endowment grants may be awarded only to individuals of exceptional talent. Generally grants are available only to citizens or permanent residents of the United States.

Grants to universities, governmental entities, and other organizations range from $10,000 to $50,000. At least one-half of the total project cost must be funded from non-Federal sources. The matching funds must be expended as a part of the funded project and during the specified grant period.

Departments or schools within a university should submit a grant request with the university acting as the "applicant organization."

Grant awards are generally for less than the maximum dollar amount listed in each grant category and rarely exceed a one-year period. Applicants are urged to budget realistically and present minimum figures for Federal support needed to achieve the purpose of the project.

By statute, Endowment support is limited to organizations meeting the following criteria:

(a) Only those organizations which meet the requirements of Title VI of the Civil Rights Act of 1964 for the duration of any project supported in whole or in part by the National Endowment for the Arts.

(b) Only those organizations in which no part of net earnings inures to the benefit of a private stockholder or individual and to which donations are allowable as a charitable contribution under Section 170(c) of the internal Revenue Code of 1954, as amended. *A copy of an Internal Revenue Service Determination letter for tax-exempt status must be submitted with each application.*

(c) Only those organizations which compensate all professional performers, related or supporting professional personnel, laborers, and mechanics at the equivalent of the prevailing minimum compensation level on the basis of negotiated agreements which would satisfy the requirements of Parts 3, 5, and 505 of Title 29 of the Code of Federal Regulations for the duration of any project supported in whole or in part by the National Endowment for the Arts.

Generally all projects receiving funding must be performed within the 50 states, Washington, D.C., Puerto Rico, Guam, American Samoa, or the Virgin Islands.

SELECTION PROCEDURES

Architecture + Environmental Arts staff reviews all applications and refers them to an advisory committee made up of design and planning professionals. The recommendations of the committee are submitted to the National Council on the Arts, an advisory group of twenty-six Presidentially-appointed members. The National Council reviews and makes recommendations on applications to the Chairman of the National Endowment for the Arts. Applicants are notified in writing of rejection or approval of proposed projects as indicated in each category. Applicants are requested not to seek information about the status of their applications prior to this notification.

EVALUATION CRITERIA

In the evaluation of applications, particular consideration will be given to proposals that meet the following criteria:

Proposals that respond to a genuine public need.

Proposals that set forth achievable objectives and establish realistic methods of attaining those goals within the specified budget and time frame.

Proposals that are conducted by persons with professional qualifications for undertaking the intended projects.

Proposals that reveal broad support within a community (geographical, academic, or professional) and offer substantial promise of successful implementation.

Proposals in which the matching requirement consists mainly of cash contributions rather than overhead or in-kind services.

TREASURY FUND GRANTS

When the National Endowment for the Arts was created, Congress included a unique provision in its enabling legislation. This provision allows the Endowment to work in partnership with private and other non-federal sources of funding for the arts. Designed to encourage and stimulate increased private funding for the arts, the Treasury Fund allows non-federal contributors to join the Endowment in the grant-making process, generally for projects supported by the Endowment under the established program guidelines.

The Endowment encourages use of the Treasury Fund method as an especially effective way of combining federal and private support, and as an encouragement to all potential donors, particularly those representing new or substantially increased sources of funds.

The Endowment may accept gifts in the form of money and other property. Bequests may be made to the Endowment as well. Donations to the Endowment are generally deductible for federal income, estate, and gift tax purposes.

Donations may be made to the Endowment, under its regular program guidelines, for the support of a nonprofit, tax-exempt, cultural organization which has been notified that the Endowment intends to award it a grant—such as a museum, a symphony orchestra, a dance, opera, or theatre company—or for an Endowment program, such as fellowships, touring, conferences, or workshops.

When a donation is received it frees an equal amount from the Treasury Fund, and the doubled amount is then made available to pay 50% of the project costs.

The Endowment also accepts unrestricted gifts to be used for projects recommended to the Chairman by the National Council on the Arts.

How a Treasury Fund Grant Is Arranged:

Those interested in giving for a specific purpose should note the step by step process described below.

(1) If a project is eligible for consideration under the Architecture + Environmental Arts program guidelines, the applicant submits to the Endowment a formal application, which may include a list of potential donors.

(2) The application is reviewed first by a panel of architects and other designers and then by the National Council on the Arts and is recommended for approval or rejection. Based on these recommendations, the Chairman makes the final determination and notification is sent to the applicant.

(3) If the grant award is approved, the applicant then requests that the donors forward their contributions to the National Endowment for the Arts accompanied by a letter specifying the restricted purpose of the gift (i.e. the name of the applicant and specific project supported.)

For further information on the Treasury Fund, contact the Architecture + Environment Arts Program, National Endowment for the Arts, Washington, D.C. 20506.

The Architecture + Environmental Arts Program encourages applicants to apply for Treasury Fund grants when applying for substantial and relatively costly projects.

BICENTENNIAL PROJECTS

The Endowment recognizes that the arts will play an important role in the celebration of our country's bicentennial. The Endowment welcomes this involvement on the part of artists and cultural organizations. The Endowment has an active interest in participating in these efforts, within funds available to it, and insofar as they are directed to professional creation and presentation of new works, improvement of artistic standards, preservation of our cultural heritage, and increasing the availability of the arts for all Americans. If funds under these guidelines are sought for projects deemed by the applicant to be related to the bicentennial, a brief description of this relationship should be made in the application.

CATEGORIES OF FUNDING

PUBLIC EDUCATION AND AWARENESS

Increased professional competence will be of limited value unless it is accompanied by an increased public sensitivity to the man-made environment, its problems, and the potential for improvement.

The physical fabric of a country can be no better than the level of awareness of its citizens. Individuals outside the design professions are called upon daily to make design-related decisions—as consumers, clients, and voters. The objective of this program is to provide information on design topics to educate the public to the importance of their role in the design process, to heighten public appreciation of the designed environment, and to supply self-help tools to individuals and groups wishing to participate directly in design projects. Grants in this category will support the development of materials and methods for communicating design awareness in a variety of ways—through textbooks, films, and tape cassettes, exhibitions, workshops, and journalistic criticism.

Priority consideration will be given to proposals that reflect a clearly identifiable audience and a well-defined means for broad dissemination. Applicants should possess substantial expertise in the specified communication medium.

Deadline: July 1, 1974. Completed applications must be postmarked no later than July 1, 1974. Announcement of results will take place by October 1974 and, as a result, project commencement dates may not be earlier than November 1974.

Eligibility. Grants may be awarded to individuals, universities, governmental entities and organizations possessing nonprofit, tax-exempt status.

Grant amounts. Matching grants to organizations generally do not exceed $30,000 with most grants for less than the maximum. Non-matching grants to individuals generally do not exceed $10,000

How to apply. Application forms may be requested from the Architecture + Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506. Individuals wishing to apply should request NEA–2 (Rev.); Organizations should request NEA–3 (Rev.).

ASSISTANCE TO STATE ARTS AGENCIES

During fiscal 1975 a limited number of grants will be offered on a pilot basis to assist state arts agencies in undertaking programs in architecture and related design fields. These grants are intended to encourage support of the design professions within the states and to stimulate design-related research possessing statewide applicability.

Deadline: July 1, 1974. Applications for submission must be postmarked no later than July 1, 1974. Announcement of results will be made in October 1974; therefore, the project commencement date may not be earlier than November, 1974. Applications for fiscal 1976 funding will be accepted throughout the year.

Eligibility. Grants are available only to the officially designated state arts agencies on behalf of themselves or for cities within their states.

Grant amounts. In general, these matching grants will not exceed $10,000.

How to apply. Application forms (OMB–A–102) may be obtained from the Architecture + Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506.

PROFESSIONAL EDUCATION AND DEVELOPMENT: ACADEMIC AND PROFESSIONAL RESEARCH GRANTS

A number of Federal funding sources currently award grants for research projects that deal with the more technical and scientific aspects of design. There are relatively few agencies, however, which provide support for projects whose major emphasis is on design as a form of artistic expression. The Endowment therefore invites research proposals from university research groups, undergraduate programs residing within professional design schools, and nonprofit, tax-exempt design organizations on subjects that will improve the processes, or the state of knowledge, concerned with the designed elements of our environment. In such requests, priority should be given to those projects that embody humanistic considerations, creative design approaches, and qualitative benefits.

Deadline: January 6, 1975. Applications for submission must be postmarked no later than January 6, 1975. Announcement of results will not be made before June 1975; thus, the project commencement date may not be earlier than July 1975.

Eligibility. The program is not open to individual applicants.

Grant amounts. Matching grants up to $20,000 with most grants for less than the maximum.

How to apply. Application forms [NEA–3 (Rev.)] may be obtained from the Architecture + Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506.

DESIGN FELLOWSHIPS

This program provides professional designers with the opportunity to undertake independent projects or studies which will further their midcareer development. The program will identify young men and women whose career goals could benefit substantially from an intensive "office sabbatical" to pursue a subject of special interest. Candidates should be sufficiently experienced in practice to possess a broad understanding of their profession. Fellowships are not intended to support further graduate work or the purchase of major items of equipment, but rather for the development of personal skills and concepts of lasting value to designers and their profession.

Applicants are asked to formulate their own fellowship programs which will be evaluated according to their potential for advancing the individual's personal development and the value of the work to the profession.

Deadline: January 6, 1975. Applications for submission must be postmarked no later than January 6, 1975. Announcement of results will not be made before June 1975. Project commencement dates may not be earlier than August 1975.

Eligibility. Applicants must be currently engaged in the professional practice in the fields of architecture, planning, landscape architecture, interior design or industrial design. They must possess a minimum of a Bachelor of Arts degree or the equivalent in the applicant's field of practice. Finally, they must hold a license if so required by the profession and must have a minimum of five years of professional practice.

Amount of grants. Fellowships will be awarded for $10,000 each to generally cover a 6 to 12 month period.

NOTE: For tax information on fellowship grants, please consult Publication 520 (10-72), Department of Treasury, Internal Revenue Service. Copies may be obtained from local Internal Revenue Service Offices.

How to apply. Application forms [NEA-2 (Rev.)] may be requested from the Architecture + Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506. Completed applications should include the following information:

A comprehensive resumé of past experience including information on educational, professional practice, honors, travel and publications.

A description of the study to be undertaken, research objectives, anticipated benefits to the individual and the profession, and a proposed schedule of work, procedures and plans for presentation must be included within the "Project Description" (Applicant may submit material to supplement the information required on the application form.)

SERVICES TO THE FIELD

A minimum of three letters of endorsement accompanying the application attesting to the applicant's professional competence, his qualifications for executing the proposed study, and the relation of the applicant to his employing office during the fellowship period.

The Architecture + Environmental Arts Program will continue to provide assistance to those national membership organizations which serve the design professions. Proposal requests should concentrate on projects of national priority that will benefit the widest possible range of members.

Deadline: January 6, 1975. Applications for submission must be postmarked no later than January 6, 1975. Announcement of results will not be made before June 1975, thus, project commencement dates may not be earlier than July 1975.

Eligibility. Grants will be awarded only to national membership organizations representing design professionals in the fields of architecture, landscape architecture, urban design, city and regional planning, interior design, and industrial design.

Grant amounts. Matching grants up to $20,000 with most grants for less than the maximum.

How to apply. Application forms [NEA-3 (Rev.)] may be obtained from the Architecture+Environmental Arts Program, National Endowment for the Arts, Washington, D.C. 20506.

NATIONAL THEME PROGRAM: CITY EDGES AND CITY OPTIONS

In fiscal year 1973 Architecture+Environmental Arts initiated a National Theme category. The first theme, City Edges, emphasized design and planning for problems relating to urban boundary conditions. City Edges grants were awarded to thirty-seven projects representing communities across the country and featuring "edges" ranging from waterfronts to highways and historic edges.

Funds for fiscal years 1974 and 1975 are being combined to support a second National Theme program entitled City Options. Grants under this program will support projects concentrating on special settings within cities that provide distinctive character and identity. Both programs have been designated bicentennial projects by the National Council on the Arts in recognition of their stated aim of promoting and preserving America's cultural heritage.

The deadline for submission of City Options applications was January 15, 1974; therefore, no City Options applications will be accepted during fiscal year 1975. During the coming year, the Architecture+Environmental Arts Program will develop the means for distributing the results of the City Edges/City Options projects and initiate plans for a future National Theme program.

The following design-related programs are non-granting activities conducted by Architecture + Environmental Arts and are included in these guidelines for information purposes only.

EXCELLENCE IN FEDERAL DESIGN

The Endowment recognizes that excellence in design-related fields should be a major concern of public agencies at all levels of government.

In May 1972 President Nixon designated the National Endowment for the Arts as the lead agency to implement the Federal Design Program. In response to the President's initiatives, the Endowment is coordinating a number of efforts to upgrade the quality of design among Federal agencies. In addition to these efforts, the Endowment is seeking to encourage "design excellence" programs by state and local governments.

While the following Endowment programs are directed at Federal agencies, they may also serve as models to state and local governments desiring to initiate their own design improvement programs. These efforts have been designated as bicentennial programs by the National Council on the Arts.

DESIGN ASSEMBLIES

In April 1973, the First Federal Design Assembly was held under the sponsorship of the Federal Council on the Arts and the Humanities and administered by the National Endowment for the Arts. Structured around the theme, "The Design Necessity," the event provided a rare opportunity for interaction between professional designers and Federal agency officials. In addition to drawing considerable professional and public attention to the importance of public design quality, the Assembly resulted in a number of actions by Federal agencies to upgrade their design standards.

The Second Federal Design Assembly will be held in October 1974. Its theme, "The Design Reality," will concentrate on elements of the design process.

FEDERAL ARCHITECTURE PROJECT

Initiated in October 1973, the Federal Architecture Project is nearing completion of a thorough study of opportunities and constraints affecting the quality of Federal architecture. In addition to a review and expansion of the 1962 *Guiding Principles for Federal Architecture*, the study has explored several major elements of architecture in the Federal realm: landscaping, interior, and urban design; architecture/engineer selection, adaptive use of older buildings, and mixed-uses in Federal facilities. Findings and recommendations of the Project will be reviewed in the Spring by members of the Federal Architecture Task Force composed of distinguished citizens and design professionals.

FEDERAL GRAPHICS

The Endowment-sponsored program to achieve graphics excellence throughout the Federal Government has gained momentum among Federal agencies. Sixteen agencies—twenty-five percent of the total number—have had their graphic materials evaluated by an expert panel, with most agencies implementing recommendations to upgrade graphics and improve communication effectiveness.

CIVIL SERVICE COMMISSION TASK FORCE

The Task Force recently reported its conclusions and recommendations on Federal recruitment, hiring, and training of design professionals. Copies of the Task Force Report, *Excellence Attracts Excellence*, are available directly from the Civil Service Commission, Washington, D.C. 20415.

ONGOING FEDERAL AGENCY EFFORTS

In conjunction with these activities, additional design-related programs are planned for the coming year. *Federal Design Matters*, a newsletter for designers and administrators, will be published periodically during Fiscal Years 1974 and 1975. The newsletter will seek to publicize Federal agency design accomplishments, as well as progress of the Federal Design Program. The newsletter may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

As an outgrowth of the Civil Service Commission Task Force Report, a pilot Design Management Seminar will be held for Federal administrators in the Summer of 1974.

As a participant in continuing interagency design efforts, the Endowment is working with the Federal Prison Industries (FPI), a government corporation, to improve the design quality, manufacturing processes, and marketing potential of products manufactured by the FPI.

Another area of potential influence on the quality of public design consists of the Endowment's newly-acquired responsibility for commenting on the environmental impact statements required for all Federal or Federally-funded projects.

AREAS OF SPECIAL INTEREST

PRESERVATION THROUGH ADAPTIVE USE

The preservation of America's architectural heritage has long been a subject of major interest to the Architecture + Environmental Arts Program. While the program encourages and supports historic preservation, the primary interest is not in the preservation or restoration of individual historic structures, but rather in the sympathetic adaptation of buildings and districts to create new vitality within communities.

In keeping with this interest, the program is sponsoring staff and contractual research to examine the adaptive use potential of older structures to serve as centers of cultural, recreational, or commercial activity. Special emphasis will be placed on possible new uses for underutilized railroad stations, churches, and surplus Federal property.

The end result of these studies will be the development of appropriate resource materials for distribution to public officials, design professionals, and interested citizens.

The National Council on the Arts has designated this program as one of the Endowment's official bicentennial projects.

CULTURAL FACILITIES

At a meeting in September 1973, the National Council on the Arts adopted a resolution stating the policy of the National Endowment for the Arts regarding accessibility to the arts for the handicapped.

One of the main goals of the National Endowment for the Arts is to assist in making the arts available to all Americans. The arts are a right, not a privilege. They are central to what our society is and what is can be. The National Council on the Arts believes very strongly that no citizen should be deprived of the beauty and the insights into the human experience that only the arts can impart.

ACCESSIBILITY TO THE ARTS FOR THE HANDICAPPED

Architecture + Environmental Arts recognizes the necessity for the development and utilization of cultural facilities to meet the needs of an increasing public interest and participation in the arts. While the greatest needs are for financial assistance to support construction costs and professional design fees, limited resource restrict the Endowment's ability to respond to requests of this nature. The focus with respect to cultural facilities is aimed at the development, through contractual means, of publications and resource materials pertaining to the design, planning, and utilization of facilities for the arts.

Architecture + Environmental Arts-initiated research will be directed towards developing information on traditional physical settings for the arts, such as museums, galleries, and theatres, as well as exploring ways in which railroad stations and endangered old buildings can be rehabilitated and made adaptable for use by the arts. Since many facilities, housing cultural activities are of a highly specialized nature with exacting technical requirements of lighting, acoustics, air/temperature controls, security and appropriate interior environments, another important research aim is to develop publications of a technical assistance nature which will answer questions and serve as directory to consultants in this field.

The National Council on the Arts believes that cultural institutions and individual artists could make a significant contribution to the lives of citizens who are physically handicapped. It therefore urges the National Endowment for the Arts to take a leadership role in advocating special provision for the handicapped in cultural facilities and programs.

The Council notes that the Congress of the United States passed in 1968 (P.L. 90–480) legislation that would require all public buildings constructed, leased or financed in whole or in part by the Federal Government to be accessible to handicapped persons. The Council strongly endorses the intent of this legislation and urges private interests and governments at the State and local levels to take the intent of this legislation into account when building or renovating cultural facilities.

The Council further requests that the National Endowment for the Arts and all of the program areas within the Endowment be mindful of the intent and purposes of this legislation as they formulate their own guidelines and as they review proposals from the field. The Council urges the Endowment to give consideration to all the ways in which the agency can further promote and implement the goal of making cultural facilities and activities accessible to Americans who are physically handicapped.

In view of the National Council on the Arts' interest in the accessibility of cultural facilities to the physically handicapped, Architecture + Environmental Arts Program will continue to develop pilot studies and resource materials pertinent to this field. The primary emphasis of these efforts will be on increasing public awareness of the need to eliminate the environmental and physical barriers facing the handicapped. In addition, resource materials will aim to provide technical assistance to architects and planners by proposing exemplary models and design solutions for making cultural facilities accessible to all people. These materials will be made available to architects, planners, government officials, arts administrators, and arts organizations.

GENERAL PROGRAMS

In order to ensure budgetary flexibility, funds have been set aside to enable the program to respond to new developments in the field of design.

SPECIAL INSTRUCTIONS FOR SUBMISSION OF APPLICATIONS

Application forms should be requested from the Director, Architecture + Environmental Arts, National Endowment for the Arts, 806 15th Street, N.W., Washington, D.C. 20506. All formal applications should be *submitted in triplicate* to the Grants Office, National Endowment for the Arts, 1425 K Street, N.W., Washington, D.C. 20506.

Inquiries regarding program interests or application content should be directed to the Architecture + Environmental Arts Program (202) 382–6657. Questions of a fiscal nature should be directed to the Grants Office (202) 382–6057.

Applications must be *postmarked* no later than the deadline date for the program for which you are applying. The Endowment regrets that because of time-consuming review procedures, applications postmarked after the appropriate deadline cannot be considered.

Although there may be more than one investigator involved in executing a proposed project, only one entity may be the legal recipient of a grant. The name of this person (or organization) should appear as the first item on the application form. This entity will be responsible for complying with all requests and regulations concerning the grant application and for informing co-investigators of the application's status.

Names and titles should be *typed or printed* beneath all signatures appearing on the application.

Selected *supplemental material* describing a project may be submitted along with the application. However a complete summary of the project description must be contained within the space provided on the application form. It is most important that this summary present a clear and concise statement of the intent and purpose of the proposal. *No material will be returned.*

Applications must be supported by a minimum of three *letters of endorsement* pertaining to the project's desirability and to the investigator's general qualifications to undertake the project. Such letters, each in triplicate (one original, two copies), should accompany the application. Endorsement letters must be received by the deadline date.

Applicants should submit resumés for the project director and other principal investigators.

FINAL REPORTING PROCEDURES

All Endowment grantees must provide to the Endowment, within 90 days of the termination of the grant period, both a Final Expenditure Report and a Final Descriptive Report on the project undertaken with the grant.

SAMPLE APPLICATION

Information to be provided in Final Descriptive Reports will, of course, vary with the project. Grant award letters will include a paragraph specifying the information to be contained in the Final Report.

The attached sample application form is intended to provide general guidance for the presentation of budget information by organizational applicants. Regardless of the amount requested from the Endowment, applicants should provide detailed budget information in each section which applies to the proposed budget.

The individual application form is relatively self-explanatory.

NEA-3 (Rev.) OMB 178-R0008

I. APPLICANT ORGANIZATION (name and address with zip)

Nonprofit organization

PROJECT GRANT APPLICATION
NATIONAL ENDOWMENT FOR THE ARTS
WASHINGTON, D. C. 20506

II. PROGRAM UNDER WHICH SUPPORT IS REQUESTED

Architecture + Environmental Arts

III. PERIOD OF SUPPORT REQUESTED

START 12 (MONTH) 1 (DAY) 74 (YEAR) END 12 (MONTH) 1 (DAY) 75 (YEAR)

IV. SUMMARY OF PROJECT DESCRIPTION (COMPLETE IN SPACE PROVIDED. DO NOT CONTINUE ON ADDITIONAL PAGES.)

Funds are requested to investigate alternative uses for a block of 19th century warehouses in the historic Coffey Street area. The study will include economic and structural feasibility as well as design concepts. The final products will include an illustrated report and a public exhibit to stimulate public and private interest in the redevelopment of the area. As indicated in the enclosed letters of support, there is a strong base of community involvement and support for this project. The successful restoration of three blocks of 19th century rowhouses adjacent to the study area provides encouragement for the implementation potential of this project.

(This sample project description is presented for the purpose of of illustrating the need for conciseness and clarity of project intent.)

Sample

V. ESTIMATED NUMBER OF PERSONS EXPECTED TO BENEFIT FROM THIS PROJECT

VI. SUMMARY OF ESTIMATED COSTS (RECAPITULATION OF BUDGET ITEMS ON PAGES 2 AND 3)

	TOTAL COSTS OF PROJECT (rounded to nearest ten dollars)
A. DIRECT COSTS	
SALARIES & WAGES	$ 5,250
FRINGE BENEFITS	105
SUPPLIES & MATERIALS	4,072
TRAVEL	675
SPECIAL	
OTHER	2,792
TOTAL DIRECT COSTS	$ 12,894
B. INDIRECT COSTS	
TOTAL PROJECT COSTS	$ 12,894

VII. TOTAL AMOUNT REQUESTED FROM NEA $ 4,447

VIII. ORGANIZATION TOTAL FISCAL ACTIVITY

	ACT. MOST RECENT FISCAL PD.	EST. FOR NEXT FISCAL PD.
A. EXPENSES	1. $	2. $
B. REVENUES GRANTS & CONTRIBUTIONS	1. $	2. $

DO NOT WRITE IN THIS SPACE

Encl. of prior year(s) project(s) [1] [2] [3] [4] PYS $ CPS $ Audit Report [1] [2]

GPO 864-716 (OVER) U. S. GOVERNMENT PRINTING OFFICE : 1972 O - 456-895

IX. BUDGET BREAKDOWN OF TOTAL ESTIMATED COSTS OF PROJECT AS SUMMARIZED ON PAGE 1

A. Direct Costs

1. Salaries and Wages

DETAIL NOT REQUIRED WHEN REQUESTING $10,000 OR LESS ON A PROJECT OF $20,000 AND LESS.

Title and/or Type of Personnel	No. of Personnel	Annual or Average Salary Range	% of Time Devoted to this Project	Amount
Project Director	1	$ 10,875	30%	$ 3,625
Exec. Secretary	1	6,500	25%	1,625
Total Salaries and Wages				$ 5,250
add fringe benefits				$ 105
Total Salaries and Wages including fringe benefits				$ 5,355

Sample

2. Supplies and Materials (list each major type seperately)

DETAIL NOT REQUIRED WHEN REQUESTING $10,000 OR LESS ON A PROJECT OF $20,000 AND LESS.

	Amount
Data sheets and paper supplies	$ 47
Photography & reproduction supplies	1,000
Drafting supplies	3,025
Total Supplies and Materials	$ 4,072

3. Travel

DETAIL NOT REQUIRED WHEN REQUESTING $10,000 OR LESS ON A PROJECT OF $20,000 AND LESS.

Transportation of Personnel

No. of Travelers	from	to	Amount
1	Portland, Ore.	Washington, D. C.	$ 175
1	Washington, D. C.	Portland, Ore.	175
2	Portland, Ore.	San Diego	125
Total transportation of personnel			$ 475

Subsistence No. of Travelers	no. of days	daily rate	
2	2	25	$ 100
Total Subsistence			$ 100
Total Travel			$ 675

IX. BUDGET BREAKDOWN OF TOTAL ESTIMATED COSTS OF PROJECT AS SUMMARIZED ON PAGE 1 (continued)

4. Special (list each item separately)
DETAIL NOT REQUIRED WHEN REQUESTING $10,000 OR LESS ON A PROJECT OF $20,000 AND LESS.

	Amount
	$
Total Special	$

5. Other (list each major type separately)
THIS SECTION MUST BE COMPLETED ON EVERY APPLICATION.

	Amount
Consultants	$
2 Preservation @ $30 per day	60
1 Economic @ $32 per day	32
Office space	700
Interns (2) @ $1,000	2,000
Total Other	$ 2,792

Sample

B. Indirect Costs

1. Rate established by attached indirect cost allocation plan — Amount

Rate ____ % Base $ ____ $ ____

2. Rate established by attached rate negotiation agreement with Federal agency

Rate ____ % Base $ ____ $ ____

X. CONTRIBUTIONS, GRANTS, AND REVENUES *(FOR THIS PROJECT)*

A. Contributions

1. Cash (do not include direct donations to NEA) — Amount

Donations from community	$ 2,100

2. In-kind Contributions (list each major item)

Office space	700
Total Contributions	$ 2,800

(* Please note that items listed under in-kind contributions must be included in total direct project cost)

B. Grants (do not list anticipated grant from NEA) — Amount

(Name of Foundation or Agency)	$ 2,000
Total Grants	$ 2,000

C. Revenues — Amount

Membership Dues	$ 1,647
Total Revenues	$ 1,647
Total Contributions, Grants, and Revenues	$ 6,447

IX. BUDGET BREAKDOWN OF TOTAL ESTIMATED COSTS OF PROJECT AS SUMMARIZED ON PAGE 1 (continued)

4. Special (list each item separately)
DETAIL NOT REQUIRED WHEN REQUESTING $10,000 OR LESS ON A PROJECT OF $20,000 AND LESS.

	Amount
	$
Total Special	$

5. Other (list each major type separately)
THIS SECTION MUST BE COMPLETED ON EVERY APPLICATION.

	Amount
Consultants	$
2 Preservation @ $30 per day	60
1 Economic @ $32 per day	32
Office space	700
Interns (2) @ $1,000	2,000
Total Other	$ 2,792

Sample

B. Indirect Costs

1. Rate established by attached indirect cost allocation plan — Amount

Rate ____ % Base $ ____ $ ____

2. Rate established by attached rate negotiation agreement with Federal agency

Rate ____ % Base $ ____ $ ____

X. CONTRIBUTIONS, GRANTS, AND REVENUES (FOR THIS PROJECT)

A. Contributions

1. Cash (do not include direct donations to NEA) — Amount

Donations from community	$ 2,100

2. In-kind Contributions (list each major item)

Office space	700
Total Contributions	$ 2,800

(* Please note that items listed under in-kind contributions must be included in total direct project cost)

B. Grants (do not list anticipated grant from NEA) — Amount

(Name of Foundation or Agency)	$ 2,000
Total Grants	$ 2,000

C. Revenues — Amount

Membership Dues	$ 1,647
Total Revenues	$ 1,647
Total Contributions, Grants, and Revenues	$ 6,447

[FR Doc.74-10848 Filed 5-10-74;8:45 am]

MUSIC PROGRAM

Opera Guidelines for Fiscal Year 1976

The following are guidelines for grants made under Opera division of the Music Program of the National Endowment for the Arts, an independent agency of the Federal government which makes grants to organizations and individuals concerned with the arts throughout the United States.

Notice is hereby given that the deadline for this program is October 1, 1974. Interested persons should contact Walter Anderson, Director, Music Program, National Endowment for the Arts, Washington, D.C. 20506, (202) 382–5755, for further information and application forms. Only the Music Program office may distribute application forms.

Signed at Washington, D.C. on 7 May 1974.

FANNIE TAYLOR,
Director, Program Information.

GENERAL INFORMATION

The National Endowment for the Arts in Fiscal Year 1976 (July 1, 1975–June 30, 1976) plans a program of assistance to opera companies. Although it is anticipated that total resources available for this program may not be known before the fall of 1975, the Endowment is requesting applications at this time in recognition of the need for opera companies to plan well in advance and to facilitate development and processing of applications.

DEADLINE

Applications must be postmarked no later than October 1, 1974.

The deadline will be adhered to strictly. Applications postmarked later than October 1, 1974 will not be considered under the Fiscal Year 1976 Opera Program.

Applications for opera companies meeting the eligibility criteria as set forth on page 2 may be obtained from the Music Program, National Endowment for the Arts, Washington, D.C. 20506. Project Grant Application Forms (# NEA–3/Rev.) should be requested.

The completed application forms in triplicate, and all accompanying material, in duplicate, should be returned to the Grants Office, National Endowment for the Arts, Washington, D.C. 20506.

GENERAL PURPOSE

The purpose of this program is:

(1) To encourage and strengthen the performances of fully staged opera in all sections of the country and to improve the level of artistic quality.

(2) To broaden the repertory to include works from various historical periods with particular emphasis on the performance of American works.

(3) To provide sustained professional opportunities for American artists.

THE BICENTENNIAL CELEBRATION

The Endowment recognizes that the arts will play an important role in the next few years in the celebration of our country's bicentennial. The Endowment welcomes this involvement on the part of artists and cultural organizations. The Endowment has an active interest in participating in these efforts, within funds available to it, and insofar as they are directed to professional creation and presentation of new works, improvement of artistic standards, preservation of our cultural heritage, and increasing the availability of the arts for all Americans. If funds under these guidelines are sought for the projects deemed by the applicant to be related to the bicentennial, a brief description of this relationship should be made in the application.

While most music projects in support of the nation's bicentennial will fall into one of the regular music categories, it is possible that projects may be developed which do not readily meet the regular program guidelines. If funding levels permit, an additional grant may be considered for support of a special bicentennial project. Such grants are not expected to be awarded to all organizations meeting eligibility criteria, but will be reserved for imaginative and significant activities. It is anticipated that these grants will be on a highly competitive basis to a limited number of organizations. Further information will be forwarded concerning applications if the program is initiated.

ELIGIBILITY

By statute the National Endowment for the Arts is limited to the support of organizations which meet the following criteria:

(1) Only those organizations which compensate at the equivalent of the prevailing minimum compensation level or on the basis of negotiated agreements which would satisfy the requirements of Parts 3, 5, and 505 of Title 29 of the Code of Federal Regulations for the duration of any project support in whole or in part by the National Endowment of the Arts.

(2) Only those organizations which meet the applicable requirements of Title VI of the Civil Rights Act of 1964 for the duration of any project supported in whole or in part by the National Endowment for the Arts.

(3) Only those organizations in which no part of net earnings inures to the benefit of a private stockholder or individual and to which donations are allowable as a charitable contribution under section 170(c) of the Internal Revenue Code of 1954, as amended. Copy of Internal Revenue Service determination letter for tax-exempt status must be submitted with each application.

Assistance, further, will be limited to professional opera companies which have maintained an annual operating budget in excess of $100,000 for a minimum of three seasons and:

(1) Which have national or regional impact and (a) produce fully-staged performances with orchestra; (b) provide sufficient rehearsal time to assure performances of uniform artistic quality; and (c) are of high artistic integrity and rely primarily on their own artistic resources.

(2) Which perform annual resident seasons of no fewer than two performances each of three productions;

(3) Which perform with orchestras and choruses in rehearsal on a seasonal rather than on a pickup basis.

(4) Which serve unique needs due to geographical location or other special conditions and demonstrate high standards of performance and administration.

GRANT PERIOD

The proposed period of grant support should not begin prior to September 1, 1975. Generally, the projected grant period may not extend beyond a one-year period.

NOTICE OF APPROVAL OR REJECTION

Notice of approval or rejection will be sent as the Chairman authorizes in the summer or fall of 1975. Applicants are requested not to seek information on the status of their applications prior to notification. Funding levels will not be confirmed until Congressional appropriations are known.

GRANT AMOUNTS

Grants to opera companies will be considered in amounts within the following budget ranges:

Budget in excess of $1,000,000. Opera companies with expenditures in the 1973–1974 season in excess of $1,000,000 may request assistance of up to $150,000 in federal funds. Applicants in this category should request assitance through a combination of Program Funds and Treasury Funds with no more than $100,000 through the Program Fund. Please refer to: Methods of Funding, Option 3, page 6.

In some instances grants will be for lesser amounts; therefore, companies are urged to limit any requests for increased support above previous funding to moderate increments.

Budgets of $750,000 to $1,000,000. Opera companies with expenditures in the 1973–1974 season within this range will be considered for grants in varying amounts up to a maximum of $100,000 in federal funds.

In most instances grants will be for lesser amounts; therefore, companies are urged to limit any request for increased support above previous funding to moderate increments.

Budgets of $100,000 to $750,000. Opera companies with expenditures in the 1973–1974 season within this range will be considered for grants in varying amounts up to $60,000 in federal funds.

In most instances grants will be for lesser amounts; therefore, companies are urged to request assistance above Fiscal Year 1975 levels in moderate amounts.

Opera companies not previously receiving assistance, and which are now eligible, are asked to request only moderate amounts; that is, amounts within the scope of realistic fiscal planning.

NOTE TO ALL APPLICANTS

Grants in each category will not be considered in amounts:

(1) Exceeding the limits set forth in the above category;

(2) Exceeding 50 percent of the total cost of the project(s).

For clarification of assistance available through the Program Funds, the Treasury Fund and the Combined Program Funds and Treasury Fund Method, see "Methods of Funding," page —.

PROJECT PRIORITIES

(1) Activities which reflect high artistic standards.

(2) More opportunities for young American performers on a repertory basis.

(3) Variety in repertory, particularly the presentation of more American operas.

(4) The use of a wider variety of qualified and imaginative stage directors and conductors.

(5) Greater stress on performances in English.

(6) Activities which will increase and/or generate new funding sources.

PROJECT EXAMPLES

Although the Endowment welcomes the vitality of new programs and, under all conditions, encourages applicants to develop new sources of funds, applications first and foremost should represent the genuine needs of the applicant organizations. Accordingly, opera companies may request assistance to strengthen existing programs. Also, assistance may be requested to support the same

project for more than one year. In no instance, however, should organizations attempt to extend their programs beyond their capacity to accommodate and sustain the level of proposed expansion into future seasons.

The following are examples of projects that are eligible for assistance. The National Council on the Arts has recommended that the Endowment extend first priority to applications which would provide assistance and recognition to American artists.

(1) Programs designed to reach larger and more diversified audiences than those usually served by the subscription series; i.e., improved services to local communities, such as schools, inner-city areas, parks, neighborhoods, churches, industries, etc.

(2) Quality performances and/or services (e.g., workshops, coaching), adaptable to in-school presentations. Project proposals directed to this area should include:

(a) Full description of the proposed project to include planning, program implementation and evaluation.

(b) Letters of interest from cooperating organizations involved.

(3) Projects to improve artistic direction and performance quality, including increased rehearsal time.

(4) Fees for guest stage directors and guest conductors.

(5) Professional apprentice programs in performance and/or management.

(6) Professional coaching for local or area performers.

(7) Regional touring programs, particularly to areas where live opera is not ordinarily available. Cooperative planning with state and regional arts councils as sponsoring organizations to develop concentrated regional programs.

(8) Extended seasons designed to increase the number of productions and performances. Evidence that the extension, without continuing Endowment support, would not jeopardize the company's continued existence will be required.

(9) Exploration of new ways to improve earned and contributed income, including development programs staffed by professional development personnel, and new methods of promotion to increase audiences and improve ticket sales procedures.

(10) Projects designed to improve quality of management.

(11) Increased collaboration with and/or sponsorship of programs with other performing organizations, such as professional orchestras and dance companies.

Other projects may be initiated on recommendation of the Opera Section of the Music Advisory Panel.

LIMITATIONS

(1) Applications will rarely be considered for non-specific support.

(2) Projects do not have to be new or innovative. Assistance may be requested for strengthening and continuing existing programs.

(3) The Endowment's assistance is never intended to discourage admission fees irrespective of how nominal the charge may be.

(4) The Endowment's assistance is never intended to substitute for previous local support but, instead, is designed to encourage continuing and increased local contributions.

(5) Applicants are required to limit their requests to a single application; however, requests for more than one project may be presented in the application if:

(a) The total funds sought do not exceed the maximum funding stipulated on page 3.

(b) The overall project description does not attempt to encompass all aspects of the opera company's total program.

THE NATIONAL OPERA INSTITUTE

The Endowment, through a Treasury Fund grant with matching private funds, provides substantial support to The National Opera Institute, an independent organization which offers assistance to organizations and individuals. Aiding young artists of exceptional talent through individual grants to performers, training in allied operatic professions, assisting with production of new or rarely performed operas and innovative programs in production techniques, and intercompany cooperative projects, all fall within the purview of the Institute.

Inquiries and applications for assistance from the Institute should go directly to The National Opera Institute, John F. Kennedy Center for the Performing Arts, Washington, D.C. 20566.

METHODS OF FUNDING

OPTION 1: PROGRAM FUNDS METHOD

Applicants requesting assistance from Program Funds must present evidence in the proper space provided on the application that one-half the total cost of the project will be provided by the applicant. Sources of matching funds must be identified.

Example:

Grantee receives endowment award	$20,000
Required matching by the grantee	20,000
Minimum required budget	40,000

OPTION 2: TREASURY FUND METHOD

Applicants are encouraged to use the Treasury Fund Method. See enclosed brochure.

Example:

Restricted gift(s)	$50,000
Endowment Treasury funds	50,000
Proposed award	100,000
Required matching by the grantee	100,000
Minimum required budget	200,000

OPTION 3: COMBINED PROGRAM FUNDS AND TREASURY FUND METHOD

Applicants may request assistance through a combination of funds through the Treasury Fund method and Program Funds method, but the combined amount of federal funds cannot exceed the program maximum.

Example:

Program funds	$50,000
Restricted gift(s)	25,000
Endowment Treasury funds	25,000
Combined restricted gift(s) and endowment Treasury funds	50,000
Proposed award	100,000
Required matching by the grantee	100,000
Minimum required budget	200,000

GRANT APPLICATION

THE APPLICATION FORM

Typewritten application forms must be submitted in triplicate. All essential elements of the proposal must be included in a concise project description in the space provided on the first page of the application. If additional space is needed, no more than two additional 8½" x 11" pages may be attached to each of the application forms.

