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[Amdt. 1]

PART 722—COTTON

SUBPART—REGULATIONS PERTAINING TO ACREAGE ALLOTMENTS FOR THE 1957 CROP OF EXTRA LONG STAPLE COTTON

MISCELLANEOUS AMENDMENTS

Basis and purpose. The amendments contained herein are issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U. S. C. 1281 et seq.) for the purposes stated in connection with each of the following amendments. Notice of the proposed establishment of county acreage allotments was published in the FEDERAL REGISTER of September 6, 1956 (21 F. R. 6716) pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) and the data, views and recommendations which were submitted have been duly considered. In order that the Agricultural Stabilization and Conservation State and County Committees may perform their assigned functions in an orderly manner and establish farm acreage allotments as early as possible prior to the holding of the extra long staple cotton referendum, it is essential that these amendments be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice and public procedure thereon and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is impracticable, unnecessary and contrary to the public interest and these amendments shall be effective upon filing of this document with the Director, Division of the Federal Register.

The regulations pertaining to acreage allotments for the 1957 crop of extra long staple cotton (21 F. R. 8275) are amended as follows:

1. Section 722.1412 (c) (13) is amended to provide that the same factors be considered in determining normal yields for new ELS cotton farms as are considered for old ELS cotton farms in addition to any consideration given to normal yield of other farms in the locality. Section 722.1412 (c) (13) is revised as follows:

(13) "Normal yield" means the average yield per acre of extra long staple lint cotton for the farm, adjusted for abnormal weather conditions, during the five calendar years immediately preceding the year in which such normal yield is determined. If for any such year, the data are not available or there was no actual yield, then the normal yield for the farm shall be appraised by the county committee taking into consideration abnormal weather conditions, the normal yield for the county and the yield in years for which data are available. In the case of new ELS cotton farms, the county committee may also take into consideration the normal yields of other farms in the locality which are similar with respect to soil and other physical factors affecting the production of extra long staple cotton.

2. Section 722.1412 (c) (17) (iii) (*b*) is amended to provide for planted acreage history credit where there is participation in 1956 in the conservation reserve under the Soil Bank Program and is revised as follows:

(*b*) *For 1956.* The acreage of extra long staple cotton measured for purposes of the 1956 marketing quota program, including any acreage not seeded to extra long staple cotton which is eligible for compensation as extra long staple cotton acreage reserve under the Soil Bank Program. If any part of the farm acreage allotment remains uncredited for history purposes, planted acreage history credit resulting from a conservation reserve contract shall be established for farms covered by and eligible for compensation under a Soil Bank Conservation Reserve Contract (Form CSS–811, Soil Bank) as follows and shall be added to the foregoing acreage:

(*1*) Obtain a total of the uncredited history acreage for all allotments established for the farm for the year 1956.

(*2*) Determine from the conservation reserve contract for the farm the 1956 "permitted acreage" under such contract.

(*3*) Obtain the sum of the acreage of land on the farm which in 1956 is devoted to soil bank base crops which is chargeable to such "permitted acreage" and the acreage devoted to non-soil bank

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CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

CODIFICATION GUIDE—Con.

base crops, counting double cropped acreage only once.

(4) Obtain the unused "permitted acreage" on the farm by subtracting from (2) of this subdivision the smaller of (2) or (3) of this subdivision.

(5) Obtain maximum planted acreage history credit for all allotment crops by subtracting (4) of this subdivision from (1) of this subdivision, disregarding negative credits.

(6) Obtain total planted acreage history credit for all allotment crops which shall be the smaller of (5) of this subdivision or the acreage eligible for compensation under the conservation reserve contract for 1956.

(7) Obtain the percent of the total planted acreage history credit attributable to extra long staple cotton by dividing the uncredited history acreage for such cotton by (1) of this subdivision.

(8) Obtain the planted acreage history credit for extra long staple cotton due to the conservation reserve contract by multiplying (6) of this subdivision by (7) of this subdivision.

The planted acreage history credit consisting of the sum of the measured acreage, and the credit resulting from the acreage reserve and conservation reserve under the Soil Bank Program, shall be adjusted as provided in subsections (g) (3), (i) and (m) (2) of section 344 of the act.

If a written request was filed by June 1, 1956, to preserve acreage history for extra long staple cotton for a farm for the year 1956 as provided in section 377 of the act, the entire 1956 allotment shall be considered to have been planted to extra long staple cotton.

3. Section 722.1416 (e) is amended to establish county acreage allotments and is revised as follows:

(e) *County acreage allotment.* The county acreage allotment shall be the sum of (1) the computed county acreage allotment determined under paragraph (b) of this section, and (2) the acreages from the State acreage reserve which are added to the computed county acreage allotment under subparagraphs (1) and (2) of paragraph (c) of this section. There are set forth below for each county the computed county acreage allotment, and adjustments from the State reserve for trends, and abnormal conditions affecting the planting of extra long staple cotton, and the county acreage allotments consisting of the sum of the foregoing. Where an asterisk follows the name of the county, farm acreage allotments in that county are determined on the cropland basis as provided in § 722.1417 (c). Farm acreage allotments in the remaining counties are determined on the historical basis as provided in § 722.1417 (d). The cotton producing areas located in the northern part of Puerto Rico are considered as a county and the cotton producing areas in the southern part of Puerto Rico are considered as a county.

ARIZONA

[Acres]

County	Computed county allotment (1)	Adjustment from State reserve for—Trends (2)	Adjustment from State reserve for—Abnormal conditions (3)	County allotment, sum of columns (1), (2), and (3) (4)
Cochise	147	9	0	156
Graham	10,335	0	0	10,335
Maricopa	15,194	310	0	15,504
Pima	2,833	71	0	2,904
Pinal	7,090	276	0	7,366
Santa Cruz	15	3	0	18
Yuma	310	64	0	374
a. State total	35,924	733	0	36,657
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				0
c. State allotment				36,657

CALIFORNIA

Imperial	107	0	0	107
Riverside	478	0	0	478
a. State total	585	0	0	585
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				31
c. State allotment				616

FLORIDA

Alachua	99	1	0	100
Bradford	1	0	0	1
Columbia	19	0	0	19
Hamilton	4	0	0	4
Jefferson	1	0	0	1
Lake	270	0	0	270
Madison	76	4	0	80
Marion	322	0	0	322
Orange	47	0	0	47
Putnam	25	0	0	25
Seminole	111	0	0	111
Sumter	92	16	0	108
Suwannee	4	0	0	4
Union	71	1	0	72
Volusia	29	4	0	33
a. State total	1,171	26	0	1,197
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				104
c. State allotment				1,301

GEORGIA

Berrien	98	0	0	98
Cook	30	0	0	30
a. State total	128	0	0	128
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				7
c. State allotment				135

NEW MEXICO

[Acres]

County	Computed county allotment (1)	Adjustment from State reserve for—Trends (2)	Adjustment from State reserve for—Abnormal conditions (3)	County allotment, sum of columns (1), (2), and (3) (4)
Dona Ana	16,945	0	0	16,945
Eddy*	69	0	0	69
Luna	24	0	0	24
Otero	9	0	0	9
Sierra	125	0	0	125
a. State total	17,172	0	0	17,172
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				350
c. State allotment				17,522

TEXAS

Brewster	87	0	0	87
Culberson	70	0	0	70
El Paso	21,505	0	0	21,505
Hudspeth	2,326	0	0	2,326
Jeff Davis	3	0	0	3
Loving	6	0	0	6
Pecos	308	0	0	308
Presidio	60	0	0	60
Reeves	3,102	0	0	3,102
Ward	456	0	125	581
a. State total	27,983	0	125	28,108
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				1,875
c. State allotment				29,983

PUERTO RICO

North	2,344	0	0	2,344
South	485	0	0	485
a. Total, Puerto Rico	2,829	0	0	2,829
b. Acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases				314
c. Total allotment				3,143

4. Section 722.1417 (c) (1) is amended to provide for deduction from cropland of acreages of tobacco, peanuts, wheat, and rice eligible for compensation in the acreage reserve of the Soil Bank Program and planted acreage history credit resulting from a conservation reserve contract by addition of the following new subdivision (vii):

(vii) The acreage of tobacco, peanuts, wheat, and rice eligible for compensation in the acreage reserve of the Soil Bank Program and planted acreage history credit resulting from a conservation reserve contract.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interprets or applies secs. 301, 343–347, 361–368, 373, 374, 377, 388, 52 Stat. 38, as amended; secs. 106, 112, 70 Stat. 191, 195. 7 U. S. C. 1301, 1343–1347, 1361–1368, 1373, 1374, 1377, 1388)

Done at Washington, D. C., this 28th day of November 1956.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 56-9861; Filed, Nov. 29, 1956; 12:30 p. m.]

[Amdt. 2]

PART 722—COTTON

SUBPART — REGULATIONS PERTAINING TO ACREAGE ALLOTMENTS FOR THE 1957 CROP OF UPLAND COTTON

MISCELLANEOUS AMENDMENTS

Basis and purpose. The amendments contained herein are issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U. S. C. 1281 et seq.) for the purposes stated in connection with each of the following amendments. Notice of the proposed establishment of county acreage allotments was published in the FEDERAL REGISTER of July 7, 1956 (21 F. R. 5063) pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) and the data, views and recommendations which were submitted have been duly considered. In order that the Agricultural Stabilization and Conservation State and County Committees may perform their assigned functions in an orderly manner and establish farm acreage allotments as early as possible prior to the holding of the upland cotton referendum, it is essential that these amendments be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice and public procedure thereon and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is impracticable, unnecessary and contrary to the public interest and these amendments shall be effective upon filing of this document with the Director, Division of the Federal Register.

The regulations pertaining to acreage allotments for the 1957 crop of upland cotton (21 F. R. 7817) are amended as follows:

1. Section 722.813 (c) (13) is amended to provide that the same factors be considered in determining normal yields for new cotton farms as are considered for old cotton farms in addition to any consideration given to normal yields of other farms in the locality. Section 722.812 (c) (13) is revised as follows:

(13) "Normal yield" means the average yield per acre of lint cotton for the farm, adjusted for abnormal weather conditions, during the five calendar years immediately preceding the year in which such normal yield is determined. If for any such year, the data are not available or there was no actual yield, then the normal yield for the farm shall be appraised by the county committee taking into consideration abnormal weather conditions, the normal yield for the county and the yield in years for which data are available. In the case of new cotton farms, the county committee may also take into consideration the normal yields of other farms in the locality which are similar with respect to soil and other physical factors affecting the production of cotton.

2. Section 722.816 (e) is amended to establish county acreage allotments and is revised as follows:

(e) *County acreage allotment.* The county acreage allotment shall be the sum of (1) the computed county acreage allotment determined under paragraph (b) of this section, (2) the acreages from the State acreage reserve which are added to the computed county acreage allotment under subparagraphs (1) and (2) of paragraph (c) of this section, (3) the allocation, if any, to the county from the national reserve, and (4) the allocation, if any, to the county from the State acreage reserve for minimum farm allotments. There are set forth below for each county the computed county acreage allotment, allocation from the national acreage reserve for minimum farm allotments, adjustments from the State reserve for trends, abnormal conditions and minimum farm allotments, and the county acreage allotments consisting of the sum of the foregoing. The apportionment to the States from the national reserve as provided in § 722.815 is apportioned among counties on the basis of each county's estimated need for additional acreage for establishing minimum farm allotments as provided in section 344 (f) (1) of the act. Where an asterisk follows the name of the county, farm acreage allotments in that county are determined on the cropland basis as provided in § 722.817 (c). Farm acreage allotments in the remaining counties are determined on the historical basis as provided in § 722.817 (d).

ALABAMA

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Autauga	8,820	117.1	0	0	182.5	9,119.6
Baldwin	2,522	129.5	0	0	202.0	2,853.5
Barbour	13,973	131.9	0	0	205.7	14,310.6
Bibb	3,505	83.9	0	0	130.7	3,719.6
Blount	15,478	501.0	0	0	781.0	16,760.0
Bullock	8,823	60.1	0	0	93.8	8,976.9
Butler	8,781	207.4	0	0	323.3	9,311.7
Calhoun	5,721	247.1	0	0	385.1	6,353.2
Chambers	9,219	98.6	0	0	153.8	9,471.4
Cherokee	20,439	83.3	0	0	129.8	20,652.1
Chilton	8,553	391.1	0	0	609.6	9,553.7
Choctaw	5,756	254.8	0	0	397.3	6,408.1
Clarke	4,859	387.9	0	0	604.7	5,851.6
Clay	3,506	344.2	0	0	536.6	4,386.8
Cleburne	2,400	209.6	0	0	326.7	2,936.3
Coffee	18,659	95.3	0	0	148.6	18,899.9
Colbert	21,186	131.1	0	0	204.3	21,521.4
Conecuh	11,506	181.3	0	0	282.5	11,969.8
Coosa	1,460	146.6	0	0	228.5	1,835.1
Covington	15,711	191.1	0	0	297.8	16,199.9
Crenshaw	10,762	107.2	0	0	167.1	11,036.3
Cullman	29,834	540.9	0	0	843.1	31,218.0
Dale	8,018	140.5	0	0	219.1	8,377.6
Dallas	26,031	108.5	0	0	169.1	26,308.6
De Kalb	28,510	581.0	0	0	905.8	29,996.8
Elmore	14,279	181.4	0	0	282.8	14,743.2
Escambia	9,901	204.4	0	0	318.7	10,424.1
Etowah	10,045	474.8	0	0	740.2	11,260.0
Fayette	7,906	370.9	0	0	578.3	8,855.2
Franklin	12,426	284.0	0	0	442.8	13,152.8
Geneva	19,866	91.6	0	0	142.9	20,100.5
Greene	12,545	81.4	0	0	126.8	12,753.2
Hale	14,810	116.6	0	0	181.7	15,108.3
Henry	15,181	47.8	0	0	74.4	15,303.2
Houston	25,635	81.5	0	0	127.1	25,843.6
Jackson	22,394	283.8	0	0	442.5	23,120.3
Jefferson	2,926	197.0	0	0	307.0	3,430.0
Lamar	10,093	277.6	0	0	432.7	10,803.3
Lauderdale	26,519	237.2	0	0	369.8	27,126.0
Lawrence	36,522	212.5	0	0	331.3	37,065.8
Lee	9,204	93.2	0	0	145.2	9,442.4
Limestone	49,619	98.4	0	0	153.5	49,870.9
Lowndes	10,296	75.1	0	0	117.0	10,488.1
Macon	16,385	108.3	0	0	168.9	16,662.2
Madison*	57,223	86.3	0	0	134.5	57,443.8
Marengo	15,779	209.2	0	0	326.1	16,314.3
Marion	12,020	344.5	0	0	537.1	12,901.6
Marshall	27,383	303.5	0	0	473.1	28,159.6
Mobile	3,177	126.5	0	0	197.2	3,500.7
Monroe	17,453	186.8	0	0	291.3	17,931.1
Montgomery	10,342	112.7	0	0	175.7	10,630.4
Morgan	26,733	250.0	0	0	389.7	27,372.7
Perry	10,567	159.1	0	0	248.0	10,974.1
Pickens	14,125	215.3	0	0	335.7	14,676.0
Pike	16,442	96.2	0	0	149.9	16,688.1
Randolph	9,937	401.7	0	0	626.2	10,964.9
Russell	10,274	50.3	0	0	78.4	10,402.7
St. Clair	4,638	249.3	0	0	388.6	5,275.9
Shelby	5,855	76.4	0	0	119.1	6,050.5
Sumter	13,543	97.2	0	0	151.6	13,791.8
Talladega	11,842	210.2	0	0	327.6	12,379.8
Tallapoosa	6,387	148.6	0	0	231.7	6,967.3
Tuscaloosa	15,255	278.0	0	0	433.4	15,966.4
Walker	5,590	588.9	0	0	918.0	7,096.9
Washington	2,107	158.3	0	0	246.8	2,512.1
Wilcox	11,123	79.3	0	0	123.7	11,326.0
Winston	6,029	310.2	0	0	483.6	6,822.8
a. State total	933,699	13,727.0	0	0	21,399.1	968,825.1
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						59,791.9
c. State allotment						1,028,617.0