If the applicant develops a multi-purpose application, please number each project separately with its own budget. For example: if the application contains three projects numbered 1, 2, 3—develop the budget numbered 1, 2, 3 to correspond with the appropriate project description. Budget detail for the individual projects should be in accordance with the categories on the application, such as: Personnel, Fringe Benefits, Supplies, etc. The budget figures appearing on the first page of the application must represent the sum of all expenses related to the projects.

The Music Staff advises applicants to study carefully, point by point, the Eligibility Criteria, Maximum Grant Amounts and Program Limitations, as described earlier, before submitting an application. Applicants are urged to retain duplicates of any materials sent to the agency.

Additional required materials:

Please forward in duplicate the following:

(1) Copy of Internal Revenue Service determination letter for tax exempt status. Although this letter may have been submitted previously, it must be submitted with each application.

(2) Audited financial statement for the most recent completed fiscal period. Unaudited financial statement is acceptable if audited statement is not available, but the audit should be forwarded when available.

(3) Total operating budget showing estimated income and expenses for the 1974–75 and 1975–76 seasons.

(4) Season brochure for 1973–74 and 1974–75.

(5) Complete representative reviews of regular performances from the past year with dates provided.

(6) Biographical sketches of artistic director and chief administrator.

(7) The supplementary information sheets completed in full. See pages 11–12.

SUPPLEMENTARY INFORMATION

The following material is required of all applicants which have not received assistance in Fiscal Year 1975 and applicants for which previously submitted information is not up to date. Please submit, in duplicate:

(1) A brief history of the organization.

(2) The number of members of the board and the executive committee.

(3) The number of times the board and the executive committees meet.

SUPPORTING STATEMENTS

The following statements are required of applicants as indicated below, in duplicate:

Statements to confirm the involvement of cooperating organizations and/or individuals must accompany all applications in the following areas:

(1) School-related proposals. The Endowment must be assured that school-related proposals have the cooperation of the appropriate officials and classroom teachers and that careful, coordinated planning for in-school concerts or educational programs has been accomplished.

(2) Programs in special areas. The Endowment must be assured that proposals for programs in special areas, such as the inner city, have the cooperation of the leaders in those areas and that businesses and other involved organizations are prepared to identify with the program plans.

The Endowment is anxious to know where and when presentations will occur, recognizing that some details must be tentative from time to time but, that in general, a well-defined proposal is under consideration.

APPLICATION REVIEW

The application, if not completed properly, will be returned to the applicant for corrections. If the corrected application is not received by the Endowment in time for processing in accordance with the deadline date, it will not be considered under the Fiscal Year 1976 appropriations. The Endowment cannot accept responsibility for delays occasioned by

the late arrival of applications or requests which have been improperly submitted.

Incomplete application files.—If all additional required material has not been submitted, the application may be rejected.

APPLICATION PROCESSING

After an application with all necessary information has been received, the file will be reviewed as follows:

(1) The Endowment Music Staff, the Music Advisory Panel, and the National Council on the Arts successively review the application.

(2) The applicant is notified concerning final action taken by the Chairman of the Endowment.

Applications are reviewed according to the following criteria:

(1) Artistic quality;
(2) Merit of the project;
(3) Organizational stability;
(4) Capacity to achieve objectives;
(5) Professional service to the maximum constituency.

Notices of approval or rejection will be sent, as the Chairman authorizes. Applicants are requested not to seek information on the status of their applications prior to such notification. While the Endowment welcomes expressions of interest in a project, extraordinary pressures beyond direct negotiations are not helpful.

FINAL REPORTS

At the conclusion of the grant period, the Endowment requires final reports from all grantees. Reporting suggestions will accompany the grant letter. All grantees are required to submit the following in triplicate:

(1) *Final Descriptive Report.* A detailed narrative report describing what was accomplished during the grant period with NEA funds.

(2) *Final Expenditure Report.* An accounting of total expenditures and matching funds related to the project. Note: This report is to be submitted on the same form #NEA–7 (Rev. 71), used for interim cash requests. The final cash request may also serve as a final expenditure report if all income and expenditures for the project are detailed.

REPERTORY INFORMATION SHEET

Name of Organization: _____

Date: _____

The information requested below must be submitted before the application can be reviewed.

List repertory for the following seasons:

Productions	*Number of performances*
1973–74:	
1974–75:	
1975–76:	

SUPPLEMENTARY INFORMATION SHEET

This page and all other material should be sent to Grants Office, National Endowment for the Arts, Washington, D.C. 20506.

Name of Organization: _____

Date: _____

The information requested below must be submitted before the application can be reviewed.

Number of performances presented in 1973–74		Attendance
	Major subscription series	
	Other local performances	
	Tour or run-out performances	
	Children-youth performances	
	Aged or handicapped performances	
	Other performances	
	Workshops, lecture/demonstrations, educational or community programs	

Number of staff:
_____ Artistic.
_____ Administrative.
_____ Volunteer.
_____ Capacity of Home Hall.

_____ Total Potential Income.

Ticket sales—1973–74:
_____ Number Sold.
_____ Value.

	1972–73	1973–74	1974–75 (estimate)	1975–76 (estimate)
Expenses				
Income				

[FR Doc.74–10960 Filed 5–10–74;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

CLEARANCE OF REPORTS

List of Requests

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on May 8, 1974 (44 USC 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

The symbol (x) identifies proposals which appear to raise no significant issues, and are to be approved after brief notice through this release.

Further information about the items on this Daily List may be obtained from the Clearance Office, Office of Management and Budget Washington, D.C. 20503, (202–395–4529).

NEW FORMS

DEPARTMENT OF AGRICULTURE

Statistical Reporting Service: Measurement of the Flows of Farm-Produced Capital: Additions to Dairy Herds and Beef Breeding Herds, Form, Single time, Lowry/Hulett, Cattle producers.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education: Instructions for A–102 Financial Status Report and Performance Report for OEEOP Programs, Form OE 116–2, Annual, Lowry/GSA/Marcantonio, Local education agencies.

U.S. TARIFF COMMISSION

Producers' Questionnaire-Wheel Balancing Weights, Form, Single time, Evinger, Business firms producing wheel balancing weights.

REVISIONS

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service Record of Acreages Production and Disposition, Form ASCS 658, Annual, Lowry, Farm operators.

Food and Nutrition Service.

Regulations—School Breakfast and Nonfood Assistance Program and State Administrative Expenses, Form, Occasional, Lowry, State Agencies, School Food authorities.

Regulations—National School Lunch Program for Children, Form, Occasional, Lowry, State agencies, school food authorities.

Statistical Reporting Service: Nursery Sale of Fruit Trees (Calif. & Texas), Form, Annual, Lowry, Fruit tree nurseries.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education: State Plan for Title III, ESEA, Form OE 4514, Annual, Lowry, State Departments of Education.

DEPARTMENT OF LABOR

Manpower Administration: Application Card, Form MA 7–40, Occasional, Caywood, Job seekers applying at State ES offices.

EXTENSIONS

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service:

Uniform Grain Storage Agreement, Form CCC 25, Occasional, Evinger, Grain warehousemen.

Prices Paid for Sugarcane and Related Information, Form SU 128, Annual, Raynsford, Sugarcane processors, in Florida, and Louisiana.

DEPARTMENT OF COMMERCE

Bureau of the Census: Special Dwelling Listing Sheet, Current Pop. Survey, Form 11–213, Occasional, Wann.

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.74–11047 Filed 5–10–74;8:45 am]

SMALL BUSINESS ADMINISTRATION

DISTRICT DIRECTORS ET AL.

Delegation of Authority To Conduct Program Activities in Region II; Correction

[Delegation of Authority No. 30, Region II]

Delegation of Authority No. 30—Region II published in Federal Register on March 6, 1974 (39 FR 8683), Part II, Section A, 1(2) should have read "$500,000" in lieu of "$50,000."

Dated: April 29, 1974.

WINDLE B. PRIEM,
Regional Director,
Region II.

[FR Doc.74-10967 Filed 5-10-74;8:45 am]

TARIFF COMMISSION

CONSUMPTION OF KNIVES, FORKS, AND SPOONS WITH STAINLESS STEEL HANDLES

Report to the President

MAY 1, 1974.

To the President:

Pursuant to headnote 2(c) to part 2, subpart D of the Appendix to the Tariff Schedules of the United States, the U.S. Tariff Commission herein reports its determination of the apparent U.S. consumption of knives, forks, and spoons with stainless-steel handles in 1973 to have been 51,363,141 dozen pieces.

The data for each of the components used in the computation of apparent annual consumption of knives, forks, and spoons with stainless steel handles are shown in the table below.

Knives, forks, and spoons with stainless-steel handles: Shipments by U.S. manufacturers, U.S. exports, U.S. imports for consumption, and apparent U.S. consumption, 1973

[In thousands of dozen pieces]

Components	*Quantity*
Total shipments by U.S. manufacturers [1]	22,464
Exports	442
Imports for consumption	29,341
Apparent U.S. consumption [2]	51,363

[1] Includes only shipments of domestically produced products.

[2] Total shipments by U.S. manufacturers, plus imports, minus exports.

SOURCE: Shipments and exports as reported to the Tariff Commission by the domestic producers; imports compiled from official statistics of the U.S. Customs Service.

By order of the Commission.

[SEAL] G. PATRICK HENRY,
Acting Secretary.

[FR Doc.74-10959 Filed 5-10-74;8:45 am]

[TEA-W-234]

RCA CORP.

Workers' Petition for a Determination; Notice of Investigation

On the basis of a petition filed under section 301(a)(2) of the Trade Expansion Act of 1962, on behalf of the workers and former workers of the Woodbridge, New Jersey, plant of the RCA Corp., New York, New York, the United States Tariff Commission, on May 8, 1974, instituted an investigation under section 301(c)(2) of the Act to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with electronic receiving tubes and components thereof known as mounts (of the types provided for in item 687.60 of the Tariff Schedules of the United States) produced by said firm are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of such firm or an appropriate subdivision thereof.

The optional public hearing afforded by law has not been requested by the petitioners. Any other party showing a proper interest in the subject matter of the investigation may request a hearing, provided such request is filed on or before May 23, 1974.

The petition filed in this case is available for inspection at the Office of the Secretary, United States Tariff Commission, 8th and E Streets, N.W., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

By order of the Commission.

Issued: May 8, 1974.

[SEAL] KENNETH R. MASON,
Secretary.

[FR Doc.74-10958 Filed 5-10-74;8:45 am]

INTERSTATE COMMERCE COMMISSION

[Ex Parte No. 293 (Sub-No. 1); Northeastern Rail Investigation]

RAIL SERVICE IN THE MIDWEST AND NORTHEAST REGION

Evaluation of the Secretary of Transportation's Rail Services Report

MAY 2, 1974.

Virtually every member of the staff of the Rail Services Planning Office contributed to the accompanying report. It is a staff of which I am proud, and one which I believe to be fully capable of making a continuing contribution to the success of the railroad restructuring process. We look forward to the opportunity of working with you and your colleagues as the planning process proceeds during the forthcoming months.

Sincerely,

GEORGE M. CHANDLER,
Director.

The accompanying report is submitted pursuant to section 205(d)(1) of the Regional Rail Reorganization Act of 1973 which requires the Rail Services Planning Office to submit to the United States Railway Association its evaluation of the Report of the Secretary of Transportation entitled "Rail Service in the Midwest and Northeast Region."

There are two major themes which dominate our report.

First, both the public testimony and our own comments reflect many areas of fundamental dissatisfaction with the Secretary's report. The Secretary understandably limited his report in response to the statutory mandate to present his "recommendations with respect to the geographic zones within the region in and between which rail service should be provided." As so limited, his report has not, in our view, provided the Association with a valid statistical basis for approaching the planning of a unified rail system for a substantial part of the country—a system which the Congress has directed be designed to meet a variety of social as well as economic goals.

The second principal feature to which the Association's attention should be directed is the overwhelming public response to the opportunity to participate in the rail restructuring process. The public has demonstrated not only that it is most insistent that its views be heard, but also that it can make a valuable contribution to the planning process by supplying both vital information and ideas which are timely and imaginative.

TABLE OF CONTENTS

INTRODUCTION

The Regional Rail Reorganization Act of 1973 (Public Law 93-236; 45 U.S.C. sec. 701 and following) (the "Act") provides for the restructuring of the railroad sys-

tem in the Midwest and Northeast Region of the United States, defined in the Act as encompassing 17 states and the District of Columbia. The Act requires that there be created, through the restructuring process, a financially self-sustaining rail system capable of providing adequate rail service in the region, while effectuating specified social, economic, and environmental goals.

The Act created, or provided for the creation of, three new entities to which reference will be made throughout this report. They are: the Rail Services Planning Office (the "Office"), created by the Act in the Interstate Commerce Commission (the "Commission"); the United States Railway Association (the "Association"), a nonprofit corporation to which is delegated the basic system planning responsibility; and the Consolidated Rail Corporation (the "Corporation"), which is to be a for-profit corporation created to operate the rail system designed by the Association.

The principal features of the restructuring process are as follows:

Within 30 days of enactment, the Secretary of Transportation was to submit a report containing his recommendations and conclusions for rail service between and within geographic zones of the region and describe the criteria used.

The Office was to hold public hearings on the Secretary's report and prepare a report containing an evaluation of the Secretary's recommendations based on the hearings and its own appraisal of the report.

Based on information and reports provided by the Secretary, the Office, and interested persons, the Association will prepare a Preliminary System Plan.

The Office will hold public hearings, and issue a report, on the Preliminary System Plan.

Based on these public hearings, comments by interested persons, and evaluation by the Office of the Preliminary System Plan, the Association will prepare a Final System Plan, and submit it to the Congress.

The Commission will prepare an evaluation of the Final System Plan.

The Congress will pass upon the Final System Plan submitted by the Association before it is implemented. If rejected by Congress, the Plan must be revised by the Association and returned to Congress for approval.

Once approved by the Congress, the Final System Plan will become the basis upon which specific rail properties of the existing bankrupt and solvent railroads in the region are to be transferred or conveyed to the Corporation or other solvent railroads to make up the restructured system or are abandoned (unless retained to provide rail services under the subsidy provisions of the Act).

The first step of this sequence was completed February 1, 1974, with the issuance of the Secretary of Transportation's report entitled, "Rail Service in the Midwest and Northeast Region" (The "DOT Report").

Principal conclusions and recommendations of the DOT Report are:

Existing interstate mainlines should be consolidated into a high volume upgraded network shared by the Corporation and other carriers in the region, with unnecessary duplicative lines and facilities downgraded or eliminated.

Local rail service requirements should be filled generally by a single carrier in a given geographic area, with rail facilities which are not financially self-sustaining being abandoned unless subsidized by state or local transportation agencies.

Rail competition should be maintained only over the interstate network from traffic centers that generate a minimum of eight daily trains traveling more than 200 miles in the same direction.

The second step in the statutory planning process was the conduct, by the Office, of public hearings providing an opportunity for interested persons to express their views on the DOT Report. Hearings were held during March in 17 cities in the region. Copies of all oral testimony and written statements have been supplied to the Association.

In issuing this report, the Office fulfills its responsibility to submit a report to the Association on the DOT Report within 120 days of enactment of the Act. In the time available to it thus far, the Office has instituted its own analysis and review of the DOT Report, and it has begun the review and evaluation of the massive amount of material that has been received to date as a result of the public hearings which have been held. The analysis of both the DOT Report and the public submissions is continuing, and public demand for an opportunity to participate in the planning process has made it necessary to schedule additional hearings at a number of locations during the next several months. So that the fruits of the continuing analysis and the results of the further hearings may be made available to the Association and the public generally, the Office plans to issue supplemental reports prior to the date of issuance of the Preliminary System Plan.

In this report we have described the public participation in the hearings held to date. We have explained in some detail the methodologies which led to certain of the basic conclusions of the DOT Report. We have described the results of our own analysis of these methodologies and of a number of assumptions upon which the DOT Report was provided. We have suggested a number of directions which might be taken by the Association in developing the Preliminary and Final System Plans. Our principal recommendations to the Association are listed at the beginning of this report; others will be found throughout the text.

It is equally important that there be a clear understanding of what we have not attempted. It was not possible in the time allotted under the Act to review every decision in the DOT Report respecting individual rail services. The record in this proceeding contains valuable, and in many instances most specific, data concerning local rail operations. Time did not permit the recital and discussion in this report of all the information received. In particular it should be noted that the discussion of the public participation which follows focuses largely upon the oral testimony taken at the hearings, and that the analysis of the written statements which have been received is still in a relatively early stage.

Finally, this report contains a brief description of what the Office plans to do between now and the issuance by the Association of the Preliminary System Plan next October. Most importantly, we wish to stress that there remains a major role for the public in the railroad restructuring process, and that continued public participation is both necessary and welcome.

Principal Recommendations

Having reviewed the DOT Report and the public testimony which has been submitted, the Office makes the following principal recommendations to the Association:

The Statutory Goals

The Association should give full consideration to the social goals enumerated in section 206(a) of the Act which time constraints prevented the Secretary from addressing in depth.

Transportation Data

The Association should seek more complete traffic data than was used in the Secretary's Report, ideally collecting sufficient data to develop historical trends and future traffic projections. A 1980 time horizon is suggested as reasonable for traffic projections.

The Association should give consideration to obtaining information from users of rail services and other available sources, including reliable industrial and population growth projections, and not rely solely on traffic flow data furnished by the railroads.

System Design and Its Implementation

The Association should consider lines as segments of a total system and evaluate their capabilities for contributing to overall system efficiency, rather than requiring that each line or mile of track meet a test of independent profitability.

The Association should scrutinize with great care the results of any attempt, based upon purely statistical methods, to identify particular rail facilities as redundant, and should test any such statistical conclusions in the light of the practical knowledge of those with experience in conducting railroad operations.

The Association should consider for inclusion in the system facilities which will permit the routing of through traffic around, instead of through, densely populated areas and which will permit the removal of yard and switching operations from areas where they now unduly obstruct traffic or impede rational urban development.

The Association should not limit its selection of prospective main lines to lines which are now equipped with automatic signal systems, as did the Secretary.

The Association should consider alternate means of handling freight traffic now moving over the Northeast passenger corridor between Boston, New York City, and Washington. The Final System Plan should include and provide for the improvement of routes which would make it possible to remove as much freight traffic as possible from the corridor.

The Association should give priority consideration to the selection of yard and terminal facilities needed to provide rail services in the region. This should be done in conjunction with, if not prior to, the selection of mainline routes.

The Association should recognize the problems attendant upon consolidating the services and facilities of a number of individual railroads and provide in the Final System Plan for a transition period during which the Corporation, or other acquiring railroads, can do the planning and personnel training, and make the capital improvements, necessary for implementation of the Plan.

LOCAL SERVICE

The Association should reject the Secretary's method of determining branch line viability which was based primarily—if not solely—upon the number of carloads handled.

The Association should consider whether to include certain marginal branch lines in the system. Their exclusion could result in their operation as independent short-line railroads, thus commanding a division of the joint revenues which would result in the Corporation being placed in a poorer financial position than if it had operated these lines as branches.

SYSTEM CAPACITY

The Association should scrutinize with great care the rail line capacity assumptions made by the Secretary.

In addition to the potential design capacity of a line, such other factors as grades, curvature, clearances, sidings, train mix, and maintenance requirements should be taken into account.

The Association should determine the capacity of yards and terminals, both as an end in itself and as yard capacity affects the ability of main lines to achieve their theoretical capacity.

The Association should consider the deteriorated condition of much of the rail plant in the region and include in the Final System Plan, at least temporarily, facilities sufficient to meet service needs while other facilities—perhaps potentially superior—are being upgraded to a capacity level which can provide the service required.

EQUIPMENT SUPPLY AND MAINTENANCE

The Association should give consideration to the selection of car building and car and engine repair facilities necessary to sustain the operations of the Corporation.

RAIL COMPETITION

The Association should reevaluate the Secretary's conclusions concerning competitive rail service.

The extent to which intramodal rail competition can be sustained should be addressed carefully, and consideration should be given to alternative dispositions of the properties of the railroads in reorganization which would make possible the profitable co-existence of competing rail systems in the region.

The Secretary's assumption that the ability of a particular route, point, or market to sustain competitive rail service can be determined on the basis of the number of train operations experienced in a given period should be tested with care.

The Association should consider whether the Secretary's conclusions as to what constitutes an "efficient size" train are valid, and the extent to which adjustments in those conclusions would affect his recommendations concerning the degree to which competitive rail service can be provided economically.

In determining where intramodal rail competition can be maintained, the Association should consider grouping several of the zones into which the Secretary divided the region, especially in the Northeast where the zones tend to cover small geographic areas.

JOINT USE

The Association should accept and implement the Secretary's recommendation that rail facilities be used jointly by more than one carrier wherever it is feasible and cost-effective to do so.

PASSENGER SERVICE

The Association, in making mainline selections, should consider those lines which currently carry passenger traffic, and those which have passenger service potential, in three separate categories: long-haul intercity; intermediate distance, high-density intercity; and commuter.

IMPACT UPON PROFITABLE RAILROADS

The Association should consider the competitive impact of the operations to be conducted by the Corporation upon all the surviving profitable railroads including switching and terminal companies in the region, and take steps to assure the continued viability of those carriers.

PUBLIC PARTICIPATION

The Association should scrutinize with care the material—both factual and conceptual—submitted, and to be submitted, to the Office by users of rail services, government officials at all levels, and other interested members of the public.

The Association should begin at once to devise a means for making prompt and widespread distribution of the Preliminary and Final System Plans. Otherwise effective public participation in further stages of the planning process will be impossible in view of the extremely tight statutory timetable.

PUBLIC RESPONSE TO THE DOT REPORT

The Act directs the Office not only to study and evaluate the rail service recommendations of the Secretary of Transportation in the DOT Report, but also to elicit public views on the present and future rail service needs of the region. In connection with this latter responsibility, section 205(d)(2) of the Act provides that the Office shall—

> employ and utilize the services of attorneys and such other personnel as may be required in order properly to protect the interests of those communities and users of rail service which, for whatever reason, * * * might not otherwise be adequately represented * * *.

Pursuant to that Congressional mandate, the Director of the Office appointed a Public Counsel, whose function is to provide legal representation and assistance to the public throughout the restructuring process set in motion by the Act.

In connection with its review and analysis of the DOT Report, the Office was directed by the Act to hold public hearings to solicit views and comments. Since the statutory timetable requires the Office to issue its evaluation of the Report by May 2, 1974, it was considered necessary to begin public hearings only a month after its issuance. Thus it was determined that hearings should be held in representative cities throughout the region beginning early in March. On the basis of geographic location and traveling distances from other points in the region, 17 cities were selected as hearing sites. Eight hearings were conducted during the week of March 4; eight more during the week of March 11; and one during the following week. The hearing locations, and the number of witnesses appearing at each point, were as follows:

Albany, N.Y.	160
Baltimore, Md.	142
Boston, Mass.	179
Charleston, W. Va.	50
Chicago, Ill.	195
Columbus, Ohio	266
Detroit, Mich.	200
Green Bay, Wis.	75
Hartford, Conn.	188
Indianapolis, Ind.	257
New York, N.Y.	78
Philadelphia, Pa.	185
Pittsburgh, Pa.	122
St. Louis, Mo.	181
Scranton, Pa.	207
Trenton, N.J.	138
Washington, D.C.	68

A total of 2,691 witnesses testified at the hearings, and in all 71 days of testimony were taken, resulting in a hearing record of 14,531 pages. Over 1,500 documents were submitted in lieu of oral testimony prior to the March 28 cut-off date which had to be established for submissions to be considered in the preparation of this report. Several thousand additional statements have been submitted since that time.

At each hearing location one, in most instances two, attorneys from the Public Counsel's office were assigned to represent the public. For this series of hearings the Public Counsel's permanent staff of four attorneys was supplemented by 25 other attorneys who were retained for this purpose. The Public Counsel's office attorneys supplemented the Office's other governmental and industrial liaison activities by spreading information about

the Act and the DOT Report directly to those most immediately affected. Each hearing city was visited by at least one attorney several days prior to the scheduled hearing in order to assist the public directly and to solicit suggestions firsthand.

DISSEMINATION OF THE DOT REPORT

One factor which made effective public participation difficult was a general lack of knowledge about, and the inability to obtain copies of, the DOT Report. Section 204(b) of the Act required the Secretary to submit his report to "the Governor and public utilities commission of each State studied in the report, local governments, consumer organizations, environmental groups, the public, and the Congress." However, the broad distribution contemplated by the statute was not fully accomplished. Many witnesses, and other interested persons contacting the Office, complained that they were unable to obtain copies of the DOT Report, and particularly of Volume II containing individual zone maps. Many of those most heavily affected were not aware of the Report until informed of its existence by representatives of the Office. Even then, it often proved impossible for them to obtain copies, either from DOT or the local outlets of the Government Printing Office. To avoid a repetition of this unfortunate situation, the Association is urged to begin making plans immediately for the prompt and widespread distribution of the Preliminary and Final System Plans.

PUBLIC PARTICIPATION

Participants in these proceedings represented a cross-section of public interests including federal, state, and local governmental officials; manufacturing, wholesaling, retailing, and agricultural shippers; carriers; environmental, conservation, consumer, and passenger groups; and a variety of other diverse interests. Written statements have been received from the United States Department of Agriculture, the Department of Defense, and the Environmental Protection Agency; several States in the region; and the National Railroad Passenger Corporation (Amtrak).

The sophistication and specificity of comment varied widely, from the highly technical remarks of economists and engineers to the more general comments of other concerned citizens. Some witnesses presented detailed maps and extensive specific information regarding carload counts, tonnage, track conditions, revenue projections, and alternate modes of transportation. Others registered their general concern for the future of rail transportation in the region. Still others made valuable contributions to the development of a restructuring methodology.

Geographically, the witnesses represented the entire northeastern quarter of the United States. Participation was particularly heavy from the rural agricultural areas of Illinois, Indiana, and Ohio, Pennsylvania and New York. Various individual locations, such as the Delmarva Peninsula, the Lehigh Valley in Pennsylvania, and the Dayton, Ohio area were especially well-represented.

By far the largest group of witnesses appearing were the shippers and manufacturers who saw themselves as directly affected by the identification of potentially redundant lines contained in the DOT Report. The next largest group represented were government officials, followed by planners and agricultural shippers.

The bulk of the testimony focused on local rail service needs and problems. This testimony generally was concerned with criticizing and questioning the methodology, criteria, and conclusions contained in the DOT Report. The substance of public sentiment on these issues was: local rail needs and problems are many and serious; the social, economic, and environmental impact of rail service discontinuance in many instances would be severe; and DOT's suggested blueprint for resolving the rail crisis in the Northeast and Midwest is inadequate.

The level of participation in the hearings emphasizes the widespread and deep seated public interest in the rail planning process. The public contribution has been a valuable one to date, and the general views and comments, as well as the mass of factual material, are worthy of careful consideration. In fact, in view of the railroad data deficiencies discussed later in this report, it may well be that only through information obtained from rail users can an accurate picture be developed, even of historic rail traffic originations and terminations.

Copies of the hearing transcripts and all other written material submitted to the Office are being supplied directly to the Association. Their careful study is recommended. The Office itself has not had sufficient time to make as thorough a review of the materials submitted for the record as it would have liked to do prior to the issuance of this report. That review and analysis is continuing, and its results will be made public as soon as possible.

PUBLIC REACTION

It can fairly be said that the DOT Report left a substantial portion of those into whose hands it came either confused or angered, or both. It is to be expected that individuals taking the time and making the effort to attend a public hearing or to submit their views on a government planning proposal will be those who see their own oxen as being gored. Thus a great deal more critical than favorable comment can be anticipated in a proceeding of this kind. However, that fact of human nature does not mean that much of the misunderstanding caused by the DOT Report was unwarranted. Much of it was probably inevitable, given the form the Report took, but it could have been greatly reduced had there been included a more complete, or simpler, explanation of its purposes and methodology.

One of the questions most frequently asked members of the Office's staff was what was the effect of DOT's labeling as "potentially excess" the lines of profitable railroad. (This is a question for which a really satisfactory answer has not yet been found.) Another question often heard was why lines which carry heavy passenger traffic, and which may even be subsidized by a state or local government, were identified as potentially excess, and whether it was anticipated that freight service would be terminated on such lines even though they might be kept in operation for passengers. (The answer here apparently is that DOT showed these lines as potentially excess because the freight service did not satisfy a statistical formula. Nevertheless, DOT assumed that freight service would be operated over these lines as long as they were needed for passenger traffic.)

Another question that arose frequently was whether individual stations shown as not entitled to rail service in the DOT report, but which were located on lines not identified as potentially excess, would actually lose their service. (The answer is that this was not DOT's intention.) There was considerable public confusion also concerning application of the criteria by which individual stations and lines were determined to be entitled to, or not entitled to, continued rail service. (Since the basis for the application of these criteria on a zone-by-zone basis was not made public, it was often impossible to determine how they were applied to individual local branch lines.)

Certainly the greatest single factor that generated fear, anger, and frustration among the public was the failure of DOT to explain clearly what the report meant by classifying a particular rail line as "potentially excess". To most readers, this meant simply that a governmental decision had been made, arbitrarily and without the opportunity for public comment, that the line in question was to be abandoned. Admittedly, this was a misunderstanding, but the general outcry against such an anticipated action should convince government planners and policy makers alike that the public is not willing to accept any proposal resulting in massive abandonment of rail service while ignoring the social, environmental, and economic costs of such an action, and not providing the opportunity for full public hearings.

METHODOLOGY AND DATA BASE

Testimony on the DOT Report was generally critical of the methodology and provided enough specific data to question its accuracy. In short, the public viewed the Report with great skepticism and considered it myopic in assessing the viability of rail service on particular segments of a railroad.

More specifically, the public was highly critical of the DOT dependence on the narrowly-conceived criteria of carloads per mile. It was repeatedly suggested

that the only acceptable means of determining branch line viability is a detailed cost and revenue analysis, taking into account not only what is actually transported on a specific line, but what could be transported on a well-maintained and efficiently operated railroad.

The DOT Report's reliance upon the 1969 one percent waybill sample for evaluating interstate, long-haul service requirements and upon 1972 origination and termination carload data for branch-line evaluation drew numerous adverse comments. It was noted that these data do not reflect recent substantial increases in traffic volume, and therefore, are of questionable value. More importantly, it was continually stressed that 1972 rail traffic volume in the Northeast was critically influenced by Hurricane Agnes. Many branch lines were not operated for substantial periods and, therefore, traffic volumes for 1972 were unusually low.

Many discrepancies were cited between DOT's volume figures and information on actual shipment volume available to the shippers themselves. Numerous witnesses pointed out that waybill and carloading data inaccurately reflect origination and termination points. These data, in many cases, identify only a billing station, which may or may not be the actual origin or terminal point of the shipment. Many points, therefore, were not recommended for continued rail service although they were, in fact, the origination or termination points for a large number of shipments.

It was also pointed out that data reflecting volume, standing alone, cannot properly be used to determine the financial viability of any particular line. Witnesses in almost every state in the region pointed out particular lines which were financially viable but which had been designated as potentially excess by the DOT Report. In addition, it was shown that carload counts do not always accurately reflect even the volume of goods shipped to and from any given point. Farmers and grain elevator operators in Illinois, Indiana, and Ohio, for example, have in recent years switched from regular hopper cars to "jumbo" hopper cars, thereby reducing the number of cars shipped by 50 percent in some areas. But in almost every case, where car supply has permitted, the actual tonnage shipped has steadily increased. The same experience was reported by New England paper manufacturers, whose use of higher volume cars has resulted in increased tonnages being handled in fewer carloads.

The DOT Report was criticized also because it does not reflect the relative profitability of transporting various kinds of freight. The carload count does not differentiate between a shipment of manufactured goods and one of bulk commodities, for example, for which both the revenues received and costs incurred may be vastly different. But perhaps the most telling criticism of the DOT Report's methodology came from those witnesses who pointed out that by applying the criteria developed for use in the Report to such profitable railroads as the Detroit, Toledo and Ironton; the Akron, Cantan, and Youngstown; and the Toledo, Peoria, and Western, the result was the finding that virtually all the lines of these carriers, despite their demonstrated ability to thrive, were potentially excess.

Finally, DOT's findings and recommendations, which the public considered to be based on unacceptable methodology and criteria and inaccurate data, were challenged on the basis that in some cases: (1) the only rail segments between two viable points were recommended for discontinuance; (2) service was recommended on lines which already had been abandoned; and (3) some lines were not considered at all.

ABANDONMENT AS A CURE FOR RAILROAD PROBLEMS

The DOT Report was seen by the public witnesses as based largely on the premise that if all lines which do not make a profit are removed, the rail system will be profitable. At every hearing, the belief was voiced that the concept of large-scale abandonment as a cure for the evils of unprofitability is the wrong approach, advanced at the wrong time, and for the wrong reasons.

Certainly, it was the possibility of rail service discontinuance and abandonment which raised the greatest public furor. Witness after witness described the adverse economic, social, and environmental impact such actions would have on communities. It was contended that rail service discontinuance would result in market distortions, economic depression and social dislocations. Moreover, it was repeatedly stated that rail discontinuance is inconsistent with our national environmental and energy conservation policies. Decreased rail service would result in increased truck transport and greater consumption of scarce energy resources, more pollution, and increased pressures on land use for additional highway construction. Public sentiment was strong that these factors must be of primary importance in determining the final rail plan.

In the coal-mining areas of the region, most shippers anticipate a great increase in coal shipments as a result of the shortage of domestic petroleum and increased price of foreign oil. Also, due to the international oil situation, metropolitan areas such as Baltimore, Philadelphia, and New York anticipate an increased demand for commuter train service. In the industrial areas of upstate New York and Michigan, many new industrial parks have been located where rail service is available. In short, numerous witnesses in every state testified that increased industrial and commercial activities would provide traffic for the railroads, and that the success of these businesses depends upon rail service.

There was evidence, too, to support the concept that there is a need for some excess capacity in the rail system. The witnesses fear that by following the theory of the DOT Report to its logical conclusion, traffic could become so concentrated on a few inter-city lines that there would be no time for repair and maintenance. If a derailment or other blockage should occur, it could be possible that there would be no parallel line available over which to effect an alternate routing. Others pointed out that too much emphasis on consolidation of the present rail system would result in even more traffic having to move through already congested gateways. Shippers in southern Illinois, for example, try to avoid the Chicago gateway because of lengthy delays, and they fear that retirement of too many lines would eliminate that option. It was noted, too, that elimination of routing flexibility could seriously affect national defense needs, as concentration of traffic on a few routes would increase the possibility of successful attack or sabotage.

Concern was expressed that in identifying particular lines as potentially excess, the DOT Report gave too little consideration to the effect which possible elimination of those lines would have on the movement of through traffic in the region. Some connecting railroads testified that their ability to act as intermediaries between larger systems would be eliminated. Similarly, it was noted that the Report apparently did not consider the potential disruption of existing patterns of freight movement, and how these patterns could be revised. In brief, the witnesses questioned whether a system designed in accordance with a theory that sought to eliminate every line whose individual profitability could not be proven would be able to function as a system at all.

Also of concern to the public witnesses was the impact of excessive abandonments upon prices, and especially food prices. Estimates of the result of abandonments on the scale suggested by the DOT Report's classification of lines as potentially excess upon the price of grain ran as high as 25 cents a bushel. It was suggested, too, that the loss of rail service, and the concomitant loss of revenue, to the farmer would hinder achievement of another national goal: namely, increased food production, which is not only important as an anti-inflation measure, but is vital to the Nation's balance-of-payments posture. Many of those testifying pointed out that agricultural commodities are the country's largest (and only replenishable) export. Reduced rail service, it is argued, could not only result in decreased food production, but also in increased costs of moving these products to ocean ports.

Fuel conservation is a recent and urgent national policy, and it is believed that rail service will have a major impact upon the goal of attaining national energy autonomy by 1980. The coal producing areas of West Virginia, Pennsylvania, Ohio, and Illinois depend heavily on rail service. In most cases, the opening or reopening of mines could not be accomplished unless rail service were retained or expanded.

Also important to the fuel conservation picture is the fact that rail service is an energy efficient mode of transportation. Estimates were submitted to the effect that rail transportation uses as much as four times less petroleum than motor carriage to move the same volume of goods the same distance.

A number of witnesses took issue with the DOT Report's assumption that alternate modes of transportation could fill in the gap if major reductions in rail service were effectuated. They argued that truck and barge facilities would be wholly unable to meet the shipping demand reflected by even the present level of rail service. Forcing reliance on motor carriage would affect the rural agricultural areas most heavily. There was evidence of a shortage of trucking capacity. Also, some witnesses characterized motor transportation as considerably more expensive (from 10 to 25 percent) and much less efficient than rail for moving bulk commodities. Estimates varied as to the number of trucks needed to replace rail service if the lines identified by DOT as potentially excess were actually abandoned, but they ran as high as two million additional truck trips annually.

The result would be an obvious increase in fuel consumption. Several local highway commissioners testified that in many cases county roads, bridges, and overpasses are unequipped to handle this heavy traffic. Many county roads are already in poor condition, and reduced rail service would cause increased road, bridge, and police expenditures, as well as increased traffic congestion in many communities.

The "Frost Law" in Illinois, which provides that no vehicle over 5 tons may travel on county roads between February 1 and May 1, would effectively isolate many rural areas of that state from any transportation mode during those months.

The DOT Report contemplates that service on the abandoned branch lines will be taken up by short-haul truck service which will connect with piggyback rail service on the remaining lines, generally at a point within 20 miles of the station losing direct rail service. However, there was little evidence to support the assumption that piggyback facilities would in fact be available, and much testimony of their inadequacy or non-existence. Clearly, if piggyback is to substitute for direct rail service in any real sense, substantial expenditures for new and improved facilities will be necessary.

SERVICE COMPLAINTS

One of the pervasive themes running through the hearings is the public's dissatisfaction with the quality of existing rail service. Witnesses complained of slow and unreliable freight and passenger service, of deteriorating facilities, of what are assumed to be arbitrary rate structures, of inadequate maintenance and few capital improvements, and—most of all—of severe shortages of freight cars.

In the grain belt of Illinois, Indiana and Ohio, for example, farmers and grain elevator operators tell of chronic shortages of railroad cars. Typical testimony indicated that 400 percent more cars were needed than were received. The car shortage is so acute that there was testimony, under oath, that a black market in hopper cars exists in Indiana. One grain shipper testified that a large exporter had offered him all the cars he wanted for "20 percent of his after tax profits". (This situation is under investigation by the Commission.)

A common viewpoint of those testifying was that the underutilization of many rail lines is caused not by lack of demand, but by poor service, and the inability to obtain cars when required. Thus, it was repeatedly urged that the initial step in the planning process be a comprehensive analysis of the existing deficiencies in the level and quality of rail service, which could then be utilized in determining which lines, given improved performance, could become profitable segments of the regional rail system.

ECONOMIC IMPACT

Another major criticism of the DOT Report in general, and of the concept of abandonment in particular, was the serious economic hardship that would be created throughout the Northeast. Many shippers who handle bulk commodities, being totally dependent on rail service, could not use truck transportation even if it were available, and the loss of rail service would force them to go out of business. Still others could turn to trucks, but only if they were willing to forfeit their competitive advantage, which could make it impossible for them to stay in business. Even the shippers who retained some, but not all, of their rail service face the loss of a portion of their markets.

Some consignees cannot obtain products by any other method than rail, because of the nature or size of the material, or both. Certain hazardous materials can only be received by rail, and some industrial shippers, including power plants, need huge pieces of machinery which are far too large to be moved by truck. Still other consignees could receive materials by truck, but their shipping facilities are geared entirely to rail service. The cost and inconvenience of shifting to truck service would be substantial, and could lead to the closing of a marginal plant and its relocation outside the region.

Local, state, and federal government officials were particularly concerned with the loss of jobs that would be caused by rail abandonment. Although total figures are difficult to estimate, abandonment of lines marked as potentially excess in the DOT Report could destroy several hundred thousand jobs, with a commensurate loss of tax revenue and increased welfare costs for the affected areas. Almost unanimously, witnesses agreed that abandonment on this scale would have a massive and disastrous effect on employment.

Even more important than the actual economic loss caused by rail abandonment would be the effect of economic retardation on an expanding economy. Hundreds of witnesses testified that their commercial and industrial expansion plans would grind to a halt without continued or improved rail service. Many industrial parks have been deliberately planned along rail lines, only to find that their rail service might now be cut off. In the midwest, hundreds of grain elevator operators are expanding their grain handling facilities in anticipation of bumper crops. Any discontinuance of rail service would seriously affect the viability of this commercial expansion and the financing upon which it is based.

Rail abandonment would also affect the programs of local and state planning agencies. Some states, such as Connecticut, have sophisticated land use plans which contemplate the clustering of industrial sites around rail facilities. Zoning decisions have been made on the assumption of continuing or improved rail service. Highway departments are basing their road construction estimates on the ability of railroads to transport more and more commuters.

PASSENGERS AND THE ENVIRONMENT

The DOT Report, by its own admission, did not consider two other major goals of the Act—the establishment of an improved high-speed rail passenger system and the attainment and maintenance of environmental standards.

All witnesses concerned with the environmental issue agreed that without the continuation and expansion of existing rail service, environmental degradation is assured. A good deal of comment concerned the Clean Air Act Amendments of 1970. Metropolitan jurisdictions such as Philadelphia, Baltimore, Boston, and especially New York are relying on growing rail service to decrease exhaust emission pollution. Without rail service, heavily urbanized states agree that they will be hard pressed to meet federal air quality standards.

Environmentalists also criticized the DOT Report for implicitly encouraging increased road and highway construction. There is no doubt that such construction would be required in some areas if rail service were lost. The cost of constructing one mile of a federal highway can be 100 times greater than the cost of constructing a mile of rail track. Furthermore, in most cases, rail rights-of-way already exist, waiting to be used. On the other hand, new highway construction is time-consuming, costly, and often produces social dislocations.

Environmentalists also pointed out that rail cutbacks will deal a serious blow to fuel conservation. The United States no longer has such extravagant petroleum resources that it can afford to encourage inefficient transportation modes.

Dismay was also expressed that the Act removed the Final System Plan from certain Environmental Policy Act requirements. Many persons expressed the

hope that the Final System Plan will studiously observe the language in the Act which calls for a close scrutiny of environmental considerations.

Passenger groups were similarly concerned that DOT identified as potentially excess many lines needed for passenger service. In Baltimore, city officials agreed that reutilizing existing rights-of-way for passenger service is clearly preferable to increased highway construction or expensive rail rapid transit. Similarly New York City is anxious to increase its rail passenger service. The recent combination of high gasoline prices and long lines at the service station has caused a noticeable increase in rail passenger volume. Numerous witnesses from the New York area testified that they could not tolerate the proposed abandonment of essential commuter rail lines.

Witnesses from several areas, including Fredericksburg, Virginia, the Catskills in New York, the Poconos in Pennsylvania and Cape Cod, Massachusetts, pleaded for continued or improved rail service to carry tourist traffic. These areas experienced a slowdown of business during the fuel shortage, and the tourist industry is anxious to encourage non-auto transportation modes, not only to promote conservation, but also to reduce automobile traffic in recreation areas.

The view was also expressed that the Corporation should be required to set up commuter service on existing lines. Past experience, such as that of the Chicago and North Western railroad in Chicago, was pointed to as indicating that some commuters prefer fast and reliable rail service to the automobile.

OTHER SUGGESTIONS AND COMMENTS

Various witnesses at the hearings made suggestions which, while they do not relate directly to the rail restructuring process detailed in the Act, nevertheless are deemed worthy of reporting. Among these views and recommendations are the following:

Provision should be made for public interest, environmental, and passenger representatives on the Association Board of Director. The public interest will not be adequately represented without such membership.

Any rail service restructing should consider the needs of the handicapped, as service for handicapped persons is now inadequate.

Only a minimum amount of track should be abandoned, but that which is eliminated should be kept in a "track bank" to meet rail needs which may emerge in the future. If the rail trackage is actually removed, the rights-of-way should be transferred to the public domain, since they would be ideally suited for walking and cycle paths, horse trails, linear parks, or malls. It was noted that railroad rights-of-way often represent the only linear recreational land available for public use in urbanized areas.

The Federal Government can no longer afford to continue massive subsidization of air and highway transportation while ignoring the railroads. The railroads are currently saddled with unreasonable tax and regulatory burdens that must be remedied by Federal help. Furthermore, without substantial regulatory reform and capital subsidy programs, mere operating subsidies will be ineffective.

Regulatory policies, as administered by the Interstate Commerce Commission, should be altered either to permit less (or no) economic regulation or to treat railroads as true public utilities with guaranteed rates of return; to require necessary upkeep of rail plant; and to require the keeping of accounts which would permit the ready computation of branch line costs and revenues.

Several witnesses were of the view that rail rights-of-way should be nationalized and rail companies charged a fee for their use, like federal highways. This seems to be a reflection of the philosophy expressed in much of the testimony that rail transportation is a necessity of modern life and should be subsidized if necessary to meet the public need. "Financial viability" was criticized again and again as an improper criterion upon which to base the decision for continuation of rail service. Rather, "public need" emerged as the more appropriate benchmark for measuring rail service.

Overall, the proceedings highlighted the depth and breadth of public frustration and concern with the present state of rail services, as well as what individuals perceived to be the misguided direction of the proposed rail planning process. The overwhelming sentiment expressed during the hearings, and in the written submissions, was that the restructured rail system must consider the social, economic, and environmental needs of the local communities throughout the region. For this to happen, the public insists that the planning process should include ongoing, informed public participation.

EVALUATION OF THE DOT REPORT

The Congress, in enumerating the duties of the Rail Services Planning Office, listed as its first responsibility that it should "study and evaluate" the Secretary of Transportation's Report on rail services in the region. That Report, as required by the Act was published on February 1, 1974, and contains the Secretary's "conclusions and recommendations with respect to the geographic zones within the region in and between which rail service should be provided and the criteria upon which such conclusions and recommendations are based." The quoted language, taken from section 204 (a) of the Act, constitutes the Congressional directive pursuant to which he prepared and issued his Report.

The Secretary looked primarily to the economics of railroad service, and attempted to develop quantitative, statistical guidelines which would aid the Association in making route selection and other decisions affecting future rail service in the region. He conceded that such other statutory goals as environmental protection and job preservation were not considered in framing his recommendations, and he made it a point to urge the Association to give full consideration to these and the other factors which the Act requires be taken into account.

A stated purpose of the DOT Report was "to launch the planning process" for reorganizing and restructuring the region's rail system and "to give direction" to planning for the provision of rail service. Its objectives were to describe the existing system, to analyze capital and operating problems and possible improvements that must be realized, and to provide recommendations on restructuring and consolidation.

The DOT Report concludes that a fundamental reorganization and restructuring of the region's railroads is required if the policy directives enunciated in the Act are to be fulfilled, and that this will provide improved capital productivity and a viable financial base, leading to higher quality rail service. It finds that the interstate mainline system should be consolidated into a high volume upgraded network, coordinating operations and sharing facilities where practical; that local service requirements generally should be met by single rail carriers in a given area; and that nonprofitable rail facilities should be abandoned or subsidized. It visualizes competition on the local level as being provided by carriers of other modes, with intramodal competition retained only on the interstate network between main traffic generating centers. Its result is seen as rail financial self-sufficiency.

The DOT Report further concludes that the restructuring process can improve effectiveness of competition, balance (indirectly) federal investment among transportation modes; increase the ability of the railroads to attract investment capital; and improve operating efficiency and service quality. While stating that significant improvements can be realized in operating efficiency through increased labor and capital productivity, the Report states that "The Act does not provide any direct mechanism" for modifying "inflexible labor work rules," in which there is "one of the greatest opportunities for increasing productivity." Thus, the Report concentrates on the "development of recommendations for improving the operating efficiency of both the bankrupt and solvent railroads in the region" as the method for improving capital productivity.

This section addresses those aspects of the DOT Report relating to:

Approach taken
Sources of basic data
Methodologies used
Evaluation of assumptions and criteria

The Office believes that a thorough review of these factors will be helpful to the Association in developing a viable railroad network for the region.

It should be noted here that the discussion of the data sources and methodology used by DOT in its Report is based

on many hours of conversation with Federal Railroad Administration staff members. They willingly gave of their time and experience, and the Office wishes to acknowledge its appreciation.

BASIC APPROACH TAKEN BY DOT

There is no question but that the DOT Report can be credited for "launching the planning process." Despite the fact that it was widely misunderstood, as indicated in the preceding section of this report, and perhaps because of the direction taken by that misunderstanding, it served to alert the public to the very real dangers which threaten the continuation of rail service in the region. The number of lines identified as "potentially excess" in the DOT Report brought home the fact that many rail services have become unprofitable, and that the possibility of a shut-down by at least some of the railroads in reorganization is a real possibility.

As indicated previously in the discussion of the public testimony, a reader of the DOT Report can only come away with the conviction that the Secretary has concluded that the basic cure for the problems of the railroads in the region is major surgery—in the form of excision. Two of his formal conclusions reinforce this interpretation. He finds that:

> In order to achieve improved productivity, the existing, highly duplicative and underutilized individual railroad interstate mainlines in the region should be consolidated into a high volume, upgraded interstate network.

and,

> The existing, highly duplicative, feeder and local service network used for local rail services should be streamlined by permitting the abandonment of rail facilities which are not financially self-sustaining.

It is unquestionably true that there are excess rail lines in the region. Some are branch lines which do not, and will not, generate enough traffic—or the right kind of traffic—to turn a profit or otherwise to justify their continued existence. Despite hardships to individual users, their retention cannot be supported through cross-subsidization by users of other parts of the rail system, nor are they important enough to the national or regional economy to warrant their receiving public subsidies. Others are routes which can be identified as carrying traffic that could be diverted to other rail lines with no diminution in service quality, and with resulting reductions in costs and increases in efficiency—that is, assuming that the available alternate routes are in good enough physical condition to carry the additional traffic.

The first question which must be asked about the approach of the DOT Report is whether large scale reductions in rail mileage will solve the problem which the Act was designed to solve—the economic ills which beset the railroad industry and which resulted in wholesale rail bankruptcies in the region. While the definitive analysis of this point has not yet been done, there are indications, at least, that abandonment of substantial amounts of rail line will have relatively little impact upon railroad profitability compared to such other factors as the high cost of terminal operations in the Northeast, labor costs, and the debilitating and expensive effects of many years of deferred maintenance. The Penn Central Trustees, in support of their previously advanced proposal to reduce their 20,000 mile system to about 15,000 miles, estimated that the 5,000 mile track reduction would result in annual savings of about $20 million. Considering that Penn Central has consistently reported annual losses in excess of $100 million, it is clear that the savings of even $20 million would go only a short way toward solving its long-range financial problems.

Even accepting the fact that a good deal of pruning of the railroad plant is called for—whether or not it will prove to be the panacea which some seem to think it will—it must be asked whether the process followed by the Secretary and described in the DOT Report is an acceptable method for determining which lines should be incorporated into a new rail system. At this point, it seems worth stressing that the task faced by the Association is not to decide which lines should be abandoned in order to improve the health of existing railroad companies. It is to select those lines, and other facilities as well, of the unreorganizable bankrupts which are to be purchased for the Corporation in order to create a self-sufficient and viable system, capable of meeting the public need for rail service and of meeting the other goals outlined in the Act.

The Secretary was not called upon to make suggestions as to which yards and terminals, and other facilities, such as car and engine shops, should be included in the basic system. Nevertheless, the location of such facilities, and especially railroad yards, is an important factor in deciding which mainline routes can be operated most efficiently. Also, and obviously, the system must include those lines that provide access to principal terminals. Perhaps not so obvious, but of vital importance nevertheless, is that lines must be included which provide access to available equipment repair facilities. The failure to take these factors into account constitutes a major flaw in the DOT Report's approach to route selection.

We must agree with those public witnesses who questioned whether there would be enough lines remaining after applying the DOT criteria to form a rail "system" at all. Efficient routes handling substantial volumes of traffic would be eliminated in favor of others which today are less direct but, largely because of their ownership, more heavily utilized. In other cases, routes which appear superficially less efficient than others, but which in fact may have more favorable grades or clearances, were listed as potentially excess. While points originating and terminating large traffic volumes may retain direct rail connections, trackage between major rail yards—equally important—is often dropped. And even if historical carload counts can be effectively used for a preliminary screening of unprofitable rail lines, it seems clear that the "thresholds" adopted by DOT, and described below, were set at unreasonably high levels. In short, the results of the DOT Report do not encourage faith in any statistical method as a basic route selection guide.

SOURCES OF BASIC DATA

The DOT Report draws on two basic sources for traffic volume data—the 1969 one percent waybill sample and 1972 carload origination and termination data supplied by Class I railroads. DOT's dependence on these data sources in developing the recommendations and conclusions warrants discussion of their application.

1969 One Percent Waybill Sample

Results of a sample of waybills collected continuously from Class I railroads are published periodically. The 1969 one percent waybill sample was used by DOT to develop origin-destination traffic flows between zones in the region. This traffic flow information was the basis for recommendations as to routes able to support competitive service.

The importance of traffic flow in the route selection process requires that additional pertinent data be collected for evaluation by the Association. The Office recommends that the traffic flow data collected cover several years in order to minimize the effect of anomalies in the traffic volume for a given year, and that waybill sample data be used with care, or supplemented with complete data or larger samples, when applied to short or low-volume lines.

1972 Carload Origins and Terminations

The carload origin and termination data, collected from the railroads for 1972, were the basis for determining which stations were to be recommended for direct local rail service. Frequently, these data do not accurately reflect the origination and termination points of the traffic. Further, data for a single year cannot provide a sufficient base for developing local service recommendations.

The 1972 carload data represent traffic at billing points, which in many cases are not the origination or termination points. We found many instances in which traffic originating at a point was not reported at that point but was included in the carload generation total for the billing point. As a consequence, the origin point was often not recommended for direct local rail service, although it actually generated sufficient traffic to satisfy the local service criteria.

A single shipper located at Yatesville, Pennsylvania in Zone 72 generated 610 carloads in 1972. Yatesville is 1.4 miles from the nearest viable rail station (Pittston). This traffic was not shown for Yatesville and, as a result, Yatesville

was not recommended for service although it exceeded the "DOT Upper Criteria." (The "DOT Upper Criteria" is discussed later in this report under the heading "Development of the Local Service Network".) A shipper at Berea, Ohio, in Zone 94 generated 535 carloads in 1972. Berea is approximately 3 miles from the nearest viable rail station, but was not recommended for rail service because the traffic volume was not credited to Berea, the point of origin.

Testimony at the hearings highlighted the effects of Hurricane Agnes on the 1972 traffic data, demonstrating that this was not a typical year. The Office further believes that data for any single year will include factors skewing its traffic volume from the average. In 1973, for example, rail grain and soybean movements were significantly higher than average.

The Act requires that the future rail service needs of the region be addressed in the restructuring plan. The initiation of service by the Corporation is still at least one and one-half years away. The Corporation must be structured to meet the needs of that and subsequent future periods. The Association's traffic data, as a result, should include projected traffic demands for those periods. We suggest 1980 as being a reasonable time horizon for the Association's planning function.

The Office recommends that, in preparing the Preliminary and Final System Plans, the Association:

(1) Collect information on consignees and consignors by billing stations to facilitate the identification of actual traffic origination and termination points.

(2) Use traffic data from several years to minimize the effects of anomalies in any given year.

(3) Project future traffic requirements through 1980.

Inadvertent Errors

In reviewing testimony on stations generating sufficient traffic but not recommended for service, the Office found errors in DOT's analysis. In a number of instances, we found that a point was not recommended for service even though traffic had been properly credited to its origination point and the volume was sufficient to exceed the "DOT Upper Criteria". Two examples are Lyons Falls, N.Y., Zone 44, and Akron, N.Y., Zone 49.

The Department of Defense highlighted a similar error in Zone 131. In DOT's analysis, the traffic volume for the Joliet, Illinois, Army Ammunition Plant (AAP) was grouped with traffic for the City of Joliet, and Joliet AAP (shown as Joliet AR 1 and AR 2 on the Zone Map) was not recommended for direct local rail service. If the traffic volume had been properly credited, the Joliet AAP would have exceeded the "DOT Upper Criteria" for direct rail service from Joliet, approximately 15 miles away.

Although the Office recognizes the difficulty of avoiding errors in a study of this magnitude, the Association must take steps to minimize them in formulating the Preliminary and Final System Plans.

METHODOLOGIES

In developing recommendations for the restructured rail system, DOT evaluated:

Points recommended for direct local rail service

Potentially excess rail lines

Major interstate traffic flows

Competitive interstate rail services

Testimony presented at the hearings indicated that many witnesses were confused about the methodologies used in the analyses. This was particularly evident in the analysis of local rail service and in the designation of potentially excess rail lines.

Following is a description of each DOT methodology with critical or key decision points highlighted. Where applicable, a decision flow chart is provided.

Direct Local Rail Service

DOT's methodology for determining points recommended for direct local rail service was a two-step procedure: the first step identified major traffic centers; the second evaluated lower volume points relative to the major traffic centers (Figure 1).

The data source for this analysis was 1972 carload origination and termination information provided by the railroad companies in the region. These data, as highlighted earlier, represent the billing point for a shipment, and thus not necessarily the origination or termination point of the movement. As a result, the annual carloads originated or terminated at a particular point may not be accurate if the billing point is different from the origination point.

The methodology used in analyzing direct local rail service was:

Step 1—Identification of major traffic centers

1. Determine the annual carloads originated or terminated at each station (subject to limitations of using billing points rather than origination points).

2. Eliminate all stations originating or terminating less than 75 carloads per year.

3. Identify all stations generating 5,000 or more carloads per year as major traffic centers.

Step 2—Evaluation of lower volume points

4. For each rail line at a major traffic center, determine the distance to the nearest station which generates 75 or more carloads per year.

5. Apply "DOT Upper Criteria" to the station, using the carloads generated and the distance from the major traffic center.

6. If station does not meet criteria, repeat (5.) for the next station.

7. If station does meet criteria, station is recommended for local rail service and the line from the major traffic center to the station is considered viable.

8. For successive stations along the line, the "DOT Upper Criteria" is applied using the distance from the nearest station recommended for local rail service.

9. For branches connecting to a line considered viable (but not directly connecting to a major traffic center) the criteria is applied using the distance from the station to the junction with the viable line.

Three decision points, shown as diamonds on the decision flow chart, are critical in the methodology. These are:

Exclusion of stations generating less than 75 carloads per year

Establishment of 5,000 carload per year threshold level for major traffic centers from which lower volume points are evaluated

Application of "DOT Upper Criteria"

Their impact on recommendations of points for service should be determined by the Association.

The Office performed preliminary sensitivity analyses on these decision criteria. The results indicate that the recommendations of points for local rail service are sensitive to changes in both the "DOT Upper Criteria" and the 75-carload criteria, with the effect of the former over-shadowing the latter. The results, however, are generally insensitive to reductions in the 5,000 carload threshold in establishing major traffic centers.

FIGURE 1

DETERMINATION OF POINTS RECOMMENDED FOR DIRECT LOCAL RAIL SERVICE
DECISION FLOW CHART

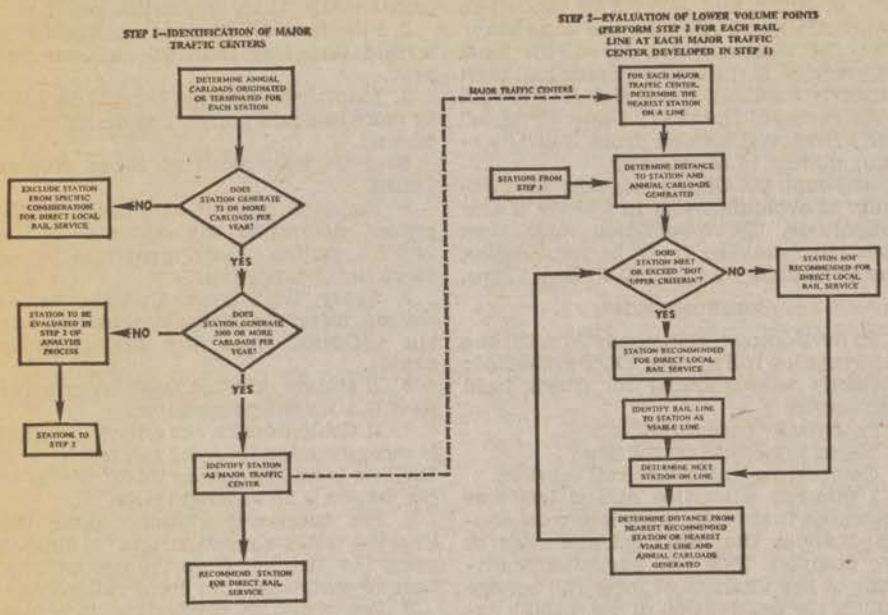
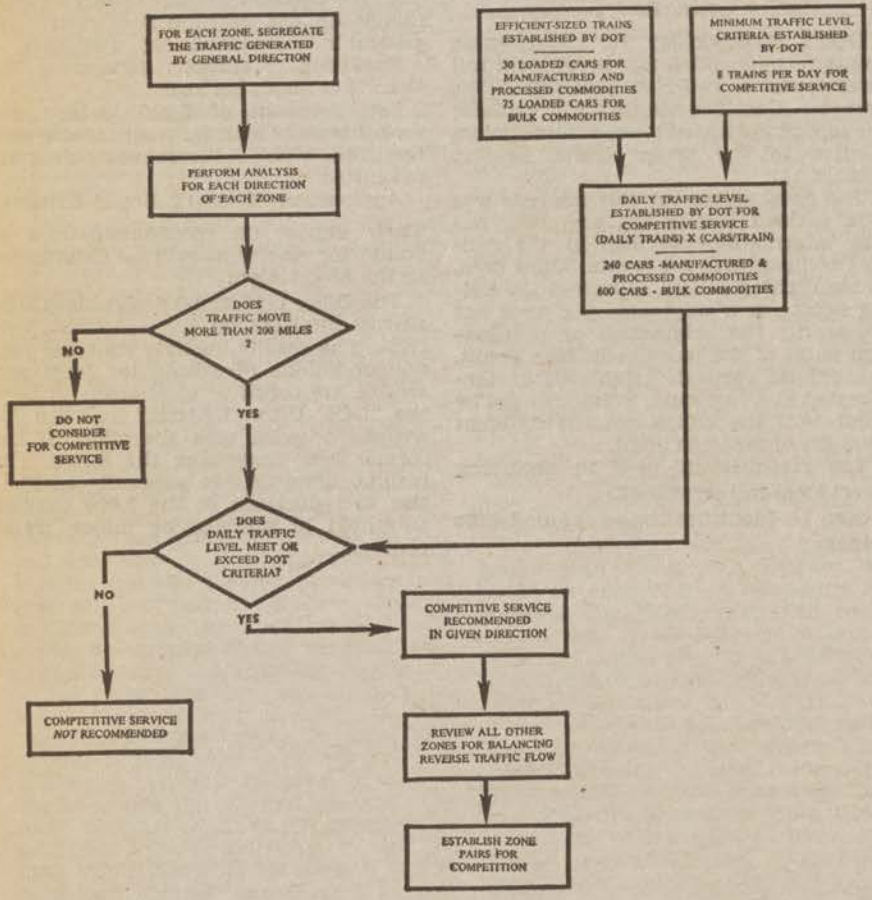


FIGURE 2

IDENTIFICATION OF ZONES WHICH SHOULD RECEIVE COMPETITIVE SERVICE
DECISION FLOW CHART



Potentially Excess Rail Lines

In DOT's methodology, a line would not be identified as potentially excess if it met any of four criteria. Basically, a line would not be excess if it were the only line serving a point or area recommended for direct rail service or if it were an alternate line which also satisfied additional criteria (Figure 2).

To be retained, a line must:

Provide the only rail connection at the;

Local Level—a line was the only line serving a station recommended for direct rail service, again subject to the limitations of using billing points rather than origination points

Feeder Level—a line was the only line connecting an area of recommended points with a mainline

Provide an alternate line at the;

Local Level—an alternate line to a station recommended for direct rail service was retained if the line also met "DOT Upper Criteria"

Feeder Level—an alternate line connecting an area to the mainline was retained if existing traffic density on the alternate line met certain minimum criteria (annual densities of 10 million gross tons for bankrupt carriers' lines or 5 million gross tons for solvent carriers' lines)

Major Interstate Traffic Flow

DOT's determination of the major traffic flows in the region was based on the 1972 carload origination and termination data and other information on existing densities on mainlines in the region, and was not based on specific criteria. The major traffic flows generally reflect the existing traffic flow pattern in the region.

Competitive Interstate Rail Service

The methodology followed by DOT in recommending zones for interstate competition is illustrated in the decision flow chart in Figure 3. The methodology used in analyzing competitive service was:

1. For each zone, determine the annual carloads originated to and terminated from other zones, grouping the other zones by general direction from the zone being evaluated.

2. Eliminate the traffic of all zones within 200 miles of the zone being evaluated.

3. Determine those directions in which sufficient traffic is handled to require eight "efficient sized" trains a day. An "efficient sized" train was defined by DOT to be 30 loaded cars for manufactured and processed commodities or 75 loaded cars for bulk commodities.

4. Evaluate other zones with sufficient traffic to satisfy the competition criteria in order to balance the traffic flows between zones selected for competitive service.

The 1969 one percent waybill sample was the data source for this analysis. The results are affected by considering only the traffic from a single zone and not aggregating the zones into groups representing economic areas. The results are

also influenced by the exclusion of extra-regional and overhead traffic in the analysis. If a zone generated traffic for destinations or received from origins outside the region, this traffic was not included in the zone's traffic flow. Similarly, intra-regional traffic passing through a zone, but not originating or terminating in the zone, was not considered in the zone's traffic flow. Inclusion of extra-regional and overhead traffic in a zone's flow might be sufficient to put the zone over the eight daily trainload competitive service threshold.

The definition of "efficient sized" trains and the establishment of the eight daily train threshold are critical elements in the competitive service methodology. These are evaluated in the following section, Assumptions and Criteria.

The Office recommends that the Association review the competitive service methodology and determine the effects of the considerations discussed above.

ASSUMPTIONS AND CRITERIA

Certain assumptions, criteria, and methodologies incorporated in DOT's Report are critical in the development of DOT's recommendations. This section addresses the Report's basic cost assumptions, the assumptions and criteria involved in developing the interstate network, and the criteria used in analyzing local rail service.

COSTS

The primary cost considerations addressed by the DOT Report are the estimates of the cost of track and roadway modernization and maintenance, and the variable costs for railroads in the region. Local rail service costs, also quite significant, are discussed separately.

In developing the total cost for a consolidated rail system, DOT estimated the cost of a major rebuilding of signalled track at $225,000 per mile, and a minor rebuilding of signalled or unsignalled track at $20,000 per mile. DOT estimated the annual cost of maintaining modernized track and roadway at $12,000 per mile for signalled track and $5,000 per mile for unsignalled track. The basic data sources for these estimates are studies performed around 1968 on the costs of maintaining track and roadway. These studies were performed prior to the issuance of the Federal Railroad Administration (FRA) track safety standards and revised cost estimates in light of these standards would be adviseable.

Modernization. Evaluation of the costs of rebuilding track and roadway requires detailed consideration of the unit costs for each major cost element. Cost estimates for subgrade and ballast, ties, rails, and signal systems must be reviewed in detail. The Office recommends that the Association determine actual costs for these major elements so that costs of upgrading lines can be considered in the selection of interstate routes in the Preliminary System Plan.

Maintenance. Maintenance costs were estimated primarily by class of track (FRA Track Safety Standards), traffic density (annual gross tons), and the percentage of the line having a high degree of curvature. The Office agrees with the general classes of variables included, but believes that the Association should strive to develop a more specific formula than DOT's for estimating the actual maintenance costs to be incurred.

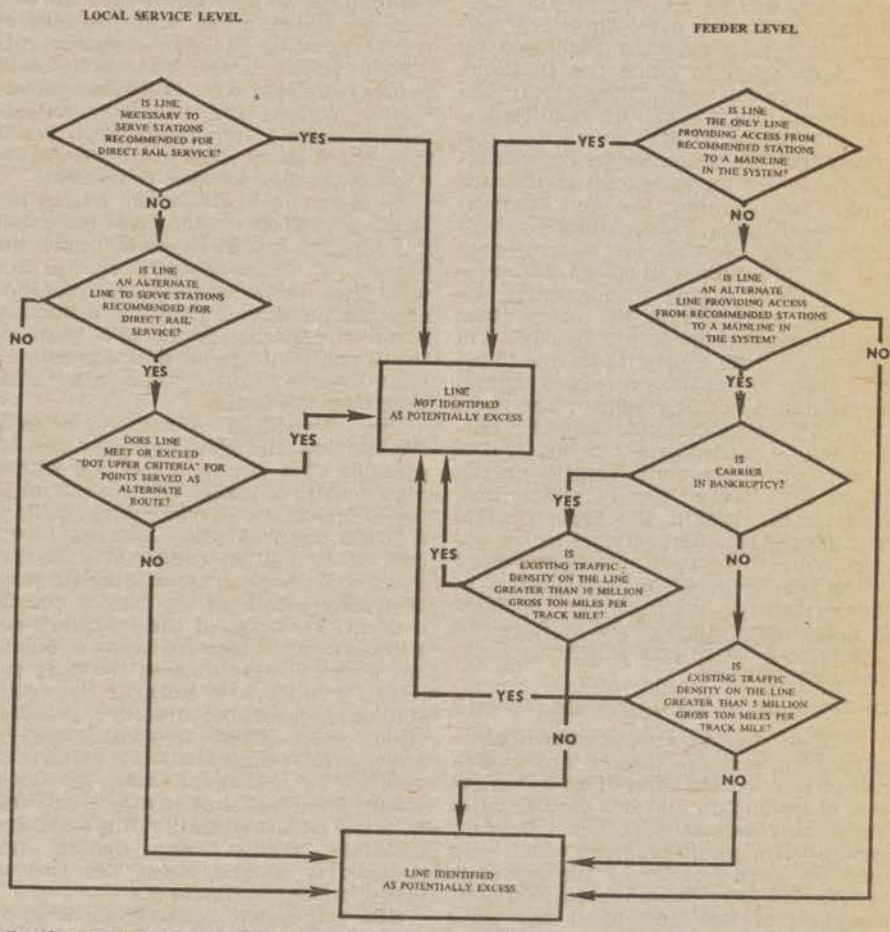
Because of the importance of rebuilding and maintenance cost estimates, the Office recommends that the Association begin immediately to determine the actual costs of rebuilding and maintaining the track and roadway in the region.

Variable costs. The DOT Report takes the position that the greatest potential for improving capital productivity lies in increasing the rate at which rights-of-way and yards are utilized, thus reducing variable costs. The Report concluded also that substantial savings would result from the consolidation of services and traffic flows.

We are in complete agreement that increases in productivity can be obtained through the improvement of yard and terminal facilities. There is probably no single area in which costs could be more quickly reduced, and service improved, than in the modernization and rationalization of terminal facilities. The DOT Report provides a vivid description of the Philadelphia terminal situation. Three major railroads, Penn Central, Reading, and Baltimore and Ohio, operate in yards and at terminals located, and in some instances constructed, in the nineteenth century. Service is provided at many small and widely scattered team tracks. Cars are delivered to shippers over decrepit tracks running down the center of city streets. Costs are high, and the service provided often very poor.

FIGURE 1

DETERMINATION OF POTENTIALLY EXCESS RAIL LINES
DECISION FLOW CHART



In the port area around Newark, New Jersey, three railroads now operate yard facilities—Penn Central, Central of New Jersey, and Lehigh Valley. None operates its yards to their design capacity, although some of them are in such poor condition that they are probably being used to the extent of their actual present capacity. Again, operating costs are high, and service is poor.

In both these situations modernization and consolidation of facilities would lead to far more efficient operation, lower costs, and far better service. The Association should look most carefully at this very fruitful field for accomplishing cost reductions and service improvements.

In line haul operations, too, there are opportunities for increased efficiencies and savings. The cost of maintaining a

line to 60 mile per hour standards, for example, is far greater than cost of maintaining it to 30 mile per hour standards. In many markets, there is no real need for two railroads to expend the capital and maintenance dollars necessary to have two high speed lines. One such line, built and maintained on a shared cost basis, would supply both with the capacity they need at substantial cost savings. Where closely parallel lines exist (as they do, for instance, between Buffalo and Cleveland) two carriers might well share both, maintaining one to high standards for passenger and fast manifest trains, and the other at a lower standard for lower speed mineral trains or local freights. These are possibilities which should be considered by the Association as it makes its selection of facilities for the restructured regional rail system.

It must be realized that the practical time constraints on major modernization and consolidation of facilities are great enough that little of the planned consolidation will be realized on the Corporation's start-up date. An interim coordination plan must be developed by the Association to guide the Corporation's operation until the capital improvement program can be completed.

Capital costs. While cost savings can undoubtedly be generated by consolidating and improving rail facilities, this will require considerable time and substantial capital outlay. Furthermore, the condition of the physical plants now operated by the railroads in reorganization—even without taking into account the need for constructing the connections which consolidation would require—will necessitate huge expenditures just to return them to the state at which normal maintenance can be resumed. The Penn Central Trustees estimate that $600 million will be needed over a period of 6 to 8 years to restore their facilities on the 15,000 mile "core" system which they consider essential if the Penn Central is to render essential services in the region. While this is not a subject addressed in the DOT Report, the capitalization of the Corporation, and the sources of funds to rehabilitate much of the region's rail system, is a major task which the Association must face.

Development of the Interstate Network

DOT developed its recommended locations for interstate—that is, long-haul—rail services on the basis of an examination of traffic flow and line density data. Those corridors selected for interstate service, then, are simply those which were used the most heavily by the railroads in 1972. The DOT Report contains several examples of how individual rail lines within these interstate corridors might be selected, but it does not attempt to describe the entire interstate rail system for the region.

In DOT's view, existing mainline track in the region is largely under-utilized. It believes that major efficiencies can be accomplished by consolidating parallel routes and eliminating duplicative trackage from the mainline system, by downgrading some mainlines, and by the implementation of joint operating agreements.

These conclusions, in turn, are based upon a single major assumption; that is, that 30 million gross ton miles per track mile per year is a reasonable route density which can be achieved on a single track mainline with centralized traffic control.

Rail system capacity. In support of its conclusions concerning rail line capacities, the DOT Report presents theoretical engineering capacities for single and double track mainlines with automatic block signals or centralized traffic control. In our view, however, the capacity of a rail line is not readily subject to generalization. Numerous factors affect the practical capacity of a given section of track, and this is true whether or not a signal system is present. Capacity depends on grades, curves, clearances, track conditions, location and length of sidings, local switching performed, the requirement to slow down through certain populated areas, and the mix of trains operating at different speeds. Additional considerations include the need to make allowances for equipment breakdowns, delays, and necessary out-of-service periods for maintenance activities, particularly those involving the use of on-track maintenance equipment.

It must be realized, in evaluating DOT's goal of 30 million gross tons, that line capacity is more dependent upon the number of trains operated over a segment than on the accumulated gross tonnage on the line. Congestion, a limiting factor of capacity, occurs as a result of the number of trains and the mix of train speeds rather than the gross weights of the trains.

The Northeast Corridor between Washington and New York provides an example of a line in the region with a high density of trains. Despite the number of trains, the Corridor does not have a single segment which exceeds DOT's goal of 30 million gross ton miles per track mile per year, because the Corridor is multiple-track in the higher density sections. Segments of the Corridor have a broad mix of trains operating at different speeds. These include 100 mile per hour Metroliners, 80 mile per hour conventional passenger trains, commuter trains which make frequent stops, 60 mile per hour manifest freight trains, 40 mile per hour mineral trains, and local trains. We doubt that anyone is satisfied with the resulting quality of service, and certainly neither Penn Central nor Amtrak is pleased about the cost of operations in the Corridor.

The rail system capacity assumed by DOT is, of course, entirely theoretical, representing the engineering or design capacity. To achieve capacities approach those suggested by DOT would require, to say the least, a highly disciplined operation. Individual priority could not easily be given to any particular class of train; operating trains at different speeds, with the associated overtaking and passing problems, and operating trains having different schedules of stops, would be difficult if not impossible.

We recommend that the Association determine the actual practical operating capacities of lines in the region early in the planning process, and not rely upon theoretical engineering or design capacities.

Competitive service. In connection with its consideration of the interstate rail network, the DOT Report takes up the question whether particular rail routes have sufficient traffic to justify the retention or establishment of competitive rail services. In making the determination whether a particular market or transportation corridor can support more than one rail carrier, DOT established a threshold of at least eight trains per day moving at least 200 miles. The eight train figure was selected without any apparent analysis, simply on the basis of the assumption that one train in each direction twice a day for any one railroad would be sufficient to provide an acceptable level of service. Thus, where two railroads are operating in the same market, the total number of trains per day would be eight. Our discussion of the DOT method for determining whether there was enough traffic to permit operation of eight trains per day and of the 200 mile distance threshold are discussed later in this subsection.

The volume of traffic which flows between any two zones depends, obviously, upon the delineation of the zones themselves. Other analyses contained in the DOT Report, particularly that of local rail services, were performed without regard to zone boundaries. The recommendations concerning interstate rail corridors in which competition is warranted, however, are very heavily dependent upon zone definitions.

The zones do not reflect the best demarkation of concentrated traffic generating areas for analyzing interstate rail service. Since traffic flows from adjacent zones were not aggregated to evaluate the flow from a general area, and since some zones, particularly in the New England States, were quite small in size, the Office recommends that the Association evaluate various redefinitions and aggregations of zones in analyzing long-haul rail service needs.

Train size. As noted, DOT's determination of whether there should be competitive rail service in particular traffic corridors was based on its conclusion that a minimum of eight trains per day in a corridor would be necessary to support competitive service. Inasmuch as data were not readily available concerning the number of train movements, it was necessary to devise a means of proceeding from the available carload data to a determination of the number of trains moving between particular points. This, in turn, necessitated the determination of what an average or ideal train size would be.

An average train size of 30 loaded cars was used in the DOT Report in analyzing

existing interstate traffic patterns. This figure was developed by adjusting the 1972 eastern district average of 38 cars per train to offset the effect of longer unit trains.

Two points deserve consideration in evaluating the 30 car average. First, DOT provided no justification for eliminating the longer unit trains and retaining the shorter, local service trains in deriving the adjusted average. Second, since the 38 loaded car average includes all types of trains, using it may result in an understatement of the average through road train size.

DOT defined an "efficient sized" train as 30 loaded cars for manufactured and processed commodities and as 75 loaded cars for bulk commodities. Because this definition may be significantly below the actual number of cars in a through train, the number of cars required to meet the eight daily trainload threshold for competitive service may in turn be understated.

Although it does not play a role in the analysis performed in the DOT Report, we think it advisable to say at least a few words about the concept of frequent, short trains as opposed to the operation of fewer and longer trains. The DOT Report describes an "efficient sized" trains as having only 30 loaded cars, but it should be emphasized that there is sharp division of opinion in the railroad industry as to whether this in fact is so. The benefits attributed to the operation of short trains include improved service, greater reliability of service, more level demands upon yard facilities, reduced train delay, and higher utilization of capital equipment resluting in higher productivity.