ARIZONA

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Cochise	14,078	15.3	61.9	0	23.8	14,179.0
Gila*	3	.4	0	0	.6	4.0
Graham	8,833	16.7	0	210.4	25.9	9,086.0
Greenlee	1,787	7.4	7.0	0	11.6	1,813.0
Maricopa	133,495	81.0	5.6.0	0	126.0	134,198.0
Mohave	262	0	8.0	0	0	270.0
Pima	23,979	2.1	105.7	0	3.2	24,090.0
Pinal	142,175	3.5	674.1	0	5.4	142,858.0
Santa Cruz	2,095	.2	9.4	0	.4	2,105.0
Yavapai*	11	0	0	0	0	11.0
Yuma	32,059	38.4	141.0	0	55.6	32,298.0
a. State total	358,667	165.0	1,593.1	210.4	256.5	360,892.0
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						0
c. State allotment						360,892.0

ARKANSAS

Arkansas	10,538	67.6	0	0	105.5	10,711.1
Ashley	24,749	74.2	0	0	115.6	24,929.8
Baxter	66	8.2	0	0	12.9	87.1
Benton	1	.9	0	0	1.3	3.2
Boone	27	1.2	0	0	1.8	30.0
Bradley	6,015	117.6	0	0	183.4	6,316.0
Calhoun	4,232	70.3	0	0	109.5	4,411.8
Chicot	30,260	63.7	0	0	99.4	30,423.1
Clark	4,200	88.8	0	0	138.4	4,427.2
Clay	39,415	151.1	0	0	235.5	39,801.6
Cleburne	3,158	282.8	0	0	440.8	3,881.6
Cleveland	4,872	137.2	0	0	245.0	5,274.2
Columbia	13,966	218.1	0	0	339.9	14,524.0
Conway	6,189	230.0	0	0	358.6	6,777.6
Craighead	81,800	98.3	0	0	153.2	82,051.5
Crawford	247	12.8	0	0	19.9	279.7
Crittenden	96,644	17.8	0	0	27.7	96,689.5
Cross	38,115	81.7	0	0	127.3	38,324.0
Dallas	2,236	77.4	0	0	120.7	2,434.1
Desha	43,245	41.3	0	0	64.3	43,350.6
Drew	14,280	144.8	0	0	225.8	14,650.6
Faulkner	12,369	319.5	0	0	498.0	13,186.5
Franklin	441	19.4	0	0	30.3	490.7
Fulton	660	96.2	0	0	149.9	906.1
Garland	16	1.5	0	0	2.4	19.9
Grant	863	74.3	0	0	115.7	1,053.0
Greene	38,398	134.0	0	0	209.0	38,941.0
Hempstead	10,777	180.0	0	0	280.6	11,237.6
Hot Spring	472	58.2	0	0	90.7	620.9
Howard	2,321	72.9	0	0	113.6	2,507.5
Independence	5,764	155.5	0	0	242.5	6,162.0
Izard	1,685	250.0	0	0	389.7	2,324.7
Jackson	43,794	55.6	0	0	86.8	43,936.4
Jefferson	67,422	59.3	0	0	92.4	67,573.7
Johnson	874	17.4	0	0	27.1	918.5
Lafayette	15,001	55.5	0	0	86.6	15,143.1
Lawrence	19,634	97.0	0	0	151.3	19,882.3
Lee	58,615	36.7	0	0	57.1	58,708.8
Lincoln	34,426	47.8	0	0	74.6	34,548.4
Little River	5,628	42.7	0	0	66.6	5,737.3
Logan	1,418	90.7	0	0	141.4	1,650.1
Lonoke	52,655	179.7	0	0	280.1	53,114.8
Marion	66	3.4	0	0	5.2	74.6
Miller	11,206	76.2	0	0	18.7	11,400.9
Mississippi	183,016	30.5	0	0	47.6	183,094.1

ARKANSAS—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Monroe	38,969	67.9	0	0	105.8	39,142.7
Montgomery	65	19.6	0	0	30.6	115.2
Nevada	4,647	145.9	0	0	227.4	5,020.3
Newton	45	5.2	0	0	8.2	58.4
Ouachita	2,570	211.0	0	0	328.8	3,109.8
Perry	831	79.7	0	0	124.3	1,035.0
Phillips	80,088	55.8	0	0	86.9	80,230.7
Pike	352	27.9	0	0	43.4	423.3
Poinsett	84,451	41.6	0	0	63.9	84,555.9
Polk	27	11.3	0	0	17.6	55.9
Pope	2,446	131.7	0	0	205.3	2,783.0
Prairie	10,659	105.4	0	0	165.8	10,931.2
Pulaski	16,729	69.3	0	0	108.0	16,906.3
Randolph	8,745	177.1	0	0	276.1	9,198.2
St. Francis	66,127	87.1	0	0	89.0	66,273.1
Saline	115	17.1	0	0	26.6	158.7
Scott	197	26.6	0	0	41.5	265.1
Searcy	150	26.4	0	0	41.1	217.5
Sebastian	286	19.1	0	0	29.7	334.8
Sevier	606	74.1	0	0	115.4	795.5
Sharp	2,060	177.1	0	0	276.1	2,513.2
Stone	140	35.1	0	0	54.7	229.8
Union	2,780	183.5	0	0	208.1	3,121.6
Van Buren	869	145.2	0	0	226.3	1,240.5
White	22,761	400.4	0	0	624.2	23,785.6
Woodruff	37,116	50.6	0	0	78.9	37,245.5
Yell	6,233	81.1	0	0	126.5	6,440.6
a. State total	1,382,661	6,553.0	0	0	10,214.6	1,398,828.6
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						17,990.4
c. State allotment						1,416,819.0

CALIFORNIA

Butte	3	0	0	0	0	3.0
Fresno	203,169	244.4	0	0	381.3	203,794.7
Glenn	8	0	0	0	0	8.0
Imperial	49,376	40.8	0	0	63.7	49,480.5
Kern	187,137	34.5	0	0	53.9	187,225.4
Kings	100,752	57.8	0	0	90.1	100,899.9
Los Angeles	212	0	0	0	0	212.0
Madera	49,536	20.0	0	0	31.3	49,587.3
Merced	21,355	13.0	0	0	20.2	21,388.2
Riverside	21,144	21.1	0	0	33.0	21,198.1
San Benito	228	0	0	0	0	228.0
San Bernardino	603	1.0	0	0	1.6	605.6
San Diego	314	.3	0	0	.4	314.7
San Joaquin	3	0	0	0	0	3.0
San Luis Obispo	46	0	0	0	0	46.0
Stanislaus	132	0	0	0	0	132.0
Tehama	55	0	0	0	0	55.0
Tulare	155,598	148.1	0	0	231.0	155,977.1
Yuba	10	0	0	0	0	10.0
a. State total	799,741	581.0	0	0	906.5	801,228.5
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						9,216.5
c. State allotment						810,445.0

FLORIDA

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Alachua	145	11.2	0	0	11.1	167.3
Baker	3	2.4	0	0	2.3	7.7
Bay	61	1.6	0	0	1.6	64.2
Calhoun	642	22.8	0	0	22.6	687.4
Clay	1	2.5	3.0	0	2.4	8.9
Columbia	267	25.6	0	0	25.4	318.0
Dixie	5	.7	0	0	.7	6.4
Duval	1	1.8	0	0	1.7	4.5
Escambia	1,435	75.2	31.0	0	74.5	1,615.7
Gadsden	236	21.5	0	0	21.3	278.8
Gilchrist	1	1.8	0	0	1.8	4.6
Hamilton	1,192	52.9	3.0	0	52.4	1,300.3
Holmes	4,936	140.6	49.0	0	139.1	5,264.7
Jackson	7,779	219.1	0	0	216.8	8,214.9
Jefferson	1,436	45.3	1.0	0	44.9	1,527.2
Lafayette	227	29.7	0	0	29.4	286.1
Leon	1,029	35.1	0	0	34.7	1,098.8
Levy	9	1.8	0	0	1.8	12.6
Liberty	12	.7	0	0	.7	13.4
Madison	2,832	125.0	16.0	0	123.7	3,096.7
Nassau	5	1.5	0	0	1.4	7.9
Okaloosa	1,493	63.4	34.0	0	62.7	1,653.1
Orange	6	0	0	0	0	6.0
Santa Rosa	6,126	55.7	0	0	55.1	6,236.8
Suwannee	687	57.6	0	0	57.0	801.6
Taylor	28	3.4	0	0	3.3	34.7
Union	10	4.3	1.0	0	4.3	19.6
Walton	2,252	90.5	50.0	0	89.5	2,482.0
Washington	924	44.3	0	0	43.8	1,012.1
a. State total	33,780	1,138.0	188.0	0	1,126.0	36,232.0
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						2,439.0
c. State allotment						38,671.0

GEORGIA

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Appling	4,335	148.7	0	0	231.9	4,715.6
Atkinson	868	54.8	0	0	85.4	1,008.2
Bacon	2,220	118.4	0	0	184.5	2,522.9
Baker	3,225	24.6	0	0	38.3	3,287.9
Baldwin	2,467	46.2	0	0	72.0	2,585.2
Banks	3,048	111.2	0	0	173.4	3,332.6
Barrow	5,427	68.3	0	0	106.6	5,601.9
Bartow	16,101	54.9	0	0	85.5	16,241.4
Ben Hill	5,063	34.7	0	0	54.2	5,142.9
Berrien	3,196	137.3	0	0	214.1	3,547.4
Bibb	1,239	28.6	0	0	44.5	1,312.1
Bleckley	6,606	25.4	0	0	39.5	6,670.9
Brantley	42	2.7	0	0	4.3	49.0
Brooks	8,896	109.0	0	0	170.0	9,175.0
Bryan	192	14.2	0	0	22.2	228.4
Bulloch	14,786	81.2	0	0	126.6	14,993.8
Burke	34,449	23.3	0	0	36.2	34,508.5
Butts	4,231	36.1	0	0	61.0	4,331.1
Calhoun	5,449	13.8	0	0	21.4	5,484.2
Camden	2	0	0	0	0	2.0
Candler	6,598	21.3	0	0	33.2	6,652.5
Carroll	9,421	319.9	0	0	498.5	10,239.4
Catoosa	1,211	115.9	0	0	180.7	1,507.6
Charlton	9	1.7	0	0	2.6	13.3
Chatham	46	2.9	0	0	4.4	53.3
Chattahoochee	144	4.8	0	0	7.4	156.2
Chattooga	4,148	132.6	0	0	206.7	4,487.3
Cherokee	665	122.2	0	0	190.5	977.7
Clarke	1,830	49.7	0	0	77.4	1,957.1

GEORGIA—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Clay	3,432	14.0	0	0	21.7	3,487.7
Clayton	1,058	63.7	0	0	99.2	1,220.9
Clinch	121	17.1	0	0	26.6	164.7
Cobb	898	109.4	0	0	170.5	1,177.9
Coffee	6,983	130.1	0	0	202.9	7,316.0
Colquitt	20,926	56.8	0	0	88.5	21,071.3
Columbia	1,858	59.5	0	0	92.7	2,010.2
Cook	3,774	102.5	0	0	159.7	4,036.2
Coweta	7,252	116.1	0	0	181.1	7,549.2
Crawford	1,740	49.4	0	0	76.9	1,866.3
Crisp	9,432	31.7	0	0	49.5	9,513.2
Dade	276	62.6	0	0	97.6	436.2
Dawson	123	28.5	0	0	44.1	195.4
Decatur	4,696	107.0	0	0	166.8	4,969.8
De Kalb	520	47.9	0	0	74.7	642.6
Dodge	13,097	29.4	0	0	45.8	13,173.2
Dooly	18,641	36.2	0	0	56.4	18,733.6
Dougherty	1,997	23.1	0	0	36.1	2,056.2
Douglas	997	94.2	0	0	146.9	1,238.1
Early	13,429	31.7	0	0	49.5	13,510.2
Echols	44	4.6	0	0	7.3	55.9
Effingham	1,450	77.3	0	0	120.4	1,647.7
Elbert	8,331	153.7	0	0	239.7	8,724.4
Emanuel	16,534	48.4	0	0	75.5	16,657.9
Evans	2,506	37.0	0	0	57.7	2,650.7
Fayette	4,423	74.5	0	0	116.1	4,613.6
Floyd	6,659	73.9	0	0	115.3	6,848.2
Forsyth	1,714	239.8	0	0	373.5	2,327.3
Franklin	7,139	189.5	0	0	295.3	7,623.8
Fulton	1,971	121.0	0	0	188.5	2,280.5
Gilmer	6	1.8	0	0	2.9	10.7
Glascock	4,667	16.2	0	0	25.3	4,708.5
Gordon	9,701	175.1	0	0	273.0	10,149.1
Grady	3,501	181.8	0	0	283.3	3,966.1
Greene	2,843	95.6	0	0	148.9	3,087.5
Gwinnett	3,747	236.8	0	0	369.0	4,352.8
Habersham	348	60.0	0	0	93.5	501.5
Hall	1,963	173.2	0	0	273.2	2,411.4
Hancock	8,649	70.8	0	0	110.3	8,830.1
Haralson	2,416	174.1	0	0	271.5	2,861.6
Harris	1,615	61.2	0	0	95.3	1,771.5
Hart	10,771	236.8	0	0	368.9	11,376.7
Heard	2,544	88.7	0	0	138.3	2,771.0
Henry	10,916	74.4	0	0	115.9	11,106.3
Houston	5,362	38.0	0	0	59.2	5,459.2
Irwin	9,749	26.7	0	0	41.6	9,827.3
Jackson	8,959	157.1	0	0	245.0	9,361.1
Jasper	4,119	45.0	0	0	70.1	4,234.1
Jeff Davis	2,140	123.1	0	0	191.8	2,454.9
Jefferson	19,122	53.2	0	0	82.9	19,258.1
Jenkins	11,358	11.2	0	0	17.4	11,386.6
Johnson	15,624	23.6	0	0	36.9	15,684.5
Jones	539	23.8	0	0	37.0	599.8
Lamar	2,363	55.5	0	0	86.4	2,504.9
Lanier	607	39.2	0	0	61.2	707.4
Laurens	28,494	75.1	0	0	117.2	28,686.3
Lee	3,593	15.1	0	0	23.6	3,631.7
Liberty	118	12.6	0	0	19.7	150.3
Lincoln	2,181	61.3	0	0	95.5	2,337.8
Long	496	26.8	0	0	41.9	564.7
Lowndes	3,214	131.1	0	0	204.4	3,549.5
Lumpkin	46	15.2	0	0	23.8	85.0
McDuffie	6,278	24.9	0	0	38.5	6,367.4
McIntosh	4	.7	0	0	1.2	5.9
Macon	11,574	18.2	0	0	28.3	11,620.5
Madison	9,635	148.7	0	0	231.8	10,015.5
Marion	3,777	28.8	0	0	44.8	3,850.6
Meriwether	11,585	71.4	0	0	111.2	11,767.6
Miller	5,857	61.4	0	0	95.7	6,014.1
Mitchell	12,287	46.8	0	0	72.0	12,406.8