On the other hand, the use of short, frequent trains requires increased manpower to provide crews for the greater number of trains. In many instances, individual railroads have determined that the increased labor costs outweigh the benefits of short, frequent trains. What is in fact an efficient sized train is a dispute which can only be resolved by considering specific factors involved in particular situations.

The 200 mile distance threshold. In addition to the eight trains per day requirement, the other principal criterion applied by DOT in recommending whether competitive rail service should be provided was that the traffic generated must move at least 200 miles. In determining to use a distance threshold to aid in making the competitive service decision, the DOT reasoned that over distances where motor carrier service was truly competitive, or had the competitive advantage, there was less need for intramodal rail competition than over longer distances where intermodal competition was less effective. The source of the 200 mile threshold was the 1972 National Transportation Report which compared rail and truck costs for various lengths of haul. DOT found the rail-truck economic breakeven point—that is, the point at which the competitive advantages between rail and truck transportation on a average haul shifts—to be 200 miles.

From our review of the data in the 1972 National Transportation Report, we conclude that the rail-truck breakeven distance would more nearly approximate 150 miles. Further, a 10 percent reduction in rail costs, which might be possible with restructuring, could result in a breakeven point near 100 miles. The Association should re-evaluate the 200-mile criteria to ascertain which is the more realistic figure on which to base a planning decision.

Mainline selection. One aspect of the DOT Report's consideration of the definition of an interstate rail system upon which we feel required to touch briefly is its classification of a section of track as "mainline" only if it is equipped with automatic signals. We believe that all lines should be evaluated by the Association as potential parts of the interstate rail system, whether signalled or not. It is possible that unsignalled routes may prove to have more favorable grades, curves, or clearances, or heavier capacity bridges, and that potential routes may be found which would present viable economic operating alternatives to existing signalled lines.

Other factors affecting the zone approach. One of the deficiencies in the zone approach adopted by DOT is the fact that it takes into account only the movements of traffic from and to the points at which they were originated, terminated, or billed. In actual fact, much of the heaviest rail movement is between rail yards which are often located at some distance from actual origin and termination points. Properly located modern yards assemble large volumes of traffic coming from all directions, performing classification in low cost or less populated areas and permitting trains to run through the more heavily populated urban districts.

Modern railroading practice provides the opportunity for preblocking, straight setoffs and pickups in yards, consolidation of traffic from or to several origins or terminals, and the ability to operate trains straight through to connecting lines. The data used by DOT in its analysis fails to reflect the heavy movement between major yards. This is reflected in the fact, for example, that the DOT Report finds as potentially excess sections of the principal Penn Central line which connects its modern yards at Indianapolis and Elkhart, Indiana. The DOT Report shows the basic interstate traffic flow from between the Northeast and St. Louis as moving in a straight line. In point of fact, the traffic over the Penn Central, the major carrier in this market, moves generally from St. Louis to the railroad's Big Four Yard at Indianapolis (built in 1960) then over the Indianapolis-Crestline-Cleveland, Ohio route and proceeds east over the favorably graded "water-level" route of the old New York Central Railroad. However, a large volume moves from the Big Four Yard north to Penn Central's Robert R. Young Yard at Elkhart, Indiana (built in 1958). Important connecting lines between these essential yards and junction points are listed as potentially excess in the DOT Report.

Development of the Local Service Network

The objective of DOT's study of local rail service was to exclude nonviable branch lines from the basic structure of the new rail system. In this section of the report we discuss the methodology on which the local service decisions were based.

Carload volume. The DOT Report implies that volume of traffic generated on a branch line is the key determinant in deciding which branch lines to include or exclude from the rail network. The "DOT Upper Criteria" applied to branch lines was based on loaded cars, without regard to their loaded weights or commodities.

The weakness of a carload volume base can be highlighted by considering two lines of similar length generating like numbers of carloads. If one line has a higher loading per car, or traffic with higher rates per mile, it will be the more profitable. However, both were treated equally by the carload-based "DOT Upper Criteria." Conceivably, the carload-based criteria could allow lines with low loading or low rates to qualify for service, and exclude lines which would generate more profit with fewer cars but higher loading or higher rates.

The DOT criteria applied to local service lines were based on a study by R. L. Banks Associates, "Development and Evaluation of an Economic Abstraction of Light Density Rail Line Operations" (Banks Report). This report developed a formula for estimating the profitability of hypothetical branch lines. Revenue per carload was developed from the statistics of Class I railroads while the costs included the operating characteristics of both the Class I railroads in the east and Class II railroads encompassing the entire United States. Because of the lack of specific data relating to the operations, costs, and revenues of specific branch lines, certain assumptions and estimations had to be included in developing the formula. These are specified in the Banks Report, along with cautions that the results "cannot be fully endorsed as buttressed on sound statistical theory" and "the purpose of the study, therefore, neither is nor could be to provide precise and final standards superior to the (ICC) 34-car rule."

Nevertheless, the DOT Report established the Banks formula as the standard for measuring branch line profitability, and for determining the traffic volume necessary for breakeven operation. The statistical uncertainty in the traffic volume measurement was addressed by establishing an upper and lower carload criteria. There is a 90 percent probability that the actual breakeven point occurs between these two criteria.

By recommending direct rail service only for those lines exceeding the "Upper Criteria," DOT required at least a 90

percent probability of profitability before recommending local rail service. For example, a 10-mile branch line in the region would require approximately 734 carloads per year to be recommended for service, although there is at least a 90 percent chance that the actual breakeven figure is below 734 carloads, possibly even as low as the 400 carload range.

Because of the difficulty in developing a formula applicable to all situations, and public demands for particularized treatment of specific situations, the Office recommends that the Association evaluate local rail service on an individual basis.

75 carload threshold. Although stations generating less than 75 carloads per year were excluded from specific consideration in the local service analyses (see our discussion above under "Methodologies"), the 75 carload threshold was overshadowed by the application of the "DOT Upper Criteria." As a result of applying the DOT "Upper Criteria," direct local rail service was not recommended for any station generating less than approximately 255 carloads annually.

While stations not meeting the "DOT Upper Criteria" were not recommended to receive direct local rail service, it was DOT's intent that these stations would continue to receive direct rail service if they were located on a viable line.

Service. Other factors not considered by DOT in developing its local rail service recommendations were the effects car shortages and poor service have had on traffic volumes. Because of car shortages, many shippers who wished to ship a greater number of cars by rail were unable to do so. Because of poor service, many shippers who would have preferred to ship by rail turned to other transport modes. As a result, the traffic volume for these shippers was artificially low, which, in some cases, excluded stations from being recommended for direct local rail service. The Association should take into consideration service and car availability when applying historical carload generation figures to specific situations.

Additional required criteria. Factors not considered by DOT, but which must be evaluated before a final decision can be rendered on the viability of a branch line, include:

1. Current physical condition of the fixed plant
2. Expense required to raise the track standards to an acceptable level
3. Annual maintenance cost
4. Commodities shipped
5. Annual tonnage and carloads handled by origination and termination points.
6. Annual tonnage and carloads handled on-line or interline.
7. Cost of entire through movement of branch traffic
8. Revenue derived
9. Impact on revenues and cost if short line railroads are formed.

A railroad's base cost information can be derived using the Commission's Rail Form A on an individual basis. This will provide unit costs for the through train movement of the branch line traffic and for local or way trains, which then can be adjusted for specific traffic characteristics.

Cost and revenue comparisons that should be made are:

1. Pickup and delivery of motor carrier vs. local or way rail operations—as a portion of the entire movement
2. Over the road trucks vs. through train operation
3. Feasibility of shippers engaging in private carriage

An evaluation should also be made of the capability of trucks to haul traffic generated by the branch line as well as ascertaining the location of all Trailer on Flat Car (TOFC) loading and unloading facilities in relation to location of industries not on viable lines.

It is our opinion that this type of information is a prerequisite for a proper evaluation of the branch line problem and for determining the alternatives available to both railroads and shippers.

Potential effect of new short lines. An implied concept of the DOT Report is that any branch line not included in the Final System Plan will either have its traffic handled by another mode of transportation or the affected industry will relocate. However, the government sponsored acquisition loan proposal created by Section 403(a) of the Act might induce shippers (through a local or regional authority) to purchase the trackage of nonviable lines and form their own short line railroads. The shipper would thus become a carrier and be entitled to a percentage division of the through revenue on the entire movement. The effect of this division of revenue on the total revenue accruing to the carrier presently serving the branch would have to be determined, as would the cost of the transportation services that still would have to be performed by the line-haul carrier.

This concept needs to be explored by the Association in developing its financial plans for the Corporation.

Intermodal breakeven analysis. Comparisons used by DOT to illustrate the short haul advantages of motor carriers over rail service were premised on the following:

The estimated rail resource consumption was based on the service involved in switching loaded freight cars at a shipper's siding, moving the loaded cars to a yard, switching them into a line-haul train, and delivering empty cars to the shipper's siding.

The estimated motor carrier resource consumption was based on placement of empty trailers at the shipper's location, pickup and movement of the loaded trailers to the railroad yard, placement of the load on railroad cars, and switching those cars into a line-haul train.

Thus, motor carrier cost is simply the substitution of TOFC service for freight cars. Since transportation characteristics are not the same for all types of cars, use of TOFC would affect the overall costs to the railroad.

The services described as being performed by a motor carrier resemble what is commonly referred to as drayage—the spotting or picking up of a trailer at the shipper's or consignee's place of business and delivering it to the railroad's loading facilities. It is usually based on a contract charge per trailer or per hundredweight and includes charges for origin and destination points contiguous to the railroad facility. Outside of this area, at some mileage breakpoint, a motor carrier charge would be asesssed for substituted service.

Rail costs and rates of the TOFC Plan under which the traffic would move would be affected by such items as who supplies the trailers and flat cars and who provides pickup and delivery of trailers.

DOT assumed that TOFC ramps or crane facilities were located near the branch lines at the gathering yards. The Association must evaluate this assumption since the location of yards retained in the Final System Plan will dictate the availability of intermodel facilities.

PASSENGER SERVICE

General

The DOT Report devoted scant attention to passenger service. It simply listed present intercity and commuter routes and their patronages and made the limited recommendation that the Association should devote special attention to passenger service. The Act, however, devotes considerable attention to passenger service. Goals of the Final System Plan include the efficient movement of passengers, coordination with Amtrak, and identification of corridors in which high-speed passenger service would return substantial public benefits.

In several instances DOT's recommendations, based on freight service considerations, would significantly affect Amtrak's existing intercity routes and existing commuter service. Portions of commuter and intercity passenger routes were designated as potentially excess, and segments of Amtrak's intercity routes were recommended for downgrading. For example:

Chicago-Miami and Chicago-Tampa/St. Petersburg. The Report recommends as potentially excess two segments of the present Amtrak line between Indianapolis, Indiana, and Louisville, Kentucky. This is the only direct route over which Amtrak can operate its Chicago-Florida trains and serve both Indianapolis and Louisville. Also, Amtrak is in the process of establishing an auto-ferry service in connection with its basic passenger operations, which will have its northern terminal in the Indianapolis area. There is no suitable alternative route.

Chicago-Cincinnati. The Report recommends as potentially excess the Amtrak route between Kankakee, Illinois, and Indianapolis. Amtrak is now detouring over a reasonable alternative route by way of Logansport, Indiana, due to

the condtion of the track between Kankakee and Indianapolis. The DOT Report recommends the Chesapeake and Ohio route between Cincinnati and Chicago as the primary route to be considered. Recognizing Indianapolis as an important traffic center, it suggests the Association may choose the Penn Central line which serves Indianapolis direct. The Association should give consideration to Amtrak's view that the Kankakee-Indianapolis route is the better one from a marketing standpoint.

Washington-Montreal. The Report designates as potentially excess the Central of Vermont portion of this route between Bethel and Essex Junction, Vermont. There is no alternative route which would allow Amtrak to serve Montreal via Penn Station, New York.

In addition to resolving these situations, the Association must ascertain the projected future needs for passenger and commuter service in its planning function. The Office recommends that the Association: (1) identify potentially beneficial high-speed passenger corridors; (2) project future passenger and commuter service needs; and (3) consider the retention of alternate lines for passenger service.

The Northeast Corridor

The Act requires the Final System Plan to provide for the establishment of improved, high-speed rail passenger service between Washington, New York, and Boston, consonant with the recommendations of the Secretary of Transportation in his report of September 1971 entitled "Recommendations for Northeast Corridor Transportation." That report, it should be noted, deals only with intercity passenger service, and does not include consideration of either commuter or freight movements on the corridor. These are factors which the Association must take into account.

The rail facilities in the corridor have been developed over the years to provide freight and suburban passenger service in addition to intercity passenger transportation. While none of these services is a necessary adjunct to the others, and each could be operated independently, there are significant cost savings and operating economies available from sharing the facilities. However, with increased volume and speed, interference has developed in performing freight and passenger services.

We have commented earlier on the already congested traffic conditions in the corridor, in which the problems presented by the sheer volume of traffic are aggravated by the train mix—roughly one-third each long-haul passenger, commuter, and freight, as measured in train-miles. In response to the sharply increasing passenger demand which it has recently experienced, and in expectation of increased population in the corridor (46 million in 1975, 52 million in 1985, and almost 60 million in 1995) Amtrak has recently placed equipment orders which would, it anticipates, allow it to double Metroliner service between Washington and New York within the next 16 months. It plans to go to 15 minutes scheduling of service between Philadelphia and New York City by mid-1976. Thus, it is reasonable to expect that passenger service in the Corridor will increase, and that speed requirements for Amtrak trains will continue to rise. Consequently, the compatibility of freight and passenger operations will be steadily diminished.

A goal which the Association should seek to achieve in selecting facilities for the regional rail system is the removal from the Northeast passenger corridor of as much freight traffic as possible. Clearly, all freight movements cannot be eliminated, for the corridor provides direct service to one of the most highly developed industrial and commercial areas of the nation. In 1971, Penn Central originated or terminated about 74,800 loaded cars for freight customers located on the southern half of the corridor between Washington and New York. While it would no doubt be possible to serve some of these customers from other nearby rail lines, many of them can only be served from the same tracks that are used for heavy passenger movements. The Association should undertake an analysis of how best to minimize interference with passenger trains without destroying the plant values of the customers.

If the amount of freight traffic on the Northeast corridor is to be significantly reduced, other routes for handling through shipments will have to be found, as will means for routing originating and terminating traffic away from the corridor mainline at a point as close as possible to the corridor customer's location. Some traffic would be susceptible to routing away from the corridor completely. Cars moving to many points in the South, for example, could be routed to connections with one of the several railroads serving Cincinnati, Ohio, or to the Norfolk & Western Railroad at Hagerstown, Maryland. For other traffic, alternative freight routes that closely parallel the corridor are available, provided that the necessary connections are made and the track conditions improved.

In conjunction with its consideration of how to improve rail service in the Northeast corridor, the Association should evaluate among others, the following possibilities for developing and improving alternate freight transportation routes:

Improvement of the present Baltimore & Ohio-Reading-Central Railroad of New Jersey route between Washington and New York; the construction of connections between these railroads and major yards and industrial centers on the corridor; and the construction of a connection between the B&O and the Penn Central at Perryville, Maryland.

Increased use of the Boston & Maine-Delaware & Hudson-Lehigh Valley-Reading-Baltimore & Ohio route between Boston and Washington.

Continuing the Norfolk and Cape Charles, Virginia-to-Wilmington, Delaware route which provides ample clearances for high and wide shipments which cannot move through the tunnels at Baltimore and Washington.

The establishment of a coordinated freight route around Baltimore for the use of all railroads.

Use of the Poughkeepsie Bridge-Lehigh and Hudson River route, utilizing also the so-called Trenton cut-off of the Penn Central, for traffic moving from and to New England.

Improvement of the Camden-to-South Amboy, New Jersey line and connecting Lehigh Valley and Jersey Central lines to provide an alternate route to the south and west from the Newark-Jersey City area.

ECONOMIC IMPLICATIONS

Principal economic implications of the DOT Report are: (1) substantial cost-economies by rail carriers in the Midwest and Northeast Region of the United States can be achieved by consolidating freight operations along high density routes, and (2) the burden of financing unprofitable rail lines should be shifted from the railroads and shippers in high traffic routes to local users of rail service or to the general public. DOT's proposals therefore raise fundamental issues of economic efficiency and income distribution which need to be analyzed in more detail before designing the Preliminary and Final System Plans.

This section describes how abandonment of branch lines will affect the location of economic activity and indicates how proper planning and analysis during the restructuring process will assist policy makers in applying subsidies to achieve increased efficiency in the transportation industry and social equity for persons affected by the restructuring process.

The DOT Report proposed that existing rail lines be designated potentially excess if the costs which could be avoided by not operating the branch are greater than revenues generated. Other users of the railroad or railroad stockholders are subsidizing traffic along these routes. The Report assumes that operation of branch lines having operating deficits will be continued only if higher freight rates are charged to local shippers or if a local service continuation subsidy is provided.

The direct impact of the DOT's proposal will be an increase in the cost of doing business at locations along deficit branch lines. Higher freight rates on potentially excess branch lines will have to be absorbed by local manufacturers and their employees or passed on to consumers, depending upon the demand characteristics for locally produced final products. The demand elasticity for a product depends upon the degree of competition in the industry and substitutability of similar products produced elsewhere. In agricultural areas, farmers may absorb the higher freight rates, capitalized value of farm land may decline,

and prices of farm products may increase. Alternatively, if taxes are imposed to finance rail service continuation subsidies, the general public will share the burden otherwise borne by specific users of the service. This tax, in effect, becomes a manner of transferring income from a non-benefiting group to the residents in the area being benefited by the branch line.

Indirectly, freight rates on the restructured rail system can be reduced, railroad stockholders profits increased, and/or service improved by the amount of the cross-subsidy formerly required to keep deficit branch lines in service. Shippers, their consumers, communities having rail service under the restructured system, and the carriers will therefore benefit and attract additional economic activity.

If the criterion for financing a deficit branch line is economic efficiency, operating deficits should be financed by means of rate increases. Only the most efficient shippers and industries located along affected lines will survive. Others will be forced to relocate toward lower cost areas. The loss of businesses not able to pay higher rates or relocate must be weighed against the present cost of diverting railroad capital and labor from more efficient uses elsewhere to operations over the unprofitable branch line. Consumers will pay higher prices for products originating in such areas, but will pay lower prices for goods produced at locations along the restructured system. Alternatively, carriers, shippers, and industries along the restructured system will receive the benefits.

If the criterion is social equity, rail service continuation subsidies should be financed out of general public revenues. The availability of subsidies will discourage the attrition of population and employment along the deficit branch lines by reducing the cost of distance from these locations to the interstate mainlines. The size of these subsidies should reflect the importance attached to preventing social dislocation. Such subsidies may also help achieve environmental objectives, or protect fossil fuel sources as required by the Act.

In some cases, the increase in efficiency gained by relocation to other areas along the restructured network may be large enough to permit adequate compensation of those affected. In such situations, it may be in the public interest to provide relocation and retraining grants to affected parties rather than to provide rail service subsidies. Or, the social equity achieved in providing subsidies may be at an enormous loss of efficiency because the same subsidy might well have yielded greater benefits if used for some other purpose. Therefore, the equity criteria applied must be capable of quantifying both the costs of social dislocation and the costs of achieving specific environmental, energy, competitive, and other policy goals.

DOT used an efficiency criteria (volume of freight traffic) in determining potentially excess rail lines. In order to review the equity issues involved in rail abandonment, the Office is developing an economic profile of all areas in the region affected by potential rail abandonment based on industry Standard Industrial Classification codes.

These data, together with information received at the public hearings, will make it possible to carry out a more thorough review of the economic impacts of rail abandonment on local communities. A particular community's contribution to regional economic activity and the need of specific local industries for rail service can be ascertained from these profile data. The impact of rail service discontinuance on local employment and earnings can be estimated and compared with costs of providing continued rail service.

Rail abandonment and resulting changes in transportation costs are by no means the only economic factors influencing the location of economic activity. Population shifts, changes in consumer preference, changes in technological production processes, and development of new energy sources also influence the growth or decline of economic activity at particular locations. The process of change in the economic well-being of communities is a dynamic and fluid process and the analysis of rail abandonment must clearly take this into account. DOT's local rail service recommendations, which are based on past levels of economic activity, need to be reassessed, accounting for projected future trends in communities where rail abandonment is proposed.

Projections of economic activity for areas of the Midwest and Northeast United States have been prepared by the U.S. Department of Commerce from available Federal data sources. These area projections, which reflect needs for transport facilities in the various communities of the region, have been matched with the local service recommendations presented in the DOT Report to determine the relationship between potentially excess lines and projected growth in local population and economic activity. The analysis indicates that a large share of potentially excess track is found in areas having the highest projected growth in population and earnings up to 1980.

Many of these areas are those in which population is dense and there is substantial terminal track mileage, much of which may in fact be duplicative and thus subject to elimination with little impact upon individual rail service users. In addition, however, there are cases where all rail service available to communities with high growth rate potential is shown as potentially excess in the DOT Report.

The ability of local communities to deal with the rail service changes depends upon an assessment of each community's future growth potential. Some communities will be more capable of adjusting to changes in levels of rail service than others, and the use of rail service continuation subsidies should take this into account. The Office will include these considerations in the economic profile data base as part of its assistance to the states and local and regional transportation agencies.

COMPETITION AND COORDINATION

Competition

As reflected primarily in the anti-trust laws, the encouragement of effective competition is such a well established national objective that there appears to be no reason to discuss the underlying economic theories. It is sufficient to note that competition provides the optimal form of self-regulation, and serves as a spur to promote reasonable prices and responsible services

The conclusions of the DOT Report concerning the routes which should be served by one or more competing railroads have been considered earlier in this report. In our analysis of those conclusions, we addressed—and in some instances took issue with—the criteria which were developed by DOT to provide statistical standards for determining what rail operations might be expected to sustain competitive services and permit the competing carriers to turn a profit.

We think it is safe to assume that, by any criterion, the major markets in the region can sustain competing rail operations, provided that the facilities utilized by the competitive carriers are maintained to something approaching comparable standards. At the same time, there will no doubt be situations, even where traffic density is heavy, in which cost and other considerations will militate against the success of any attempt to promote or retain viable competitive services.

Our purpose here is not to attempt the establishment of a quantitative test for determining where competing rail services can be profitable, but to consider how different actions which the Association might take in developing the system plan could affect the ability of profitable carriers now competing for traffic in the region to remain viable, and in otherwise promoting and preserving competitive rail services.

Intramodal rail competition now exists for much of the traffic in the region. In large part it is provided by railroads which are not in reorganization competing among themselves or with the bankrupts. However, substantial areas exist in which service is provided only by railroads in reorganization. Much of Pennsylvania, New York, and southern New England is in this category, including the important transportation corridors between New York City and Buffalo and between Boston and Philadelphia.

At this stage in the planning process it is too early to know which of the bankrupt railroads will be directed by their reorganization courts to be reorganized under the Act. Thus, the rail properties that will become available to the Association for mandatory transfer to the Corporation can only be the subject of speculation.

Were all the bankrupt railroads to seek reorganization under the Act, the Association could direct that all of their properties be operated by the Corporation. The result would be a monolithic single-carrier system in a substantial portion of the region, and rail competition for traffic in that area would be eliminated. For traffic moving between the far Northeast and other portions of the region, there would still be possibilities for competition with the profitable railroads over portions of the total distance. However, the connecting railroads would have lost their independent access to major eastern markets and would be limited to interchange with the Corporation, which itself would be able to offer single-line service to and from many of the points on their lines.

As we interpret the Act, the Association has many options open to it in directing and recommending the transfer of rail properties within the region. The Act does not provide for the creation of two competing systems, but there appears to be no reason why the Association could not direct that certain rail properties be transferred to the Corporation upon the condition that they be reconveyed to another company to be operated independently. The opportunity for the Association to recommend transfer of properties of the bankrupt carriers to profitable railroads, and of profitable railroads' property to the Corporation, are specifically recognized in the Act.

The opportunity afforded by the Act is unique. It invites the development of solutions for the current railroad problem which are not constrained by historical patterns of ownership or even by the present fact of bankruptcy. The Association, in seeking the optimal solution, should be concerned not only with devising means for promoting and retaining competition, but also with assuring that the Final System Plan take into account the operations of the railroads which are not in reorganization. These carriers should not be deprived of an opportunity to compete effectively with the Corporation.

In developing the plan for restructuring rail services in the region, we recommend that the Association investigate and assess a number of alternatives. Without intending to imply this Office's specific endorsement of any one of them, several alternative approaches presented during the course of the hearings are broadly cataloged below:

One group of proposals centered around a splitting up the present Penn Central properties. They included the suggestion that the bankrupt properties be divided into eastern and western sectors, with the eastern sector having a monopoly of rail transportation in that area. It has been suggested that the viable lines of the western sector could be retained as a separate competitive system or as a segment of one of the profitable railroads, or that they could be divided for incorporation into more than one profitable railroad.

A second suggestion was a two-system Northeast with the division of Penn Central into its premerger component parts, or in some other manner, and assimilation of the viable parts by Chessie System and the Norfolk & Western.

A third approach called for development of a separate competitive system in the eastern sector, made up of the properties of the Lehigh Valley, Reading, Jersey Central, and Lehigh and Hudson River Railroads—a system operating in the East and connecting with the profitable lines in the western sector.

The foregoing suggestions are directed primarily toward the retention of competition on east-west routes. In our discussion in the preceding section, we mentioned a number of rail lines which could be combined to provide a competitive north-south route parallel to the Northeast passenger corridor. Another north-south route which we believe should be examined with care by the Association is the line of the Detroit, Toledo and Ironton Railroad, which is an effective competitor in the Detroit-Cincinnati market, but much of which is listed as potentially excess in the DOT Report.

Coordination

DOT proposed in the Report that rail facilities be operated on a coordinated basis both as a means of interjecting competitive services into particular markets, and as a means of improving capital productivity. We concur fully in that recommendation.

While some parties have pointed to the problems that would have to be faced in implementing any requirement that facilities be shared, we cannot accept the argument that such difficulties would be insurmountable. Joint use of facilities is a common practice today in the railroad industry, being seen for the most part in the granting of trackage rights. These agreements have been made purely voluntarily, and also to meet requirements imposed by the Commission as conditions to approving mergers and other transactions involving common control. It is worth noting that the Commission has long had the power, under section 1(15)(c) of the Interstate Commerce Act, to require joint use of terminals and mainline tracks for a reasonable distance beyond terminals, to meet emergency situations. Subject to proper regulatory control, there is no reason why such arrangements cannot be successful and mutually beneficial.

Joint use is not the only means of achieving coordinated rail service. Jointly-owned terminal and switching companies and even jointly-owned line-haul railroads, are common in the industry, and there may well be rail facilities which the Association should direct or recommend be jointly acquired by two or more carriers as part of the Final System Plan. Should it decide to follow this course, the Association should give consideration to establishing methods for assuring that all parties are treated fairly with respect to cost, and that the day-to-day operations are conducted on a completely impartial basis.

There now exist many agreements for joint operation and joint use of facilities between profitable railroads in the region and the railroads in reorganization. The Association should consider how best to make use of those agreements as properties of the bankrupt carriers are selected for inclusion in the Final System Plan.

ADDITIONAL CONSIDERATIONS

While the DOT Report addressed financial viability for the restructured rail system in the region, other factors must be considered by the Association in developing the Preliminary and Final System Plans.

The Department of Defense has highlighted the national security transportation requirements in the region. The transportation of fossil fuel resources must be addressed, as must the efficient use of scarce energy resources among the transportation modes. Concerns of the environmental effects of rail diversions to motor carriers were expressed by the Environmental Protection Agency, and must be dealt with, along with other environmental considerations. These are discussed in greater greater detail in this section.

NATIONAL SECURITY REQUIREMENTS

There are over 300 military installations in the region, some with unusual transportation requirements. The Department of Defense ships ammunition, explosives, and extremely heavy and large size items, many of which are difficult, if not impossible, to move other than by rail. Defense installations range from active facilities to bases which are inactive and currently have no rail transport requirements. However, external factors over which the Department of Defense has no control can change the situation drastically on short notice. Base reactivations with attending personnel and supply movements in an emergency may well tax even existing rail lines beyond their capacity. Any restructuring plan which does not take into account such emergencies could be detrimental to national security requirements.

The DOT Report did not include consideration of military requirements, with the result that lines indicated as potentially excess would preclude service to and from 20 installations if the lines were abandoned. Also several other installations met minimum traffic requirements for continued local service, but were not so indicated.

It is important that the Department of Defense prepare and maintain a comprehensive survey of its needs. Throughout planning for restructuring there must be a two-way flow of information between that Department and the Association.

Energy Resources

The Act specifies that "existing railroad trackage in areas in which fossil fuel natural resources are located" should be preserved. Nine states in the region have reserves of coal, or oil, or

both. The DOT Report did not address this goal, but did acknowledge its existence.

Five zones (Numbers 75 and 78 in Pennsylvania, 194 in Virginia, and 195 and 197 in West Virginia) in major coal producing areas were not analyzed by DOT because of their complexity. The particular importance of the region's coal reserves and production makes it imperative that the restructuring process take them into account. The same goal prescribes that the Final System Plan be designed to provide that transportation modes be used "which require the smallest amount of scarce energy resources and which can most efficiently transport energy resources."

The planning process must evaluate locations and capacities of pipelines, waterways, railroads, and highways in the region, balancing available rail facilities against other modes to determine the intermodal mix and competitive structure that best meets these goals. Electrification of rail lines provides a potential for fuel conservation and could serve to enhance environmental quality. It should also be considered by the Association in developing the system plans.

Environment

While DOT does not pretend to consider all the goals specified for development of the Final System Plan, its approach appears incompatible with a concern for the environment. Adoption of the DOT methodology would cause large scale rail abandonments and most probably divert traffic to less energy-efficient modes. Because of the difference in capacity—carload vis-a-vis truckload—the number of trucks on the highways would have to increase significantly to handle this added traffic. A conservative estimate puts this traffic at 2 million truck loads if all the traffic originating on lines DOT labeled potentially excess were to move by truck. This possibility would cause problems for the states in meeting federal ambient air quality standards and would in some instances increase highway noise to unacceptable levels.

Use of a less energy-efficient mode would also cause greater use of scarce fuels, contrary to a national policy of fuel conservation, and possibly result in the need for extending or enlarging highways, affecting public land use. Battelle Institute has concluded in a well-known study that the transportation of goods and materials by rail results in substantially lower adverse environmental impacts. The bases for this finding are that exhaust emissions per net ton mile of freight moved are 3.76 for truck and 1.03 for railroad and that the railroads are more efficient users of land, occupying about 7 percent as much land as highway rights-of-way.

As a nation, we have become significantly more sensitive in recent years to the exploitation of our natural resources. Decisions which will most surely affect their use must be carefully scrutinized in terms of the overall impact on the level and quality of human life.

FUTURE DIRECTIONS

The Office's primary responsibility in the rail restructuring process is to assure that the Preliminary and Final System Plans prepared by the Association are responsive to the needs of the public. As we have detailed previously, the volume of public submissions greatly exceeded our most optimistic estimates and a major task has been organizing this material so that it is accessible.

As this report is issued, a major activity of the Office is the study and evaluation of the transcripts and exhibits from the public hearings and statements submitted independently. As these documents are analyzed and summarized, supplemental interim reports will be issued to the Association.

It is expected that the Office's communications with persons and states will increase. Contacts have been established throughout the region, and public hearings and less formal meetings are being scheduled during the summer months. The Office has become a focal point for public inquiries and comments. This is being encouraged, and Office personnel spend considerable time meeting with individuals and representatives of the public who are anxious to protect or promote their particular interests.

PROPOSED STUDIES

The Office will not depend entirely on what has been submitted, but will undertake independent studies in order that it may proceed on an informed basis to evaluate the extent to which the statutory goals might be achieved in any proposal. These studies and investigations will allow the Office to make independent evaluations of the elements of the Association's Preliminary and Final System Plans and to assist states and transportation authorities in determining the suitability of particular lines for subsidy.

On the latter point, the Office published on February 25, 1974, a notice of proposed rulemaking and order in Ex Parte No. 293 (Sub-No. 2), *Standards for Determining Rail Service Continuation Subsidies*. Public comments are due on or before May 3, and the Act calls for publication of the standards by July 1, 1974.

Areas the Office has under consideration for study include:

Existing and Future Rail Service Needs.—The demand for rail passenger and freight service in the region, in terms of traffic currently moving by rail and traffic which could move by rail, with projections of rail service demand to 1980.

Energy Consumption and Energy Access.—Relative fuel efficiencies of alternative transportation modes for various types of service (line-haul, pickup and delivery, and low density local service). Evaluation of energy-efficiencies of alternative modes and means of meeting transportation needs in energy producing areas.

Socio-Economic Impact.—Determination of extent of community reliance on rail service for local employment base, basic utility and emergency services, and economic development.

Environmental Considerations.—Evaluation of the air quality and noise effects of alternative transportation modes. Impact of alternative levels of rail service on community land use patterns.

Cost Analyses.—Determinations of the cost relationships of substituted motor carrier and rail services, and of the costs associated with the operations of branch lines and local service facilities.

Operational Feasibility.—Evaluation of alternative regional mainline networks in terms of operations, and economic comparisons of alternative networks. Assessments of capacity of yards and mainline routes. Determination of critical considerations in achieving coordinated service.

PUBLIC PARTICIPATION

Valuable sources of information for designing a rail system consonant with the goals set out in the Act are to be found at the local and state level. Every state in the region was represented at the public hearings, and several thoughtful state presentations have been received by the Office and passed on to the Association. The initiative for planning is with the states, many of which have already begun to compile necessary data and have issued initial studies. The Association is urged to use the talents and resources available at the state level for material on which to design the Preliminary and Final System Plans. In particular, every possible consideration should be given to the decisions of state and local governmental agencies and planning bodies which have developed rail transportation plans setting priorities for the retention of marginally profitable lines providing predominantly local service.

The Act is unique in many respects, one of which is the provision for public participation in the planning process. Contributions have come from a variety of sources, each emphasizing one or more of the statutory goals. Much of the information contained in these submissions will be useful in designing the restructured railroad plant. We are convinced that despite our best efforts to publicize the Act and its ramifications, there are still many who are unaware that a major restructuring of the region's rail network is underway.

Our evaluations, supported by the public sentiment, lead us to conclude that the many economic, environmental, and social goals specified by the Act can best be achieved through consideration of the broad range of local community needs and interests raised by state and regional transportation authorities and concerned individuals. We intend to continue our efforts to stimulate involvement by the public in the planning process. It is important that the Association assure the public that it is giving careful consideration to the hearing record and all submissions. For our part, the Office continues to stand ready to assist the

public and the Association in accomplishing the considerable task set out in the Act.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-10627 Filed 5-10-74;8:45 am]

[Notice 506]

ASSIGNMENT OF HEARINGS

MAY 7, 1974.

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-115841 Sub 460, Colonial Refrigerated Transportation, Inc., now assigned June 13, 1974, at Columbus, Ohio is cancelled and the application is dismissed.

MC-111231 Sub 183, Jones Truck Lines, Inc., now assigned June 12, 1974, at Kansas City, Mo., is postponed indefinitely.

MC 128383 Sub 48, Pinto Trucking Service, Inc., now being assigned hearing June 3, 1974 (2 days), in Room 609, Federal Office Bldg., 911 Walnut St., Kansas City, Mo.

MC-C-8254, Hutt Transportation Co., and Cape Air Freight, Inc.,—Investigation of Operations and Revocation of Certificates, & MC-136724 Sub 1, Hutt Transportation Co., Common Carrier Application, now assigned June 3, 1974, will be held in Room 235 Federal Bldg., 85 Marconi Boulevard, Columbus, Ohio.

MC-113666 Sub 81, Freeport Transport, Inc., now assigned June 5, 1974, will be held in Room 235 Federal Bldg., Marconi Boulevard, Columbus, Ohio.

MC-127527 Sub 16, Carl W. Reagan, DBA Southeast Trucking Co., now assigned June 10, 1974, will be held in Room 235, Federal Bldg., 85 Marconi Boulevard, Columbus, Ohio.

MC-119777 Sub 277, Ligon Specialized Hauler, Inc., now assigned June 11, 1974, will be held in Room 235 Federal Bldg., 85 Marconi Boulevard, Columbus, Ohio.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-10990 Filed 5-10-74;8:45 am]

[Notice 77]

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 on or before June 3, 1974. 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-75101. By order of May 7, 1974, the Motor Carrier Board approved the transfer to Muir Trucking Service, Inc., Ivanhoe, Calif., of the operating rights in Permit No. MC-126310 issued March 1, 1965 to L. E. Muir, doing business as L. E. Muir Trucking Service, Ivanhoe, Calif., authorizing the transportation of iron and steel pipe from water terminals in the San Francisco and Oakland, Calif. Commercial Zones to a plantsite at or near Hillmaid, Calif. Ann M. Pougiales, 100 Bush St., San Francisco, Calif. 94104, attorney for applicants.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-10989 Filed 5-10-74;8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIERS

Property-Elimination of Gateway Letter Notices

MAY 8, 1974.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's Gateway Elimination Rules (49 CFR 1065(a)), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any gateway herein described may be filed with the Interstate Commerce Commission on or before May 23, 1974. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will not operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC-730 (Sub-No. E1), filed May 1, 1974. Applicant: PACIFIC INTER-MOUNTAIN EXPRESS CO., P.O. Box 638, Oakland, CA 94612. Applicant's representative: R. N. Cooledge (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals and acids* (except chemicals for human consumption, silicate of soda, petroleum products, liquid glue, and formaldehyde), in bulk, in tank vehicles from points in Washington and Oregon to points in Arizona. The purpose of this filing is to eliminate the gateway of points in California.

No. MC-730 (Sub-No. E2), filed May 1, 1974. Applicant: PACIFIC INTER-MOUNTAIN EXPRESS CO., P.O. Box 638, Oakland, CA 94612. Applicant's representative: R. N. Cooledge (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, and *acids*, in bulk, in tank vehicles, from Henderson, Nev., to points in Texas. The purpose of this filing is to eliminate the gateway of points in Utah.

No. MC-730 (Sub-No. E3), filed May 1, 1974. Applicant: PACIFIC INTER-MOUNTAIN EXPRESS CO., P.O. Box 638, Oakland, CA 94612. Applicant's representative: R. N. Cooledge (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, and *acids*, in bulk, in tank vehicles, from points in Texas to points in Nevada. The purpose of this filing is to eliminate the gateway of points in Utah.

No. MC-65941 (Sub-No. E8), filed April 21, 1974. Applicant: TOWER LINES, INC., P.O. Box 6010, Wheeling, W. Va. 26003. Applicant's representative: George V. Thieroff (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Oil grease, paper, roofing, metal and clay products, and materials, equipment, and supplies* used or useful in the production and packing of *metal and clay products and building stone, structural steel, and heavy machinery and equipment*, between points in that part of West Virginia bounded by a line beginning at Kenova, W. Va., and extending along U.S. Highway 60 to Charleston, thence along U.S. Highway 119 to the West Virginia-Pennsylvania State line, thence along the West Virginia-Pennsylvania State line to U.S. Highway 30, thence along U.S. Highway 30 to West Virginia Highway 2, thence along West Virginia Highway 2 to West Virginia Secondary Highway 3, thence along West Virginia Secondary Highway 3 to West Virginia Highway 66, thence along West Virginia Highway 66 to U.S. Highway 30 to the West Virginia-Ohio State line, and thence along the West Virginia-Ohio State line to points of beginning, including points on the indicated portions of U.S. Highways 60 and 119, but not on the indicated portions of the other highways specified, and points in Ashtabula Lake, Geauga, Trumbull, Mahoning, Belmont, Wayne, Medina, Lorain, Ottawa, Lucas, Portage, Carroll, Jefferson, Harrison, Summit, Cuyahoga, Erie, Huron, Sandusky, and

Wood Counties, Ohio. The purpose of this filing is to eliminate the gateway of Dallas, W. Va., and points within 15 miles of Dallas.