GEORGIA—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Monroe	1,454	34.1	0	0	53.1	1,541.2
Montgomery	3,918	37.5	0	0	58.4	4,013.9
Morgan	13,479	45.3	0	0	70.6	13,594.9
Murray	3,456	111.3	0	0	173.5	3,740.8
Muscogee	182	13.2	0	0	20.7	215.9
Newton	7,214	79.4	0	0	123.9	7,417.3
Oconee	7,027	41.7	0	0	65.0	7,733.7
Oglethorpe	7,141	75.1	0	0	117.2	7,333.3
Paulding	2,485	160.4	0	0	250.1	2,895.5
Peach	2,331	13.2	0	0	20.6	2,344.8
Pickens	364	70.3	0	0	109.6	543.9
Pierce	2,142	120.6	0	0	187.9	2,450.5
Pike	6,023	51.4	0	0	80.1	6,154.5
Polk	5,679	160.5	0	0	250.1	6,089.6
Pulaski	8,645	19.2	0	0	29.9	8,694.1
Putnam	1,611	32.5	0	0	50.6	1,694.1
Quitman	1,378	7.7	0	0	12.1	1,397.8
Randolph	5,564	47.3	0	0	73.8	5,685.1
Richmond	2,355	39.5	0	0	61.7	2,456.2
Rockdale	3,078	62.5	0	0	97.5	3,238.0
Schley	3,831	19.7	0	0	30.7	3,871.4
Screven	16,206	41.4	0	0	64.5	16,311.9
Seminole	4,652	31.2	0	0	48.7	4,731.9
Spalding	2,282	50.1	0	0	78.1	2,410.2
Stephens	799	92.7	0	0	144.6	1,036.3
Stewart	2,913	11.3	0	0	17.5	2,941.8
Sumter	10,405	43.1	0	0	67.1	10,515.2
Talbot	1,316	81.7	0	0	127.4	1,525.1
Taliaferro	1,605	47.2	0	0	73.5	1,725.7
Tattnall	5,671	123.5	0	0	192.5	5,987.0
Taylor	6,858	38.6	0	0	60.3	6,956.9
Telfair	4,636	103.9	0	0	162.0	4,901.9
Terrell	11,842	29.3	0	0	45.8	11,917.1
Thomas	5,845	91.8	0	0	143.0	6,079.8
Tift	6,897	52.9	0	0	82.5	7,032.4
Toombs	7,717	68.5	0	0	106.7	7,892.2
Treutlen	3,346	22.5	0	0	35.2	3,403.7
Troup	1,734	96.6	0	0	150.6	1,981.2
Turner	7,958	24.3	0	0	37.9	8,020.2
Twiggs	3,419	52.7	0	0	82.2	3,553.9
Upson	1,261	59.9	0	0	93.3	1,384.2
Walker	2,359	237.5	0	0	370.0	2,966.5
Walton	18,113	56.5	0	0	88.1	18,257.6
Ware	734	68.4	0	0	106.7	909.1
Warren	10,669	23.8	0	0	37.2	10,730.0
Washington	16,958	49.0	0	0	75.4	17,083.4
Wayne	2,413	82.1	0	0	127.9	2,623.0
Webster	1,652	27.2	0	0	42.4	1,721.6
Wheeler	3,396	51.9	0	0	80.9	3,528.8
White	417	86.7	0	0	135.1	638.8
Whitfield	1,768	232.6	0	0	362.3	2,362.9
Wilcox	11,116	25.0	0	0	39.0	11,180.0
Wilkes	4,057	60.6	0	0	94.5	4,212.1
Wilkinson	2,406	62.0	0	0	96.7	2,564.7
Worth	18,694	24.3	0	0	37.9	18,756.2
a. State total	841,862	10,634.0	0	0	16,560.5	869,045.5
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						35,766.5
c. State allotment						904,813.0

ILLINOIS

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Alexander	1,657	17	0	0	27	1,701
Jefferson	2	0	0	0	0	2
Massac	2	2	0	0	2	6
Pulaski	1,127	53	0	0	83	1,273
Williamson	1	0	0	0	1	2
a. State total	2,799	72	0	0	113	2,984
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						198
c. State allotment						3,182

KANSAS

Cowley	0	1	0	0	1	2
Montgomery	26	0	0	0	0	26
a. State total	26	1	0	0	1	28
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						2
c. State allotment						30

KENTUCKY

Ballard	13	.4	0	0	.4	13.8
Calloway	100	39.1	0	0	37.1	176.2
Carlisle	43	9.6	0	0	9.1	61.7
Fulton	5,831	47.4	0	50.0	44.9	5,973.3
Graves	128	42.1	0	0	39.9	210.0
Hickman	930	87.1	0	25.0	82.4	1,124.5
McCracken	3	.2	0	0	.2	3.4
Marshall	37	19.1	0	0	18.0	74.1
a. State total	7,085	245.0	0	75.0	232.0	7,637.0
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						329.0
c. State allotment						7,966.0

LOUISIANA

Acadia	12,276	77.8	0	0	121.2	12,475.0
Allen	772	70.8	0	0	110.2	953.0
Ascension	568	47.7	0	0	74.3	690.0
Assumption	31	1.2	0	0	1.8	34.0
Avoyelles	24,041	229.5	1,560.0	0	357.5	26,188.0
Beauregard	345	53.6	0	0	83.4	482.0
Bienville	6,002	191.1	0	0	297.9	6,491.0
Bossier	19,275	133.7	0	0	208.3	19,617.0
Caddo	34,428	90.7	0	0	141.3	34,660.0
Calcasieu	215	9.4	0	0	14.6	239.0
Caldwell	6,732	45.0	219.0	0	70.0	7,066.0
Cameron	174	35.2	0	0	54.8	264.0

LOUISIANA—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Catahoula	11,298	32.8	828.0	0	51.2	12,210.0
Claiborne	9,185	152.5	0	0	237.5	9,575.0
Concordia	8,768	31.7	716.0	0	49.3	9,565.0
De Soto	9,810	178.6	0	0	278.4	10,267.0
E. Baton Rouge	852	67.6	0	0	105.4	1,025.0
East Carroll	22,904	23.1	2,084.0	0	35.9	25,047.0
East Feliciana	3,638	105.9	0	0	165.1	3,909.0
Evangeline	16,199	138.4	1,562.0	0	215.6	18,115.0
Franklin	52,656	29.7	3,421.0	0	46.3	56,153.0
Grant	3,581	35.2	376.0	0	54.8	4,047.0
Iberia	1,981	64.9	0	0	101.1	2,147.0
Iberville	677	23.8	0	0	37.2	738.0
Jackson	1,139	104.8	0	0	163.2	1,407.0
Jefferson	4	1.6	0	0	2.4	8.0
Jefferson Davis	486	33.2	0	0	51.8	571.0
Lafayette	14,835	123.5	0	0	192.5	15,151.0
Lafourche	124	0	0	0	0	124.0
La Salle	363	32.4	0	0	50.6	446.0
Lincoln	3,850	116.9	0	0	182.1	4,149.0
Livingston	409	61.8	0	0	96.2	567.0
Madison	17,190	10.9	1,296.0	0	17.1	18,514.0
Morehouse	28,279	44.6	2,103.0	0	69.4	30,496.0
Natchitoches	24,115	117.7	0	0	183.3	24,416.0
Orleans	5	1.2	0	0	1.8	8.0
Ouachita	13,209	67.2	1,029.0	0	104.8	14,410.0
Plaquemines	1	0	0	0	0	1.0
Pointe Coupee	10,065	49.6	922.0	0	77.4	11,114.0
Rapides	16,129	131.3	829.0	0	204.7	17,294.0
Red River	11,324	71.5	0	0	111.5	11,507.0
Richland	45,127	19.9	2,996.0	0	31.1	48,174.0
Sabine	2,025	144.2	0	0	224.8	2,394.0
St. Bernard	1	0	0	0	0	1.0
St. Helena	2,349	165.7	0	0	258.3	2,773.0
St. James	17	1.2	0	0	1.8	20.0
St. John the Baptist	14	0	0	0	0	14.0
St. Landry	34,540	141.9	3,593.0	0	221.1	38,496.0
St. Martin	8,932	153.2	0	0	238.8	9,324.0
St. Mary	3	0	0	0	0	3.0
St. Tammany	335	41.0	0	0	64.0	440.0
Tangipahoa	1,515	212.6	0	0	331.4	2,059.0
Tensas	17,976	18.9	1,568.0	0	28.0	19,590.0
Union	5,784	172.9	0	0	268.0	6,224.0
Vermillion	5,455	99.7	0	0	155.3	5,710.0
Vernon	947	209.6	0	0	326.4	1,483.0
Washington	5,721	227.9	0	0	355.1	6,304.0
Webster	6,900	128.6	0	0	200.4	7,229.0
W. Baton Rouge	1,103	19.5	94.0	0	30.5	1,247.0
West Carroll*	24,202	60.2	1,614.0	0	93.8	25,970.0
West Feliciana	2,459	33.6	0	0	52.4	2,545.0
Winn	1,025	71.1	0	0	110.9	1,207.0
a. State total	554,367	4,758.0	26,810.0	0	7,414.0	593,349.0
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						16,191.0
c. State allotment						609,540.0

MARYLAND

Caroline	24.5	0	0	0	0	24.5
a. State total	24.5	0	0	0	0	24.5
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						.5
c. State allotment						25.0

MISSISSIPPI

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Adams	2,872	65	0	0	101	3,038
Alcorn	14,033	164	0	0	255	14,452
Amite	9,615	252	0	0	394	10,261
Attala	13,235	305	0	0	475	14,015
Benton	11,764	33	0	0	51	11,848
Bolivar	117,808	21	0	0	34	117,863
Calhoun	16,894	115	0	0	180	17,189
Carroll	15,253	103	0	0	161	15,517
Chickasaw	14,460	127	0	0	199	14,786
Choctaw	3,921	361	0	0	564	4,846
Claiborne	5,073	163	0	0	255	5,491
Clarke	4,861	388	0	0	605	5,854
Clay	7,914	134	0	0	210	8,258
Coahoma	87,793	7	0	0	10	87,810
Copiah	9,021	342	0	0	532	9,895
Covington	10,100	279	0	0	436	10,815
De Soto	32,452	59	0	0	91	32,602
Forrest	1,245	144	0	0	224	1,613
Franklin	1,784	143	0	0	222	2,149
George	1,182	131	0	0	204	1,517
Greene	1,109	166	0	0	258	1,533
Grenada	11,892	37	0	0	58	11,987
Hancock	35	6	0	0	9	50
Harrison	13	4	0	0	7	24
Hinds	27,843	251	0	0	392	28,486
Holmes*:						
Adm. Area I	14,907	108	0	0	169	15,184
Adm. Area II	18,896	7	0	0	11	18,914
Humphreys	46,239	13	0	809	20	47,081
Issaquena	9,928	26	0	0	41	9,995
Itawamba	11,254	305	0	0	475	12,034
Jackson	66	5	0	0	9	80
Jasper	7,548	358	0	0	559	8,465
Jefferson	5,416	106	0	0	165	5,687
Jefferson Davis	16,074	157	0	0	246	16,477
Jones	8,600	622	0	0	970	10,192
Kemper	10,919	165	0	0	256	11,340
Lafayette	17,554	88	0	0	137	17,779
Lamar	3,853	227	0	0	354	4,434
Lauderdale	6,306	289	0	0	450	7,045
Lawrence	8,367	198	0	0	309	8,874
Leake	17,515	303	0	0	473	18,291
Lee	27,712	204	0	0	319	28,235
Leflore	70,963	22	0	943	35	71,963
Lincoln	5,852	388	0	0	605	6,845
Lowndes	16,507	142	0	0	221	16,870
Madison	33,439	111	0	0	174	33,724
Marion	10,561	308	0	0	479	11,348
Marshall	34,773	57	0	0	88	34,920
Monroe	29,862	220	0	0	342	30,424
Montgomery	8,177	117	0	0	182	8,476
Neshoba	15,337	365	0	0	569	16,271
Newton	9,347	423	0	0	660	10,430
Noxubee	16,077	117	0	0	182	16,376
Oktibbeha	4,550	220	0	0	342	5,112
Panola	28,384	72	0	0	112	28,568
Pearl River	334	61	0	0	95	490
Perry	1,877	181	0	0	281	2,339
Pike	6,120	335	0	0	522	6,977
Pontotoc	19,965	188	0	0	294	20,477
Prentiss	17,328	114	0	0	178	17,820
Quitman	59,102	4	0	0	6	59,112
Rankin	9,831	317	0	0	493	10,641
Scott	11,319	301	0	0	469	12,089
Sharkey	26,748	9	0	0	13	26,770
Simpson	13,696	222	0	0	362	14,280
Smith	10,799	302	0	0	472	11,573
Stone	149	34	0	0	52	235
Sunflower	118,740	12	0	678	19	119,449
Tallahatchie	58,011	29	0	0	45	58,085
Tate	23,611	43	0	0	66	23,720

MISSISSIPPI—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Tippah	16,480	106	0	0	164	16,750
Tishomingo	9,382	293	0	0	458	10,333
Tunica	47,039	6	0	669	10	47,724
Union	18,023	144	0	0	224	18,391
Walthall	13,331	193	0	0	300	13,844
Warren	6,422	57	0	0	90	6,569
Washington	81,780	36	0	538	56	82,410
Wayne	6,713	260	0	0	405	7,378
Webster	8,419	160	0	0	250	8,829
Wilkinson	4,457	106	0	0	165	4,728
Winston	13,078	293	0	0	362	13,668
Yalobusha	41,739	83	0	0	129	11,951
Yazoo	42,071	66	0	0	102	42,239
a. State total	1,605,196	13,448	0	3,637	20,963	1,643,244
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						300
c. State allotment						1,643,544

MISSOURI

Bollinger	115	18.1	0	0	26.4	159.5
Butler	17,835	406.8	0	0	596.2	18,838.0
Cape Girardeau	102	3.3	0	0	4.7	110.0
Carter	21	.9	0	0	1.4	23.3
Dunklin	83,233	74.3	0	0	108.9	83,416.2
Howell	22	14.7	0	0	21.5	58.2
Jefferson	3	.8	0	0	1.2	5.0
Mississippi	24,987	39.7	0	2,145.0	58.1	27,229.8
New Madrid	88,973	34.1	0	0	80.0	89,057.1
Oregon	72	27.6	0	0	40.5	140.1
Ozark	26	3.2	0	0	4.6	33.8
Pemiscot	94,674	25.2	0	0	37.0	94,736.2
Ripley	1,881	106.0	0	0	155.3	2,142.3
Scott	16,760	45.9	0	0	67.3	16,873.2
Stoddard	40,708	236.0	0	0	375.1	41,339.1
Vernon	2	.2	0	0	.3	2.5
Wayne	3	4.2	0	0	6.2	13.4
a. State total	369,417	1,061.0	0	2,145.0	1,554.7	374,177.7
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						1,925.3
c. State allotment						376,103.0

NEVADA

Clark	20	9	16	0	0	45
Nye	2,068	991	100	0	0	3,159
a. State total	2,088	1,000	116	0	0	3,204
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						116
c. State allotment						3,320