No. MC–95540 (Sub-No. E27), filed April 15, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd. NE., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen fruits and frozen vegetables*, from points in Florida on and east of Florida Highway 85, to points in Minnesota. The purpose of this filing is to eliminate the gateway of Tifton, Ga., and Jackson, Tenn.

No. MC–95540 (Sub-No. E28), filed April 15, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd. NE., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in Section A of Appendix I to the report in *Descriptions in Motor Carrier Cerificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Dade City, Fla., to points in New York. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E29), filed April 14, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd. NE., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen fruits and frozen vegetables*, from points in Florida on and east of U.S. Highway 231, to points in Kentucky. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E30), filed April 14, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd. NE., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in Section A of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Dade City, Fla., to points in Maryland. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E31), filed April 14, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd., N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in Section A of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Dade City, Fla., to points in Indiana. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E32), filed April 15, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Georgia 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irrgeular routes, transporting: *Frozen fruits and frozen vegetables*, from points in Florida on and east of a line beginning at the Alabama-Florida Boundary line, thence south along Florida Highway 197 to its junction with Florida Highway 197A, thence along Florida Highway 197A to Floridatown on Pensacola Bay, thence along Pensacola Bay to the Gulf of Mexico to points in Wyoming. The purpose of this filing is to eliminate the gateway of Tifton, Ga. and Jackson, Tenn.

No. MC–95540 (Sub-No. E45), filed April 15, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Rd., NE., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in Section A of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Dade City, Fla., to points in North Carolina on and west of a line beginning at Corncake Inlet on the Atlantic Ocean, thence north along U.S. Highway 421 to Wilmington, N.C., thence along U.S. Highway 17 to junction with U.S. Highway 264, thence along U.S. Highway 264 to junction with North Carolina Highway 32, thence along North Carolina Highway to junction with U.S. Highway 64, thence along U.S. Highway 64 to junction with North Carolina Highway 32, thence along North Carolina Highway 32 to junction with U.S. Highway 17, thence along U.S. Highway 17 to Elizabeth City, thence along North Carolina Highway 168 to the Virginia-North Carolina state line. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E57), filed April 15, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212–5299 Roswell Rd. N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen fruits and frozen vegetables*, from points in Florida on and east of U.S. Highway 231, to points in Utah. The purpose of this filing is to eliminate the gateway of Tifton, Ga., and points in Tennessee.

No. MC–95540 (Sub-No. E93), filed April 19, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from points in California on and south of Interstate Highway 8, to points in New York. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E101), filed April 19, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in section A of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Jacksonville, Fla., to points in Alabama. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC–95540 (Sub-No. E103), filed April 19, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described in Section A of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Jacksonville, Fla., to points in Wisconsin. The purpose of this filing is to eliminate the gateway of Tifton, Ga. and Florence, Ala.

No. MC–95540 (Sub-No. E178), filed April 28, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen, canned preserved or prepared citrus products*, from points in Florida (except Jacksonville) to points in Massachusetts. The purpose of this filing is to eliminate the gateway of Bridgeton, N.J.

No. MC–95540 (Sub-No. E181), filed April 28, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as described

in Section A of Appendix I to the report in *Description in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from Dade City, Fla., to points in Michigan. The purpose of this filing is to eliminate the gateway of Tifton, Ga.

No. MC-95540 (Sub-No. E182), filed April 28, 1974. Applicant: WATKINS MOTOR LINES, INC., P.O. Box 1636, Atlanta, Ga. 30301. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salad dressing, canned tuna,* and *canned and preserved olives*, in vehicles equipped with mechanical refrigeration, from San Diego, California, to points in Maine. The purpose of this filing is to eliminate the gateway of the plantsite and warehouse sites of the Commercial Cold Storage, Inc., located at or near Doraville, Ga.

No. MC-100666 (Sub-No. E27), filed April 11, 1974. Applicant: MELTON TRUCK LINES, INC., P.O. Box 7666, Shreveport, La. 71107. Applicant's representative: Richard W. May (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Composition lumber* from points in Texas (except Pineland and Silsbee and particleboard from Diboll) to points in Alabama. The purpose of this filing is to eliminate the gateways of Irving, Pineland, and Silsbee, Tex.

No. MC-112822 (Sub-No. E12), filed April 21, 1974. Applicant BRAY LINES INC., P.O. Box 1191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (Same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Oleomargarine*, from the plantsites and storage facilities of Anderson, Clayton & Co., at Jacksonville, Ill., to points in Arizona, California, and New Mexico. The purpose of this filing is to eliminate the gateway of Carthage, Mo.

No. MC-112822 (Sub-No. E13), filed April 21, 1974. Applicant: BRAY LINES, INC., P.O. Box 1191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products*, from points in Montana, to points in Iowa, Missouri, and Tennessee. The purpose of this filing is to eliminate the gateway of points in Minnesota (except Minneapolis-St. Paul and points in the Minneapolis-St. Paul Commercial Zone as defined by the Commission).

No. MC-114019 (Sub-No. E5), filed April 28, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Illinois 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Paper, paper products* and *cartons*, from points in Wisconsin and Iowa, to Hartford City, Ind.; Fairfield and Middletown, Ohio; Sparrows Point and Baltimore, Md.; New York, N.Y., and points within 30 miles of New York, N.Y., points in that part of New Jersey, Delaware, and Maryland which are located within 30 miles of Philadelphia, Pa., points in that part of New York on and west of a line beginning at Windsor Beach, N.Y., and extending to Rochester, N.Y., thence along U.S. Highway 15 to Wayland, N.Y., thence along New York Highway 245 to Dansville, N.Y., thence along New York Highway 36 to junction New York Highway 21, thence along New York Highway 21 to Andover, N.Y., and thence along New York Highway 17 to the New York-Pennsylvania State line, and points in West Virginia and Pennsylvania, restricted to the transportation of shipments moving from, to, or between warehouses, and wholesale, retail, or chain outlets of food business houses, or when moving from, to or between plants, or warehouses or other facilities of such food processing plants. The purpose of this filing is to eliminate the gateway of Chicago, Ill., Middletown, Ohio, and/or Hartford City, Ind.

No. MC-114019 (Sub-No. E6), filed April 28, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road., Chicago, IL 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (a) *Glassware, glass containers, covers, caps, accessories* for glass containers, and paper cartons, from Streator and Alton, Ill., to Sparrows Point and Baltimore, Md., New York, N.Y., and points within 30 miles of New York, N.Y., points in that part of New Jersey, Delaware, and Maryland, which are located within 30 miles of Philadelphia, Pa., points in that part of New York on and west of a line beginning at Windsor Beach, N.Y., and extending to Rochester, N.Y., thence along U.S. Highway 15 to Wayland, N.Y., thence along New York Highway 245 to Dansville, N.Y., thence along New York Highway 36 to junction New York Highway 21, thence along New York Highway 21 to Andover, N.Y., and thence along New York Highway 17 to the New York-Pennsylvania State line, and points in West Virginia and Pennsylvania.

(b) *Glassware*, from Louisville and Newport, Ky., and Champaign and Springfield, Ill., to Sparrows Point and Baltimore, Md., New York, N.Y., and points within 30 miles of New York, N.Y., points in that part of New Jersey, Delaware, and Maryland, which are located within 30 miles of Philadelphia, Pa., points in that part of New York on and west of a line beginning at Windsor Beach, N.Y., and extending to Rochester, N.Y., thence along U.S. Highway 15 to Wayland, N.Y., thence along New York Highway 245 to Dansville, N.Y., thence along New York Highway 36 to junction New York Highway 21, thence along New York Highway 21 to Andover, N.Y., and thence along New York Highway 17 to the New York-Pennsylvania State line, and points in West Virginia and Pennsylvania.

The authority described in (a) and (b) above, restricted to the transportation of shipments moving from, to, or between glassware manufacturing plants, or warehouses, plants, or other facilities of food packing and processing plants.

The purpose of this filing is to eliminate the gateway of points in Ohio within the territory bounded by a line beginning at the Indiana-Illinois State line and extending along U.S. Highway 24 to Huntington, Ind., thence along U.S. Highway 224 to Van Wert, Ohio, thence along U.S. Highway 30 to Delphos, Ohio, thence along U.S. Highway 30N to Mansfield, Ohio, thence along U.S. Highway 30 to Massillon, Ohio, thence along U.S. Highway 21 to the Ohio-West Virginia State line, thence along the Ohio-West Virginia State line to the Ohio-Kentucky State line, thence along the Ohio-Kentucky State line to the Ohio-Indiana-Kentucky State lines, thence along the Indiana-Kentucky State line to the Kentucky-Indiana-Illinois State lines, thence along the Indiana-Illinois State line to the point of beginning, including points on the indicated portions of the highways specified.

No. MC-114019 (Sub-No. E7), filed April 28, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Illinois 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass containers* and *accessories* therefor, from Muncie, Ind., to Sparrows Point and Balitmore, Md., New York, N.Y., and points with 30 miles of New York, N.Y., points within that part of New Jersey, Delaware, and Maryland, which are located within 30 miles of Philadelphia, Pa., and points in West Virginia and Pennsylvania, restricted to the transportation of shipments moving from, to, or between glassware manufacturing plants, or warehouses or other facilities of such plants, or when moving from, to, or between warehouses, plants, or other facilities of food packing and processing plants. The purpose of this filing is to eliminate the gateway of points in Ohio (including Cleveland, Columbus, and Middletown).

No. MC-114019 (Sub-No. E8), filed April 28, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Illinois 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glassware, glass containers* and *accessories* therefor, and paper cartons used in the packing or shipping of glass containers, from Winchester, Ind., to points in Iowa, Minnesota, North

Dakota, South Dakota, and Nebraska, restricted to the transportation of shipments moving from, to, or between glassware manufacturing plants, or warehouses or other facilities of food packing and processing plants. The purpose of this filing is to eliminate the gateway of Streator, Ill.

No. MC–117119 (Sub-No. E3), filed April 30, 1974. Applicant: WILLIS SHAW FROZEN EXPRESS, INC., P.O. Box 188, Elm Springs, Arkansas 72728. Applicant's representative: L. M. McLean (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from Athens, Ala., and Bells, Humboldt, and Jackson, Tenn., to points in Colorado. The purpose of this filing is to eliminate the gateway of Springdale, Ark.

No. MC–117119 (Sub-No. E5), filed April 30, 1974. Applicant: WILLIS SHAW FROZEN EXPRESS, INC., P.O. Box 188, Elm Springs, Arkansas 72728. Applicant's representative: L. M. McLean (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Foodstuffs* (except dairy products, and commodities in bulk, in tank vehicles) in vehicles equipped with mechanical refrigeration, from Athens, Ala., and Bells, Humboldt, and Jackson, Tenn., to points in Idaho, Montana, Utah and Wyoming. The purpose of this filing is to eliminate the gateway of Springdale, Ark.

No. MC–117119 (Sub-No. E7), filed April 30, 1974. Applicant: WILLIS SHAW FROZEN EXPRESS, INC., P.O. Box 188, Elm Springs, Arkansas 72728. Applicant's representative: L. M. McLean (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Food products*, (except commodities in bulk, in tank vehicles), in vehicles equipped with mechanical refrigeration, from Athens, Ala., and Bells, Humboldt, and Jackson, Tenn., to points in Idaho, Wyoming, Oregon, Utah, and Washington. The purpose of this filing is to eliminate the gateway of California, Mo.

No. MC–124211 (Sub-No. E8), filed April 29, 1974. Applicant: HILT TRUCK LINE, INC., P.O. Box 988 D.T.S., Omaha, Nebraska 68101. Applicant's representative: Thomas L. Hilt (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Empty cardboard and fiberboard boxes*, from points in Pennsylvania to Sioux City, Iowa and to points in Nebraska, California, and points in that part of Texas on and west of U.S. Highway 83 and on north of U.S. Highway 90. The purpose of this filing is to eliminate the gateway of the plant site and warehouse facilities of Dorsey Laboratories, division of Wander Co., in Lancaster County, Nebr.

No. MC–124211 (Sub-No. E37), filed April 29, 1974. Applicant: HILT TRUCK LINES, INC., P.O. Box 988 D.T.S., Omaha, Nebraska 68101. Applicant's representative: Thomas L. Hilt (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting:

(a) *Canned goods* and *food products* (except frozen foodstuffs, commodities in bulk and meat, meat products and meat byproducts, dairy products, and articles distributed by meat packinghouses, as described in sections A, B and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766), from Chicago, Ill., to points in Arizona, California, New Mexico, and Utah.

(b) *Canned goods*, (1) from points in Iowa, and points in that part of Illinois on and north of a line beginning at the Illinois-Indiana State line, thence over U.S. Highway 125 to Beardstown, Ill., thence over U.S. Highway 67 to junction of U.S. Highway 24, thence over U.S. Highway 24 to the Illinois-Missouri State line near Quincy, Ill., to points in Arizona, California, Nevada, New Mexico, and Utah; and (2) from points in Illinois south of a line beginning at the Illinois-Indiana State line, thence over U.S. Highway 36 to Springfield, Ill., thence over Illinois Highway 125 to Beardstown, Ill., thence over U.S. Highway 67 to junction of U.S. Highway 24, thence over U.S. Highway 24 to the Illinois-Missouri State line near Quincy, Ill., to points in California, Nevada, Utah, and points in that part of Arizona on, north and west of a line beginning at the Arizona-Nevada State line, thence over U.S. Highway 160 to junction U.S. Highway 89, thence south over U.S. Highway 89 to Flagstaff, Ariz., thence over Interstate Highway 17 and Arizona Highway 79 to Phoenix, Ariz., thence west over U.S. Highway 80 to the Arizona-California State line near Yuma, Ariz. The purpose of this filing in (a) and (b) above is to eliminate the gateway of Grand Island, Nebr.

No. MC–128383 (Sub-No. E26), filed April 26, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Greater Buffalo International Airport, Erie County, N.Y., and Washington National Airport, Gravelly Point, Va., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Jamestown Municipal Airport, Chautauqua County, N.Y.

No. MC–128383 (Sub-No. E27), filed April 26, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Greater Buffalo International Airport, Erie County, N.Y., and La Guardia Airport, New York, N.Y., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Chemung County Airport, Chemung County, N.Y.

No. MC–128383 (Sub-No. E30), filed April 26, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Washington National Airport, Gravelly Point, Va., and Clarence E. Hancock Airport, Onondaga County, N.Y., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Chemung County Airport, Chemung County, N.Y.

No. MC–128383 (Sub-No. E31), filed April 26, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Rochester–Monroe County Airport, Monroe County, N.Y., and Dulles International Airport, Fairfax and Loudoun Counties, Va., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Chemung County Airport, Chemung County, N.Y.

No. MC–128383 (Sub-No. E38), filed May 1, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Bradley International Airport, Hartford County, Conn., and Dulles International Airport, Fairfax and Loudon Counties, Va., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Tweed-New Haven Airport, New Haven, Conn.

No. MC–128383 (Sub-No. E52), filed May 1, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook

Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between John F. Kennedy International Airport, New York, N.Y., and Logan International Airport, Boston, Mass., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing is to eliminate the gateway of Tweed-New Haven Airport, New Haven County, Conn.

No. MC–128383 (Sub-No. E53), filed May 1, 1974. Applicant: PINTO TRUCKING SERVICE, INC., 1414 Calcon Hook Road, Sharon Hill, Pa. 19079. Applicant's representative: Gerald K. Gimmel, 303 N. Frederick Ave., Gaithersburg, Md. 20760. Authority sought to operate as a *common carrier*, by motor vehicles, over irregular routes, transporting: *General commodities* (except commodities in bulk and automobiles), between Philadelphia International Airport, Philadelphia, Pa., and Logan International Airport, Boston, Mass., restricted to the transportation of traffic having a prior or subsequent movement by air. The purpose of this filing to is eliminate the gateway of Tweed-New Haven Airport, New Haven County, Conn.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74–10991 Filed 5–10–74;8:45 am]

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MONDAY, MAY 13, 1974
WASHINGTON, D.C.
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PART II

DEPARTMENT OF LABOR

Office of the Secretary

■

SPECIAL FEDERAL PROGRAMS UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

1974 Summer Program for Economically Disadvantaged Youth

Title 29—Labor

SUBTITLE A—OFFICE OF THE SECRETARY OF LABOR

PART 97—SPECIAL FEDERAL PROGRAMS AND RESPONSIBILITIES UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

Subpart A—1974 Summer Program for Economically Disadvantaged Youth

Pursuant to section 602(a) of the Comprehensive Employment and Training Act of 1973 (Public Law 93-203, 87 Stat. 839), which authorizes the Secretary of Labor to prescribe such rules, regulations, guidelines and other published interpretations as he deems necessary to carry out the provisions of this Act, the following regulations are promulgated to facilitate the implementation at the earliest possible date of the 1974 summer program for economically disadvantaged youth, funded under Title III, section 304(a), of the Act.

These regulations shall become effective June 12, 1974.

As these regulations relate to public property, loans, benefits or contracts, they have been excepted from the application of the notice and comments provisions of the Administrative Procedure Act, 5 U.S.C. 553(a)(2). The policy of the Department of Labor as stated in 29 CFR 2.7 is not to use this exception as a basis for not giving opportunity for notice and comment. In this case, in order to effect promptly the purposes of a summer program during 1974 under the Comprehensive Employment and Training Act, it is contrary to the public interest to delay the issuance of these regulations to the extent necessary for the preparation, receipt and evaluation of the comments. Accordingly, they are not issued for comments prior to publication in their final form.

Nevertheless, although these regulations are being published in final form and are made effective June 12, 1974, it is the policy of the Department of Labor to solicit and consider comments on its regulations. Accordingly, comments will be received, just as though this document were a proposal, until June 30, 1974, after which the comments received will be evaluated and, if warranted, the regulations will be appropriately amended. Meanwhile, however, in the interest of expediting the program, these regulations shall remain in force until amended.

Interested persons are invited to submit comments, data or arguments to: Assistant Secretary for Manpower, United States Department of Labor, 6th and D Streets, N.W., Washington, D.C. 20213. Attention: Pierce A. Quinlan, Associate Manpower Administrator for the Office of Manpower Development Programs.

The new Part 97, Subpart A, which shall become effective June 12, 1974, reads as follows:

Sec.

AUTHORITY: Pub. L. 93-203, Sec. 602(a), 87 Stat. 839, unless otherwise noted.

§ 97.1 Scope and purpose.

(a) This Subpart A contains the policies, rules, and regulations of the Department in implementing and administering the 1974 summer programs for economically disadvantaged youth funded under Title III, section 304(a), of the Comprehensive Employment and Training Act (hereinafter referred to as the Act).

(b) Programs funded under this Subpart A shall be designed by summer sponsors, defined in § 97.4, to provide summer employment and other activities and services authorized under Title I of the Act.

(c) Subpart A should be read in conjunction with Parts 94 through 98 of this subtitle. These parts, in total, comprise the regulations promulgated by the Secretary pursuant to the authority in the Act. The provisions of Part 95, however, only apply to this Subpart A as indicated in specific sections of those regulations. The administrative provisions of Part 98 shall apply to this Subpart A.

§ 97.2 Definitions.

Definitions for abbreviations and major terms used in this Subpart A may be found in Part 94 of this title. In addition:

(a) The term "EEA" means the Emergency Employment Act of 1971, as amended;

(b) The term "EOA" means the Economic Opportunity Act of 1964, as amended; and

(c) The term "Indian or native American organization" includes Indian tribes, bands, and groups, and native American groups.

§ 97.3 Allocation of funds.

(a) The funds available under this Subpart A shall be allocated to summer sponsors, defined in § 97.4, based upon the criteria set forth in paragraphs (b), (c), and (d) of this section.

(b) Allocations of funds available for summer sponsors who are prospective or actual prime sponsors under Title I of the Act shall be based on the following formula:

(1) Fifty percent of such funds shall be allocated so that each sponsor receives the same percentage of the 1974 summer funds available under this Subpart A, as it received as a percentage of the funds available for the EOA and EEA summer program in 1973;

(2) Thirty-seven and one-half percent of the funds shall be allocated based on the ratio of the number of unemployed persons in the sponsor's area in 1973 to the total number of unemployed persons in the United States in that year; and

(3) Twelve and one-half percent of the funds shall be allocated based on the ratio of the number of adults in low income families in the summer sponsor's area in 1969 to the total number of adults in low income families in the United States for that year; and

(4) No prime sponsor area shall be allocated less than 90 percent of the funds allocated to the area under the EOA and EEA summer program of 1973.

(c) (1) The total allocation to Indian and native American sponsors of programs funded under this Subpart shall be equal to the same percentage of the funds available for Indian and native American sponsors under the EOA and EEA summer program in 1973.

(2) The allocation to each eligible Indian or native American organization shall be based upon the amount of funds each Indian or native American organization received under the EOA and EEA summer program in 1973. Specifically, each Indian or native American organization shall receive the same percentage of the funds available for each organization under this Subpart A as it received as a percentage of the funds available for all Indian and native American organizations under EOA and EEA summer programs in 1973.

(d) The allocation of funds to Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be based upon the criteria set forth in paragraph (c) of this section.

§ 97.4 Eligibility for funds.

Funds under this Subpart A shall be allocated by the Secretary to summer sponsors who may be:

(a) Prospective or actual prime sponsors under Title I of the Act; or

(b) Indian tribes, bands, groups, or other Indian organizations and native American organizations which received funds under the EOA and EEA summer program in 1973.

§ 97.5 Notification of intent.

An eligible summer sponsor desiring financial assistance for a program under this Subpart A shall, for the purpose of providing its notification of intent submit to the appropriate ARDM (A listing

of the ARDM's and the States within each Region is contained in the FEDERAL REGISTER, Volume 39, No. 16, Part IV of January 23, 1974), the Preapplication for Federal Assistance Part I, prescribed by OMB Circular A-102. To facilitate the earliest implementation of the summer youth program, an eligible summer sponsor should file a Preapplication for Federal Assistance not later than May 31, 1974; however, a Preapplication for Federal Assistance shall not be submitted any later than June 12, 1974, unless the ARDM, for good cause, permits an extension of time.

§ 97.6 Application for grants and standards for reviewing grant applications.

(a) A program shall be undertaken under this Subpart A, upon execution of an agreement between a summer sponsor and the ARDM. Upon receipt of a Preapplication for Federal Assistance, the ARDM shall send a grant application package to each eligible summer sponsor. The grant application shall be submitted to the ARDM not later than June 15, 1974, unless the ARDM, for good cause, permits an extension of time.

(b) Each grant application shall be reviewed by the appropriate ARDM using the standards described in § 95.17 of this subtitle.

§ 97.7 Application approval and disapproval.

Each grant application shall be approved or disapproved under the provisions and conditions described in § 95.18 of this subtitle.

§ 97.8 Use of alternative sponsors and services by the Secretary.

If a grant application is not filed, or is denied, or terminated, the Secretary may make provision for the use of an alternative sponsor, or provide services himself, as described in § 95.20 of this subtitle.

§ 97.9 Content and description of grant application.

(a) The content of an application for programs funded under this Subpart A shall be identical to the content of an application for Title I programs, as set forth in § 95.14(b) of this subtitle, except that:

(1) The Program Narrative Description for programs under this Subpart A shall be in accordance with the requirements of paragraph (b) of this section, rather than in accordance with the requirements of § 95.14(b)(2)(i) of this subtitle.

(2) The Program Transition Schedule, set forth in § 95.14(b)(2)(ii) of this subtitle shall be deleted; and

(3) The Public Service Employment Occupational Summary shall be prepared as provided in paragraph (c) of this section, rather than as set forth in § 95.14(b)(2)(iv) of this subtitle.

(b) The Program Narrative Description shall consist of:

(1) A policy statement on the purpose of the program funded under this Subpart A;

(2) A statement of the goals to be accomplished;

(3) A description of the number and characteristics of the participants to be served by (i) sex and (ii) age: 14 to 15, 16 to 17, 18 to 22;

(4) A description of each program activity and service;

(5) A description of the methods to be used to recruit, select, and determine the eligibility of participants;

(6) A description of the geographical area to be served; and

(7) The Public Service Employment Program description, as applicable, and described in § 95.14(b)(2)(i)(F) of this subtitle.

(c) The Public Service Employment Occupational Summary forms shall be submitted separately for on-the-job training, for work experience, and for public service employment, as appropriate, and shall be prepared as described in § 95.14(b)(2)(iv) of this subtitle except that for on-the-job training and for work experience activities the comparison of wages shall not be included.

§ 97.10 Modification of the grant agreement; modification of the program plan.

(a) A summer sponsor desiring a modification to an existing grant agreement shall follow the procedure described in § 95.21 of this subtitle.

(b) A summer sponsor desiring a major modification as defined in § 95.22(b) of this subtitle shall submit a revised project operating plan and a narrative explanation of the proposed changes to the ARDM. The ARDM shall notify the sponsor of final approval or tentative disapproval within 10 days of receipt of the proposed modification. An appeal of such determination may be obtained through the procedures set out in Part 98 of this subtitle.

(c) A summer sponsor shall follow the procedure described in § 95.22(c) of this subtitle in making a minor modification to programs funded under this Subpart A. However, a sponsor shall show such modifications on the end of summer progress report.

(d) An ARDM may require a modification as described in § 95.22(d) of this subtitle.

§ 97.11 Basic responsibilities of sponsors.

A sponsor of a program funded under this Subpart A shall be responsible for the compliances and provisions described in § 95.31 of this subtitle.

§ 97.12 Eligibility for participation.

Each participant in a program funded under this Subpart A shall be at time of enrollment:

(a) Economically disadvantaged, as defined in § 94.4; and

(b) A youth, 14 years of age through 22 years of age.

§ 97.13 Types of manpower services available in the summer program for economically disadvantaged youth.

(a) A program funded under this Subpart A may include any activity or service specified in § 95.33 of this subtitle.

(b) The requirements for Work Experience activities, as described in § 95.33(d)(3)(ii) of this subtitle, are amended for programs funded under this Subpart A to read as provided in paragraph (c) of this section.

(c) *Work experience.* This program activity is to be designed to enhance the future employability of youth or to increase the potential of youth in obtaining a planned occupational goal.

(1) Work Experience activities for youth include part-time work for students attending school; short-term employment for out-of-school youth adjusting to a work setting and in transition from school to a job setting; short-term employment for recent graduates; and short-term or part-time employment for veterans, institutional residents and inmates under special work release agreements. In addition, it may include short-term employment while a training or job opportunity is being developed. Work Experience activities in the private for-profit sector shall be prohibited.

(2) Program outcomes for work experience participants include (i) return to school; (ii) enrollment in post secondary education; (iii) enlistment in the military services; (iv) enrollment in a manpower training activity; and (v) placement in subsidized or unsubsidized employment.

§ 97.14 Participant benefits.

(a) Participants in classroom training in programs funded under this Subpart A shall receive allowances and other benefits as described in § 95.33(d)(1)(iii) of this subtitle.

(b) Participants in on-the-job training in programs funded under this Subpart A shall receive wages and other benefits as described in § 95.33(d)(2)(iv) of this subtitle.

(c) Participants in transitional public service employment activities in programs funded under this Subpart A shall receive wages and benefits as described in § 95.33(d)(3)(iii) of this subtitle.

(d) Each participant in a work experience activity shall receive wages at a rate of pay commensurate with such factors as the types of work performed, the geographical region of the program, and the skill proficiency of the participant, provided that no participant's hourly rate of pay shall be less of whichever is the highest of the minimum wage prescribed for similar employment by State or local law or an hourly wage of $2.00 an hour. However, wages in the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands shall be consistent with applicable provisions of the Fair Labor Standards Act of 1938, as amended.

(e) Participants in work experience activities shall be provided workmen's compensation and, as appropriate, other manpower services.

(f) Participants in work experience activities at Federal worksites shall be

provided coverage by the Federal Employees Compensation Act.

§ 97.15 Sponsor review.

Each sponsor of a program funded under this Subpart A shall establish a procedure as described in § 95.37 of this subtitle for resolving any issue arising between it and a participant in a program funded under this Subpart A.

§ 97.16 Non-Federal status for participants.

Participants in a program funded under this Subpart A shall not be deemed Federal employees as provided for in § 95.38 of this subtitle.

§ 97.17 Worksite standards; safety and health requirements for participants.

(a) The placement of participants on a Federal worksite for work experience activities does not constitute Federal employment, except for purposes of the Federal Employees Compensation Act and the Federal Tort Claims Act.

(b) No participant under 18 years of age will be employed in any occupation which the Secretary has found, pursuant to his authority under the Fair Labor Standards Act, to be particularly hazardous for persons between 16 and 18 years of age (see subpart E of Part 570, of this title).

(c) Participants who are 14 and 15 years of age will participate only in accordance with the limitations imposed by Sections 31–35 of Subpart C of Part 570, of this title.

(d) Participants shall be provided safe and healthful working conditions as described by the provisions of § 95.38 of this subtitle.

(e) No participant shall be compensated for more than 40 hours per week.

§ 97.18 Training for lower wage industries and relocation of industries.

No participant may be enrolled in any activity or service provided by a program funded under this Subpart A in any lower wage industry job as described by the provisions of § 95.40 of this subtitle.

§ 97.19 Sponsor contracts and subgrants.

A sponsor of a program funded under this Subpart A may enter into contracts or subgrants under the provisions described in § 95.41 of this subtitle.

§ 97.20 Cooperative relationships between sponsors and other manpower agencies.

Each sponsor shall, to the extent feasible, establish cooperative relationships or linkages with other manpower and manpower-related agencies as described in § 95.42 of this subtitle.

§ 97.21 Reporting requirements.

(a) Each summer sponsor shall submit two reports to the ARDM: an End-of-Summer Progress Report, and a Summary of Client Characteristics Report.

(b) The End-of-Summer Progress Report (The Quarterly Progress Report Form generally used by a sponsor of a comprehensive manpower program, but labelled by the project sponsor as End-of-Summer Progress Report) will be used to summarize the accomplishments of the program. It constitutes the summer sponsor's statement of accomplishments and costs incurred and contains a certification of the correctness of the items reported. The End-of-Summer Report will be submitted not later than 30 days after the termination of the program, but in no case later than October 15, 1974.

(c) The Summary of Client Characteristics Report shall contain aggregate characteristics data on all participants in programs funded under this Subpart A. (This report is the Quarterly Summary of Client Characteristics Report regularly submitted by a sponsor of a Title I funded program, but labelled specifically for the Summer Program for Economically Disadvantaged Youth.) The summary is to be submitted to the ARDM with the End-of-Summer Progress Report appropriately marked, "Summer Program for Economically Disadvantaged Youth." The information for age characteristics on line 04 of the Summary of Client Characteristics Report shall be broken out on the back of the report by the following age groups:

(1) 14–15 years;
(2) 16–17 years; and
(3) 18–21 years.

§ 97.22 Terminal date for 1974 summer program.

No program under this Subpart A shall continue beyond October 1, 1974.

Signed at Washington, D.C., this 7th day of May, 1974.

PETER J. BRENNAN,
Secretary of Labor.

[FR Doc.74–10891 Filed 5–10–74;8:45 am]

federal register

MONDAY, MAY 13, 1974
WASHINGTON, D.C.

Volume 39 ■ Number 93

PART III

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Low Rent Public Housing

■

SECTION 23 HOUSING ASSISTANCE PAYMENTS PROGRAM—EXISTING HOUSING

Title 24—Housing and Urban Development

CHAPTER VIII—LOW RENT PUBLIC HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. R-74-247]

PART 1274—SECTION 23 HOUSING ASSISTANCE PAYMENTS PROGRAM—EXISTING HOUSING

Notice was given on January 22, 1974 at 39 FR 2550 that the Department of Housing and Urban Development was proposing to amend Title 24 of the Code of Federal Regulations by adding a new Part 1274 to Chapter VIII.

The purpose of Part 1274 is to set forth the essential elements of the Section 23 Housing Assistance Payments Program—Existing Housing including, among other things, the roles and responsibilities of the Department, the local housing authority (LHA), the owner, and the eligible low-income family; the steps in applying for the Section 23 Existing Housing Program; the basis for determining the amount of housing assistance payments; and the prescribed form of contracts and other documents.

The Department has received more than 170 responses to the January 22, 1974 publication. All of these comments were seriously considered and many changes have been incorporated in these regulations as a result. The principal changes are set forth below.

The subject of the greatest number of comments was the priority to be given to applications limiting assistance to 20 percent of the units in a multifamily structure or complex. Accordingly, the changes with respect to this subject are discussed first. The remaining principal changes are discussed generally in the order in which they appear in the regulations.

1. § 1274.103(k)(2), which sets forth the priority for LHA applications limiting assistance to 20 percent of the units in a single multifamily structure or complex of five or more units has been modified so that applications for programs (a) solely for the elderly, or handicapped or (b) of 25 or fewer units shall be considered without regard to the priority. Also, the procedures relating to the application of the 20 percent priority in the selection of applications have been set forth in a new § 1274.203(b).

2. The revised regulations now provide, pursuant to a new § 1274.103(b)(2) and a new section 1.3(c) of Part I of the Annual Contributions Contract (ACC), Appendix IV, for the establishment of an account to which may be credited amounts determined by HUD to be necessary to assure that the low-rent character of the project will be maintained. Amounts may be paid out of this account, as approved by HUD, during the term of the ACC for increases reflected in the annual estimates of required annual contributions as approved by HUD.

3. The provisions permitting the continuation of housing assistance payments with respect to a unit vacated by an eligible family in violation of its lease, § 1274.103(c) and section 1.2(b) of the Housing Assistance Payments Contract (Contract), Appendix IX, have been modified to require that the owner, in order to receive such payments must, among other things, take all feasible action to fill the vacancy immediately upon learning of it.

4. § 1274.103(g) respecting responsibilities of the owner, has been modified so that an owner may contract with the LHA for the management, maintenance or operation of units leased or to be leased by eligible families, for a prescribed fee provided that: (1) it is determined by the HUD field office director that such services are not otherwise available in the locality and (2) such contract shall not shift to the LHA any of the owner's responsibilities or obligations.

5. Section 1274.103(h), respecting the responsibilities of the LHA, has been modified to require (rather than merely permit) the LHA to provide advice and guidance to eligible families in finding suitable housing, including families experiencing discrimination. The modified provision requires that such advice and guidance be provided in a manner affirmatively to further the policies of the applicable Civil Rights legislation and Executive Orders.

6. The procedures with respect to the payment by the LHA of security deposits on behalf of eligible families, as set forth in § 1274.103(j), have been clarified and a prescribed form of Security Deposit Agreement, Appendix XI, has been provided which sets forth, among other things, the terms of and procedures for repayment to the LHA.

7. The provisions respecting relocation have been modified so that, pursuant to § 1274.103(l) and Section 1.7b of the Contract, the owner of a unit occupied by other than the eligible family will not be required to undertake liability for and provide for the funding of all relocation costs if other commitments, satisfactory to HUD, have been made for the funding of such costs.

8. Pursuant to § 1274.104 and Part I of the ACC, as modified, in the event an LHA, which has an ACC for existing units under these regulations, is approved for additional units, such additional units will be incorporated into a revised Part I of the ACC. This revised Part I will cover the LHA's entire existing housing program under these regulations and will be for a term of four years from the new date of execution.

9. A new § 1272.105 and a new § 1.7 of Part I of the ACC have been added which set forth the procedures for the submission by the LHA to HUD of the prescribed forms of (1) an Initial Estimate of Required Annual Contributions (Preliminary Costs), and (2) Annual Estimates of Required Annual Contributions. These forms cover the estimated amounts for the costs of non-expendable equipment, administration, security and utility deposits and housing assistance payments.

10. A new § 1274.201(b) has been added to provide for a preapplication conference between the LHA and HUD so that HUD may assist the LHA in the preparation of its application.

11. § 1274.204(b), which sets forth the requirements relating to the expeditious leasing of units under the program, has been modified so that the failure of the LHA to demonstrate a good faith effort to adhere to it leasing schedule will be considered a basis for reduction of units by HUD.

12. The procedures for certification of family eligibility and LHA approval of leases and units have been clarified in new §§ 1274.205 (e), (f) and (g) and in a new form of Certificate of Family Participation and Lease Approval, Appendix V. The new three-part form includes: Part I, Certificate of Family Participation, which replaces the Certificate of Family Eligibility and revises, among other things, the effective period of the Certificate to 60 days from the date of issuance; Part II, Request for Lease Approval, which replaces the Owner's Offer to Lease Dwelling Unit and which is signed by the family and the owner; and Part III, the Authority Determination, in which the LHA indicates whether the proposed lease and unit are approved or disapproved and, if disapproved, whether the owner and the family may resubmit the Request to the LHA after the specified defects are corrected.

13. In accordance with the requirements of the Lead Based Paint Poisoning Prevention Act (as amended), 42 U.S.C. 4801, a new § 1274.205(e)(4)(iii) requires that each participating low-income family be given, at the time it is given its Certificate of Family Participation and Lease Approval form, information concerning the hazards of lead based paint poisoning.

14. The provisions regarding LHA inspection of units have been clarified so that: (1) pursuant to § 1274.205(g)(3), the LHA must maintain an inspection report for each inspection or reinspection of each unit prior to lease approval and (2) pursuant to § 1274.206, the LHA must inspect units under lease whenever the LHA has information, as a result of family complaints or otherwise, to the effect that the unit is not being maintained in accordance with the Contract. These inspections are required in addition to the periodic inspections.

15. The provisions respecting the contents of the owner-family lease have been modified so that pursuant to a new § 1274.205(g)(5)(iii), certain specified types of lease clauses are prohibited and pursuant to Section 1.6 of the Contract and a revised form of Lease Provision Required for Participation in the Housing Assistance Payments Program, Appendix VI: (1) certain required lease provisions have been modified or deleted in the interest of simplification and clarity and (2) the lease must specify all

services and maintenance to be provided by the owner. The latter must include the items contained in the Guide for Lease Provisions for Maintenance and Security Services form, Attachment to Appendix VI, except where modifications are approved by the LHA for items which are not customarily supplied to tenants of this type of housing in the locality.

16. A new § 1274.205(g)(1) provides that LHAs shall not approve owners or managers who are listed as being disapproved for participation in HUD programs.

17. § 1274.205(i) and sections 1.5 and 1.6 (required lease provisions) of the Contract which relate to eviction, have been modified so that: (1) The owner may not evict the family unless the owner complies with the requirements of local law, the lease and the Contract eviction provision; (2) the owner must notify the family (copy to LHA) of the proposed eviction, stating the grounds and advising the family that it has 10 days (from receipt of notice) to respond to the owner and/or present objections to the LHA (in writing or in person); (3) the LHA shall authorize the eviction unless the grounds are insufficient under the lease; and (4) the LHA shall notify the owner and the family of its determination within 20 days of the date notice is received by the family.

18. A new § 1274.207 provides for HUD review of LHA operations when 30 percent of the units under Part I of the ACC have been leased.

19. The Housing Assistance Payments Contract has been simplified, modified and reorganized so that, among other things: (1) the Contract is divided into two parts; (2) the Contract will terminate pursuant to a revised Section 1.4, upon expiration or termination of the lease; and (3) LHA determinations concerning default by the owner (§ 2.5) and assignments of the Contract (§ 2.10) no longer require HUD approval.

20. The requirements and procedures respecting Equal Opportunity have been clarified and strengthened so that, among other things: (1) The responsibilities of the LHA with respect to its HUD-approved Affirmative Fair Housing Marketing Plan have been clarified in a new § 1274.205(d); (2) the LHA is required to advise minority families that they are free to seek housing in nonminority areas pursuant to a new § 1274.205(f)(1); and (3) the owner and the LHA are required to cooperate in compliance reviews and complaint investigations undertaken by the Government pursuant to Section 2.11 of the ACC and Section 2.2 of the Contract.