NEW MEXICO

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Bernalillo	2	.8	0	0	1.2	4.0
Chaves	32,387	17.3	0	0	26.9	32,431.2
Curry	1,399	21.6	0	0	33.6	1,445.2
De Baca	423	5.0	0	0	7.8	435.8
Dona Ana	35,977	76.6	0	2,300.0	119.3	38,672.9
Eddy*	28,177	16.6	0	0	25.8	28,219.4
Grant	75	1.3	0	0	2.0	78.3
Guadalupe	13	.1	0	0	.2	13.3
Hidalgo	6,526	4.8	0	0	7.6	6,538.4
Lea	28,776	8.9	0	0	13.9	28,798.8
Lincoln	13,718	7.9	0	0	12.3	13,738.2
Otero	1,549	3.9	0	0	6.0	1,558.9
Quay	2,501	11.4	0	120.9	17.7	2,650.1
Roosevelt	20,016	21.1	0	0	32.9	20,070.0
Sierra	2,374	7.3	0	40.0	11.3	2,432.6
Socorro	1,929	19.4	0	0	30.1	1,978.5
Valencia	30	2.0	0	0	3.3	35.3
a. State total	175,893	226.0	0	2,960.0	351.9	179,130.9
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						4,898.1
c. State allotment						184,029.0

NORTH CAROLINA

Alamance	87	14.7	0	0	15.3	117.0
Alexander	792	123.7	0	0	128.3	1,044.7
Anson	14,955	239.5	0	0	249.7	15,444.2
Beaufort	1,453	147.6	0	0	134.0	1,734.6
Bertie	6,423	309.5	0	0	322.7	7,055.2
Bladen	4,096	255.5	0	0	226.4	4,617.9
Brunswick	344	31.7	0	0	33.1	408.8
Burke	72	23.4	0	0	26.5	123.9
Cabarrus	5,107	130.4	0	0	136.0	5,373.4
Caldwell	29	13.6	0	0	14.2	56.8
Camden	353	40.4	0	0	42.1	435.5
Carteret	64	10.0	0	0	10.5	84.5
Catawba	2,537	274.8	0	0	286.5	3,098.3
Chatham	646	59.6	0	0	62.1	767.7
Chowan	2,321	119.0	0	0	124.1	2,564.1
Cleveland	33,316	350.3	0	0	365.3	34,031.6
Columbus	2,872	196.4	0	0	204.8	3,273.2
Craven	525	44.0	0	0	45.9	614.9
Cumberland	13,585	335.3	0	0	349.6	14,269.9
Currituck	386	20.9	0	0	21.8	428.7
Davidson	1,074	76.3	0	0	79.5	1,229.8
Davie	2,221	121.6	0	0	126.8	2,469.4
Duplin	3,956	258.6	0	0	269.6	4,484.2
Durham	133	11.9	0	0	12.4	157.3
Edgecombe	12,466	148.7	0	0	155.1	12,769.8
Forsyth	157	17.9	0	0	18.7	193.6
Franklin	9,848	430.1	0	0	448.3	10,726.4
Gaston	3,410	194.8	0	0	203.1	3,807.9
Gates	2,183	145.7	0	0	152.0	2,480.7
Granville	395	34.2	0	0	33.7	434.9
Greene	4,306	144.0	0	0	150.2	4,600.2
Guilford	93	8.0	0	0	8.4	109.4
Halifax	22,142	321.3	0	0	335.0	22,798.3
Harnett	14,873	533.3	0	0	556.1	15,962.4
Hertford	4,479	159.1	0	0	165.9	4,795.0
Hoke	15,394	64.2	0	0	67.0	15,725.2

NORTH CAROLINA—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Hyde	270	28.1	0	0	29.3	327.4
Iredell	9,930	853.2	0	0	576.8	11,060.0
Johnston	21,229	864.4	0	0	901.5	23,004.9
Jones	380	24.9	0	0	26.0	430.9
Lee	1,238	100.1	0	0	104.4	1,452.5
Lenoir	2,473	137.2	0	0	143.1	2,753.3
Lincoln	8,139	262.4	0	0	273.6	8,676.0
Martin	2,680	133.0	0	0	138.7	2,951.7
Mecklenburg	8,039	167.3	0	0	174.4	8,380.7
Montgomery	1,921	54.9	0	0	57.2	2,043.1
Moore	2,207	120.2	0	0	125.3	2,452.5
Nash	13,740	350.4	0	0	365.4	14,455.8
New Hanover	25	2.6	0	0	2.7	30.3
Northampton	19,670	194.9	0	0	203.3	20,068.2
Onslow	454	14.1	0	0	14.8	482.9
Orange	103	13.8	0	0	14.4	131.2
Pamlico	247	26.2	0	0	27.3	300.5
Pasquotank	304	39.0	0	0	40.7	383.7
Pender	413	36.0	0	0	37.5	486.5
Perquimans	1,379	137.2	0	0	143.1	1,659.3
Person	1	1.3	0	0	1.4	3.7
Pitt	7,886	324.0	0	0	337.9	8,547.9
Polk	1,366	137.4	0	0	143.3	1,646.7
Randolph	77	7.8	0	0	8.1	92.9
Richmond	7,490	171.1	0	0	178.4	7,839.5
Robeson	46,692	458.0	0	0	477.5	47,627.5
Rockingham	1	0	0	0	0	1.0
Rowan	6,619	361.7	0	0	377.1	7,357.8
Rutherford	8,453	537.1	0	0	559.9	9,550.0
Sampson	24,624	680.1	0	0	708.1	26,013.2
Scotland	20,280	40.8	0	0	42.5	20,363.3
Stanly	2,217	146.3	0	0	152.6	2,515.9
Tyrrell	283	33.3	0	0	34.7	351.0
Union	17,656	521.3	0	0	543.5	18,120.8
Vance	3,042	162.2	0	0	169.2	3,373.4
Wake	5,954	377.5	0	0	393.6	6,725.1
Warren	7,687	383.2	0	0	399.5	8,469.7
Washington	670	72.4	0	0	75.5	817.9
Wayne	11,973	384.7	0	0	401.1	12,758.8
Wilkes	87	10.5	0	0	10.9	108.4
Wilson	9,330	292.5	0	0	305.0	9,947.5
Yadkin	47	8.9	0	0	9.3	65.2
a. State total	464,241	13,784.0	0	0	14,373.0	492,398.0
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						479.0
c. State allotment						492,877.0

OKLAHOMA

Adair	37	15.2	0	0	23.6	75.8
Alfalfa	68	0	0	0	0	68.0
Atoka	1,413	156.0	0	0	243.4	1,812.4
Beaver	71	0	0	0	0	71.0
Beckham	58,882	19.9	0	0	31.1	58,933.0
Blaine	13,144	50.5	0	0	78.7	13,273.2
Bryan	15,767	123.1	0	0	191.9	16,082.0
Caddo	47,067	83.7	0	0	130.6	47,281.3
Canadian	13,463	52.4	0	0	81.8	13,597.2
Carter	1,135	76.0	0	0	118.5	1,329.5
Cherokee	56	27.2	0	0	42.3	125.5
Choctaw	2,995	186.6	0	0	290.9	3,472.5
Cleveland	1,545	18.3	0	0	28.6	1,591.9
Coal	2,934	77.3	0	0	120.5	3,011.8

OKLAHOMA—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Comanche	14,301	39.1	0	0	60.9	14,301.0
Cotton	20,278	26.7	0	0	41.8	20,346.5
Craig	78	16.9	0	0	26.3	121.2
Creek	1,704	137.0	0	0	213.6	2,054.6
Custer	25,716	36.0	0	0	56.3	25,808.3
Delaware	1	0	0	0	0	1.0
Dewey	8,105	60.0	0	0	93.5	8,258.5
Ellis	600	20.2	0	0	31.5	651.7
Garfield	89	3.4	0	0	5.2	97.6
Garvin	4,901	99.6	0	0	155.2	5,155.8
Grady	16,790	174.2	0	0	193.7	17,157.9
Grant	23	1.9	0	0	2.9	27.8
Greer	20,650	13.2	0	0	20.5	20,683.7
Harmon	47,621	10.2	0	0	16.0	47,647.2
Harper	9	1.0	0	0	1.5	11.5
Haskell	2,300	58.7	0	0	91.6	2,450.3
Hughes	3,995	215.5	0	0	233.9	4,445.4
Jackson	57,219	43.7	0	0	68.1	57,330.8
Jefferson	17,280	36.4	0	0	56.8	17,373.2
Johnston	2,721	60.8	0	0	94.7	2,876.5
Kay	311	12.7	0	0	19.9	343.6
Kingfisher	1,578	24.8	0	0	38.7	1,641.5
Kiowa	57,794	15.0	0	0	23.3	57,832.3
Latimer	175	39.4	0	0	61.4	275.8
Le Flore	1,470	179.2	0	0	279.3	1,928.5
Lincoln	956	155.7	0	0	242.6	1,354.3
Logan	2,666	61.4	0	0	95.6	2,823.0
Love	7,184	68.7	0	0	107.1	7,359.8
McClain	7,643	70.9	0	0	110.4	7,824.3
McCurtain	5,502	125.2	0	0	195.3	5,822.5
McIntosh	9,827	220.9	0	0	344.4	10,392.3
Major	2,185	59.5	0	0	92.8	2,337.3
Marshall	3,669	17.7	0	0	27.5	3,714.2
Mayes	556	51.7	0	0	80.7	688.4
Murray	372	4.8	0	0	7.6	384.4
Muskogee	15,136	177.4	0	0	276.5	15,589.9
Noble	1,103	34.1	0	0	53.2	1,190.3
Nowata	771	9.4	0	0	14.7	795.1
Okfuskee	4,710	160.0	0	0	249.3	5,119.3
Oklahoma	394	14.5	0	0	22.6	431.1
Okmulgee	8,664	156.0	0	0	243.3	9,063.3
Osage	2,863	30.9	0	0	48.3	2,942.2
Pawnee	3,004	81.9	0	0	127.8	3,213.7
Payne	2,423	88.8	0	0	138.4	2,650.2
Pittsburg	4,551	143.5	0	0	223.6	4,918.3
Pontotoc	963	59.0	0	0	92.1	1,114.1
Pottawatomie	540	104.5	0	0	163.0	807.5
Pushmataha	297	98.3	0	0	153.2	548.5
Roger Mills	20,977	16.6	0	0	25.8	21,019.4
Rogers	702	48.9	0	0	76.2	827.1
Seminole	1,101	166.6	0	0	259.7	1,527.3
Sequoyah	708	71.8	0	0	111.9	888.7
Stephens	5,138	55.1	0	0	85.8	5,278.9
Texas	13	0	0	0	0	13.0
Tillman	70,838	16.4	0	0	25.5	70,879.9
Tulsa	1,359	21.1	0	0	32.8	1,412.9
Wagoner	7,257	225.6	0	0	351.6	7,834.2
Washington	27	6.0	0	0	9.3	42.3
Washita	75,837	31.7	0	0	49.4	75,918.1
Woodward	547	13.6	0	0	21.3	581.9
a. State total	753,444	4,530.0	0	0	7,530.0	765,804.0
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						76,186.0
c. State allotment						841,990.0

SOUTH CAROLINA

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Abbeville	7,626	174.0	0	0	271.2	7,889.2
Aiken	19,431	175.0	0	0	272.9	19,878.9
Allendale	9,442	26.7	0	0	41.7	9,510.4
Anderson	25,065	445.0	0	0	693.6	26,203.6
Bamberg	12,159	70.9	0	0	110.4	12,340.3
Barnwell	13,519	87.9	0	0	90.3	13,697.2
Beaufort	872	148.5	0	0	231.5	1,252.0
Berkeley	7,742	382.6	0	0	596.4	8,721.0
Calhoun	14,954	39.7	0	0	61.9	15,055.6
Charleston	1,013	181.6	0	0	283.0	1,477.6
Cherokee	11,615	222.6	0	0	347.0	12,184.6
Chester	9,954	116.5	0	0	181.7	10,252.2
Chesterfield	30,810	117.7	0	0	183.5	31,111.2
Clarendon	31,316	64.7	0	0	100.9	31,481.6
Colleton	7,717	513.2	0	0	799.9	9,030.1
Darlington	29,146	71.9	0	0	112.2	29,330.1
Dillon	20,677	64.2	0	0	100.1	20,841.3
Dorchester	8,632	253.8	0	0	395.7	9,281.5
Edgefield	9,175	93.6	0	0	145.8	9,414.6
Fairfield	4,497	107.9	0	0	168.2	4,773.1
Florence	28,544	366.7	0	0	574.7	29,487.4
Georgetown	2,070	313.3	0	0	488.4	2,871.7
Greenville	13,373	435.0	0	0	709.4	14,537.4
Greenwood	3,786	112.9	0	0	175.9	4,074.9
Hampton	7,670	105.6	0	0	166.1	7,942.7
Horry	7,231	950.7	0	0	1,482.1	9,663.8
Jasper	2,311	179.9	0	0	280.5	2,771.4
Kershaw	18,707	143.9	0	0	224.2	19,075.1
Lancaster	7,806	127.5	0	0	198.7	8,132.2
Laurens	16,401	201.6	0	0	314.2	16,916.8
Lee	33,382	39.9	0	0	63.4	33,735.3
Lexington	10,652	209.4	0	0	326.4	11,187.8
McCormick	3,286	76.4	0	0	119.2	3,481.6
Marion	10,641	121.6	0	0	189.5	10,952.1
Marlboro	38,215	41.7	0	0	65.0	38,321.7
Newberry	7,364	119.1	0	0	185.7	7,668.8
Oconee	7,026	224.0	0	0	349.3	7,599.3
Orangeburg	55,220	219.1	0	0	341.6	55,780.7
Pickens	5,713	243.8	0	0	380.1	6,336.9
Richland	6,097	180.3	0	0	281.0	6,558.3
Saluda	7,373	117.7	0	0	183.4	7,674.1
Spartanburg	20,827	456.4	0	0	714.6	22,000.0
Sumter	37,999	78.7	0	0	122.7	38,200.4
Union	5,292	86.2	0	0	134.4	5,512.6
Williamsburg	30,071	253.4	0	0	394.9	30,719.3
York	15,030	128.2	0	0	199.7	15,357.9
a. State total	677,647	8,906.0	0	0	13,883.3	700,436.3
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						27,400.7
c. State allotment						727,837.0

TENNESSEE

Bedford	1,406	148.5	0	0	231.5	1,786.0
Benton	2,328	239.5	0	0	373.4	2,935.9
Bradley	933	136.7	0	0	213.2	1,282.9
Cannon	25	5.9	0	0	9.3	40.2
Carroll	15,232	223.2	0	0	506.9	19,064.1
Chester	10,441	90.7	0	0	141.4	10,673.1
Coffee	1,426	130.6	0	0	203.6	1,760.2
Crockett	30,946	67.7	0	0	74.4	31,088.1
Cumberland	1	1.2	0	0	1.9	4.1
Davidson	12	2.1	0	0	3.3	17.4
Decatur	3,249	187.0	0	0	291.4	3,727.4
De Kalb	34	5.1	0	0	8.0	47.1