21. The numbering scheme of the regulations has been modified slightly in order to conform, to the extent possible, referencing in these regulations to that utilized in the corresponding HUD Section 23 Existing Housing Handbook. Under the revised numbering, the initial section in Subpart A is designated § 1272.101, and the initial section in Subpart B is designated as 1274.201. These references correspond to Handbook paragraphs 1–1 and 2–1, respectively.

The Assistant Secretary for Housing Production and Mortgage Credit—FHA Commissioner has determined that the public interest would best be served by making these regulations effective immediately to avoid unnecessary delay in its implementation. Therefore, the Assistant Secretary finds that good cause exists for making these regulations effective on May 13, 1974.

Accordingly, Title 24 is amended as follows:

A new Part 1274, entitled "Section 23 Housing Assistance Payments Program—Existing Housing," is added to Chapter VIII to read as set forth hereinafter.

Subpart A—Applicability, Scope, and Basic Policies

Sec.

Subpart B—Project Development and Operation

Appendices

AUTHORITY: Sec. 7(d), Department of Housing and Urban Development Act (42 U.S.C. 3535(d)); sec. 10(b) of the U. S. Housing Act of 1937 (42 U.S.C. 1410(b)); sec. 23 of the U.S. Housing Act of 1937 (42 U.S.C. 1421(b)).

Subpart A—Applicability, Scope, and Basic Policies

§ 1274.101 Applicability and scope.

(a) The policies and procedures contained herein are applicable to the making of housing assistance payments on behalf of eligible low-income families leasing privately owned, existing, decent, safe, and sanitary housing pursuant to the provisions of section 23 of the U.S. Housing Act of 1937.

(b) For purposes of this part, "existing housing" means housing whose original construction and/or rehabilitation was completed without the execution of any contract between a Local Housing Authority (LHA) and an owner for the subsequent leasing or the making of housing assistance payments for occupancy by eligible low-income families. "Existing housing" may include housing which requires minor repairs, improvements or rehabilitation to put it into decent, safe, and sanitary condition, provided that such work is performed prior to the execution of a Housing Assistance Payments Contract and without execution of any contract as described above.

(c) The policies and procedures contained herein shall apply to all section 23 projects for existing housing placed under Annual Contributions Contract after the effective date of this Part. With respect to projects placed under Annual Contributions Contracts prior to the effective date of this part, these policies and procedures may be applied if the LHA and owners of units under lease agree to do so.

(d) This part (1) covers policies and procedures relating to the roles and responsibilities of HUD, the LHA, and the owner and the application and leasing processes and (2) contains contracts, leases, and other documents.

§ 1274.102 Definitions.

(a) *Decent, safe, and sanitary housing.* For the purposes of this program, housing is considered to be decent, safe, and sanitary if a certificate of occupancy or other similar certification, if required by law, has been issued by the authorized governmental official, and if the following minimum standards are met:

(1) The housing has been determined by the LHA to be decent, safe, and sanitary within the meaning of the U.S. Housing Act based upon all pertinent factors, including, but not limited to, the following:

(i) The condition of the exterior and interior of the structure and the housing unit;

(ii) Adequacy and operating condition of sanitary facilities, which must be private, and adequacy of solid and liquid waste disposal facilities;

(iii) Adequacy and operating condition of kitchen facilities, which must (a) contain a range and refrigerator (except in localities where it is normal practice that tenants provide these items), a sink, space for storage of food and for storage of utensils and dishes, and (b) be private except where authorized as congregate housing meeting HUD requirements for such housing;

(iv) Adequacy and operating condition of heating, lighting and ventilating equipment and/or facilities;

(v) Size, number of rooms, and furnishability to accommodate adequately the size and type of family to be housed.

(2) The owner shall provide either (i) a certification from the authorized local government official or a qualified laboratory that exposed interior and exterior surfaces are free of lead based paint hazards, or (ii) a certification by the owner that those surfaces have been adequately treated or covered, all in accordance with

the applicable HUD regulations issued pursuant to the Lead Based Paint Poisoning Prevention Act, 42 U.S.C. 4801.

(3) The site shall not be subject to serious, adverse environmental conditions, natural or manmade, such as instability, flooding, septic tank backups, sewage hazards, or mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; rodent or vermin infestation; or fire hazards. The neighborhood shall not be seriously detrimental to family life, and substandard dwellings or other undesirable elements should not predominate unless there is actively in progress a concerted program to upgrade the neighborhood.

(b) *Fair market rent and gross rent.* Fair market rent is the gross rent (including utilities, ranges and refrigerators, and all maintenance and management services) for dwelling units of varying size (number of bedrooms), which, as determined at least annually by HUD, would be required to be paid in each housing market area in order to obtain privately owned, existing, decent, safe, and sanitary housing of modest (nonluxury) nature. Gross rent includes all utilities (except telephone) whether or not paid directly to the utility company by the family.

(c) *Gross family contribution.* The portion of the rent to owner payable by a family plus the utility allowance established by the LHA for any utilities (except telephone) payable directly by the family. In no event shall the gross family contribution exceed one-fourth of the family's adjusted income as defined by HUD.

(d) *Utility allowance.* An amount, determined by the LHA and approved by HUD as an allowance for the cost of tenant-purchased utilities, which is deducted from the fair market rent for purposes of determining the rent to owner and is included in the gross family contribution.

(e) *Annual contributions contract (ACC).* A written agreement between HUD and an LHA to provide annual contributions to the LHA for participation in the Housing Assistance Payments Program. (See Appendix IV.)

(f) *Housing assistance payments contract ("Contract").* A written Contract between an LHA and an owner for the purpose of providing housing assistance payments on behalf of eligible families. (See Appendix IX.)

(g) *Eligible families.* Those families determined by the LHA to meet the requirements for admission into housing assisted hereunder. Families shall not be eligible for housing assistance payments when the LHA determines that 25 percent of adjusted family income (as defined by HUD) equals or exceeds the gross rent for the unit leased. The ineligibility of such families for housing assistance payments shall not affect the family's other rights under its lease.

(h) *Certificate of family participation.* The certificate issued by an LHA to an applicant family declaring it to be eligible and stating the terms and conditions of such eligibility. (See Appendix V.)

(i) *Lease.* An LHA-approved written agreement between a private owner and an eligible family for the leasing of an existing, decent, safe, and sanitary dwelling unit. The lease shall contain the required provisions specified in the Contract.

§ 1274.103 Basic policies.

(a) *"Finders-keepers" policy.* Eligible families shall be responsible for finding decent, safe, and sanitary units on the private market so as to maximize choice. LHAs may provide assistance in finding units to those families who, for age, handicap, discrimination, or other reasons, are unable to locate suitable units. An LHA may provide housing assistance payments to an eligible family already leasing decent, safe, and sanitary housing, provided it has been issued a Certificate of Family Participation in accordance with the policies and procedures of the LHA and a completed Request for Lease Approval (Part II of Appendix V) has been submitted to the LHA.

(b) *Annual contributions.* (1) The maximum annual contribution that may be contracted for in the Annual Contributions Contract for a project shall be: (1) The total of the applicable fair market rents for all the units in the project plus (2) an allowance for the cost of administration. The allowance for the preliminary costs of administration and an amount for security and utility deposits (see § 1274.103(j)) shall be payable out of this total.

(2) A project account, which shall at no time exceed an amount equal to 10 percent of the maximum annual contribution, may be established and maintained out of amounts by which the maximum annual contributions for any years are not otherwise payable in such years. This account shall be established and maintained by the LHA or by HUD, as determined by HUD, as a specifically identified and segregated account, and payment shall be made therefrom, as approved by HUD, only for the following purposes:

(i) increases in housing assistance payments;

(ii) increases in the allowance for LHA administrative expenses;

(iii) increases in fund requirements for security and utility deposits; and

(iv) other expenditures specifically authorized or approved by the Secretary.

Any balance in this account after payment of the last annual contribution for the project shall be paid to HUD.

(c) *Housing assistance payments.* (1) The housing assistance payments will pay the owner the difference between the rent chargeable by the owner and that portion of said rent payable by the family.

(2) Housing assistance payments shall be paid to owners only for those units under lease by eligible families. If a family vacates its unit in violation of the provisions of its lease, the owner may continue to receive housing assistance payments with respect to such unit in accordance with the terms of the Contract, not beyond the term of the lease, but only if the owner (i) immediately upon learning of the vacancy, has taken all feasible action to fill it, including, but not limited to, contacting families on his waiting list, requesting the LHA to refer eligible families, and advertising the availability of the unit, (ii) has promptly (within 30 days of the date the family vacated the unit) notified the LHA of the vacancy and the reasons for the vacancy, and (iii) has not rejected, except for good cause acceptable to the LHA, any substitute family provided by the LHA.

(d) *Eligible agencies.* (1) All legally constituted LHAs created pursuant to State housing authorities laws are eligible to participate in this program. In addition, under the terms of the U.S. Housing Act, a "public housing agency" may include any State, county, municipality or other governmental entity or public body which is authorized by State law to engage in the development or administration of low-income housing or slum clearance and may, therefore, be eligible to participate in this program. The abbreviations "LHA" or "LHAs" as used herein include any governmental entity or public body as described in this paragraph.

(2) LHAs may, by agreement, cooperate with each other in carrying out their respective functions, and State laws typically provide that a locality which has no LHA can invite another LHA within the State to function within its borders.

(3) In addition to the few States that have created statewide LHAs many more have State departments or agencies authorized to administer housing and urban development legislation which qualifies them as public housing agencies under the U.S. Housing Act and authorizes them to carry out this function or to act through LHAs or other entities.

(e) *Local governing body approval.* HUD cannot approve an application for a Section 23 program unless the governing body of the locality in which the units are to be assisted has, by resolution, approved the application of the provisions of Section 23 to such locality. Once such a resolution has been enacted, it may satisfy this approval requirement for all subsequent Section 23 projects. The terms of the resolution as enacted must be examined by the LHA and HUD to determine whether it contains any restrictive language (e.g., limits the number of dwelling units or limits the program to locations which would have the effect of denying equal housing opportunities) which would require that a new resolution be passed to enable HUD to approve the proposed program.

(f) *Types of housing.* (1) Any type of existing housing which is in or may be put into decent, safe, and sanitary condition may be utilized. Such housing may include detached or semidetached dwellings, row-houses, mobile homes, or units in walk-up apartment buildings. Units in high-rise elevator buildings may not be used for families with children

unless HUD, in approving an LHA application, determines that there is no practical alternative. Congregate or single-room occupancy (SRO) housing may be used for occupancy by elderly, handicapped, or displaced families and individuals. (See the appropriate HUD requirements for guidelines and standards applicable to congregate and SRO housing.)

(2) Existing FHA insured, FmHA insured or direct loan, and VA guaranteed properties may also be utilized; however, the aggregate number of units in any Section 221(d)(3) below market interest rate (BMIR), Section 202, or Section 236 project that can be made available to families assisted through the rent supplement and/or Section 23 programs will be limited to 40 percent of the total unless written approval of HUD is obtained covering specific projects, on an exception basis, which involve: (i) the need to provide housing to persons displaced by urban renewal or other governmental action, or by natural events such as fire or flood, or (ii) vacancies of extended duration which are needed for immediate occupancy by the local authority. The housing assistance payment shall be the amount by which the rent paid by the eligible family is less than the basic or fully subsidized rent for the unit involved. In no event may a dwelling unit or the occupants thereof receive both rent supplement and Section 23 housing assistance.

(g) *Responsibilities of the owner.* The owner shall be responsible for the management, maintenance and operation of the dwelling unit. These responsibilities shall include, but not be limited to, the payment of utilities (unless paid directly by the family), insurance and taxes; performance of all ordinary and extraordinary maintenance; performance of all management functions including the selection of families (with the exception of determination and verification of eligibility for the particular dwelling unit involved, which shall be the function of the LHA); collection of rents; risk of loss from vacancies and nonpayment of rent by tenant families; preparation and furnishing of information required by the LHA under the Contract; and compliance with equal opportunity requirements. The LHA shall not provide management, maintenance or operation services except where it is determined by the HUD field office director that such services are not otherwise available in the locality. An owner may contract with the LHA for the management, maintenance, or operation of units leased or to be leased by eligible families under a contract, for a prescribed fee, provided that such contract shall not shift to the LHA any of the owner's responsibilities or obligations. Any such contract shall be approved by HUD.

(h) *Responsibilities of the LHA.* The LHA shall be responsible for review of applications submitted by families to determine eligibility for assistance; determination of amounts of housing assistance payments; issuance of Certificates of Family Participation to eligible families; prompt notification of families determined ineligible; approval of Requests for Lease Approval; execution of Housing Assistance Payments Contracts; making housing assistance payments on behalf of eligible families; reexamination of family eligibility as prescribed by HUD regulations; inspections prior to leasing and at least annually to determine that the units are maintained in decent, safe, and sanitary condition (failure to do so shall constitute a Substantial Default by the LHA under the Annual Contributions Contract); authorization of eviction; and compliance with equal opportunity requirements. The LHA shall provide advice and guidance to eligible families in finding suitable housing, including advice and guidance to families experiencing discrimination, in a manner affirmatively to further the policies of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and Executive Order 11063.

(i) *Responsibilities of the family.* A family receiving housing assistance under this program shall be responsible for fulfilling all its obligations under both its lease with the owner and the Certificate of Family Participation issued to it by the LHA.

(j) *Security and utility deposits.* Generally, families shall be expected to obtain the funds to pay security deposits (not to exceed one month's total rent to owner) and/or utility deposits, if required, from their own and/or other private or public sources. In hardship cases where families are unable to obtain funds to pay the required amounts, the LHA may pay on behalf of the families the necessary deposits (except telephone). In order to be eligible for such assistance by an LHA, families shall be required to pay, as a first installment towards repayment of the funds advanced by the LHA an amount at least equal to the lesser of: one-twelfth of the total required security and/or utility deposits, or one month's gross family contribution (see § 1274.102(c)). The LHA will then pay the full amounts required to owners and/or utility companies. The amounts advanced by the LHA from its funds shall be recovered from the families by the LHA generally over a one-year period. Recovery shall be accomplished by adding to the family's monthly rent payment to owner an appropriate additional amount specified in the Security Deposit Agreement, shown as Appendix XI, which shall be remitted to the LHA with the owner's monthly request for housing assistance payments on the prescribed forms. Failure on the part of the family to pay such amounts shall not affect the amount of housing assistance payments otherwise payable. The amounts remitted to the LHA may be retained by the LHA in a separate fund, in accordance with appropriate HUD accounting procedures, for future payments of security and/or utility deposits as needed, or otherwise applied in accordance with those procedures.

(k) *Limitation on number of units in single structure.* (1) Section 23(c) of the U.S. Housing Act provides that no more than ten percent of the units in any single structure shall be assisted unless the LHA, because of the limited number of units in the structure or for any other reason, determines that such limit should not be applied. Where the LHA determines that the ten percent limitation should not be applied, a record of its determination shall be maintained in the LHA's permanent file, and the LHA shall notify HUD of its action.

(2) However, in approving applications for assistance HUD will give priority to those applications which would provide for housing assistance for 20 percent or less of the units in a single multifamily structure or complex of five or more dwelling units. However, applications for (i) programs solely for the elderly or handicapped or (ii) programs of 25 or fewer units shall be considered for approval without regard to such priority.

(l) *Relocation requirements.* No LHA shall approve a lease for any unit which is occupied unless (1) the occupant will continue to reside in the same unit under the LHA's Section 23 existing housing program or (2) the owner voluntarily undertakes liability for and provides for the funding of all relocation costs (see Section 1.7 of the Contract) or (3) other commitments, satisfactory to HUD, have been made for the funding of such costs.

(m) *Equal opportunity requirements.* Participation in the Section 23 Housing Assistance Payments Program—Existing Housing requires compliance by all participants with (1) Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and Executive Order 11063, and (2) all rules, regulations, and requirements issued pursuant thereto.

§ 1274.104 Separate project requirements.

All of the existing housing units administered by an LHA under the Housing Assistance Payments Program shall constitute a single project and be assigned a single project number. In the event that an LHA applies for additional existing housing units, the units, if approved, shall be incorporated into a revised Part I of the ACC which shall cover the LHA's entire Housing Assistance Payments Program for existing housing. The revised Part I shall be for a term of four years from the date of execution of the revised ACC Part I. The maximum annual contribution for the revised project shall be the sum of (a) the maximum annual contribution for the project prior to the revision plus (b) the amount approved for the additional units which shall be computed on the basis of the current fair market rents.

§ 1274.105 Submission of estimates of required annual contributions.

(a) *Initial submission.* An allowance may be provided for preliminary costs incurred by the LHA prior to the beginning of the first fiscal year. When the Annual Contributions Contract is

executed, the LHA shall submit an Initial Estimate of Required Annual Contributions (Preliminary Costs) and an Annual Estimate of Required Annual Contributions on the prescribed forms. These forms cover the estimated amounts for the costs of nonexpendable equipment, administration, security and utility deposits, and housing assistance payments.

(b) *Subsequent fiscal year submissions.* Not earlier than 150 and not later than 90 days prior to the beginning of each subsequent fiscal year, the LHA shall submit an Annual Estimate of Required Annual Contributions, with supporting documentation for any requested changes in the amount of housing assistance payments or the allowance for the cost of administration.

(c) *Revisions of estimates.* Any of the above Estimates may be revised to reflect changes in circumstances and available data.

(d) *HUD approval.* All Estimates of Required Annual Contributions and any revisions thereto submitted by the LHA shall be subject to HUD approval.

Subpart B—Project Development and Operation

§ 1274.201 Preapplication.

(a) *Determination of need and survey of market.* The LHA shall determine whether there is a need for housing assistance for low-income families within its operating jurisdiction. If it determines there is such a need the LHA shall survey the housing market of the locality to determine whether there is a sufficient supply of units suitable for use in this program to meet all or part of this need. In determining the adequacy of the housing supply, the LHA shall estimate realistically the number and size (number of bedrooms) of units that may be available, the condition of such units, and the rents at which the units may be leased.

(b) *Preapplication conference.* A preapplication conference with the appropriate HUD field office staff, in person or by telephone, is strongly recommended to assure that an approvable application will be submitted by the LHA. The LHA should be prepared to provide evidence that there is a sufficient supply of existing housing units which may be utilized in the program proposed by the LHA in terms of size (number of units), type (elderly or non-elderly), and bedroom distribution. The LHA should also indicate whether it intends to limit assistance to 20 percent or less of the units in a structure or complex of five or more units in accordance with § 1274.103(k)(2), and if so, that there is owner interest in such a program,

§ 1274.202 LHA submission of application.

(a) *Submission of application.* (1) An application for a Section 23 existing housing program to be submitted by the LHA to the HUD field office shall be in a form prescribed by HUD and shall:

(i) Describe the results of the LHA's survey of the housing market in terms of the number, size (number of bedrooms), condition, structure type, and rents of units which may be available;

(ii) Document the need for housing assistance in terms of family incomes, housing conditions, and rent to income ratios;

(iii) Indicate the number of units, by unit size (number of bedrooms), which are to be leased by eligible families, including a separate indication of the number of units to be leased by elderly families;

(iv) Include an estimate of the cost of administration attributable to the proposed program, and provide a basis for such estimate;

(v) Provide estimates of the average gross family contribution to be paid by families (not to exceed 25 percent of estimated adjusted family income as defined by HUD) and of utility allowances for tenant purchased utilities;

(vi) Indicate whether or not the LHA intends to meet the unit limitation described in § 1274.103(k)(2) and provide an indication of owner interest;

(vii) Indicate whether the LHA has adopted and implemented an approved tenant selection and assignment plan in compliance with Title VI of the Civil Rights Act of 1964.

(2) The LHA shall submit an Affirmative Fair Housing Marketing Plan with regard to invitations of applications for and issuance of Certificates of Family Participation.

(3) HUD regulation, Project Selection Criteria (24 CFR 200.700), is not applicable; however, see § 1274.102(a)(3) for required site and neighborhood standards.

(4) Advice and assistance in the preparation of the application are available from the local HUD field office.

(b) *Income limits and rent schedules.* (1) LHAs not having previously approved income limits and rent schedules shall submit income limits and rent schedules, in accordance with applicable HUD requirements, for approval with their applications.

(2) It is the incomes from families to be housed under the proposed Housing Assistance Payments Program, not the income limits, that is more significant in enabling HUD to determine assistance requirements and the approvability of a particular application. The LHA shall, therefore, provide accurate estimates of anticipated family income and the amount (including utilities) to be paid from the incomes of families expected to be assisted. In making these estimates, the LHA should utilize such information as incomes, after deductions and exemptions, of families on updated, current waiting lists and rents being paid by tenants in other leased and non-leased units operated by the LHA, as well as incomes of families expected to be housed under the income limits established for this program.

§ 1274.203 HUD review and approval of application.

(a) *Review of application.* The HUD field office shall review the application to determine that: There is need for assistance for the number of units applied for; the estimates of the cost of administration and utility allowance are realistic and allowable by HUD; the anticipated average gross family contribution is realistic; there is no practical alternative to utilization of units in high-rise elevator buildings for families with children, if applicable; and the LHA is in compliance with all Equal Opportunity requirements. If deemed appropriate, HUD shall make adjustments in size of program, bedroom distribution, the allowance for the cost of administration, or family contributions. Such adjustments shall be accepted by the LHA in order to receive application approval. Where the LHA is found to be in noncompliance with any Equal Opportunity requirements, appropriate action to effectuate compliance shall be taken.

(b) *Selection of applications for approval.* At least every two months, each HUD office will establish a list of all applications found approvable prior to the date the office has set for establishing such list. The applications will be ranked in accordance with criteria (other than the priority to be given to applications meeting the 20 percent limitation described in § 1274.103(k)(2)) established by the office. Applications shall be selected for approval in sequence from the top of the list. When an application is reached which is neither for the elderly (or handicapped) nor for 25 or fewer units and which does meet the 20 percent limitation, the next application which does meet the 20 percent limitation, if any, shall be selected ahead of such application; but no application for an elderly (or handicapped) project or for a project of 25 or fewer units shall be denied approval by reason of selection of the application meeting the 20 percent limitation.

(c) *Approval or disapproval of application.* (1) Upon completion of its review, HUD shall notify the LHA by letter that its application: is approved; is approvable but insufficient contract authority precludes authorization of an ACC; can be approved if the LHA adopts, within 30 days, the changes required by HUD; or is disapproved. If the application is disapproved, the letter shall indicate in detail the reasons for disapproval.

(2) If the application is approved, the letter shall authorize the LHA to execute the ACC, or the revised Part I of the ACC, transmitted with the letter. The letter shall also contain the HUD-established fair market rents, by units size, for the appropriate housing market area. The LHA shall be advised that these rents represent the maximum gross rents that can be approved for individual units. The LHA shall also be advised that if all or part of the cost for utilities is to be assumed by a family, the rent to owner shall not exceed the fair market rent less an allowance for family-paid utilities (excluding telephone). The letter shall also contain a leasing schedule in accordance with § 1274.204(b).

§ 1274.204 Annual contributions contract (ACC).

(a) *Approval and term of ACC.* Following HUD field office approval of an application, an ACC in the form prescribed in Appendix IV shall be prepared and processed and be transmitted by the field office to the LHA for execution and return to the field office with appropriate documents. The annual contributions period shall be for four years as provided in Appendix IV. A longer period may be permitted at the discretion of the Secretary.

(b) *Expeditious leasing.* The ACC shall include a provision relating to expeditious leasing of units under the program. HUD will provide, in its transmittal of the ACC to the LHA, target dates by calendar quarter endings, which will specify the number of units that are expected to be leased during each quarter. These target dates wil be established so as to implement HUD policy that all units in a Section 23 existing housing program of 100 units or more must be leased by eligible families within 12 months after execution of the ACC. In the case of smaller programs, a shorter time period may be established by HUD. Failure of the LHA to demonstrate a good faith effort to adhere to this schedule will be considered a basis for reduction by HUD of the number of units and amount of HUD's annual contributions commitment.

§ 1274.205 Leasing from owners.

(a) *Public notice to low-income families.* (1) After receiving HUD approval of its application, the LHA shall make known to the public, through publication in a newspaper of general circulation as through minority media and other suitable means, the availability of housing assistance for low-income families and shall invite such families to apply for Certificates of Family Participation. Such notice shall be made in accordance with Affirmative Fair Housing Marketing Regulations, including advertising guidelines for fair housing requiring the use of the equal housing opportunity logotype, statement, and slogan. The LHA shall send to the Equal Opportunity office in the appropriate HUD field office a statement of the methods used and a copy of the published notice(s).

(2) Families who are already on public housing waiting lists shall be notified that they must apply specifically for assistance under this program, if they wish to be considered for it. Any such family who applies for this program shall not lose its place on the public housing waiting list until it has been housed.

(b) *Public notice to owners.* The LHA shall, through publication in a newspaper of general circulation as well as through minority media, invite private owners to make dwelling units available for leasing by eligible families. Such notice shall be made in accordance with Affirmative Fair Housing Marketing Regulations, including advertising guidelines for fair housing requiring the use of the equal housing opportunity logotype, statement and slogan. The LHA shall also (1) develop working relationships with local landlords and real estate broker associations, (2) publicize the program in such ways as to reach a maximum number of landlords and real estate brokers, (3) establish contact with civic, charitable, or neighborhood organizations which have an interest in housing for low-income families, and (4) explain fully the provisions of the program, including equal opportunity requirements, to real estate, landlord, and other groups whose members may be dealing with eligible families. The LHA shall send to the Equal Opportunity office in the appropriate HUD field office a statement of the methods used and a copy of the published notice(s).

(c) *Listing of units.* Owners interested in making their units available for use by low-income families should notify the LHA which shall establish and maintain a listing of such units, accompanied by appropriate information relating to rent, type of unit (single family housing, apartment, etc.), number of bedrooms, location, etc. Such list shall be publicly posted and otherwise made available for use by eligible families, provided that: the list is open to any private owner who wishes his rental units to be included unless the owner has been disapproved by HUD for participation in HUD programs; notice of the existence of the list and the manner in which units may be included on it is publicized by the LHA; the list is used by the LHA in such a way as to ensure that eligible families are neither directed or encouraged to rent, nor discouraged from renting, from any individual; the list contains a statement that eligible families are free to choose housing units not listed; the LHA makes efforts to develop a listing of units which will be consistent with the objectives of its HUD-approved affirmative marketing plan (see § 1274.205(d) below); and owners of listed units provide the LHA with a written assurance that their units will be made available without discrimination on the basis of race, color, creed, sex, religion, or national origin.

(d) Compliance with affirmative fair housing marketing plan. In publicizing the availability of housing assistance to low-income families and inviting owners to participate and list their units with the LHA, the LHA shall comply with its HUD-approved Affirmative Fair Housing Marketing Plan in terms of outreach to families not otherwise expected to apply for assistance and encouraging the participation of owners in non-minority concentrated areas.

(e) *Determination of family eligibility for participation.* (1) In general, low-income families should contact the LHA concerning participation in the program. If an owner is the initial point of contact, he shall refer the family to the LHA. However, regardless of whether the initial contact is with the owner or the LHA, the LHA shall be solely responsible for determining eligibility.

(2) In selecting families for participation in this program, the LHA shall comply with its HUD-approved Affirmative Fair Housing Marketing Plan and its applicable regulations establishing admission policies, including policies, if any, carrying out its responsibility for rehousing displaced families.

(3) If the applicant is determined to be eligible and is selected for participation, he shall be given a Certificate of Family Participation and Lease Approval (see Appendix V), including Part I, Certificate of Family Participation, signed by the family and the LHA.

(4) At the same time, the family shall be given the following:

(i) Copies of Lease Provisions Required for Participation in the Housing Assistance Payments Program and Guide for Lease Provisions for Maintenance and Security Services (see Appendix VI);

(ii) A copy of the form of Housing Assistance Payments Contract (see Appendix IX); and

(iii) A copy of the booklet, *Watch Out for Lead Paint Poisoning* issued by the U.S. Department of Health, Education, and Welfare and identified as DHEW Publication No. (HSM) 73-5101;

(5) The Certificate of Family Participation shall expire at the end of 60 days unless the family notifies the LHA of the unit it wishes to lease within that time period by submitting a Request for Lease Approval, Part II of Appendix V (see paragraph (f) of this section). Expiration of the Certificate shall not preclude the LHA from extending the Certificate upon its submission by the family.

(6) The LHA shall maintain a system to assure that it will be able to honor all outstanding Certificates of Family Participation within its ACC authorization.

(7) LHA records on applicant and certified families shall be maintained so as to provide HUD with racial and ethnic data.

(f) *Submission of request for lease approval.* (1) Holders of Certificates of Family Participation shall be responsible for finding suitable units. The LHA may, however, undertake to find suitable units for families requiring special assistance, such as the elderly or handicapped or families experiencing discrimination. An LHA shall advise eligible families that they are free to seek units in all areas of the LHA's jurisdiction. In particular, it shall be made clear to minority families that they are free to seek housing in non-minority areas.

(2) When a family has found a unit it wishes to lease, it shall submit to the LHA a request for Lease Approval, signed by the owner of the unit and the family, and a proposed lease. The lease shall contain all required provisions shown in Appendix VI and shall be complete except for execution and the portion of monthly lease rental which the family shall be obligated to pay to the owner.

(g) *LHA approval of lease.* (1) *Ineligible owners.* LHAs shall not approve owners or managers who are listed by HUD as being disapproved for participation in HUD programs.

(2) *Amount of rent.* In no case shall the LHA approve a rent which is higher than the applicable HUD-established fair market rent (less the HUD-approved allowance for utilities to be paid directly by the family). It should be recognized that owners may anticipate receiving rents equal to the HUD-established fair market rents, even though the reasonable rents for their units may be less. Accordingly, an LHA shall not approve leases for units with rents that exceed rents for similar units after taking into consideration differences in location, facilities and services, and the amount required for satisfactory maintenance.

(3) *Inspection of unit.* (i) Before approving a lease, the LHA shall make appropriate inquiries to ascertain that all certifications required by law have been issued and are currently valid. In addition, the LHA shall inspect the unit, or cause it to be inspected, for compliance with all other requirements of § 1274.102(a). An inspection report shall be maintained by the LHA for each unit inspected specifying whether required certifications, if any, have been issued and the results of the inspection.

(ii) If there are defects or deficiencies which must be corrected in order for the unit to be decent, safe, and sanitary, the owner shall be advised by the LHA of the work required to be done. Before a Housing Assistance Payments Contract can be executed, the unit must be inspected to ascertain that the necessary work has been performed and that the unit is decent, safe, and sanitary. A report detailing the results of this second inspection shall be maintained by the LHA with its original report on the unit.

(4) *Relocation certification.* The LHA shall review the relocation certification made by the owner and the facts stated therein and determine to its satisfaction that the unit, if not vacant, will be vacated as a result of one of the three categories of reasons specified.

(5) *Lease requirements*—(i) *Term of lease.* The term of lease shall be for not less than one year and shall generally be for not more than one year, but may contain a provision permitting termination upon 30 days advance written notice by either party. The specified lease term, including specified renewal options, if any, shall in no case exceed three years or the term of the ACC pertaining to the lease, whichever is shorter.

(ii) *Required provisions.* The lease shall contain the required provisions specified in section 1.6 of the Housing Assistance Payments Contract. (See also Appendix VI.)

(iii) *Prohibited provisions.* Lease clauses which fall within the classifications listed below shall not be included in any owner-family leases.

(A) *Confession of judgment.* Constitutes prior consent by tenant to any lawsuit the landlord may bring against him in connection with the lease and to a judgment in favor of the landlord.

(B) *Distraint for rent or other charges.* Agreement by tenant that landlord is authorized to take property of the tenant and hold it as a pledge until the tenant performs the obligation which the landlord has determined the tenant has failed to perform.

(C) *Exculpatory clauses.* Agreement by tenant not to hold the landlord or landlord's agents liable for any acts or omissions whether intentional or negligent on the part of the landlord or the landlord's authorized representatives or agents.

(D) *Waiver of legal notice by tenant prior to actions for eviction or money judgments.* Agreement by tenant that the landlord may institute suit without any notice to the tenant that the suit has been filed, thus preventing the tenant from defending against the lawsuit.

(E) *Waiver of legal proceedings.* These clauses authorize the landlord to act to evict the tenant or hold or sell the tenant's possessions whenever the landlord determines that a breach or default has occurred, without notice to the tenant or any determination by a court of the rights and liabilities of the parties.

(F) *Waiver of jury trial.* These clauses authorize the landlord's lawyer to appear in court for the tenant and waive the right to a trial by jury.

(G) *Waiver of right to appeal judicial error in legal proceedings.* These clauses authorize the landlord's lawyer to waive the right to appeal for judicial error in any suit or the right to file a suit in equity to prevent the execution of a judgment.

(H) *Tenant chargeable with costs of legal actions regardless of outcome.* These clauses provide that the tenant agrees to pay attorney's fees or other legal costs whenever the landlord decides to take action against the tenant even though the court determines that the tenant prevails in the action. This does not mean that the tenant as a party to a lawsuit may not be obligated to pay attorney's fees or other costs if he loses the suit.

(6) *Approval of lease and execution of related documents.* If a unit which an eligible family wishes to lease is determined by the LHA to be in decent, safe, and sanitary condition, the proposed rent to owner is approvable, and the proposed lease complies with program requirements, the LHA shall return a copy of Part III of Appendix V, Authority Determination, to the owner and the family indicating approval of the lease. Attached to the form shall be (i) a copy of the proposed lease, with the portion of the monthly lease rental which the family shall be obligated to pay the owner entered onto the lease, (ii) unsigned copies of the Housing Assistance Payments Contract, and (iii) if applicable, copies of the Security Deposit Agreement, signed by the LHA. The lease shall be executed by the owner and the family and a copy of the executed lease returned to the LHA. Two copies of the Contract shall be signed by the owner, and returned to the LHA. The LHA shall execute both copies of the Contract and shall return one executed copy to the owner. The Security Deposit Agreement, if any, shall be executed by the owner and the family and an executed copy returned to the LHA.

(7) *Disapproval of lease.* If the LHA has determined that the lease cannot be approved for any reason, including the condition of the unit, it shall so notify the owner and the family using Part III of Appendix V. A copy of this notification shall be maintained in LHA files together with the original Request for Lease Approval and the inspection report relating to the unit.

(h) *Continued family participation.* A family must continue to occupy its approved unit to remain eligible for participation in the Housing Assistance Payments Program except under the following conditions. If a family (1) wishes to vacate its unit at the end of the lease term (or prior thereto but in accordance with the provisions of the lease), or (2) is required to move for reasons other than violation of the lease on the part of the family (as determined by the LHA), the family shall be given a new Certificate of Family Participation providing for housing assistance payments for occupancy of another approvable unit, if:

(i) The family provides reasonable notice (at least 30 days) to the LHA of its intention to vacate;

(ii) The LHA determines that the family is in compliance with the provisions of the lease, including provisions requiring notice to the owner, if applicable;

(iii) The LHA determines that the family continues to be eligible for such assistance;

(iv) The LHA determines that the family is meeting its obligations for repayment of security deposits, if any; and

(v) The LHA has sufficient funds under its Annual Contributions Contract.

(i) *Eviction.* The owner shall not evict any family unless the owner complies with the requirements of local law, if any, and of this paragraph. The owner shall give the family a written notice of the proposed eviction, stating the grounds and advising the family that it has 10 days (or such greater number, if any, that may be required by local law) within which to respond to the owner. The owner must obtain the LHA's authorization for an eviction; accordingly, a copy of the notice shall be furnished simultaneously to the LHA, and the notice shall also state that the Family may, within the same time period, present its objections to the LHA in writing or in person. The LHA shall forthwith examine the grounds for eviction and shall authorize the eviction unless it finds the grounds to be insufficient under the lease. The LHA shall notify the owner and the family of its determination within 20 days of the date of receipt of the notice by the family, whether or not the family has presented objections to the LHA.

(j) *Inapplicability of low-rent public housing model lease and grievance procedures.* Model lease and grievance procedures established by HUD for LHA-owned low-rent public housing are not

applicable to the Section 23 Housing Assistance Payments Program.

§ 1274.206 Periodic inspection.

In order to ensure that housing under lease remains in decent, safe, and sanitary condition for the duration of the Contract and the lease, the LHA shall make periodic inspections, not less than annually, to ascertain that the owner has adequately maintained the unit as required by the Contract. In addition, the LHA shall inspect the unit whenever it has information, as a result of family complaints or otherwise, to the effect that the unit is not being maintained in accordance with the Contract. In those instances where the LHA determines that the unit is not being maintained satisfactorily, the LHA shall try to resolve the problem with the owner. If the LHA is unsuccessful, it shall (a) abate payment of housing assistance until such time as the unit is brought into decent, safe, and sanitary condition, and/or (b) give the owner a 30-day notice of termination in accordance with the provisions of the Contract. The family shall be furnished a copy of the notice to the owner regarding abatement or termination, together with information regarding continued assistance. The LHA shall keep in its files copies of all inspection reports and records of actions taken pursuant to this Section.

§ 1274.207 HUD review of LHA program activities.

When 30 percent of the units under Part I of the ACC have been leased, but not later than 90 days after execution of the Part I, HUD will review the LHA's operations for compliance with the provisions of this part. Subsequent reviews will be scheduled as necessary. If additional units are added to the ACC, HUD will review the LHA's operations for compliance when 30 percent of the additional units have been leased, but not later than 90 days after execution of the revised Part I of the ACC.

§ 1274.208 LHA reporting requirements. [Reserved]

NOTE: Appendices I, II, and III, which relate to internal HUD processing procedures, are not included herein, but do appear in the HUD Existing Housing Handbook.

APPENDIX IV

ANNUAL CONTRIBUTIONS CONTRACT

This Annual Contributions Contract (ACC) is entered into as of the ____ day of _____, 19____, by and between the United States of America (herein called the "Government"), pursuant to the United States Housing Act of 1937 (42 U.S.C. 1401, et seq., which Act as amended to the date of this ACC is herein called the "Act") and the Department of Housing and Urban Development Act (42 U.S.C. 3521), and _____ (herein called the "Local Authority"), which is organized and existing under the laws of the State of _____ and is a "public housing agency" as defined in the Act. In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

0.1 *Project or Projects.* The Local Authority is undertaking to provide decent, safe, and sanitary housing for families of low income (further defined as "Family" or "Families" in Section 2.2) in privately owned accommodations pursuant to Section 23 of the Act by means of Housing Assistance Payments Contracts ("Contracts") with the persons or entities having the legal right to lease or sublease such housing ("Owners"). Such undertaking may involve an agreement for the use of housing to be constructed ("New Construction"), an agreement for the use of existing housing to be substantially rehabilitated ("Substantial Rehabilitation"), or the use of existing housing without substantial rehabilitation ("Existing Housing"). In each instance, the type of housing and the number and sizes of dwelling units with respect to which a certain maximum Annual Contributions commitment is made shall constitute a Project hereunder and shall be identified by a stated Project number.

0.2 *Part I and Part II of this Annual Contributions Contract.* (a) Certain provisions of this ACC, principally those which are specifically applicable to a designated Project, are contained in Part I. Separate forms of Part I are used for different types of Projects (i.e., New Construction, Substantial Rehabilitation, and Existing Housing). A separate Part I, on the applicable form thereof, has been executed with respect to each Project hereunder, and each such Part I, so executed, constitutes a part of this ACC.

(b) The remaining provisions of this ACC, which are applicable to all Projects hereunder, are contained in Part II, which, although not separately executed, constitutes a part of this ACC.

0.3 *Fiscal Year.* Except for the first Fiscal Year of each Project, there shall be one Fiscal Year for all Projects hereunder. Such established Fiscal Year shall be the 12-month period ending _____ of each calendar year. The first Fiscal Year for each Project shall be as provided in the Part I applicable to such Project.

Local Authority, by:

_____

The Government, by:

_____

PART I—EXISTING HOUSING PROJECT NO. ____

1.1. *The Project.* It is contemplated that the Local Authority will enter into Housing Assistance Payments Contracts ("Contracts") with respect to the following numbers and sizes of dwelling units:

Size of Unit	*Number of Units*

The Local Authority shall, to the maximum extent feasible, enter into Contracts in accordance with the numbers and sizes of units specified, but the Local Authority shall not enter into Contracts or take other actions which will result in a claim for a total Annual Contribution in respect to the Project in excess of the maximum amount stated in Section 1.3(a).

1.2. *Authorization of Actions by Local Authority.* (a) In order to carry out the Project, the Local Authority is authorized to (i) enter into Contracts, (ii) make Housing Assistance Payments on behalf of Families, and (iii) take all other necessary actions, all in accordance with the forms, conditions, and requirements prescribed or approved by the Government; Provided, however, that neither the Local Authority nor the Government shall assume any obligation beyond that provided in Housing Assistance Payments Contracts in the form approved by the Government.

(b) The term of each Contract shall be coterminous with the term of the Lease between the Owner and the Family, which term shall be for not less than one year (subject to earlier termination in accordance with its provisions) and shall generally be for not more than one year; Provided, however, that the specified Lease term, including specified renewal options, if any, shall in no event exceed three years or the term of this Annual Contributions Contract, whichever is shorter.

1.3 *Annual Conributions.* (a) Notwithstanding any other provisions of this ACC (other than paragraph (c) of this Section) or any provisions of any other contract between the Government and the Local Authority, the Government shall not be obligated to make any Annual Contributions or any other payment in respect to the Project in excess of $_____; Provided, however, that this amount shall be reduced commensurate with any reduction in the number of units pursuant to Section 1.8 of this ACC.

(b) Subject to the maximum dollar limitation in paragraph (a) of this Section, the Government shall pay Annual Contributions to the Local Authority in respect to the Project in an amount equal to the sum of the following:

(1) The amount of housing assistance payments payable during the Fiscal Year (see Section 1.4) by the Local Authority pursuant to Contracts, as authorized in Section 1.2.

(2) The allowance, in the amount approved by the Government, for security and utility deposits.

(3) The allowance, in the amount approved by the Government, for preliminary costs of administration.

(4) The allowance, in the amount approved by the Government, for the regular costs of administration.

(c) Subject to the maximum amount stated in paragraph (a) of this Section, the Annual Contribution for any Fiscal Year may include such amount as the Government may determine to be necessary to assure that the low-rent character of the Project will be maintained, which amount shall be credited to an account maintained by the Local Authority or the Government as determined by the Government. To the extent funds are available in said account, the Annual Contribution for any Fiscal Year may exceed the maximum amount stated in paragraph (a) of this Section by such amount, if any, as may be required for increases reflected in the estimates of required annual contributions applicable to such Fiscal Year as approved by the Government in accordance with Section 1.7 below. Any amount remaining in said account after payment of the last Annual Contribution with respect to the Project shall be applied by the Government as a receipt in accordance with Section 18 of the Act.

(d) The Government will make periodic payments on account of the Annual Contributions upon requisition therefor by the Local Authority in the form prescribed by the Government. Each requisition shall include certifications by the Local Authority that housing assistance payments have been or will be made only with respect to units which:

(1) are under lease by Families at the time such housing assistance payments are made except as otherwise provided in the Contracts; and

(2) the Local Authority has inspected or caused to be inspected pursuant to Section 2.7 of Part II of this ACC, within one year prior to the making of such housing assistance payments.

(e) Following the end of each Fiscal Year, the Local Authority shall promptly pay to the Government, unless other disposition is approved by the Government, the amount, if any, by which the total amount of periodic payments during the Fiscal Year exceeds the total amount of the Annual Contribution

payable for such Fiscal Year in accordance with this Section.

1.4. *Fiscal Year.* The Fiscal Year for the Project shall be the Fiscal Year established by Section 0.3 of this ACC; Provided, however, that the first Fiscal Year for the Project shall be the period beginning with the Date of Execution and ending on the last day of said established Fiscal Year which is not less than 12 months after the Date of Execution. If the first Fiscal Year exceeds 12 months, the maximum Annual Contribution in Section 1.3(a) may be adjusted by the addition of the pro rata amount applicable to the period of operation in excess of 12 months.

1.5. *Term of This ACC.* The term of this ACC with respect to the Project shall be four years beginning with the Date of Execution; Provided, however, that this ACC shall continue in effect for one additional year with respect to Housing Assistance Payments Contracts entered into at any time during the four year period.

1.6. *Federal and Local Government Approvals.* (a) The making of this ACC and the undertaking by the Government of the Annual Contributions as herein provided has been duly approved on List No. ____ for Annual Contributions Contracts.

(b) The governing body of the locality in which the dwelling units are to be located has approved the application of Section 23 of the Act to the locality, by resolution or ordinance duly adopted on _____, 19____.

1.7. *Estimate of Required Annual Contributions.* (a) At or about the date of execution of this ACC, the Local Authority shall submit an Initial Estimate of Required Annual Contributions (Preliminary Costs) and an Annual Estimate of Required Annual Contributions. These forms cover the estimated amounts for the costs of nonexpendable equipment, administration, security and utility deposits, and housing assistance payments.

(b) Not earlier than 150 and not later than 90 days prior to the beginning of each subsequent Fiscal Year, the Local Authority shall submit an Annual Estimate of Required Annual Contributions with supporting documentation for any requested changes in the amount of housing assistance payments or the allowance for the cost of administration.

(c) Any of the above Estimates may be revised to reflect changes in circumstances and available data.

(d) All Estimates of Required Annual Contributions and any revisions thereto submitted by the Local Authority shall be subject to Government approval.

1.8. *Expeditious Carrying Out of Project.* The Local Authority shall proceed expeditiously with the housing of Families through the use of housing assistance payments. If the Local Authority fails to proceed expeditiously, the Government, by notice to the Local Authority, may reduce the Project to the number and sizes of dwelling units under Contracts with Owners as of the date of the receipt of such notice by the Local Authority, with a corresponding reduction in the maximum amount of Annual Contributions specified in Section 1.3(a).

1.9. *Date of Execution.* The Date of Execution of this ACC with respect to this Project ("Date of Execution") is _____.

1.10. *Prior ACCs Superseded.* This Part I supersedes prior ACC Parts I, if any.

Local Authority, by:

_____

The Government, by:

_____

PART II—TERMS AND CONDITIONS BETWEEN LOCAL AUTHORITY AND THE UNITED STATES OF AMERICA

2.1. *Low-Income Housing Use.* The Local Authority shall use the Annual Contributions solely for the purpose of providing decent, safe, and sanitary dwellings for families of low income, hereinafter further defined as "Families."

2.2. *Definitions*—(a) *Families; Elderly Families; and Displaced Families.* (1) The term "Families" means families of low income and includes Families consisting of a single person in the case of Elderly Families and Displaced Families, and includes the remaining member of a tenant Family.

(2) The term "Elderly Families" means Families whose heads (or their spouses), or whose sole members, have attained the age at which an individual may elect to receive an old-age benefit under Title II of the Social Security Act (42 U.S.C. 301, et seq.); or are under a disability as defined in section 223 of that Act; or are handicapped within the meaning of Section 202 (12 U.S.C. 1701q) of the Housing Act of 1959, as amended.

(3) The term "Displaced Families" means Families displaced by urban renewal or other governmental action, or Families whose present or former dwellings are situated in areas as determined by the Government to have been affected by a natural disaster, and which have been extensively damaged or destroyed as the result of such disaster.

(b) *Project Receipts and Project Expenditures.* (1) "Project Receipts" with respect to each Project shall mean the Annual Contributions payable hereunder and all other receipts, if any, accruing to the Local Authority from, out of, or in connection with such Project.

(2) "Project Expenditures" with respect to each Project shall mean all costs allowable under Section 1.3, Part I of this ACC with respect to such Project.

(c) *Substantial Default.* For the purpose of this ACC a Substantial Default is defined to be the occurrence of any of the following events:

(1) If the Local Authority defaults in the observance or performance of the provisions of Section 2.7; or

(2) If (a) the Local Authority violates or fails to comply with any provisions of the Housing Assistance Payments Contract or fails to perform any of its obligations under such Contract, or (b) such Contract at any time is held to be void, voidable, or ultra vires, or the power or right of the Local Authority to enter into such Contract is drawn into question in any legal proceeding, or (c) the Local Authority asserts or claims that such Contract is not binding upon it for any reason, or otherwise asserts or demonstrates that it does not intend to fulfill its obligations under such Contract; or

(3) If the Local Authority fails or refuses to honor any duly issued Certificate of Family Participation in accordance with its terms; or

(4) If the Local Authority fails to comply with the requirements of Sections 2.8, 2.9, 2.10, or 2.11; or

(5) If there is any default by the Local Authority in the performance or observance of any term, covenant, or condition of this ACC other than the defaults enumerated in subsections (1) through (4) of this paragraph (c) and if such default has not been remedied within a reasonable time, not to exceed thirty days, after the Government has notified the Local Authority thereof.

2.3. *Maximum Income Limits and Rents.* (a) Subject to the approval of the Government, the Local Authority shall fix income limits for eligibility and rents after taking into consideration:

(1) The Family size, composition, age, physical handicaps, and other factors which might affect the rent-paying ability of the family, and

(2) The economic factors which affect the financial stability and solvency of the Projects.

(b) Income limits shall restrict eligibility to Families (as defined in Section 2.2) and shall assure the financial solvency of the Projects. Income limits and rents as fixed by the Local Authority shall meet the requirements of applicable local law.

(c) The Local Authority shall submit to the Government for its approval a schedule or schedules of income limits and rents, together with such supporting data and documents as the Government may require.

(d) The Local Authority may at any time review and revise such schedules, and shall review and revise such schedules if the Government determines that changed conditions in the locality make such revisions necessary in achieving the purposes of the Act.

2.4. *Admission Policies.* (a) The Local Authority shall duly adopt and promulgate, by publication or posting in a conspicuous place for examination by prospective tenants, regulations establishing its policies for the issuance of Certificates of Family Participation. Such regulations must be reasonable and give full consideration to its public responsibility for rehousing Displaced Families, to the applicant's status as a serviceman or veteran or relationship to a serviceman or veteran or to a disabled serviceman or veteran and to the applicant's age or disability, housing conditions, urgency of housing need, and source of income, and shall accord to Families consisting of two or more persons such priority over Families consisting of single persons as the Local Authority determines to be necessary to avoid undue hardship.

(b) The Local Authority shall promptly notify any applicant determined to be ineligible for housing assistance payments of the basis for such determination 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. Any applicant determined to be eligible for housing assistance payments shall be given a Certificate of Family Participation or shall be notified of the date when such Certificate will be issued, insofar as such date can be reasonably determined.

2.5. *Continued Eligibility.* (a) The Local Authority shall periodically reexamine the incomes of Families for whom housing assistance payments are being made; Provided, however, that the length of time between the issuance of a Certificate of Family Participation to a Family subject to yearly reexamination and the first reexamination of such Family may be extended by not more than six months if necessary to fit a reexamination schedule established by the Local Authority.

(b) If, upon such reexamination, it is found that Family income or composition has changed, the portion of rent payable by the Family and the amount of housing assistance payment shall be adjusted accordingly.

(c) If, upon such reexamination, it is found that the income of a Family increased beyond the approved income limits for the Project, housing assistance payments for such Family shall terminate.

2.6. *Applications and Certifications.* (a) Prior to the issuance of a Certificate of Family Participation to each Family and there-

after on the date established by the Local Authority for each reexamination of the status of such Family, the Local Authority shall obtain a written application, signed by a responsible member of such Family, which application shall set forth all data and information necessary to enable the Local Authority to determine whether the Family meets the conditions of eligibility for housing assistance payments.

(b) The Local Authority shall establish policies governing the nature and extent of investigations to be made of applicants' and tenants' statements relating to their eligibility.

(c) A duly authorized official of the Local Authority shall, at times prescribed by the Government, make written certifications to the Government that each Certificate of Family Participation issued during the period covered by the certification was issued in accordance with its duly adopted regulations and approved income limits.

2.7. *Maintenance and Inspections.* (a) The Local Authority shall require as a condition for the making of housing assistance payments, that the Owner at all times maintain the Project in decent, safe, and sanitary condition.

(b) The Local Authority shall inspect or cause to be inspected dwelling units prior to commencement of occupancy by Families, and of grounds, facilities, and areas for their benefit and use, and shall make or cause to be made subsequent inspections at least annually, adequate to assure that decent, safe, and sanitary housing accommodations are being provided.

2.8. *Nondiscrimination in Housing.* (a) The Local Authority shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, Public Law 88-352, 78 Stat. 241; the regulations of the Department of Housing and Urban Development issued thereunder, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; the requirements of said Department pursuant to said regulations; and Executive Order 11063 to the end that, in accordance with that Act and the regulations and requirements of said Department thereunder, and said Executive Order, no person in the United States shall, on the ground of race, color, creed, religion, or national origin, be excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program or be otherwise subjected to discrimination. The Local Authority shall, by contractual requirement, covenant, or other binding commitment, assure the same compliance on the part of any subgrantee, contractor, subcontractor, transferee, successor in interest, or other participant in the program or activity, such commitment to include the following clause:

"This provision is included pursuant to the regulations of the Department of Housing and Urban Development, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; issued under Title VI of the said Civil Rights Act of 1964, and the requirements of said Department pursuant to said regulations; and the obligation of the [contractor or other] to comply therewith inures to the benefit of the United States, the said Department, and the Local Authority any of which shall be entitled to invoke any remedies available by law to redress any breach thereof or to compel compliance therewith by the [contractor or other.]"

(b) The Local Authority shall incorporate or cause to be incorporated into all Housing Assistance Payments Contracts a provision requiring compliance with all requirements imposed by Title VIII of the Civil Rights Act of 1968, Public Law 90-284, 82 Stat. 73, and any rules and regulations issued pursuant thereto.

(c) The Local Authority shall not, on account of creed or sex, discriminate in the sale, leasing, rental, or other disposition of housing or related facilities (including land) included in any Project or in the use or occupancy thereof, nor deny to any family the opportunity to apply for such housing, nor deny to any eligible applicant the opportunity to lease or rent any dwelling in any such housing suitable to its needs. No person shall *automatically* be excluded from participation in or be denied the benefits of the Housing Assistance Payments Program because of membership in a class such as unmarried mothers, recipients of public assistance, etc.

2.9. *Equal Employment Opportunity.* The Local Authority shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, or national origin. The Local Authority shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, creed, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

2.10. *Employment of Project Area Residents and Contractors.* The Local Authority shall comply and shall require each of its contractors and subcontractors employed in the performance of this ACC to comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the regulations and requirements of the Government thereunder, requiring that to the greatest extent feasible opportunities for training and employment be given lower income residents of the Project area and that contracts for work in connection with the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the Project.

2.11. *Cooperation In Equal Opportunity Compliance Reviews.* The Local Authority shall cooperate with the Government in the conducting of compliance reviews and complaint investigations pursuant to applicable civil rights statutes, Executive Orders, and rules and regulations pursuant thereto.

2.12. *Insurance and Fidelity Bond Coverage.* (a) For purposes of protection against hazards arising out of or in connection with the administrative activities of the Local Authority in carrying out the Project, the Local Authority shall carry adequate (1) comprehensive general liability insurance, (2) workmen's compensation coverage (Statutory or voluntary), and (3) automobile liability insurance against property damage and bodily injury (owned and non-owned).

(b) The Local Authority shall obtain or provide for the obtaining of adequate fidelity bond coverage of its officers, agents, or employees handling cash or authorized to sign checks or certify vouchers.

(c) Each insurance policy or bond shall be written to become effective at the time the Local Authority becomes subject to the risk or hazard covered thereby, and shall be continued in full force and effect for such period as the Local Authority is subject to such risk or hadard. Such insurance and bonds shall (1) be payable in such manner, (2) be in such form, and (3) be for such amounts, all as may be determined by the Local Authority and approved by the Government, and shall be obtained from financially sound and responsible insurance companies.

(d) In connection with each policy, including renewals, for comprehensive general liability insurance the Local Authority shall give full opportunity for open and competitive bidding. The Local Authority shall give such publicity to advertisements for bids as will assure adequate competition and shall afford an opportunity to bid to all insurers who have indicated in writing to the Local Authority their desire to submit a bid and who are licensed to do business in the State. Such insurance shall be awarded to the lowest responsible bidder. The lowest bid shall be determined upon the basis of net cost to the Local Authority. Net cost, for the purposes of this subsection (d), shall mean the gross deposit premium, plus the cost of insurance against the hazards, if any, of assessments, less any anticipated dividend based on the dividend payment and assessment record of the insurer for the previous ten years. Nothing in this subsection (d) shall have the effect of requiring the Local Authority to purchase insurance from any insurer not licensed to do business in the State or to purchase insurance which involves any hazard of assessment unless insurance against such hazard is available.

(e) The Local Authority shall require that each liability insurance policy prohibit the insurer from defending any tort claim on the ground of immunity of the Local Authority from suit.

(f) The Local Authority shall submit certified duplicate copies of all insurance policies and bonds to the Government not less than forty-five days before the effective date thereof for review to determine compliance with this ACC. Unless disapproved by the Government within thirty days of the date submitted, the policies and bonds submitted shall be considered as approved by the Government.

(g) If the Local Authority shall fail at any time to obtain and maintain insurance as required by subsections (a), (b), (c), and (d) of this Sec. 2.12, the Government may obtain such insurance on behalf of the Local Authority and the Local Authority shall promptly reimburse the Government for the cost thereof together with interest at the then going Federal rate as determined pursuant to Section 2(10) of the Act.

2.13. *Books of Account and Records; Reports; Audits.* (a) The Local Authority shall maintain complete and accurate books of account and records, as may be prescribed from time to time by the Government, in connection with the Projects, including records which permit a speedy and effective audit, and will among other things fully disclose the amount and the disposition by the Local Authority of the Annual Contributions and other Project Receipts, if any.

(b) The books of account and records of the Local Authority shall be maintained for each Project as separate and distinct from all other Projects and undertakings of the Local Authority, except as authorized or approved by the Government.

(c) The Local Authority shall furnish the Government such financial, operating, and statistical reports, records, statements, and documents at such times, in such form, and accompanied by such supporting data, all as may reasonably be required from time to time by the Government.

(d) The Government and the Comptroller General of the United States, or his duly authorized representatives, shall have full and free access to the Projects and to all the books, documents, papers, and records of the Local Authority that are pertinent to its operations with respect to financial assistance under the Act, including the right to audit, and to make excerpts and transcripts from such books and records.

(e) The Local Authority shall incorporate or cause to be incorporated in all Contracts the following clause:

LHA and Government Access to Premises and Owner's Records

The Owner shall permit the LHA and the Government or any of their duly authorized representatives, to have access to the premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner that are pertinent to compliance with this Contract, including the verification of information pertinent to the monthly requests to the LHA for housing assistance payments.

(f) The Local Authority shall not charge as a Project Expenditure the cost or expense of any audit with respect to any Project for any Fiscal Year unless (1) the Government has approved such audit, or (2) such audit is required by law, or (3) the Government has failed to furnish the Local Authority with a report of its fiscal audit of the Local Authority's books of account for such Fiscal Year within six months after the end thereof and, subsequent to a notice by the Local Authority of such failure, the Government has failed to submit its report of such audit within three months after receipt of such notice.

2.14. *General Depositary Agreement and General Fund.* (a) Promptly after the execution of this ACC, the Local Authority shall enter into, and thereafter maintain, one or more agreements, which are herein collectively called the "General Depositary Agreement," in form prescribed by the Government, with one or more banks (each of which shall be, and continue to be, a member of the Federal Deposit Insurance Corporation) selected as depositary by the Local Authority. Immediately upon the execution of any General Depositary Agreement, the Local Authority shall furnish to the Government such executed or conformed copies thereof as the Government may require. No such General Depositary Agreement shall be terminated except after thirty days notice to the Government.

(b) All monies received by or held for account of the Local Authority in connection with the Projects shall constitute the General Fund.

(c) The Local Authority shall, except as otherwise provided in this ACC, deposit promptly with such bank or banks, under the terms of the General Depositary Agreement, all monies constituting the General Fund.

(d) The Local Authority may withdraw monies from the General Fund only for (1) the payment of Project Expenditures, and (2) other purposes specifically approved by the Government. No withdrawals shall be made except in accordance with a voucher or vouchers then on file in the office of the Local Authority stating in proper detail the purpose for which such withdrawal is made.

(e) If the Local Authority (1) in the determination of the Government, is in Substantial Default, or (2) makes or has made any fraudulent or willful misrepresentation of any material fact in any of the documents or data submitted to the Government pursuant to this ACC or in any document or data submitted to the Government as a basis for this ACC or as an inducement to the Government to enter into this ACC, the Government shall have the right to require any bank or other depositary which holds any monies of the General Fund, to refuse to permit any withdrawals of such monies; Provided, however, that upon the curing of such Default the Government shall promptly rescind such requirement.

2.15. *Pooling of Funds under Special Conditions and Revolving Fund.* (a) The Local Authority may deposit under the terms of the General Depositary Agreement monies received or held by the Local Authority in connection with any other housing project developed or operated by the Local Authority pursuant to the provisions of any contract for annual contributions, administration, or lease between the Local Authority and the Government.

(b) The Local Authority may also deposit under the terms of the General Depositary Agreement amounts necessary for current expenditures of any other project or enterprise of the Local Authority, including any project or enterprise in which the Government has no financial interest; Provided, however, that such deposits shall be lump-sum transfers from the depositaries of such other projects or enterprises, and shall in no event be deposits of the direct revenues or receipts of such other projects or enterprises.

(c) If the Local Authority operates other projects or enterprises in which the Government has no financial interest it may, from time to time, withdraw such amounts as the Government may approve from monies on deposit under the General Depositary Agreement for deposit in and disbursement from a revolving fund provided for the payment of items chargeable in part to the Projects and in part to other projects or enterprises of the Local Authority; Provided, however, that all deposits in such revolving fund shall be lump sum transfers from the depositaries of the related projects or enterprises and shall in no event be deposits of the direct revenues or receipts.

(d) The Local Authority may establish petty cash or change funds in reasonable amounts, from monies on deposit under the General Depositary Agreement.

(e) In no event shall the Local Authority withdraw from any of the funds or accounts authorized under this Section 2.15 amounts for the Projects or for any other project or enterprise in excess of the amount then on deposit in respect thereto.

2.16 *Assignment of Interest in Project to Government; Continuance of Annual Contributions.* Upon the occurence of a Substantial Default (as herein defined) with respect to any Project the Local Authority shall, if the Government so requires, assign to the Government all of its rights and interests in and to the Project, or such part thereof as the Government may specify, and the Government shall continue to pay Annual Contributions with respect to dwelling units covered by Housing Assistance Payments Contracts in accordance with the terms of this ACC until reassigned to the Local Authority. After the Government shall be satisfied that all defaults with respect to the Project have been cured and that the Project will thereafter be operated in accordance with the terms of this ACC, the Government shall reassign to the Local Authority all of the rights and interests of the Government in and to the Project as such rights and interests exist at the time of such reassignment.

2.17 *Remedies not Exclusive and Non-Waivers of Remedies.* Any remedy provided for herein shall not be exclusive or preclude the Owner, LHA and/or the Government from exercising any other remedy available under this ACC or under any provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies available to such parties. Failure on the part of any such party to exercise any right or remedy shall not constitute a waiver of that or any other right or remedy, nor operate to deprive the party of the right thereafter to take any remedial action for the same or any subsequent default.

2.18. *Interest of Members, Officers, or Employees of Local Authority, Members of Local Governing Body, or Other Public Officials.* (a) Neither the Local Authority nor any of its contractors or their subcontractors shall enter into any contract, subcontract, or arrangement, in connection with any project, in which any member, officer, or employee of the Local Authority, or any member of the governing body of the locality in which the Project is situated, or any member of the governing body of the locality in which the Authority was activated, or any other public official of such locality or localities who exercises any responsibilities or functions with respect to the Project during his tenure or for one year thereafter has any interest, direct or indirect. If any such present or former member, officer, or employee of the Local Authority, or any such governing body member or such other public official of such locality or localities involuntarily acquires or had acquired prior to the beginning of his tenure any such interest, and if such interest is immediately disclosed to the Local Authority and such disclosure is entered upon the minutes of the Local Authority, the Local Authority, with the prior approval of the Government may waive the prohibition contained in this subsection; Provided, however, that any such present member, officer, or employee of the Local Authority shall not participate in any action by the Local Authority relating to such contract, subcontract, or arrangement.

(b) The Local Authority shall insert in all contracts entered into in connection with any Project or any property included or planned to be included in any Project, and shall require its contractors to insert in each of its subcontracts, the following provisions:

No member, officer, or employee of the Local Authority, no member of the governing body of the locality in which the Project is situated, no member of the governing body of the locality in which the Local Authority was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Project, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.

(c) The provisions of the foregoing subsections (a) and (b) of this Section 2.18 shall not be applicable to the General Depositary Agreement, or utility service the rates for which are fixed or controlled by a governmental agency.

2.19. *Interest of Member of or Delegate to Congress.* No member of or delegate to the Congress of the United States of America or resident Commissioner shall be admitted to any share or part of this ACC or to any benefits which may arise therefrom.

PART I—CERTIFICATE OF FAMILY PARTICIPATION

APPENDIX V—CERTIFICATE OF FAMILY PARTICIPATION AND LEASE APPROVAL

1. *Certification.* The undersigned Authority hereby certifies that the Family headed by _____ is authorized to participate in the Section 23 Housing Assistance Payments Program of this Authority. Under this program, the Authority makes housing assistance payments on behalf of participating families toward their rents for decent, safe, and sanitary dwelling units.

2. *Dwelling Unit.* If the Family finds a dwelling unit suitable to its needs, containing at least _____[1] bedrooms, and in decent, safe, and sanitary condition, it

[1] Enter the unit size, by number of bedrooms, for which the Family is eligible pursuant to the occupancy standards of the Authority.

should submit to the Authority for approval Part II of this form. Request for Lease Approval, together with a proposed lease. Prior to approval of the proposed lease, the Authority will inspect the unit or cause it to be inspected.

3. *Rent.* The monthly rental provided in the lease must be determined by the Authority to be reasonable, but this rent plus the Authority allowance for any utilities payable directly by the Family shall in no case exceed $_____.[1] Under the rules and regulations of the Housing Assistance Payments Program, the Family will be obligated to pay $_____ toward the monthly lease rental; provided that this amount will be reduced by the Authority-determined allowance for any utilities to be paid directly by the Family, and such reduced amount will be specified in the lease. The amount of the Family's payment is subject to change by reason of changes in the income or composition of the Family. Pursuant to a Housing Assistance Payments Contract with an owner, the Authority will pay to the owner on behalf of the Family an amount equal to the difference between the monthly rental amount owed by the Family to the owner and the total monthly rent which the owner is entitled to receive under the lease.

4. *Authority Approval of Lease.* The Authority will notify the owner and the Family whether or not the proposed lease is approvable within _____ working days from receipt of a Request for Lease Approval. The Authority, upon issuing this Certificate, anticipates that if a lease meeting the requirements of this program is submitted for approval, the Authority will have funds available for a Housing Assistance Payments Contract with the owner; however, the Authority is under no obligation to the Family, to any owner or to any other person to approve any submitted lease, nor does the Authority incur any liability by reason of issuing this Certificate. Approval of any lease will be at the Authority's sole discretion and subject to availability of funds.

5. *Conditions.* The Family agrees to perform all its obligations under the Housing Assistance Payments Program, including the obligations to (a) provide such income information and records as may be required in the administration of the program, (b) permit inspections of its dwelling unit at reasonable times after reasonable advance notice, and (c) give at least 30 days notice to the Authority of the Family's intention to vacate the unit.

6. *Equal Housing Opportunity.* If the Family has reason to believe that, in its search for suitable housing, it has been discriminated against on the basis of race, color, creed, sex, religion, or national origin, it may file a complaint with the HUD Regional Office. Fair Housing Complaint Forms (form HUD 903) are available from this Authority.

7. *Expiration Date.* A request for Lease Approval may be submitted to this Authority no later than _____ (60 days from the date of this Certificate). If a Request is not submitted by such date, this Certificate shall expire unless extended by the Authority in writing.

_____ _____
(Date) (Name of Local Housing Authority)

By: _____
(Signature and Title)

_____ _____
(Date) (Signature of Family Representative)

_____
(Present Address)

[1] Enter the applicable fair market rent for the unit size specified in item 2.

PART II—REQUEST FOR LEASE APPROVAL

1. *Request.* The undersigned Owner and Family hereby request the _____ to
(Name of Local Housing Authority)
approve the attached lease for the dwelling unit located at _____
(street address and apartment number, if any)
for a period of ____ months, beginning _____, 19____. The unit, consisting of ____ bedrooms, is to be leased at $_____ per month. This rent includes maintenance and other services as provided in the lease and the following utilities and appliances: (Check where applicable)
____ heat ____ electricity ____ gas ____ water ____ sewer ____ refrigerator ____ range ____ other (specify)

2. *Certification.* The Owner, by executing this Request, certifies that:

a. The most recent rent charged for the above dwelling unit was $____ per month. The reasons for the difference, if any, between this amount and the proposed rent are:

b. The specified dwelling unit is currently:
☐ Vacant and has been since before the date of this Request.
☐ Occupied by the undersigned Family.
☐ Occupied by other than the undersigned Family but the unit will be vacated prior to occupancy by the Family as a result of (1) voluntary decision of occupant, or (2) action by Owner for cause, or (3) other reasons clearly unrelated to the proposed leasing to the Family.

c. This unit is made available, managed, and operated regardless of race, color, religion, creed, sex, or national origin.

3. *Security and Utility Deposits.* The Family ☐ will ☐ will not require Authority assistance to pay security and/or utility deposits. The amount of Owner's required security deposit (not to exceed one month's rent) is $_____. The amounts of the required utility deposits are:

Deposit to _____ $_____
(Insert name of utility company)
Deposit to _____ $_____
(Insert name of utility company)

4. *Authority Determination.* The Owner and the Family understand that the Authority will notify them as to whether or not the proposed lease is approvable within the time period specified in paragraph 4 of the Certificate of Family Participation.

_____ _____
(Date) (Owner)

By: _____
(Signature)

_____ _____
(Date) (Signature of Family Representative)

_____
(Present Address of Family)

PART III—AUTHORITY DETERMINATION

(To be sent to the Owner and Family)

(Check applicable box.)

☐ 1. *Approval.* This Authority hereby approves the proposed lease between _____ (Family) and _____ (Owner) for the dwelling unit located at _____. Returned herewith are (a) the proposed lease completed by the Authority with respect to the portion of the monthly lease rental which the Family shall be obligated to pay to the Owner, and (b) two copies of a Housing Assistance Payments Contract completed by this Authority except for execution. The lease shall be executed by the Family and the Owner and a copy returned to the Authority. The Owner shall sign both copies of the Contract and return them to the Authority. The Authority will execute the Contract by the first day of occupancy specified in the lease and will immediately return an executed copy to the Owner.
(street address and apartment number, if any)

Attached is a Security Deposit Agreement, signed by this Authority, which shall be signed by the Owner and the Family and a signed copy returned to this Authority.
☐ Yes ☐ No

☐ 2. *Disapproval.* The proposed lease and/or the dwelling unit are/is disapproved for the following reasons:

☐ 3. *Resubmission.* If the conditions in item 2 above are remedied, and a Request for Lease Approval is resubmitted by the Owner and the Family to the Authority by _____ (date), the lease will be approved by the Authority if it determines that the conditions have been remedied to its satisfaction. (The Certificate of Family Participation issued to the Family shall not expire before said date.)

_____ _____
(Date) (Name of Local Housing Authority)

By: _____
(Signature and Title)

APPENDIX VI—LEASE PROVISIONS REQUIRED FOR PARTICIPATION IN THE HOUSING ASSISTANCE PAYMENTS PROGRAM

"ADDENDUM TO LEASE

(Section 23 Housing Assistance Payments Program)

"The following additional Lease provisions are incorporated in full in the Lease between _____ (Lessor) and _____ (Lessee) for the following dwelling unit: _____. In case of any conflict between these and any other provisions of the Lease, these provisions shall prevail.

"a. Of the total rent ($_____ per month), $_____ shall be payable by the Housing Authority (LHA) as housing assistance payments on behalf of the Lessee and $_____ shall be payable by the Lessee. These amounts shall be subject to change by reason of changes in the family income or composition, as determined by the LHA, effective as of the date stated in a notification of such change by the LHA to the Lessee and Lessor.

"b. The Lessor shall provide the following services (including security) and maintenance:

[Here specify all services to be provided by the Lessor, which shall include all services customarily supplied to tenants of this type of housing in the locality. In preparing this list, the provisions contained in form HUD-52505A, Guide for Lease Provisions for Maintenance and Security Services, shall be included except to the extent modifications are approved by the LHA.]

"c. The Lessor shall not evict the Lessee unless the Lessor complies with the requirements of local law, if any, and of this provision. The Lessor shall give the Lessee a written notice of the proposed eviction, stating the grounds and advising the Lessee that he has 10 days (or such greater number, if any, that may be required by local law) within which to respond to the Lessor. Because the Lessor must obtain the LHA's authorization for an eviction, a copy of the notice shall be furnished simultaneously to the LHA, and the notice shall also state that the Lessee may, within the same time period, present his objections to the LHA in writing or in person. The LHA shall forthwith examine the grounds for eviction and shall authorize the eviction unless it finds the grounds to be insufficient under the Lease. The LHA shall

notify the Lessor and the Lessee of its determination within 20 days of the date of receipt of the notice by the Lessee whether or not the Lessee has presented objections to the LHA.

"d. The Lessor shall not discriminate against the Lessee in the provision of services, or in any other manner, on the grounds of race, color, creed, religion, sex, or national origin.

"e. This Lease has been signed by the parties on the condition that the LHA will promptly execute a Housing Assistance Payments Contract with the Lessor. Accordingly, this Lease shall not become effective unless the LHA has executed such Contract by the first day of occupancy specified in the Lease.

"Lessor _____ Lessee _____
Date _____
By _____ Date _____"

GUIDE FOR LEASE PROVISIONS FOR MAINTENANCE AND SECURITY SERVICES

The following provisions shall be included by an owner among lease provisions regarding maintenance and security services for units to be leased to families participating in a Section 23 Housing Assistance Payments Program. Subject to the approval of the LHA, items which are not customarily provided for this type of housing in the locality may be excluded.

The Lessor shall provide the following services (including security) and maintenance:

a. Custodial services (including, but not limited to, cleaning of hallways, garbage storage areas, and all common areas, and provision of an adequate supply of trash and garbage storage equipment, and/or adequate trash and garbage disposal);

b. Grounds maintenance (including, but not limited to, exterior custodial services and maintenance of lawns and outdoor plantings, including lawn cutting and reseeding);

c. Prompt response to Lessee service calls (including, but not limited to, calls with respect to refrigerators, ranges, plumbing, heating, electrical and hot water fixtures and systems, and broken, stuck, or damaged doors, screens or windows);

d. Repainting and redecorating dwelling space and non-dwelling space surfaces on the following basis: [to be specified in the lease];

e. Prompt replacement of light bulbs and other lighting equipment in common (including outdoor) areas;

f. Exterminating services on a regularly scheduled basis, as follows: [to be specified in lease];

g. Where applicable, removal of snow and ice from walkways, exterior stairs, and parking areas on a timely basis;

h. Repair of walkways and parking lot surfaces;

i. Where applicable, repair of garbage disposals, dishwashers, air conditioners, and laundry equipment;

j. Where applicable, regular maintenance and prompt repair of elevators, incinerators, compactors, and laundry equipment and facilities;

k. Security services and equipment [to be specified in the lease].

NOTE: Appendices VII and VIII, which relate to internal HUD processing procedures, are not included herein, but do appear in the HUD Existing Housing Handbook.

APPENDIX IX—HOUSING ASSISTANCE PAYMENTS CONTRACT

This Housing Assistance Payments Contract ("Contract") is made and entered into on this _____ day of _____, 19____, by and between _____, the person or entity having the legal right to lease the unit (hereinafter called the "Owner"), and _____ ("LHA"), a public body, corporate and politic, organized and existing under and by virtue of the laws of the State of _____.

The Owner and the LHA agree as follows:

PART I

1.1. *Purpose of contract.* a. The LHA hereby agrees to make housing assistance payments on behalf of (*name of family*) ("Family") for the following described dwelling unit _____ ("assisted unit"), to enable the Family to lease decent, safe, and sanitary housing pursuant to Section 23 of the United States Housing Act of 1937.

b. The assisted unit is to be leased by the Owner to the Family for use and occupancy by the Family solely as a private dwelling.

1.2. *Housing assistance payments.* a. The LHA has determined that the Family can afford to pay $_____ per month toward the rent chargeable by the Owner. The LHA will pay on behalf of the Family a housing assistance payment in the amount of $_____ which represents the difference between the rent chargeable by the Owner and that portion of said rent payable by the Family. The amount of housing assistance payment and the amount of rent payable by the Family shall be subject to change by reason of changes in the Family income or composition, as determined by the LHA, effective as of the date stated in a notification of such change by the LHA to the Family and Owner. However, any increase in the amount payable by the Family shall be offset by a corresponding decrease in the amount of housing assistance payment; and any decrease in the amount payable by the Family shall be offset by a corresponding increase in the amount of housing assistance payment, but not in excess of the amount available with respect to this assisted unit out of the aggregate amount pledged in the Annual Contributions Contract (ACC) for all dwelling units under the ACC (see Section 2.3(b)).

b. Housing assistance payments shall be made by the LHA to the Owner, under the terms and conditions of this Contract, only for the period during which the assisted unit is leased by the Family under the lease for the dwelling unit approved by the LHA ("Lease"). Should the Family vacate its unit in violation of the provisions of its Lease, the Owner may continue to receive housing assistance payments in accordance with the terms of the Contract, not beyond the term of the Lease, but only if the Owner (1) immediately upon leasing of the vacancy, has taken all feasible action to fill it, including, but not limited to, contacting families on his waiting list, requesting the LHA to refer eligible families, and advertising the availability of the unit; (2) has promptly (within 30 days of the date the Family vacated the unit) notified the LHA of the vacancy; and (3) has not rejected, except for good cause acceptable to the LHA, any substitute family provided by the LHA.

c. Neither the LHA nor the United States of America, (hereinafter referred to as the "Government") has assumed any obligation whatsoever for the amount of rent payable by the Family or the satisfaction of any claim by the Owner against the Family. The financial obligation of the LHA is limited to making housing assistance payments on behalf of the Family in accordance with this Contract.

d. (1) The Owner shall submit a monthly request to the LHA for the housing assistance payment. Upon the determination of the LHA that the amount of the request is correct and that the Owner is in compliance with the provisions of this Contract, the LHA shall pay to the Owner the amount requested.

(2) If the Owner receives any excessive payment, the LHA, in addition to any other rights to recovery, may deduct the amount from any subsequent payment or payments.

(3) The Owner's monthly requests for housing assistance payments shall be made subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States shall be fined not more than $10,000 or imprisoned for not more than five years or both.

1.3. *Maintenance, operation and inspection.* a. The term "Premises", as used in this Contract, means the dwelling unit leased by the Family and areas, facilities and grounds which are for its benefit or use.

b. The Owner agrees (1) to maintain and operate the Premises so as to provide decent, safe, and sanitary housing, and (2) to provide all maintenance and services as contained in the Lease. If, at any time during the term of this Contract, the Owner fails to comply with the obligation in (1), housing assistance payments on behalf of the Family shall be wholly abated and if the Owner fails to comply with the obligation in (2), housing assistance payments on behalf of the Family shall be abated in whole or in part. Any abatement under this paragraph b shall be effective upon written notification to the Owner, and shall continue until such time as the obligation is complied with. The LHA shall promptly notify the Family of any such abatement.

c. The LHA will inspect, or cause to be inspected, at least annually, the Premises to determine that they are in decent, safe, and sanitary condition.