TENNESSEE—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Dyer	30,892	84.6	0	0	131.9	31,108.5
Fayette	41,188	32.9	0	0	51.4	41,252.3
Franklin	5,253	281.1	0	0	438.3	5,972.4
Gibson	42,133	162.7	0	0	253.7	42,549.4
Giles	8,522	393.3	0	0	566.3	9,481.6
Grundy	145	23.6	0	0	36.9	205.5
Hamilton	619	68.0	0	0	106.1	793.1
Hardeman	20,488	99.8	0	0	155.3	20,743.3
Hardin	8,590	217.0	0	0	338.4	9,145.4
Haywood	40,944	37.4	0	0	58.3	41,039.7
Henderson	16,631	182.3	0	0	284.1	17,097.4
Henry	4,426	296.7	0	0	618.4	5,491.1
Hickman	22	6.6	0	0	10.2	38.8
Humphreys	12	5.2	0	0	8.0	25.2
Knox	5	0	0	0	0	5.0
Lake	20,237	6.1	0	0	9.6	20,252.7
Lauderdale	34,178	29.8	0	0	46.5	34,254.3
Lawrence	18,865	634.7	0	0	630.8	12,900.5
Lewis	322	32.9	0	0	51.3	406.2
Lincoln	12,413	208.6	0	0	325.2	12,946.8
Loudon	5	1.4	0	0	2.2	8.6
McMinn	608	124.5	0	0	194.5	927.3
McNairy	18,237	244.1	0	0	380.4	18,861.5
Madison	31,323	177.3	0	0	276.4	31,776.7
Marion	286	26.5	0	0	41.4	353.9
Marshall	357	44.2	0	0	68.8	470.0
Maury	182	28.9	0	0	45.0	255.9
Meigs	557	82.9	0	0	129.2	769.1
Monroe	184	63.7	0	0	99.4	347.1
Montgomery	1	0	0	0	0	1.0
Moore	74	9.3	0	0	14.4	97.7
Obion	9,377	282.5	0	0	440.4	10,099.9
Perry	160	25.3	0	0	39.5	224.8
Polk	669	83.0	0	0	129.5	881.5
Rhea	18	4.1	0	0	6.4	28.5
Roane	3	0.4	0	0	0.7	4.1
Robertson	1	0.1	0	0	0.2	1.3
Rutherford	4,329	341.7	0	0	532.7	5,194.4
Shelby	41,996	278.6	0	0	433.8	42,708.4
Tipton	44,361	67.9	0	0	105.8	44,534.7
Van Buren	31	6.2	0	0	9.7	46.9
Warren	512	77.4	0	0	120.6	710.0
Wayne	2,648	274.5	0	0	427.9	3,350.4
Weakley	9,257	685.1	0	0	1,068.1	11,010.2
White	61	9.9	0	0	15.4	86.3
Williamson	117	13.3	0	0	20.7	151.0
Wilson	78	8.4	0	0	13.2	99.6
a. State total	540,366	6,925.0	0	0	10,795.5	558,086.5
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						11,248.5
c. State allotment						569,335.0

TEXAS

Anderson	10,729	334.7	0	0	521.7	11,585.4
Andrews	3,862	0	0	0	0	3,862.0
Angelina	3,117	83.5	0	0	130.1	3,330.6
Aransas	1,153	.4	0	0	.6	1,154.0
Archer	2,271	1.4	0	0	2.3	2,274.7
Armstrong	1,620	23.2	0	0	36.2	1,679.4
Atascosa	10,727	52.1	0	0	81.2	10,860.3
Austin	17,127	59.0	0	0	91.9	17,287.9
Bailey	101,630	17.1	0	0	26.6	101,673.7
Bastrop	11,347	46.5	0	0	72.5	11,466.0
Baylor	19,003	10.0	0	0	15.5	19,028.5

TEXAS—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Bee	14,460	11.8	0	0	18.5	14,490.3
Bell	68,546	43.6	0	0	68.0	68,657.6
Bexar	3,941	34.2	0	0	52.3	4,028.5
Blanco	94	.9	0	0	1.5	96.4
Borden	18,769	0	0	0	0	18,769.0
Bosque	10,873	38.6	0	0	60.1	10,971.7
Bowie	7,479	315.8	0	0	492.3	8,287.1
Brazoria	11,424	35.4	0	0	55.1	11,514.5
Brazos	18,356	15.6	0	0	24.2	18,395.8
Brewster	170	0	0	0	0	170.0
Briscoe	26,394	4.5	0	0	7.0	26,405.5
Brooks	3,506	2.0	0	0	3.1	3,511.1
Brown	8,057	25.5	0	0	39.7	8,122.2
Burleson	26,005	51.8	0	0	80.8	26,137.6
Burnet	5,040	10.6	0	0	16.4	5,067.0
Caldwell	20,709	15.0	0	0	23.3	20,747.3
Calhoun	18,037	4.5	0	0	7.1	18,048.6
Callahan	8,591	38.6	0	0	60.1	8,689.7
Cameron	163,182	75.5	0	0	117.6	163,375.1
Camp	1,408	170.6	0	0	265.9	1,844.5
Carson	387	19.3	0	0	30.0	436.3
Cass	6,493	422.8	0	0	659.1	7,574.9
Castro	53,901	1.2	0	0	2.0	53,904.2
Chambers	80	.8	0	0	1.3	82.1
Cherokee	11,242	372.9	0	0	581.3	12,196.2
Childress	57,335	11.1	0	0	17.2	57,363.3
Clay	10,158	24.2	0	0	37.8	10,220.0
Cochran	74,003	.7	0	0	1.1	74,004.8
Coke	7,657	1.8	0	0	2.8	7,661.6
Coleman	34,823	25.8	0	0	40.2	34,889.0
Collin	74,539	69.8	0	0	108.9	74,717.7
Collingsworth	68,069	7.2	0	0	11.1	68,087.3
Colorado	8,890	62.1	0	0	96.9	9,049.0
Comal	245	2.4	0	0	3.8	251.2
Comanche	9,568	97.0	0	0	151.2	9,816.2
Concho	26,827	1.1	0	0	1.6	26,829.7
Cooke	6,131	56.2	0	0	87.5	6,274.7
Coryell	18,956	28.4	0	0	44.2	19,028.6
Cottle*	57,724	2.0	0	0	3.0	57,729.0
Crockett	21	.9	0	0	1.3	23.2
Crosby	122,230	2.6	0	0	4.1	122,236.7
Culberson	4,431	.1	0	0	.1	4,431.2
Dallam	32	0	0	0	0	32.0
Dallas	33,762	20.3	0	0	31.7	33,814.0
Dawson*	207,324	4.5	0	0	7.0	207,335.5
Deaf Smith	10,067	137.9	0	0	215.0	10,419.9
Delta	34,383	13.2	0	0	20.7	34,416.9
Denton	19,650	64.4	0	0	100.3	19,814.7
De Witt	16,335	83.2	0	0	129.8	16,548.0
Dickens*	56,069	2.2	0	0	3.4	56,074.6
Dimmit	1,822	6.1	0	0	9.4	1,837.5
Donley	30,086	8.7	0	0	13.5	30,108.2
Duval	13,971	28.2	0	0	59.6	14,068.8
Eastland	5,199	78.6	0	0	122.6	5,400.2
Ector	197	0	0	29.0	0	226.0
Ellis*	132,005	18.7	0	0	29.1	132,052.8
El Paso	20,444	174.5	0	0	271.9	20,890.4
Erath	8,893	67.7	0	0	105.6	9,066.3
Falls	77,024	55.9	0	0	87.2	77,167.1
Fannin	60,951	105.6	0	0	164.5	61,221.1
Fayette	25,699	149.8	0	0	233.5	26,082.3
Fisher	86,243	5.2	0	0	8.1	86,256.3
Floyd*	97,962	7.0	0	0	10.8	97,979.8
Foard	12,481	1.2	0	0	1.8	12,484.0
Fort Bend	57,628	44.4	0	0	69.2	57,741.6
Franklin	3,155	68.0	0	0	105.9	3,328.9
Freestone	18,782	148.3	0	0	231.2	19,161.5
Frio	4,812	19.8	0	0	30.8	4,862.6
Gaines	82,453	4.3	0	0	6.7	82,463.0
Galveston	40	3.0	0	0	4.7	47.7

TEXAS—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Garza*	41,464	3.0	0	0	4.6	41,471.6
Gillespie	1,303	11.2	0	0	17.4	1,331.6
Glasscock	10,647	.2	0	0	.2	10,647.4
Goliad	4,588	34.4	0	0	53.6	4,676.0
Gonzales	13,816	85.2	0	0	132.7	14,033.9
Gray	3,530	15.6	0	0	24.2	3,569.8
Grayson	29,960	78.0	0	0	121.6	30,189.6
Gregg	1,197	52.3	0	0	81.6	1,330.9
Grimes	14,802	74.9	0	0	116.8	14,993.7
Guadalupe	19,028	69.9	0	0	108.9	19,206.8
Hale	165,453	7.7	0	0	11.9	165,502.6
Hall*	98,539	6.0	0	0	9.3	98,554.3
Hamilton	9,311	21.8	0	0	34.0	9,366.8
Hansford	388	.1	0	0	.2	388.3
Hardeman	33,841	24.2	0	0	37.8	33,903.0
Hardin	56	3.8	0	0	5.9	65.7
Harris	4,469	22.4	0	0	34.8	4,526.2
Harrison	10,039	346.4	0	0	539.9	10,925.3
Hartley*	1	1.2	0	0	1.9	4.1
Haskell	126,254	9.7	0	0	15.0	126,278.7
Hays	7,546	5.9	0	0	9.1	7,561.0
Hemphill	1,656	19.7	0	0	30.7	1,666.4
Henderson	8,789	185.9	0	0	289.9	9,264.8
Hidalgo	194,363	174.8	0	0	272.6	194,808.4
Hill	113,267	43.8	0	0	68.3	113,379.1
Hockley*	191,831	2.3	0	0	3.7	191,837.0
Hood	3,377	28.8	0	0	44.9	3,450.7
Hopkins	24,437	120.3	0	0	187.4	24,744.7
Houston	25,204	98.6	0	0	153.6	25,456.2
Howard*	76,649	1.6	0	0	2.6	76,653.2
Hudspeth	16,690	3.5	0	0	5.4	16,698.9
Hunt	84,748	33.0	0	0	51.5	84,832.5
Irion	640	1.5	0	73.0	2.3	716.8
Jack	1,953	6.2	0	0	9.7	1,968.9
Jackson	18,180	24.3	0	0	38.0	18,242.3
Jasper	391	82.9	0	0	129.1	603.0
Jeff Davis	489	0	0	0	0	489.0
Jefferson	22	3.8	0	0	6.0	31.8
Jim Hogg*	1,785	.8	0	0	1.3	1,787.1
Jim Wells	23,851	14.7	0	0	23.0	23,888.7
Johnson	36,323	34.5	0	0	53.8	36,411.3
Jones	114,525	14.4	0	0	22.4	114,561.8
Karnes	32,684	25.1	0	0	39.1	32,748.2
Kaufman	53,460	42.4	0	0	66.1	53,568.5
Kendall	48	0	0	0	0	48.0
Kenedy	3	0	0	0	0	3.0
Kent	20,863	.9	0	0	1.5	20,865.4
Kerr	116	0	0	0	0	116.0
Kimble	120	6.9	0	0	10.7	137.6
King*	9,588	.4	0	0	.6	9,589.0
Kinney	464	.3	0	0	.4	464.7
Kleberg	9,054	5.9	0	0	9.2	9,069.1
Knox	59,696	8.4	0	0	13.1	59,717.5
Lamar	52,787	43.2	0	0	67.4	52,897.6
Lamb*	203,367	5.3	0	0	8.2	203,380.5
Lampasas	2,214	15.2	0	0	23.7	2,252.9
La Salle	3,333	3.8	0	0	5.9	3,342.7
Lavaca	30,723	137.6	0	0	214.5	31,075.1
Lee	8,844	87.2	0	0	135.9	9,067.2
Leon	11,406	91.0	0	0	141.9	11,638.9
Liberty	3,024	49.7	0	0	77.6	3,151.3
Limestone	67,535	61.1	0	0	95.3	67,691.4
Live Oak	19,601	18.7	0	0	29.2	19,648.9
Llano	426	2.2	0	0	3.4	431.6
Loving	330	0	0	20.0	0	330.0
Lubbock	231,921	17.0	0	0	26.5	231,964.5
Lynn*	190,566	1.2	0	0	2.0	190,569.2
McCulloch	18,383	4.3	0	0	6.6	18,393.9
McLennan	84,908	66.9	0	0	101.1	85,074.0
McMullen	1,421	2.2	0	0	3.4	1,426.6

TEXAS—Continued

[Acres]

County	Computed county allotment (1)	Allocation from national minimum farm reserve (2)	Adjustment from State reserve for— Trends (3)	Abnormal conditions (4)	Minimum farm allotments (5)	County allotment, sum of columns (1), (2), (3), (4) and (5) (6)
Madison	6,305	69.4	0	0	108.3	6,480.7
Marion	1,485	158.7	0	0	247.5	1,891.2
Martin*	93,979	1.6	0	0	2.6	93,983.2
Mason	1,738	21.1	0	0	33.0	1,792.1
Matagorda	17,812	25.0	0	0	38.9	17,875.9
Maverick	6,811	12.3	0	0	19.2	6,842.5
Medina	1,315	37.8	0	0	58.9	1,409.7
Menard	789	9.3	0	0	14.4	812.7
Midland	27,514	3.6	0	0	5.6	27,523.2
Milam	50,271	28.1	0	0	43.7	50,342.8
Mills	2,860	12.3	0	0	19.2	2,891.5
Mitchell*	72,275	9.1	0	0	14.2	72,298.3
Montague	3,701	53.9	0	0	84.1	3,839.0
Montgomery	1,170	43.7	0	0	68.1	1,281.8
Moore	330	0	0	0	0	330.0
Morris	1,279	97.2	0	0	151.6	1,527.8
Motley	35,972	5.3	0	0	8.3	35,985.6
Nacogdoches	5,208	184.4	0	0	287.5	5,679.9
Navarro	107,390	55.1	0	0	85.9	107,531.0
Newton	418	88.0	0	0	137.1	643.1
Nolan	45,005	2.5	0	0	4.0	45,101.5
Nueces	103,491	12.1	0	0	18.9	103,492.0
Ochiltree	179	0	0	0	0	179.0
Oldham	23	6.3	0	0	9.7	38.0
Orange	1	0	0	0	0	1.0
Palo Pinto	3,288	13.1	0	0	20.5	3,321.6
Panola	6,751	256.6	0	0	400.0	7,407.6
Parker	3,723	50.1	0	0	78.2	3,851.3
Parmer	40,810	20.0	0	0	31.1	40,861.1
Pecos	15,683	4.0	0	0	6.2	15,693.2
Polk	4,864	50.1	0	0	78.2	4,992.3
Potter	112	.5	0	0	.7	113.2
Presidio	2,805	8.0	0	0	12.6	2,825.6
Rains	7,622	55.3	0	0	86.2	7,763.5
Randall	826	21.3	0	0	33.3	880.6
Reagan	939	0	0	0	0	939.0
Real	4	0	0	0	0	4.0
Red River	25,337	77.3	0	0	120.5	25,534.8
Reeves	51,477	2.6	0	153.0	4.0	51,636.6
Refugio	13,251	1.5	0	0	2.4	13,254.9
Roberts	98	0	0	0	0	98.0
Robertson	24,759	35.8	0	0	55.9	24,850.7
Rockwall	18,340	9.3	0	0	14.6	18,363.9
Runnels*	89,918	9.2	0	0	14.3	89,941.5
Rusk	10,758	356.3	0	0	555.5	11,669.8
Sabine	2,373	71.9	0	0	112.0	2,556.9
San Augustine	6,295	69.3	0	0	108.0	6,472.3
San Jacinto	4,619	59.2	0	0	92.4	4,170.6
San Patricio	83,649	8.9	0	0	13.8	83,671.7
San Saba	7,583	14.3	0	0	22.3	7,619.6
Schleicher	9,645	.1	0	0	.1	9,645.2
Scurry	68,162	4.2	0	0	6.5	68,172.7
Shackelford	4,077	6.0	0	0	9.3	4,092.3
Shelby	7,103	303.6	0	0	473.2	7,879.8
Smith	7,273	230.0	0	0	498.8	8,001.8
Somervell	1,331	14.3	0	0	22.3	1,367.6
Starr	26,493	44.0	0	871.0	71.6	27,391.6
Stephens	1,283	12.3	0	0	19.2	1,314.5
Sterling	377	.5	0	31.0	.7	409.2
Stonewall	28,016	2.9	0	0	4.5	28,023.4
Sutton	16	0	0	0	0	16.0
Swisher	51,530	11.4	0	0	17.7	51,569.1
Tarrant	9,458	5.7	0	0	9.0	9,472.7
Taylor	36,630	24.7	0	0	38.5	36,693.2
Terrell	5	0	0	0	0	5.0
Terry*	132,052	3.8	0	0	6.0	132,061.8
Throckmorton	12,560	7.5	0	0	11.8	12,579.3
Titus	2,084	189.9	0	0	295.9	2,569.8
Tom Green	57,473	6.8	0	0	10.7	57,490.5
Travis	36,656	18.7	0	0	29.1	36,103.8
Trinity	4,568	80.5	0	0	125.5	4,774.0
Tyler	408	25.7	0	0	40.0	473.7
Upshur	1,948	224.6	0	0	350.2	2,522.8
Uvalde	1,961	3.0	0	0	4.8	1,968.8
Val Verde	132	0	0	0	0	132.0
Van Zandt	20,438	194.9	0	0	303.9	20,936.8
Victoria	24,879	20.6	0	0	32.1	24,931.7
Walker	6,621	74.1	0	0	115.4	6,210.5
Waller	4,722	31.8	0	0	48.5	4,803.3
Ward	6,729	2.2	0	615.0	3.5	7,349.7
Washington	20,026	129.6	0	0	202.0	20,357.6
Webb	2,001	.9	0	0	1.5	2,003.4
Wharton	71,039	43.7	0	0	68.2	71,150.9
Wheeler	28,499	29.4	0	0	45.0	28,574.4
Wichita	5,706	18.8	0	0	29.4	5,754.2
Wilbarger	49,597	16.3	0	0	25.3	49,638.6
Willacy	92,763	14.4	0	0	22.5	92,799.9
Williamson	105,355	40.4	0	0	63.5	105,458.4
Wilson	5,954	63.6	0	0	99.2	6,116.8
Wise	2,100	54.0	0	0	84.1	2,238.1
Wood	2,629	261.2	0	0	391.5	3,271.7
Yoakum	35,557	0	0	0	0	35,557.0
Young	12,689	10.5	0	0	16.3	12,715.8
Zapata*	2,374	5.0	0	0	7.8	2,386.8
Zavala	8,618	1.3	0	0	2.1	8,621.4
a. State total	7,081,017	10,974.0	0	1,792.0	17,105.2	7,110,889.2
b. State acreage reserve for small farms, for new farms, for farm inequities, and for farm hardship cases						436,613.8
c. State allotment						7,547,503.0

VIRGINIA

Accomack	12	1.3	0	0	.7	14.0
Brunswick	1,786	158.8	0	0	82.2	2,027.0
Caroline	5	0	0	0	0	5.0
Charlotte	7	1.9	0	0	1.0	9.9
Chesterfield	3	.5	0	0	.3	3.8
Cumberland	5	1.3	0	0	.7	7.0
Dinwiddie	204	20.1	0	0	10.4	234.5
Franklin	22	.1	0	0	.1	22.2
Greensville	3,938	185.5	0	0	97.5	4,224.0
Halifax	1	1.4	0	0	.7	3.1
Isle of Wight	245	35.4	0	0	18.3	298.7
Lunenburg	210	15.8	0	0	8.1	233.9
Mecklenburg	1,684	113.6	0	0	58.8	1,856.4
Nansemond	1,416	125.4	0	0	64.8	1,606.2
Norfolk	31	2.9	0	0	1.5	35.4
Prince Edward	7	.5	0	0	.3	7.8
Prince George	56	8.2	0	0	4.2	68.4
Princess Anne	8	1.1	0	0	.6	9.7
Southhampton	4,134	209.0	0	0	108.1	4,451.1
Surry	10	2.0	0	0	1.0	13.0
Sussex	1,465	94.2	0	0	48.7	1,607.9
a. State total	15,249	982.0	0	0	508.0	16,729.0
b. State acreage reserve for small farms, for new farms, for farm inequities and for farm hardship cases						1,186.0
c. State allotment						17,925.0

3. Section 722.812 (c) (17) (iii) (b) is amended to provide for planted acreage history credit where there is participation in 1956 in the conservation reserve under the Soil Bank Program and is revised as follows:

(b) *For 1956.* The acreage of cotton measured for purposes of the 1956 marketing quota program, including any acreage not seeded to cotton which is eligible for compensation as cotton acreage reserve under the Soil Bank Program. If any part of the farm acreage allotment remains uncredited for history purposes, planted acreage history credit resulting from a conservation reserve contract shall be established for farms covered by and eligible for compensation under a Soil Bank Conservation Reserve Contract (Form CSS-811, Soil Bank) as follows and shall be added to the foregoing acreage.

(1) Obtain a total of the uncredited history acreage for all allotments established for the farm for the year 1956.

(2) Determine from the conservation reserve contract for the farm the 1956 "permitted acreage" under such contract.

(3) Obtain the sum of the acreage of land on the farm which in 1956 is devoted to soil bank base crops which is chargeable to such "permitted acreage" and the acreage devoted to non-soil bank base crops, counting double cropped acreage only once.

(4) Obtain the unused "permitted acreage" on the farm by subtracting from (2) of this subdivision the smaller of (2) or (3) of this subdivision.

(5) Obtain maximum planted acreage history credit for all allotment crops by subtracting (4) of this subdivision from (1) of this subdivision, disregarding negative credits.

(6) Obtain total planted acreage history credit for all allotment crops which shall be the smaller of (5) of this subdivision or the acreage eligible for compensation under the conservation reserve contract for 1956.

(7) Obtain the percent of the total planted acreage history credit attributable to cotton by dividing the uncredited history acreage for cotton by (1) of this subdivision.

(8) Obtain the planted acreage history credit for cotton due to the conservation reserve contract by multiplying (6) of this subdivision by (7) of this subdivision.

The planted acreage history credit consisting of the sum of the measured acreage, and the credit resulting from the acreage reserve and conservation reserve under the Soil Bank Program, shall be adjusted as provided in subsections (g) (3), (i) and (m) (2) of section 344 of the act.

If a written request was filed by June 1, 1956, to preserve acreage history for cotton for a farm for the year 1956 as provided in section 377 of the act, the entire 1956 allotment shall be considered to have been planted to cotton.

4. Section 722.817 (c) (3) (i) is amended to provide for deduction from cropland of acreages of tobacco, peanuts, wheat, and rice eligible for compensation in the acreage reserve of the Soil Bank Program and planted acreage history credit resulting from a conservation reserve contract by addition of the following new subdivision (g):

(g) The acreage of tobacco, peanuts, wheat, and rice eligible for compensation in the acreage reserve of the Soil Bank Program and planted acreage history credit resulting from a conservation reserve contract.

(Sec. 375, 52 Stat. 66; 7 U. S. C. 1375. Interprets or applies secs. 301, 342-347, 361-368, 373, 374, 377, 388, 52 Stat. 38, as amended; secs. 106, 112, 70 Stat. 191, 195; 7 U. S. C. 1301, 1342-1347, 1361-1368, 1373, 1374, 1388)

Done at Washington, D. C., this 28th day of November 1956.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 56-9862; Filed, Nov. 29, 1956; 12:30 p. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6582]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

AMERICAN QUILT MANUFACTURING CO. AND ABRAHAM ROTH

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods:* Wool Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements:* Wool Products Labeling Act;[1] § 13.155 *Prices:* Fictitious marking; § 13.170 *Qualities or properties of product or service.* Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition:* Wool Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* Wool Products Labeling Act; § 13.1280 *Price.* Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1845 *Composition:* Wool Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1130; 15 U. S. C. 45, 68-68 (c)) [Cease and desist order, American Quilt Manufacturing Co. et al., Chicago, Ill., Docket 6582, November 7, 1956]

In the Matter of American Quilt Manufacturing Co., a Corporation, and Abraham Roth, Individually and as an Officer of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission, charging a corporation and its president, engaged in the manufacture and interstate sale from their office in Chicago of wool products, with violating the Wool Products Labeling Act by labeling bed comforters containing substantial amounts of other fibers as "All New Material Consisting of 100 Percent All New Wool", and by failing to label certain of such wool products as required by the act; and with violating the Federal Trade Commission Act by representing on advertising inserts that the comforters were moth proof and bacteria proof, by misrepresenting the constituent fibers, and by labeling with fictitious prices.

Following agreement between the parties providing for entry of a consent order, the hearing examiner made his initial decision, including order to cease and desist, which, by order of November 1, became on November 7 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That the respondents American Quilt Manufacturing Co., a corporation, and its officers, and Abraham Roth, individually and as an officer of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, of bed comforters or other "wool products," as such products are defined in and subject to said Wool Products Labeling Act, which products contain, purport to contain, or in any way are represented as containing, "wool", "reprocessed wool", or "reused wool" as those terms are defined in said Act, do forthwith cease and desist from:

1. Misbranding such products by falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers contained therein;

2. Misbranding such products by failing to securely affix to or place on each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner;

(a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any non-fibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution or delivery for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939;

Provided, That the foregoing provision concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939, and

Provided further, That nothing contained in this order shall be construed

[1] New.

as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

It is further ordered, That American Quilt Manufacturing Co., a corporation, and its officers and Abraham Roth, individually and as an officer of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of bed comforters or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly:

1. Representing in any manner that their bed comforters or other products are moth proof;

2. Representing in any manner that their bed comforters or other products are bacteria proof;

3. Misrepresenting in any way the constituent fiber or material used in their merchandise or the respective percentages thereof;

4. Representing in any manner that a certain amount is the usual and regular retail price for their products when such amount is in excess of the price at which their products are usually and regularly sold at retail;

5. Furnishing means or instrumentalities to others by and through which they may misrepresent the usual and regular retail price of respondents' products.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is 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 in which they have complied with the order to cease and desist.

Issued: November 1, 1956.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 56-9978; Filed, Dec. 5, 1956; 8:48 a. m.]

[Docket 6562]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

ROSLYN FURS, INC., AND MEYER ROSENBERG

Subpart—*Advertising falsely or misleadingly:* § 13.30 *Composition of goods:* Fur Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.235 *Source or origin:* Maker or seller, etc.: *Fur Products Labeling Act.*[1] Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Fur Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition:* Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* Fur Products Labeling Act. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1845 *Composition:* Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* Fur Products Labeling Act. Subpart—*Using misleading name*—Goods: § 13.2280 *Composition:* Fur Products Labeling Act.[1]

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U. S. C. 45, 69f) [Cease and desist order, Roslyn Furs, Inc., et al., Toledo, Ohio, Docket 6562, November 22, 1956]

In the Matter of Roslyn Furs, Inc., a Corporation, and Meyer Rosenberg, Individually and as an Officer of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission, charging a furrier in Toledo, Ohio, with violating the Fur Products Labeling Act through false advertising, false invoicing, and misbranding of fur products, including failure to disclose names of animals producing certain furs or naming other animals, false representations that fur products were being offered for sale from the stock of a business in liquidation, removal or mutilation of required labels, failure to maintain full records on which comparative prices and percentage claims were based, and failure to conform otherwise to requirements of the act.

Following entry of an agreement between the parties containing a consent order to cease and desist, the hearing examiner made his initial decision, including order to cease and desist, which, by order of November 2, became on November 22 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That Respondent Roslyn Furs, Inc., a corporation, and its officers, and Respondent Meyer Rosenberg, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which:

1. Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide, and as prescribed under the rules and regulations;

2. Contains the name or names of an animal or animals other than those producing the furs contained in the fur product;

3. Represents that said fur products are being offered for sale from stock of a business in state of liquidation, when such is not the fact;

B. Making use in advertisements of comparative prices and percentage savings claims unless there are maintained full and adequate records disclosing the facts upon which such prices and claims are based;

C. Misbranding fur products by:

1. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produce the fur from which such product was manufactured;

2. Failing to affix labels to fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur when such is a fact;

(c) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur when such is a fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is a fact;

(e) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

(f) The name of the country of origin of any imported furs used in the fur product;

3. Setting forth on the labels attached to fur products, the name or names of any animal or animals other than the name or names provided for in paragraph C (2) (a) above;

4. Setting forth on labels attached to fur products:

(a) Non-required information mingled with required information;

(b) Required information in handwriting;

(c) Required information in abbreviated form;

D. Removing, mutilating, or causing or participating in the removal or mutilation of, prior to the time said fur products are sold and delivered to the ultimate consumer, labels required by the Fur Products Labeling Act to be affixed to such fur products;

E. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

[1] New.

(b) That the fur product contains or is composed of used fur when such is a fact;

(c) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur when such is a fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur when such is a fact;

(e) The name and address of the person issuing such invoices;

(f) The name of the country of origin of any imported furs contained in the fur product;

2. Abbreviating required information on invoices;

3. Failing to set forth on invoices the item number of the fur product;

4. Setting forth on invoices the name or names of any animal or animals other than the name or names provided for in paragraph E (1) (a), above.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondent, Roslyn Furs, Inc., a corporation, and its officers, and respondent Meyer Rosenberg, individually and as an officer of said corporation, 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 the order to cease and desist.

Issued: November 2, 1956.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F. R. Doc. 56-9979; Filed, Dec. 5, 1956; 8:48 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

Subchapter C—Aircraft Regulations

[Amdt. 1]

PART 504—RECORDATION OF ENCUMBRANCES AGAINST SPECIFICALLY IDENTIFIED AIRCRAFT ENGINES

PART 505—RECORDATION OF ENCUMBRANCES AGAINST AIRCRAFT ENGINES, PROPELLERS, APPLIANCES, AND SPARE PARTS

DELETION OF REFERENCES

This amendment deletes the references contained in Parts 504 and 505, to the former Part 407, entitled "Recordation Procedures," rescinded in 21 F. R. 3621, effective May 26, 1956. Since this amendment merely eliminates a reference to an obsolete regulation, and imposes no additional burden upon the public, it is adopted to become effective upon publication in the FEDERAL REGISTER.

1. Section 504.3 (a) (3) as published in 20 F. R. 3302, May 14, 1955, is amended by deleting the words "(see § 407.23 of this chapter)".

2. Section 505.3 (a) (3) as published in 20 F. R. 3302, May 14, 1955, is amended by deleting the words "(See § 407.33 of this chapter)".

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 503, 52 Stat. 1006, as amended; 49 U. S. C. 523)

This amendment shall become effective upon publication in the FEDERAL REGISTER.

[SEAL] JAMES T. PYLE, *Acting Administrator of Civil Aeronautics.*

[F. R. Doc. 56-9948; Filed, Dec. 5, 1956; 8:45 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 230—GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

PART 239—FORMS PRESCRIBED UNDER THE SECURITIES ACT OF 1933

ADOPTION OF SUMMARY PROSPECTUS RULE; CHANGES IN FORMS S-1 AND S-9

The Securities and Exchange Commission announced today that it has adopted a new rule, Rule 434A (§ 230.434a) providing for the use of summary prospectuses. The Commission has also adopted amendments to its registration Forms S-1 and S-9 (§§ 239.11 and 239.22) specifying the content of such prospectuses for securities registered on those forms. The adoption of these regulations represents a further step in the Commission's program of encouraging the dissemination among prospective investors of information regarding securities registered or in the process of registration under the Securities Act of 1933.