1.4. *Term of contract.* The term of this Contract shall be _____. The Contract shall terminate upon expiration or termination of the Lease and shall be subject to termination in accordance with the provisions of Section 2.5 of this Contract.

1.5. *Eviction.* The Owner shall not evict the Family unless the Owner complies with the requirements of local law, if any, and of this Section. The Owner shall give the Family a written notice of the proposed eviction, stating the grounds and advising the Family that it has 10 days (or such greater number, if any, that may be required by local law) within which to respond to the Owner. The Owner must obtain the LHA's authorization for an eviction; accordingly, a copy of the notice shall be furnished simultaneously to the LHA, and the notice shall also state that the Family may, within the same time period, present its objections to the LHA in writing or in person. The LHA shall forthwith examine the grounds for eviction and shall authorize the eviction unless it finds the grounds to be insufficient under the Lease. The LHA shall notify the Owner and the Family of its determination within 20 days of the date of receipt of the notice by the Family, whether or not the Family has presented objections to the LHA.

1.6. *Owner-family lease.* The Lease between the Owner (Lessor) and the Family (Lessee) shall contain the following provisions:

"ADDENDUM TO LEASE

"The following additional Lease provisions are incorporated in full in the Lease between _____ (Lessor) and _____ (Lessee) for the following dwelling unit: _____. In case of any conflict between

these and any other provisions of the Lease, these provisions shall prevail.

"a. Of the total rent ($_____ per month), $_____ shall be payable by the Housing Authority (LHA) as housing assistance payments on behalf of the Lessee and $_____ shall be payable by the Lessee. These amounts shall be subject to change by reason of changes in the family income or composition, as determined by the LHA, effective as of the date stated in a notification of such change by the LHA to the Lessee and Lessor.

"b. The Lessor shall provide the following services (including security) and maintenance:

[Here specify all services to be provided by the Lessor, which shall include all services customarily supplied to tenants of this type of housing in the locality. In preparing this list, provisions contained in form HUD-52505A, Guide for Lease Provisions for Maintenance and Security Services, shall be included except to the extent modifications are approved by the LHA.]

"c. The Lessor shall not evict the Lessee unless the Lessor complies with the requirements of local law, if any, and of this provision. The Lessor shall give the Lessee a written notice of the proposed eviction, stating the grounds and advising the Lessee that he has 10 days (or such greater number, if any, that may be required by local law) within which to respond to the Lessor. Because the Lessor must obtain the LHA's authorization for an eviction, a copy of the notice shall be furnished simultaneously to the LHA, and the notice shall also state that the Lessee may, within the same time period, present his objections to the LHA in writing or in person. The LHA shall forthwith examine the grounds for eviction and shall authorize the eviction unless it finds the grounds to be insufficient under the Lease. The LHA shall notify the Lessor and the Lessee of its determination within 20 days of the date of receipt of the notice by the Lessee whether or not the Lessee has presented objections to the LHA.

"d. The Lessor shall not discriminate against the Lessee in the provision of services, or in any other manner, on the grounds of race, color, creed, religion, sex, or national origin.

"e. This Lease has been signed by the parties on the condition that the LHA will promptly execute a Housing Assistance Payments Contract with the Lessor. Accordingly, this Lease shall not become effective unless the LHA has executed such Contract by the first day of occupancy specified in the Lease.

"Lessor _____ Lessee _____
By _____ Date _____"
Date _____

1.7. *Relocation certification.* a. The Owner hereby certifies that the dwelling unit was vacant on the date that he executed the Request for Lease Approval with the Family. If the unit was not vacant on that date, the Owner hereby certifies that it was or will be vacated (check applicable box):

☐ as a result of voluntary decision of occupant,

☐ as a result of action by Owner for cause, or

☐ for reasons clearly unrelated to leasing of the unit by the Family under the Housing Assistance Payments Program, and the Owner further certifies that the specific circumstances were as follows:

_____.

This certification is made subject to penalty under 18 U.S.C. 1001, which provides, among other things, that whoever knowingly or willfully makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

b. The Government has determined that satisfactory commitments have been made for the funding of relocation costs pursuant to the Uniform Relocation Assistance Real Property Acquisition Policies Act of 1970, as follows:

c. If paragraph b is inapplicable, the Owner agrees to hold harmless and to indemnify the LHA for any cost incurred under said Act in connection with vacation of said units, and the Owner further agrees that the LHA shall have the right to be reimbursed for any such costs by withholding from housing assistance payments payable to the Owner.

1.8. *Entire Agreement.* This Contract, including Part II hereof, contains the entire agreement between the parties hereto, and neither party is bound by any representations or agreements of any kind except as contained herein. No changes in this Contract shall be made except in writing signed by both the Owner and the LHA.

1.9. *Legal interest.* The Owner warrants that he has the legal right to execute this Contract and to lease the dwelling unit covered by this Contract.

Local Housing Authority
_____
By: _____
Owner: ___
By: _____

SECTION 23 HOUSING ASSISTANCE PAYMENTS PROGRAM EXISTING HOUSING

HOUSING ASSISTANCE PAYMENTS CONTRACT—PART II

2.1 *Nondiscrimination in housing.* a. Neither the Owner nor the LHA shall, in the selection or approval of Families, in the provision of services, or in any other manner, discriminate against any person on the grounds of race, color, creed, religion, sex, or national origin. No person shall be *automatically* excluded from participation in or be denied the benefits of the Housing Assistance Payments Program because of membership in a class such as unmarried mothers, recipients of public assistance, etc.

b. The Owner shall comply with all requirements imposed by Title VIII of the Civil Rights Act of 1968, Public Law 90-284, 82 Stat. 73 and any rules and regulations pursuant thereto.

c. The Owner shall comply with all requirements imposed by Title VI of the Civil Rights Act of 1964, Public Law 88-352, 78 Stat. 241; the regulations of the Department of Housing and Urban Development issued thereunder, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; the requirements of said Department pursuant to said regulations; and Executive Order 11063 to the end that, in accordance with that Act, the regulations and requirements of said Department thereunder, and said Executive Order, no person in the United States shall, on the ground of race, color, creed, religion or national origin, be excluded from participation in, or be denied the benefits of, the Housing Assistance Payments Program, or be otherwise subjected to discrimination. This provision is included pursuant to the regulations of the Department of Housing and Urban Development, 24 CFR, Subtitle A, Part 1, Section 1.1, et seq.; issued under Title VI of the said Civil Rights Act of 1964, and the requirements of said Department pursuant to said regulations; and the obligation of the Owner to comply therewith inures to benefit of the Government, the said Department, and the LHA any of which shall be entitled to invoke any remedies available by law to redress any breach thereof or to compel compliance therewith by the Owner.

2.2. *Cooperation in equal opportunity compliance reviews.* The LHA and the Owner shall cooperate with the Government in the conducting of compliance reviews and complaint investigations pursuant to all applicable civil rights statutes, Executive Orders, and rules and regulations pursuant thereto.

2.3. *Annual Contributions Contract*

a. The LHA has entered into an Annual Contributions Contract dated _____, with the Government, with respect to Project No. _____ ("ACC"), under which the Government will provide financial assistance to the LHA pursuant to Section 23 of the United States Housing Act of 1937, for the purpose of making housing assistance payments, which ACC shall be provided by the LHA to the Owner upon request.

b. The LHA hereby pledges such annual contributions payable under Section 1.3(b)(1) of Part I of the ACC to the payment of housing assistance payments pursuant to this and other Housing Assistance Payments Contracts entered into as a part of said Project.

2.4. *LHA and government access to premises and owner's records.* The Owner shall permit the LHA and the Government, or any of their duly authorized representatives, to have access to the Premises and, for the purpose of audit and examination, to have access to any books, documents, papers and records of the Owner that are pertinent to compliance with this Contract, including the verification of information pertinent to the monthly requests to the LHA for housing assistance payments.

2.5. *Default by the owner.* a. A Default by the Owner under this Contract shall result if:

(1) the Owner has violated or failed to comply with any provisions of this Contract or of the Owner-Family Lease; or

(2) the Owner has failed to perform any of its obligations under this Contract or under the Owner-Family Lease; or

(3) the Owner has asserted or demonstrated an intention not to perform some or all of his obligations under this Contract or under the Owner-Family Lease.

b. Upon the determination by the LHA that a Default has occurred, the LHA may notify the Owner that the LHA is terminating the Contract effective 30 days from the date of notice, unless within that period the Owner cures any non-compliance, or initiates a course of corrective action which will cure the non-compliance within such minimum additional time as may be necessary and agreed to by the LHA. If the LHA so notifies the Owner, it shall also send a copy of such notice to the Family, together with information regarding continued assistance.

2.6. *Remedies not exclusive and non-waiver of remedies.* Any remedy provided for herein shall not be exclusive or preclude any party from exercising any other remedy available under this Contract or under any provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies available to the parties. Failure on the part of any party to exercise any right or remedy shall not constitute a waiver of that or any other right or remedy, nor operate to deprive any party of the right thereafter to take any remedial action for the same or any subsequent default.

2.7. *Disputes.* a. Except as otherwise provided herein, any dispute concerning a question of fact arising under this Contract which is not disposed of by agreement of the LHA and Owner may be submitted by either party to the U.S. Department of Housing and Urban Development field office director who shall make a decision and shall mail or

otherwise furnish a written copy thereof to the Owner and the LHA.

b. The decision of the field office director shall be final and conclusive unless, within 30 days from the date of receipt of such copy, either party mails or otherwise furnishes to the field office director a written appeal addressed to the Secretary of Housing and Urban Development. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this Section, the appellant shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, both parties shall proceed diligently with the performance of the Contract and in accordance with the decision of the field office director.

d. This Section does not preclude consideration of questions of law in connection with decisions rendered under paragraphs a and b of this Section; Provided, however, that nothing herein shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

2.8. *Interest of members, officers, or employees of LHA, members of local governing body, or other public officials.* No member, officer, or employee of the LHA, no member of the governing body of the locality (city and county) in which the Premises are situated, no member of the governing body of the locality in which the LHA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the Premises, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this Contract or in any proceeds or benefits arising from it.

2.9. *Interest of member of or delegate to Congress.* No member of or delegate to the Congress of the United States of America or resident commissioner shall be admitted to any share or part of this Contract or to any benefits which may arise therefrom.

2.10. *Nonassignability.* a. The Owner agrees that he has not made, and will not make any sale, assignment, or conveyance or transfer in any other form, of this Contract, or any of his interest therein, except with the prior consent of the LHA. The assignment by the Owner of the Contract to a limited partnership of which the Owner is the general partner shall not be considered an assignment herein.

b. For the purpose of this Section, a transfer of stock in the Owner in whole or in part by a party holding ten percent or more of the stock of said Owner, or a transfer by more than one stockholder or the Owner of ten percent or more of the stock of said Owner or any other similarly significant change in the ownership of such stock or in the relative distribution thereof in or with respect to the parties in control of the Owner or the degree thereof, by any other method or means, whether by increased capitalization, merger with another corporation, corporate or other amendments, issuance of new or additional stock or classification of stock or otherwise, shall be deemed an assignment, conveyance, or transfer with respect to this Contract. The Owner agrees to notify the LHA promptly of any such proposed action and to request the written consent of the LHA in regard thereto. The Owner and the party signing this Contract on behalf of said Owner, represent that they have the authority of all of the existing stockholders of the Owner to agree to this paragraph on behalf of said stockholders and to bind them with respect thereto.

NOTE: Appendix X is not included herein but does appear in the HUD Existing Housing Handbook.

APPENDIX XI—SECURITY DEPOSIT AGREEMENT

1. The _____ Housing Authority agrees to pay on behalf of the family headed by _____, herein referred to as the Family, the following amounts as security deposits in connection with the leasing by said Family of a dwelling unit from _____:

(Name of Lessor)

Deposit to Lessor	$_____
Deposit to _____[1]	$_____
Deposit to _____[1]	$_____
Total amount of deposits	$_____

[1] Insert name of each utility company to which deposit is paid.

2. On or before the effective date of the lease to be entered into between the Family and the Lessor, the Family agrees to pay $_____[2] to the Housing Authority as a first installment toward repayment of the total amount for security and/or utility deposits stated in item 1 above, leaving a balance of $_____.

3. The Family agrees to repay the stated balance by paying monthly installments of $_____[3] to the Lessor acting on behalf of the Housing Authority. These payments shall begin on the first day of the second month of the lease, and they shall be in addition to the Family's regular monthly rental payments to the Lessor.

4. The Lessor agrees to collect from the Family the monthly amounts specified in item 3 above and remit them to the Housing Authority, with the understanding, however, that failure on the part of the Family to pay such amounts shall not affect the Lessor's rights to housing assistance payments otherwise payable to him by the Housing Authority.

_____ (Signature of LHA Representative)	_____ (Date)
_____ (Signature of the Family Head)	_____ (Date)
_____ (Signature of the Lessor Representative)	_____ (Date)

Effective date. These regulations shall be effective on May 13, 1974.

SHELDON B. LUBAR,
Assistant Secretary for Housing Production and Mortgage Credit—FHA Commissioner.

[FR Doc.74-10876 Filed 5-10-74;8:45 am]

[2] Insert an amount equal to the lesser of (a) one-twelfth of the Total Amount of Deposits stated in Item 1 above or (b) one month's gross family contribution.

[3] Insert monthly amount to be paid by the Family, generally in the amount of one-eleventh of the balance due. However, this amount may subsequently be adjusted by the Housing Authority by reason of changes in income or rent-paying ability of the Family by amendment of this Agreement.

federal register

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PART IV

ENVIRONMENTAL PROTECTION AGENCY

■

AREAWIDE WASTE TREATMENT MANAGEMENT PLANNING AGENCIES

Interim Grant Regulations

Title 40—Protection of Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

PART 35—STATE AND LOCAL ASSISTANCE

Subpart F—Grants to Designated Areawide Waste Treatment Management Planning Agencies; Grant Applications; Grants; Plan Content and Approval

INTERIM REGULATIONS

The following regulations are promulgated as interim regulations by the Environmental Protection Agency. These regulations set forth the procedures for providing grants to approved designated planning agency(ies) for the development and operation of a continuing planning process intrinsic to the development of an approvable areawide waste treatment management plan and provide criteria for the designation of management agencies to carry out the plan. The regulations also specify the supporting data needed in a grant application as well as to the content and output of the areawide plan to be developed. Due to the fact that area and agency designations are in the process of being approved and grant applications from the approved designated agencies are imminent, these regulations are hereby adopted as interim. Interested parties and government agencies are encouraged to submit written comments, suggestions or objections to the Director, Grants Administration Division, Environmental Protection Agency, Washington, D.C. 20460. All comments, suggestions or objections received on or before June 27, 1974 will be considered.

The purpose of section 208 of the Federal Water Pollution Control Act Amendments of 1972 (the Act) is to encourage and facilitate the development and implementation of areawide waste treatment management plans at the local level in designated areas, and by the State outside such areas. Regulations for area and agency designations (40 CFR Part 126) were promulgated on September 14, 1973, in accordance with section 208(a) of the Act.

Section 208 establishes a mechanism for intensive water quality/waste control planning and management. Through the Federal assistance provisions, funds are provided to assist local areas in addressing in a sophisticated manner difficult urban/industrial and nonpoint source water quality problems that cannot be solved through the application of statutory base level effluent limitations.

Under the interim regulations and in accordance with sections 208(f)(1) of the Act, funds will be provided to designated local planning agencies for a period of up to 24 months to develop an initial plan for a designated area with concurrent further development of the planning process. For obligations made during FY 1974 and FY 1975, the Federal share shall be 100 percent of the eligible costs of the project.

Planning grants under section 208 of the Act will not be awarded to States for 208 planning in nondesignated areas. Funds provided under section 106 of the Act, however, may be used for this purpose.

The regulations also provide for the involvement of the States in the grant application process and in the development and review of the 208 plan. It was felt that to have a useful areawide waste treatment management plan, the local planning effort should be closely coordinated with the overall State planning effort.

In addition, the interim regulations require that the planning agency make provisions for an Areawide Planning Advisory Committee which must include representatives of the State and public and may include representatives of the U.S. Departments of Agriculture, Army and the Interior and such other Federal and local agencies as may be appropriate.

With respect to the facilities planning conducted during the development of an areawide waste treatment management plan, the regulations provide that generally such planning for construction anticipated within the five year period following approval of the plan must be accomplished within the scope of the 208 planning process and within the scope of the 208 grant assistance provided that detailed engineering shall be required only to the extent deemed necessary by the EPA Regional Administrator. However, where facilities planning has been initiated and is substantially underway at the time of award of a 208 grant, such planning may be continued and incorporated in the areawide waste treatment management planning process and plan. Where the Regional Administrator determines that Step 1 construction grant assistance should be utilized for facilities planning activities during the 208 planning process he may award Step 1 grant assistance for such facilities planning, provided that such planning does not duplicate any work funded by the 208 grant. The designated planning agency must be afforded opportunity to comment prior to award of any Step 2 or Step 3 construction grant assistance within the designated 208 area during the 208 planning process. Upon approval of the 208 plan, no construction grant assistance may be awarded within the 208 area until the project has been brought into conformity with such plan.

Effective date: May 13, 1974.

JOHN QUARLES,
Acting Administrator.

MAY 7, 1974.

Subpart F—Grants to Designated Areawide Waste Treatment Management Planning Agencies; Grant Applications; Grants; Plan Content and Approval

AUTHORITY: Sec. 208, Federal Water Pollution Control Act Amendments of 1972.

Subpart F—Grants to Designated Areawide Waste Treatment Management Planning Agencies; Grant Applications; Grants; Plan Content and Approval

§ 35.1050 Purpose.

The purpose of section 208 of the Federal Water Pollution Control Act Amendments of 1972 is to encourage and facilitate the development and implementation of areawide waste treatment management plans at the local level. This subpart supplements the EPA general grant regulations and procedures (Part 30 of this chapter) and establishes and codifies policies and procedures for grants to an approved planning agency, upon approval of applications, for the development and operation of a continuing planning process required for the development of an approvable areawide waste treatment management plan.

§ 35.1051 Authority.

These provisions for grants to support the development and operation of an areawide waste treatment management planning process are issued under section

208 of the Federal Water Pollution Control Act Amendments of 1972.

§ 35.1052 Allocations and allotments.

(a) Upon approval of a planning area and agency designation pursuant to Part 126 of this chapter, there will be reserved, for subsequent issuance to the Regional Administrator, an amount of contract authority estimated to cover the reasonable cost of the continuing planning process for a designated area.

(b) Upon completion of review and negotiation of a grant application for the continuing planning process for a designated area, and at such time as the Regional Administrator is prepared to make a grant award, the Regional Administrator shall request an Advice of Allowance authorizing the obligation of contract authority to cover the amount of the negotiated grant agreement. In no case will a grant agreement be executed before an Advice of Allowance is issued.

§ 35.1053 Eligibility.

An applicant agency must be the agency designated by the Governor or appropriate local officials in conformance with §§ 126.11 or 126.16 of this chapter and approved by the Administrator as the official areawide waste treatment management planning agency for the area and must agree to develop a plan and a continuing planning process meeting the requirements of this subpart for the entire designated area.

§ 35.1054 Applications.

§ 35.1054–1 Preapplication Requirements.

Any agency applying for an areawide waste treatment management planning grant shall:

(a) Comply with all applicable requirements of Office of Management and Budget (OMB) Circular No. A–95.

(b) In the case of an area designated by the Governor(s), the application and supporting data shall be submitted to the State agency(ies) designated by the Governor(s) as having review jurisdiction over the planning area. In addition, in such cases in interstate planning areas, the applicant shall submit the application to the Governor of the State wherein the greatest portion of the population within the planning area resides.

(c) In the case of an area designated by the chief elected officials, the application shall be submitted directly to the appropriate Regional Administrator of EPA and the appropriate Governor(s) shall be notified of the submission.

§ 35.1054–2 Application Requirement.

Applications to EPA shall be made in triplicate on such forms as the Administrator may prescribe and shall include the following substantiating data:

(a) In the case of an area designated by the Governor(s), a statement of certification or refusal of certification submitted by the chief official(s) of the reviewing agency(ies) designated by the Governor(s) of the State(s) wherein the area is located. Each certification, or refusal thereof, shall include a statement that the State has reviewed the application and finds: (1) That the proposed work complies or does not comply with all State requirements, including any applicable 303(e) plan(s) prepared under 40 CFR Part 131; (2) that the proposed planning work program is or is not adequate and necessary to accomplish the development of a plan under Section 208; (3) that, insofar as is known, the planning will or will not duplicate any work which has been done or is being done to meet the facilities planning requirements of §§ 35.917–35.917–9; and (4) that the State either certifies or does not certify that the grant application should be approved by EPA.

(b) Evidence that all requirements of OMB Circular No. A–95 have been met.

(c) A statement by the applicant that the proposed activity is consistent with and will be in coordination with other environmental plans (which include land use plans) and has been coordinated with related planning and development that is being done under other Federal assistance programs and any State and local programs which affect the designated area.

(d) A statement by the applicant that provisions have been, or will be, made for an Areawide Planning Advisory Committee which must include repersentatives of the State and public and may include representatives of the U.S. Departments of Agriculture, Army and the Interior and such other Federal and local agencies as may be appropriate in the opinion of EPA, the State(s) and the applicant agency.

(e) A statement by the applicant that the planning process will become financially self-sustaining and provide for annual update of the plan once the initial plan is developed and approved.

(f) A work plan which contains the following:

(1) Description of the objectives and scope of the waste treatment management planning process;

(2) Description of all work performed to date which will be used in the plan development;

(3) Description of the proposed planning process which will be utilized to (i) identify and evaluate feasible measures to control point and nonpoint pollution sources, which measures may take into account all source location and review measures necessary to meet State implementation plan requirements in the area, (ii) select an integrated areawide plan to control these sources, and (iii) establish an areawide management program (including financing) for plan implementation;

(4) Description of any necessary action in the planning to be taken by agencies other than the applicant and procedures to be used in coordination of such activities. (Documentation of the acceptance by the affected responsible agency of such required work or action shall be included and presented with the work plan.);

(5) Detailed schedule showing required interrelationships of work to be accomplished and anticipated dates of completion;

(6) Detailed cost and resource budget, including work to be done under contract or by interagency agreement;

(7) Proposed disbursement schedule with specific progress milestones related to disbursements;

(8) Description of how compatibility with applicable plans prepared or in preparation under sections 209 and 303 (e) will be attained; and

(9) Description of the procedures to be followed in assuring adequate public participation during the plan development, review and adoption in accordance with Part 105 of this chapter.

(g) A statement that the planning process will develop systems for prevention of degradation of surface and ground water quality in the area in accordance with the requirements of the Act and with the applicable Federal/State water quality standards.

§ 35.1055 Revision or amendment of application.

If, in the judgment of the applicant or the EPA Regional Administrator, substantial changes have occurred which warrant revision or amendment, the application shall be revised or amended and submitted for review in the same manner as specified for the original application.

§ 35.1056 Review, certification and approval of grant application.

§ 35.1056–1 State review and certification of applications from areas designated by the Governor(s).

(a) *Intrastate planning areas.* The State reviewing agency designated by the Governor shall, within 45 days after receipt of the application, review the application and either certify or refuse to certify the application and proposed work program as set forth in § 35.1054–2(a). Upon certification or refusal thereof, the reviewing agency will either, at the applicant's direction, return the application to the applicant for forwarding of two copies to the appropriate EPA Regional Administrator, together with all certifications, or forward two copies of the application and certifications or refusals thereof to the appropriate EPA Regional Administrator. If the application is not certified, the reviewing agency shall notify both the appropriate EPA Regional Administrator and the applicant as to the specific reasons for noncertification and specify the changes which are needed for State certification of the application.

(b) *Interstate planning areas.* The applicant shall submit its application to the reviewing agency designated by the Governor of the State wherein the greatest portion of the population resides. This reviewing agency shall, within 15 days of receipt of the application, forward copies of the application to the agency designated by the Governor(s) of each other State having jurisdiction within the planning area, and shall serve as coordinator for the bi- or multi-State re-

view. Each State shall review the application and within 45 days provide the State coordinating the review with its certification or refusal thereof as set forth in § 35.1054–2(a). The coordinating State shall within 15 days forward two copies of the application, supporting documents and all State certifications or refusals thereof to the applicant for forwarding to the appropriate EPA Regional Administrator. In the event that one or more States does not certify the application, each State refusing certification shall specify its reasons in writing and advise the applicant through the coordinating State, of the specific changes needed to gain its certification. The coordinating State, in turn, shall forward such notice(s) of non-certification to the applicant and the appropriate EPA Regional Administrator. At the request of all of the States involved and with the approval of the appropriate Regional Administrator(s), an existing, recognized, interstate agency may act in the coordinating role on behalf of those States.

§ 35.1056–2 State comments on applications from areas designated by local officials.

In all cases concerning applications in areas designated by locally elected officials, the State shall review and comment upon the application as provided for by OMB Circular A–95.

§ 35.1056–3 EPA review and approval.

(a) EPA shall not accept for review for the purpose of making a grant any incomplete application or an application unaccompanied by all State certifications or refusals thereof which have been submitted.

(b) The Regional Administrator shall review the application and supporting documentation to determine its compliance with the applicable requirements of the Act and this subpart, the suitability of the proposed programs to successfully meet the required outputs of section 208 of the Act and this subpart and the costs of the proposed program.

(c) Generally within 45 days after receiving the application the Regional Administrator shall:

(1) Award a grant to the applicant in the amount that he finds meets the requirements of § 35.1057.

(2) Notify the applicant that the grant application is deficient in one or more respects and specify in which ways the application must be modified to receive EPA approval. Copies of such notifications will be forwarded to all concerned States at the time the applicant is notified of EPA action.

§ 35.1057 Amount of grant.

For grants awarded during the fiscal years ending on June 30, 1974, and June 30, 1975, the rate of Federal assistance furnished to a grantee shall be 100 per centum of the EPA approved eligible and reasonable costs of developing or modifying an initial areawide waste treatment management plan meeting the requirements of this subpart and operating an approved planning process.

§ 35.1058 Period of grant.

Federal assistance shall be for a budget period beginning the date of execution of the grant agreement and ending the date which the plan is approved by the appropriate Regional Administrator or within 24 months, whichever period is less.

§ 35.1059 Payments.

§ 35.1059–1 Establishment of initial fund.

Payment will be made in advance to the grantee by the establishment and at least quarterly replenishment of a fund that shall be based on a negotiated amount set forth in the grant agreement and which should not exceed 10 percent of the grant amount, unless a larger initial percentage is necessary for the accomplishment of the grant objectives.

§ 35.1059–2 Request for replenishment of funds.

Requests for replenishment of funds shall be made by the grantee on such form as prescribed by the Administrator. Each request for replenishment of funds shall include a statement on the status of the project related to the approved milestones set forth in the grant application. If the project is behind schedule, the statement should identify the specific tasks that have been delayed and give the reasons for the delay.

§ 35.1059–3 Federal retention of grant funds.

In accordance with the provisions of § 30.602–1 of this chapter, an amount not to exceed 10 percent of the grant award amount may be withheld for noncompliance with a program objective, grant condition or reporting requirement.

§ 35.1060 Reports.

Within 30 days following the end of each 6 month period after the effective date of the grant, the grantee agency shall prepare and submit for review by EPA a semi-annual report of progress and expenditures as compared to the scheduling of approved milestones in the work plan. Lack of scheduled progress and other problems shall be fully explained.

§ 35.1061 Suspension and termination of grant.

In accordance with the provisions of §§ 30.902 and 30.903 of this Chapter, the Regional Administrator may suspend or terminate any grant awarded pursuant to this Subpart.

§ 35.1062 Allowable costs.

In general, eligible and ineligible costs shall be determined in accordance with § 30.701 of this Chapter and by demonstration that the type and degree of work is necessary for successful completion of the project, and that the costs are reasonable with respect to the product or service to be obtained. While costs incurred as a result of following an approved work program would generally be allowable, provided that they are not prohibited elsewhere by Federal, State or local law, regulations or rule, the costs incurred by activity related to the following shall be ineligible:

(a) All costs incurred in development of a grant application for an areawide waste treatment management planning grant.

(b) All costs incurred in sewer evaluation surveys as required under § 35.927–2.

(c) All costs incurred in detailed sewer system mapping and surveys therefor.

(d) All costs related to sewage collection systems at less than the trunk line level.

(e) All costs related to obtaining or providing information for sewer systems other than the costs of determining the following items in sufficient detail to make informed judgments on the cost effectiveness of available alternatives: tributary or service areas, routes, sizes, capacities and flows, critical control elevations required to show ability to serve tributary areas, lengths, staging, major impediments to construction, and costs of construction and operation. Data concerning lift stations shall be limited to location, size, energy requirements and capital and operating costs. (Costs of gathering and analyzing information required for economic, environmental and social evaluations shall be eligible.)

(f) All costs related to obtaining or providing treatment works other than the costs of determining the following items in sufficient detail to make informed judgments on the cost effectiveness of available alternatives: Location, site plot plan which shows adequacy of the site including provision for expansion, process flow diagram, identification of unit process, type, number and size of major units, capacities and flows, anticipated effect of treatment, staging and capital and operating costs and energy requirements. (Costs of gathering and analyzing information required for economic, environmental and social evaluations shall be eligible.)

(g) All costs of special studies for the specific benefit of individual, industrial or commercial establishments.

(h) All costs of activities which are primarily of a research nature.

§ 35.1063 Submission of the plan.

§ 35.1063–1 Plans for intrastate areas.

No later than two years after the planning process is in operation, as evidenced by award of a grant, three copies of a plan and local governmental recommendations thereon, in accordance with § 35.1064–1, shall be submitted to the Regional Administrator through the State reviewing agency along with certification of approval by the Governor of the State wherein the area is located. The certification document shall include certification that the State has reviewed the plan and:

(a) Has found the plan to be in conformance with the provisions of the State basin plan(s) and the State Program prepared under section 106, and that the plan will be accepted as a detailed portion of the State plans when approved by EPA;

(b) Has found the plan to be internally consistent with the water quality control needs of the area;

(c) Has found the plan consistent with all State and local legislation, regulations or other requirements or plans regarding land use and protection of the environment;

(d) Has found that the plan provides adequate basis for selection and designation of management agencies to be designated under section 208(c) of the Act; and

(e) Has approved the plan. If disapproval is necessary, that is if no certification of approval can be issued by the Governor due to failure of the grantee to comply with one or more of these provisions, the Governor shall notify the Regional Administrator and the grantee in writing that the plan is deficient, and specify in which ways the plan must be modified to receive State certification of approval.

§ 35.1063–2 Plans for interstate areas.

No later than two years after the planning process is in operation, three copies of the plan and local governmental recommendations thereon and one additional copy of the plan and recommendations for each concerned State shall be submitted to the reviewing agency designated by the Governor of the State wherein the greatest portion of population within the planning area resides. That agency shall act as the coordinating agency and shall forward one copy of the plan to the reviewing agency designated by the Governor of each other State wherein a portion of the planning area is located. Each State shall review the plan and shall, on behalf of that State, furnish the coordinating agency with certifications as set forth in § 35.-1063–1. The coordinating State agency shall forward copies of each certification to the grantee agency and shall, at that time, forward two copies of the certifications and the plan and local governmental recommendations thereon to the appropriate EPA Regional Administrator. At the request of all the States involved, and with the approval of the Regional Administrators, an existing, recognized, interstate agency may act in the coordinating role on behalf of those States.

§ 35.1064 Areawide waste treatment management planning: Content and outputs.

The purpose of areawide planning activities is the development of a coordinated, viable, management system capable of organizing, directing, implementing and maintaining an effective program of pollution abatement and preservation of existing high quality water in areas having substantial water quality control problems.

§ 35.1064–1 Content of areawide waste treatment management plan.

Each agency receiving assistance under a grant for areawide waste treatment management planning shall develop and submit to the Regional Administrator an areawide waste treatment management plan consistent with this Subpart and the applicable requirements of §§ 35.917 to 35.917–9. The plan shall include:

(a) An identification of the anticipated municipal and industrial treatment works construction necessary to meet the requirements of Title II of the Act within the designated planning area over a twenty year period;

(b) Those portions of facilities planning in compliance with § 35.917–1(a)–(i) the costs of which are allowable under § 35.1062 for those facilities for which Step 2 or Step 3 grant assistance is expected to be awarded during the five-year period following the section 208 plan approval.

(c) The identification of required urban storm water runoff control systems;

(d) The establishment of construction priorities for treatment works for the five-year period following the year of plan approval and a proposed schedule of completion of major treatment works over the twenty-year period following submission of the plan;

(e) The establishment of a regulatory program to:

(1) Provide that waste treatment management shall be on an areawide basis and provide identification and evaluation of and control or treatment for all point and non-point sources of pollution, including inplace or accumulated pollution sources, as shall be required under guidelines published by the Administrator pursuant to sections 208 and 304(e) of the Act. (Special regulatory consideration, including land use controls, is required for sources further specified under paragraphs (g) through (l) of this section);

(2) Regulate the location, modification, and construction of any facilities within such area which may result in any discharge in such area including, as appropriate, regulation of any future increase in waste loads and sources; and

(3) Assure that any industrial or commercial wastes discharged into any publicly owned treatment works in such area must meet applicable pretreatment requirements established in the plan.

(f) The identification of those agencies necessary to (1) construct, operate, and maintain all facilities required by the plan, and (2) otherwise carry out the plan;

(g) A process to (1) identify, if appropriate, agriculturally and silviculturally related non-point sources of pollution, including runoff from manure disposal areas, and from land used for livestock and crop production, and (2) set forth procedures and methods (including land use requirements) to control to the extent feasible such sources;

(h) A process to (1) identify, if appropriate, mine-related sources of pollution including new, current, and abandoned surface and underground mine runoff, and (2) set forth procedures and methods (including land use requirements) to control to the extent feasible such sources;

(i) A process to (1) identify construction activity related sources of pollution, and (2) set forth procedures and methods (including land use requirements) to control to the extent feasible such sources;

(j) A process to (1) identify, if appropriate, salt water intrusion into rivers, lakes and estuaries resulting from reduction of fresh water flow from any cause, including irrigation, obstruction, ground water extraction, and diversion, and (2) set forth procedures and methods to control such intrusion to the extent feasible where such procedures and methods are otherwise a part of the waste treatment management plan;

(k) A process to control the disposition of all residual waste generated in such area or imported into such area which could affect either surface or ground water quality;

(l) A process to control the disposal of pollutants on land or in subsurface excavations within such area to protect ground and surface water quality;

(m) The identification of all major alternative measures, including enforcement acitvities, financing, land use and other development controls and regulatory actions, administrative and management authorities and practices necessary to carry out each of the alternatives, and selection of the recommended system;

(n) The period of time necessary to carry out the plan and major alternatives, the costs of carrying out the plan and major alternatives within such time, and economic, social, and environmental impacts of carrying out the plan and major alternatives within such time;

(o) Certification of the consistency of the plan with plans prepared or in preparation under sections 209 and 303 of the Act. (Any 201 plan developed in the area or any application for a Step 1 grant for such plan received prior to the approval of the 208 plan shall require review and comments by the designated 208 agency which shall be transmitted to the State agency processing the Title II grant applications. After the section 208 plan has been approved, all 201 plans for the area that may previously have been developed shall be brought into conformance with the 208 plan.)

(p) Certification and description of public participation, in the planning process and adoption of the plan, in accordance with Part 105 of this Chapter; and

(q) Recommendations by governing bodies of local governments having responsibility for, or which would be directly affected by, implementation of the plan and having jurisdiction in the planning area as to State certification and EPA approval of the plan. In the event that a local unit of government fails to provide a recommendation within 30 days of receiving such a request from the planning agency, it shall be considered that the plan has been favorably recommended by that unit of local government.

§ 35.1064–2 Revisions of plans.

If, in the judgment of the Regional Administrator, State Governor(s) or applicant, substantial changes have occurred which warrant revision or amendment of the approved plan, the plan shall be revised or amended and submitted for review in the same manner specified in this Subpart for the original plan.

§ 35.1065 Authority of States for nonpoint source planning in designated areas.

Whenever the Governor of any State determines (and notifies the Regional Administrator) that consistency with a Statewide regulatory program under section 303 so requires, the requirements of § 35.1064–1(g) through (l) shall be developed and submitted by the Governor to the Regional Administrator for application to all regions within such State. All requirements of such State programs shall be incorporated into each affected areawide plan. The plan shall set forth such additional local actions and programs as may be necessary for implementation of the plan developed by the State.

§ 35.1066 Designation of management agencies.

§ 35.1066–1 Intrastate planning areas.

The Governor of the State in consultation with the designated planning agency, affected local governments and following the public partication requirements set forth under Part 105 of this chapter, at the time the plan is submitted to the Administrator shall designate one or more waste treatment management agencies (which may be an existing or newly created local, regional or State agency or political subdivision) for the designated area. Such agency or agencies shall, individually or in aggregate, have adequate authority to meet the requirements to carry out the provisions of section 208(c)(2) of the Act.

§ 35.1066–2 Interstate planning areas.

The Governors of the States wherein the planning area is located shall either mutually designate one or more waste treatment management agencies as set forth in § 35.1066–1 or shall, after agreement among the Governors and the appropriate EPA Regional Administrators, individually designate one or more waste treatment management agencies within each State pursuant to the requirements of § 35.1066–1.

§ 35.1067 EPA review of plan and designation of management agencies.

§ 35.1067–1 Submittal of certified plan and designation of proposed management agency(ies).

The Regional Administrator shall not receive for the purpose of review and approval either proposed designations of management agency(ies) in the absence of a plan certified by the appropriate Governor(s) or a plan certified by the appropriate Governor(s) in the absence of proposed designations of management agency(ies).

§ 35.1067–2 Dual approval required.

The appropriate Regional Administrator shall neither approve a certified plan unless concurrently approving all designated management agencies, nor approve the designation of management agencies unless concurrently approving a certified plan.

§ 35.1067–3 Review and approval of plan.

The Regional Administrator's approval of the plan will be based upon the State(s) certification of approval and EPA's review of the submission for conformance with provisions of section 201 and 208 of the Act and the requirements of this Part and other applicable regulations. Within 120 days after receiving the submittal, the Regional Administrator shall:

(a) Notify the State(s) and the grantee of approval of the plan; or

(b) Notify the State(s) and the grantee that the submittal is deficient in one or more respects and specify the ways in which the submittal must be modified to receive EPA approval; or

(c) Notify the grantee and the State(s) that the designation of waste treatment management agencies cannot be approved, thereby delaying further consideration of the plan until such time as deficiencies in such designations are rectified.

§ 35.1067–4 Review and approval of waste treatment management agencies.

The Regional Administrator's approval will be based upon the requirements set forth in section 208(c)(2) of the Act. Within 120 days after receiving the submittal of the designations the Regional Administrator shall:

(a) Notify the Governor(s) and grantee of approval of the designations; or

(b) Notify the Governor(s) and grantee that the designation submittal is deficient in one or more respects and specify the ways in which the submittal must be modified to receive EPA approval; or

(c) Notify the Governor(s) and grantee that the plan cannot be approved until modified, thereby delaying further consideration of the designations until such time deficiencies in the plan are corrected.

§ 35.1068 Disputes.

Final determinations by the Regional Administrator concerning applicant ineligibility and final determinations by the Regional Administrator concerning disputes arising under a grant pursuant to this Subpart shall be final and conclusive unless appealed by the applicant or grantee within 30 days from the date of receipt of such final determination in accordance with the "Disputes" article of the General Grant Conditions (Article 7 of Appendix A to this Subchapter).

§ 35.1070 Annual Update of Plan. [Reserved]

§ 35.1080 Grants for Update of Plan. [Reserved]

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