Section 10 (b) of the act, as amended in 1954, authorizes the Commission to adopt rules and regulations permitting the use in making offers of securities of a prospectus which omits in part or summarizes information which must be set forth in the more complete prospectus required to be used in connection with the sale of securities. Rule 434, adopted in November 1955, permits the distribution of bulletins or cards prepared by certain independent statistical services which contain a fair summary of the information contained in a preliminary prospectus filed as a part of the registration statement. The new § 230.434a (Rule 434A) and the related form amendments represent a further implementation of the amended section 10 (b) of the act.

A summary prospectus is not intended to supplant the complete prospectus which must be furnished to every purchaser of securities registered under the act. Its purpose is to supply prospective investors with a condensed or summarized statement of some of the more important information contained in the registration statement so as to enable them to determine whether or not they would be interested in more complete information in regard to the securities being offered.

Summary prospectuses may be used after the filing of the registration statement either before or after the effective date of the registration statement. All such prospectuses must, however, inform prospective investors that a more complete preliminary or final prospectus may be obtained and list the names of one or more persons from whom they may be obtained.

The new regulations supersede the instructions as to newspaper prospectuses previously contained in Forms S-1 and S-9. Under the new regulations the two types of prospectuses have been consolidated into a single set of requirements so that a summary prospectus may be published in a newspaper or other periodical or printed in a form suitable for manual or other distribution.

Under the new regulations the use of summary prospectuses is limited to registrants on Form S-1 or S-9 which are required to file reports under section 13 or 15 (d) of the Securities Exchange Act of 1934. The purpose of this provision is to limit the use of such prospectuses to companies which have published information and financial statements meeting the Commission's disclosure standards.

The rules require, as contemplated by the provisions of the 1954 amendments to section 10 (b) of the act, that a summary prospectus be filed with the Commission as a part of the registration statement prior to its use. Further, under the terms of the statute the Commission may by order suspend the use of a summary prospectus at any time, if it has reason to believe that such prospectus is materially misleading.

In view of the fact that the new regulations provide, for the first time under the Securities Act of 1933, for the use of a summary type of document prepared by the issuer in connection with the offering of securities, the Commission intends to maintain a careful watch over the use of summary prospectuses by issuers, underwriters and dealers, in order to observe the operation and effect of the new regulations.

The text of the new rule is as follows:

§ 230.434a *Summary prospectuses.* (a) A summary prospectus prepared and filed as a part of a registration statement in accordance with this section shall be deemed to be a prospectus permitted under section 10 (b) of the act for the purposes of section 5 (b) (1) of the act if at the time the registration statement is filed the registrant is required to file periodic reports with the Commission pursuant to section 13 or 15 (d) of the Securities Exchange Act of 1934 and the form used for registration of the securities to be offered provides for the use of a summary prospectus.

(b) A summary prospectus shall contain the information specified in the instructions as to summary prospectuses in the form used for registration of the securities to be offered. Such prospectus may include any other information the substance of which is contained in the registration statement except as otherwise specifically provided in the instructions as to summary prospectuses in the form used for registration. It shall not

include any information the substance of which is not contained in the registration statement except that a summary prospectus may contain any information specified in Rule 134 (a) (§ 230.134a). Negative answers to any item of the form may be omitted.

(c) All information included in a summary prospectus, other than the statements specified below, may be expressed in such condensed or summarized form as may be appropriate in the light of the circumstances under which the prospectus is to be used. The information need not follow the numerical sequence of the items of the form used for registration and no information, other than the capitalization table and the summary of earnings, need be given in tabular form. Every summary prospectus shall be dated approximately as of the date of its first use.

(d) When used prior to the effective date of the registration statement, a summary prospectus shall be captioned a "Preliminary Summary Prospectus" and shall contain the further statement required by Rule 433 (b) (§ 230.433b).

(e) A statement to the following effect shall be prominently set forth in conspicuous print at the beginning or at the end of every summary prospectus:

Copies of a more complete prospectus may be obtained from (insert name or names).

Copies of a summary prospectus filed with the Commission pursuant to paragraph (g) of this section, may omit the names of persons from whom the complete prospectus may be obtained.

(f) The summary prospectus may be printed, mimeographed, typewritten or prepared by any other process which will result in clearly legible copies. If printed, it shall be set in roman type at least as large as 10-point modern type with a leading of at least 2 points, provided that financial or other tabular data need only be set in type at least as large as 8-point modern type with a leading of at least 2 points. Any summary prospectus published in a newspaper, magazine or other periodical need only be set in type at least as large as 7-point modern type. Nothing in this section shall prevent the use of reprints of a summary prospectus published in a newspaper, magazine, or other periodical, if such reprints are clearly legible.

(g) Eight copies of every proposed summary prospectus shall be filed with the registration statement as a part thereof, or as an amendment thereto, at least 5 days (exclusive of Saturdays, Sundays and holidays) prior to the use thereof, or prior to the release for publication by any newspaper, magazine or other person, whichever is earlier. The Commission may, however, in its discretion, authorize such use or publication prior to the expiration of the 5-day period upon a written request for such authorization. Within 7 days after the first use or publication thereof, 5 additional copies shall be filed in the exact form in which it was used or published.

Amendment to Form S–1. The Instructions as to Newspaper Prospectuses are deleted from Form S–1 (§ 239.11) and the following instructions are adopted in lieu thereof:

Instructions as to summary prospectuses. A summary prospectus used pursuant to § 230.434a (Rule 434a) shall at the time of its use contain such of the information specified below as is then included in the registration statement. All other information and documents contained in the registration statement may be omitted.

(a) As to Item 1, the aggregate offering price to the public, the aggregate underwriting discounts and commissions and the offering price per unit to the public; as to Item 2 (a), the name of the managing underwriter or underwriters and a brief statement as to the nature of the underwriter's obligation to take the securities; as to Item 2 (c), a brief statement as to the manner of distribution; as to Item 3, a brief statement of the principal purposes for which the proceeds are to be used; Item 4; Item 5; and Item 6; Item 7, if the registrant was organized within 5 years; as to Item 9, a brief statement of the general character of the business done and intended to be done; Item 11 (a); as to Item 12, a brief statement of the nature and present status of any material pending legal proceedings; Item 13 (a) (1) and (2); as to Item 14 (a), a brief statement as to interest and maturity provisions; as to Item 15, information corresponding to the foregoing; and Item 18 (b) as to outstanding options to purchase securities of any class being registered.

(b) The summary prospectus shall not contain a summary condensation of the information required by Item 21.

(c) The Commission may, upon the request of the registrant, and where consistent with the protection of investors, permit the omission of any of the information herein required or the furnishing in substitution therefor of appropriate information of comparable character. The Commission may also require the inclusion of other information in addition to, or in substitution for, the information herein required in any case where such information is necessary or appropriate for the protection of investors.

Amendment of Form S–9. The Instructions as to Newspaper Prospectuses are deleted from Form S–9 (§ 239.22) and the following instructions are adopted in lieu thereof:

Instructions as to summary prospectuses. A summary prospectus used pursuant to § 230.434a (Rule 434A) shall at the time of its use contain such of the information specified below as is then included in the registration statement. All other information and documents contained in the registration statement may be omitted.

(a) As to Item 1, the aggregate and per unit offering price to the public and the per unit underwriting discounts or commissions; as to Item 2, a brief statement of the purpose for which the proceeds are to be used; Item 3 (a); as to Item 4 (a), a brief statement as to interest and maturity provisions; and as to Item 5, the long term debt and equity section of the most recent balance sheet of the registrant, or consolidated balance sheet, as may be appropriate.

(b) The summary prospectus shall not contain, except as specified in (a) above, any summary or condensation of the information required by Item 5.

(c) The Commission may, upon the request of the registrant, and where consistent with the protection of investors, permit the omission of any of the information herein required or the furnishing in substitution therefor of appropriate information of comparable character. The Commission may also require the inclusion of other information in addition to, or in substitution for, the information herein required in any case where such information is necessary or appropriate for the protection of investors.

The foregoing action is taken pursuant to the Securities Act of 1933, particularly sections 6, 7, 10 and 19 (a) thereof. Inasmuch as the use of summary prospectuses is optional, such action may be made effective less than thirty days after publication. Accordingly, the foregoing action shall be effective as to any registration statement filed on or after December 3, 1956.

(Sec. 19, 48 Stat. 85, as amended; 15 U. S. C. 77s)

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

NOVEMBER 23, 1956.

[F. R. Doc. 56–9967; Filed, Dec. 5, 1956; 8:46 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 54257]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

SHIPPING ARTICLES AND ENFORCEMENT OF SEAMEN'S ACT

The Secretary of the Treasury has transferred to the Commandant, United States Coast Guard, the function of issuing true and certified copies of shipping articles containing the names of crews of vessels bound on foreign voyages from ports of the United States as provided in section 4575 of the Revised Statutes, as amended (46 U. S. C. 676). In view of that action and since it is no longer necessary that shipping articles be presented to collectors of customs in duplicate, § 4.69 of the Customs Regulations is amended to read as follows:

§ 4.69 *Shipping articles and enforcement of Seamen's Act.* No vessel of the United States bound for a foreign port outside the British North American possessions, the West Indies, and Mexico shall be granted final clearance until there has been presented to the collector at the port of final departure the shipping articles of the vessel executed before a shipping commissioner on coast guard Form 705, 705-A, or 705-B; nor shall any vessel, bound for a foreign port, be granted final clearance until the collector is satisfied that there has been full compliance with the pertinent requirements of sections 11 and 13 of the Seamen's Act of March 4, 1915 (46 U. S. C. 599, 672), and the coast guard regulations issued thereunder, relating to allotments of wages, the language test, and the crew.

(R. S. 161, sec. 2, 23 Stat. 118, as amended; 5 U. S. C. 22, 46 U. S. C. 2)

[SEAL] RALPH KELLY, *Commissioner of Customs.*

Approved: November 27, 1956.

DAVID W. KENDALL, *Acting Secretary of the Treasury.*

[F. R. Doc. 56–9984; Filed, Dec. 5, 1956; 8:49 a. m.]

TITLE 25—INDIANS

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

Subchapter L—Irrigation Projects: Operation and Maintenance

PART 130—OPERATION AND MAINTENANCE CHARGES

COLVILLE INDIAN IRRIGATION PROJECT, WASHINGTON

NOVEMBER 28, 1956.

On October 27, 1956 there was published in the daily issue of the FEDERAL REGISTER, Volume 21, Number 210, page 8242, Notice of Intention to amend § 130.9, Subchapter L, Chapter I of the Code of Federal Regulations, Title 25. This section deals with the operation and maintenance charges on assessable lands at the Colville Indian Irrigation Project, Washington. Interested persons were thereby given opportunity to participate in preparing the proposed amendment by submitting their views and data or arguments in writing to Don C. Foster, Area Director, within thirty days from the date of publication of the notice. No comments have been received. Accordingly, § 130.9 of Title 25, Code of Federal Regulations, Chapter I, Bureau of Indian Affairs, Subchapter L, Operation and Maintenance Assessments, is amended as follows:

§ 130.9 *Charges.* The annual operation and maintenance charges are hereby fixed for the lands under the various units in the amounts named in this section, on the Colville Indian Irrigation Project, Washington.

(a) The per acre per annum rates for the following units are: Nespelem Unit $4.00; Little Nespelem Unit $4.00. All patent in fee lands and all Indian trust lands to which water can be delivered for irrigation and on which application for water services is made by the water users and approved by the Superintendent of the Indian Reservation, are subject to the above rates.

(b) The per acre per annum rate for the Monse Pumping Unit is hereby fixed at $5.00 per acre for all patent in fee lands for which there are water right contracts, and for all Indian trust lands to which water can be delivered for irrigation. These charges shall apply regardless of whether water is requested or not.

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U. S. C. 385)

PERRY E. SKARRA,
Acting Area Director.

[F. R. Doc. 56-9950; Filed, Dec. 5, 1956; 8:45 a. m.]

Appendix—Extension of the Trust or Restricted Status of Certain Indian Lands

TRUST PERIODS EXPIRING DURING CALENDAR YEAR 1957

By virtue of and pursuant to the authority delegated by Executive Order No. 10250 of June 5, 1951, and pursuant to section 5 of the act of February 8, 1887 (24 Stat. 388, 389), the act of June 21, 1906 (34 Stat. 325, 326), and the act of March 2, 1917 (39 Stat. 969, 976), and other applicable provisions of law, it is hereby ordered that the periods of trust or other restrictions against alienation contained in any patent applying to Indian lands, whether of a tribal or individual status, which, unless extended will expire during the calendar year 1957, be, and the same are hereby, extended for a further period of one year from the date on which any such trust would otherwise expire.

This order is not intended to apply to any case in which Congress has specifically reserved to itself authority to extend the period of trust on tribal or individual Indian lands.

(R. S. 161; 5 U. S. C. 22)

F. E. WORMSER,
Acting Secretary of the Interior.

NOVEMBER 30, 1956.

[F. R. Doc. 56-9949; Filed, Dec. 5, 1956; 8:45 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

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

Subchapter F—Rehabilitation and Neighborhood Conservation Housing Insurance

PART 263—MULTIFAMILY REHABILITATION INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE

PART 268—MULTIFAMILY RELOCATION INSURANCE; ELIGIBILITY REQUIREMENTS OF MORTGAGE

MISCELLANEOUS AMENDMENTS

1. In § 263.1, paragraph (a) is amended by adding to the listed provisions the following:

§ 263.1 *Incorporation by reference.* (a) * * *

§ 232.7 Interest rate.

2. Part 263 is amended by adding a new § 263.8a as follows:

§ 263.8a *Interest rate.* The mortgage shall bear interest, not exceeding 5 percent per annum, on the amount of the principal obligation outstanding at any time, as may be agreed upon between the mortgagor and the mortgagee. All charges made in connection with the mortgage transaction shall be subject to the approval of the Commissioner.

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

3. In § 268.1, paragraph (a) is amended by adding to the listed provisions the following:

§ 268.1 *Incorporation by reference.* (a) * * *

§ 232.7 Interest rate.

4. Part 268 is amended by adding a new § 268.7b as follows:

§ 268.7b *Interest rate.* The mortgage shall bear interest, not exceeding 5 percent per annum, on the amount of the principal obligation outstanding at any time, as may be agreed upon between the mortgagor and the mortgagee. All charges made in connection with the mortgage transaction shall be subject to the approval of the Commissioner.

(Sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interprets or applies sec. 221, 68 Stat. 599, as amended; 12 U. S. C. 1715l)

Issued at Washington, D. C., December 3, 1956.

[SEAL] NORMAN P. MASON,
Federal Housing Commissioner.

[F. R. Doc. 56-9989; Filed, Dec. 5, 1956; 8:50 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T. D. 6216]

Subchapter D—Miscellaneous Excise Taxes

PART 41—EXCISE TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

Subchapter F—Procedure and Administration

PART 301—PROCEDURE AND ADMINISTRATION

On October 2, 1956, notice of proposed rule making with respect to regulations relating to the excise tax on the use of certain highway motor vehicles imposed under subchapter D of chapter 36 of the Internal Revenue Code of 1954 (70 Stat. 390), and with respect to the amendment of § 301.6302 of the regulations on procedure and administration (26 CFR Part 301) to conform to section 206 (b) of the Highway Revenue Act of 1956 (70 Stat. 391), was published in the FEDERAL REGISTER (21 F. R. 7537). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the regulations and the amendment as so published are hereby adopted, subject to the following changes:

PARAGRAPH 1. Sections 41.0-1 (c), 41.4482 (a)-1 (c), 41.4482 (b)-1 (b) and (c) and 41.4482 (c)-1 (c) are revised.

PAR. 2. Section 41.6011 (a)-1 (a) is revised by deleting the third sentence thereof.

PAR. 3. Section 41.6071 (a)-1 is revised as follows:

(A) By substituting "December 1956" for "November 1956" and "January 31, 1957" for "November 30, 1956" in paragraph (a) (1) and by substituting "November 1956" for "October 1956" in paragraph (a) (1) and (2).

(B) By deleting in paragraph (c) "and, in addition, of the tax for such taxable year on the use of any other type highway motor vehicle the first taxable use of which in such taxable year occurs in the last month of such test period while registered in the name of such person".

(C) By redesignating paragraph (e) as paragraph (f) and by inserting the following immediately preceding paragraph (f) as so redesignated:

(e) *Combined return.* In the case of any person who, pursuant to paragraph

(a), (b), or (c) of this section, is required to report the tax on the use of two or more highway motor vehicles within a prescribed time after the close of a particular month, such person shall report the tax for the taxable year on the use of all such vehicles in a single return.

The regulations as adopted are set forth below.

[SEAL] RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

Approved: November 30, 1956.

W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

SUBPART A—INTRODUCTION

Sec.
41.0–1 Introduction.
41.0–2 General definitions and use of terms.
41.0–3 Scope of regulations.

SUBPART B—TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

41.4481 Statutory provisions; imposition of tax.
41.4481–1 Imposition of tax.
41.4481–2 Persons liable for tax.
41.4481–3 Registration.
41.4482 (a) Statutory provisions; definitions; highway motor vehicle.
41.4482 (a)–1 Definition of highway motor vehicle.
41.4482 (b) Statutory provisions; definitions; taxable gross weight.
41.4482 (b)–1 Definition of taxable gross weight.
41.4482 (c) Statutory provisions; definitions; other definitions; State, year, and use.
41.4482 (c)–1 Definition of State, year, and use.
41.4483 Statutory provisions; exemptions.
41.4483–1 State and local governmental exemption.
41.4483–2 Exemption for certain transit-type buses.
41.4483–3 Application of exemptions.
41.4484 Statutory provisions; cross reference.
41.4484–1 Administrative provisions.

SUBPART C—ADMINISTRATIVE PROVISIONS OF SPECIAL APPLICATION TO TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

41.6001 Statutory provisions; notice or regulations requiring records, statements, and special returns.
41.6001–1 Records.
41.6011 (a) Statutory provisions; general requirements of return, statement, or list; general rule.
41.6011 (a)–1 Returns.
41.6071 (a) Statutory provisions; time for filing returns and other documents; general rule.
41.6071 (a)–1 Time for filing returns.
41.6081 (a) Statutory provisions; extension of time for filing returns; general rule.
41.6081 (a)–1 Extension of time for filing returns.
41.6091 Statutory provisions; place for filing returns or other documents.
41.6091–1 Place for filing returns.
41.6101 Statutory provisions; period covered by returns or other documents.
41.6101–1 Period covered by returns.
41.6151 (a) Statutory provisions; time and place for paying tax shown on returns.
41.6151 (a)–1 Time and place for paying tax.
41.6161 (a) (1) Statutory provisions; extension of time for paying tax.
41.6161 (a) (1)–1 Extension of time for paying tax.
41.6302 (b) Statutory provisions; mode or time of collection; discretionary method.
41.6302 (b)–1 Method of collection.
41.7701 Statutory provisions; definitions.
Sec.
41.7805 Statutory provisions; rules and regulations.
41.7805–1 Promulgation of regulations.

AUTHORITY: §§ 41.0–1 to 41.7805–1 issued under sec. 7805, 68A Stat. 917; 26 U. S. C. 7805.

SUBPART A—INTRODUCTION

§ 41.0–1 *Introduction*—(a) *In general.* The regulations in this part are designated "Highway Motor Vehicle Use Tax Regulations". The regulations relate to the tax imposed by subchapter D of chapter 36 of the Internal Revenue Code of 1954 and to certain related administrative provisions of subtitle F of such Code. Subchapter D of chapter 36 imposes an excise tax on the use of certain highway motor vehicles on the public highways in the United States.

(b) *Division of regulations.* The regulations in this part are divided into three subparts. Subpart A contains provisions relating to the arrangement and numbering of the sections of the regulations in this part, general definitions and use of terms, and scope of the regulations. Subpart B relates to the provisions of the Code set forth in subchapter D of chapter 36 thereof (Tax on Use of Certain Vehicles). Subpart C relates to selected provisions of subtitle F of the Code (Procedure and Administration) which have special application to the tax imposed by subchapter D of chapter 36 of the Code.

(c) *Arrangement and numbering.* Each section of the regulations in Subparts B and C of this part is preceded by the section, subsection, or paragraph of the Internal Revenue Code of 1954 which it interprets. The sections of the regulations can readily be distinguished from sections of the Code since—

(1) The sections of the regulations are printed in larger type;

(2) The sections of the regulations are preceded by a section symbol and the part number, arabic numeral 41 followed by a decimal point (§ 41.); and

(3) The sections of the Code are preceded by "Sec.".

Each section of the regulations setting forth law or regulations is designated by a number composed of the part number followed by a decimal point (41.) and the number of the corresponding provision of the Internal Revenue Code of 1954. In the case of a section setting forth regulations, this designation is followed by a hyphen (-) and a number identifying such section. For example, the section of the regulations setting forth section 4481 of the Internal Revenue Code of 1954 is designated § 41.4481, and the regulations pertaining to such section 4481 are designated § 41.4481–1, § 41.4481–2, and § 41.4481–3.

§ 41.0–2 *General definitions and use of terms.* As used in the regulations in this part, unless otherwise expressly indicated—

(a) The terms defined in the provisions of law contained in the regulations in this part shall have the meanings so assigned to them.

(b) The Internal Revenue Code of 1954 means the act approved August 16, 1954 (68A Stat.), entitled "An Act To revise the internal revenue laws of the United States", as amended.

(c) References to the "Internal Revenue Code" or the "Code" are references to the Internal Revenue Code of 1954.

(d) References to a section or other provision of law are references to a section or other provision of the Internal Revenue Code of 1954.

(e) District director means district director of internal revenue.

(f) Tax means the tax on the use of certain highway motor vehicles imposed by section 4481 of the Code.

(g) Highway Revenue Act of 1956 means Title II of the Act approved June 29, 1956 (70 Stat. 387).

(h) The cross references in the regulations in this part to other portions of the regulations, when the word "see" is used, are made only for convenience and shall be given no legal effect.

§ 41.0–3 *Scope of regulations.* The regulations in this part apply to the use after June 30, 1956, and before July 1, 1972, of certain highway motor vehicles on the public highways in the United States.

SUBPART B—TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

§ 41.4481 *Statutory provisions; imposition of tax.*

SEC. 4481. *Imposition of tax*—(a) *Imposition of tax.* A tax is hereby imposed on the use of any highway motor vehicle which (together with the semitrailers and trailers customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle) has a taxable gross weight of more than 26,000 pounds, at the rate of $1.50 a year for each 1,000 pounds of taxable gross weight or fraction thereof.

(b) *By whom paid.* The tax imposed by this section shall be paid by the person in whose name the highway motor vehicle is, or is required to be, registered under the law of the State in which such vehicle is, or is required to be, registered, or, in case the highway motor vehicle is owned by the United States, by the agency or instrumentality of the United States operating such vehicle.

(c) *Proration of tax.* If in any year the first use of the highway motor vehicle is after July 31, the tax shall be reckoned proportionately from the first day of the month in which such use occurs to and including the 30th day of June following.

(d) *One payment per year.* If the tax imposed by this section is paid with respect to any highway motor vehicle for any year, no further tax shall be imposed by this section for such year with respect to such vehicle.

(e) *Period tax in effect.* The tax imposed by this section shall apply only to use after June 30, 1956, and before July 1, 1972.

[Sec. 4481 as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4481–1 *Imposition of tax*—(a) *In general.* A tax is imposed for each taxable year (commencing after June 30, 1956, and ending before July 1, 1972) upon the use, at any time during the taxable year, on the public highways in the United States of any highway motor vehicle which has a taxable gross weight in excess of 26,000 pounds. The tax is imposed upon the use of such a highway motor vehicle only if, at the time of the use of such vehicle, it is registered or required to be registered in the name of a person (whether or not such person is

the person who uses the vehicle). See, however, §§ 41.4483–1 and 41.4483–2, relating, respectively, to exemption from the tax in the case of highway motor vehicles used by a State or any political subdivision thereof and in the case of certain transit-type buses. For definition of the terms "registered", "highway motor vehicle", "taxable gross weight", "taxable year", and "use", see §§ 41.4481–3, 41.4482 (a)–1, 41.4482 (b)–1, and 41.4482 (c)–1 (b) and (c), respectively.

(b) *Rate of tax.* The rate of tax, with respect to each taxable year, is $1.50 for each 1,000 pounds of taxable gross weight or fraction thereof of each highway motor vehicle the use of which at any time during the taxable year is subject to the tax. Thus, any fraction of 1,000 pounds of taxable gross weight in excess of 26,000 pounds of taxable gross weight is treated as 1,000 pounds for purposes of the computation of the tax.

(c) *Computation of tax.* (1) Except as provided in subparagraph (2) of this paragraph, the tax on the use of a particular highway motor vehicle for the taxable year is computed by multiplying the number of units (1,000 pounds or fraction thereof) of taxable gross weight of the vehicle by the rate of $1.50.

(2) If the first taxable use of a particular highway motor vehicle is made after the first month of the taxable year, the tax on the use of such vehicle for such taxable year is computed by multiplying the number of units (1,000 pounds or fraction thereof) of taxable gross weight of the vehicle by the rate of $1.50; by multiplying the resulting figure by the number of months in the taxable year exclusive of those months prior to the month in which such first taxable use was made; and by dividing the resulting figure by 12 (the number of months in the taxable year).

(3) Since the tax is measured from the first day of the month in which the first taxable use of a highway motor vehicle is made, the fact that the vehicle is later sold, destroyed, junked, or otherwise disposed of in the taxable year does not affect the computation of the tax on the use of such vehicle for such taxable year, or give rise to a right to refund or credit. Likewise, the fact that the use of a highway motor vehicle during the taxable year is discontinued or is of an exempt nature in a later part of the taxable year does not affect the computation of the tax or give rise to a right to refund or credit.

(d) *Examples.* The application of this section may be illustrated by the following examples:

Example (1). In the taxable year beginning July 1, 1956, the first taxable use of a particular highway motor vehicle having a taxable gross weight of 29,400 pounds occurs on July 10, 1956, at which time the vehicle is registered in the name of X. A tax of $45 (30 x $1.50) is imposed on the use of such vehicle for the taxable year.

Example (2). On July 1, 1957, X has registered in his name a highway motor vehicle having a taxable gross weight of 29,400 pounds. The vehicle is in "dead storage" until August 10, 1957, at which time X starts using the vehicle on the public highways in carrying on his trucking business. On August 10, 1957, the vehicle is still registered in X's name. Since the first taxable use of this highway motor vehicle during the taxable year occurred on August 10, 1957, X is required to pay a tax of $41.25 (30 x $1.50 x 11/12) for the taxable year.

§ 41.4481–2 *Persons liable for tax.* (a) The person in whose name any highway motor vehicle is registered at the time of the first taxable use of such vehicle in any taxable year is liable for the tax on the use of the vehicle for such taxable year. If thereafter in the same taxable year a taxable use of such vehicle is made while it is registered in the name of another person, such other person is also liable for the tax on the use of such vehicle for such taxable year to the extent that such tax has not previously been paid. In case more than one person is liable for the tax on the use of a particular highway motor vehicle for a taxable year, the liability of all persons for such tax is satisfied to the extent that the tax is paid by any person.

(b) Every person who, at any time in the taxable year, acquires and has registered in his name a secondhand highway motor vehicle shall obtain and keep as a part of his records evidence, which he believes to be true, showing whether there was or was not a taxable use of such vehicle at any time in such taxable year prior to the time when the vehicle was registered in his name. The evidence may take the form of a written statement, signed and dated by the person from whom the vehicle was acquired, showing whether there was or was not a prior taxable use of the vehicle in the taxable year. If the vehicle is acquired from a dealer in highway motor vehicles, the statement may be obtained from such dealer or from the person from whom the dealer acquired such vehicle. If evidence is not obtained showing whether there was or was not a prior taxable use of such vehicle, such person shall keep as a part of his records a written statement of the reasons why he was unable to obtain such evidence.

§ 41.4481–3 *Registration.* (a) For purposes of the regulations in this part, the term "registered" when used with reference to a highway motor vehicle means—

(1) Registered under the law of any State or Territory of the United States or of the District of Columbia, or

(2) Required to be registered under the law of any State or Territory of the United States in which such highway motor vehicle is operated or situated or, in case the vehicle is operated or situated in the District of Columbia, under the law of the District of Columbia.

Any highway motor vehicle which is operated under a dealer's tag, license, or permit is considered to be registered in the name of such dealer. A highway motor vehicle is not considered to be registered solely by reason of the fact that there has been issued a special permit for operation of the vehicle at particular times and under specified conditions.

(b) Any highway motor vehicle which, during any period in the taxable year, is registered both in the name of the owner of such vehicle and in the name of any other person, is considered, for purposes of the regulations in this part, to be registered, during such period, solely in the name of the owner of such vehicle.

§ 41.4482 (a) *Statutory provisions; definitions; highway motor vehicle.*

SEC. 4482. *Definitions*—(a) *Highway motor vehicle.* For purposes of this subchapter, the term "highway motor vehicle" means any motor vehicle which is a highway vehicle.

[Sec. 4482 (a) as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4482 (a)–1 *Definition of highway motor vehicle*—(a) *In general.* The term "highway motor vehicle" means any vehicle which is propelled by means of its own motor, whether such motor is powered by gasoline, diesel fuel, special motor fuels, electricity or otherwise, and which is of a type used for highway transportation. Such term does not include any vehicle which moves exclusively on rails. The term does, however, include trolley buses or coaches and other similar type vehicles.

(b) *Motor vehicles.* The term "highway motor vehicle" does not include any vehicle which is not propelled by means of its own motor. For example, trailers and semitrailers used in combination with highway trucks or truck-tractors are not vehicles the use of which is subject to the tax imposed by section 4481 (a). However, trailers or semitrailers customarily used in combination with highway trucks or truck-tractors are taken into account in determining the taxable gross weight (§ 41.4482 (b)–1) of the highway motor vehicle, which is the base of the tax.

(c) *Highway vehicle.* The term "highway motor vehicle" does not include any vehicle which, although propelled by means of its own motor, is of a type not used for highway transportation, that is, of a type designed and manufactured for a purpose other than highway transportation. For example, vehicles such as earth movers, trench diggers, and bulldozers, which are designed and manufactured as self-propelled units for "off-the-road" operations, are not highway motor vehicles for purposes of the regulations in this part. Neither are such motorized vehicles as road graders or rollers, which are designed and manufactured for construction or maintenance of roads, considered to be highway motor vehicles. The same is true of farm tractors, cotton pickers, and other motorized agricultural implements of a similar nature. However, the fact that equipment or machinery having a specialized use (as for example, an air compressor, crane, or specialized oil-field machinery) is mounted on a vehicle which, apart from such equipment or machinery, is of a type used for highway transportation will not remove such vehicle from classification as a highway motor vehicle.

§ 41.4482 (b) *Statutory provisions; definitions; taxable gross weight.*

SEC. 4482. Definitions. * * *

(b) *Taxable gross weight.* For purposes of this subchapter, the term "taxable gross weight", when used with respect to any highway motor vehicle, means the sum of—

(1) The actual unloaded weight of—
(A) Such highway motor vehicle fully equipped for service, and
(B) The semitrailers and trailers (fully equipped for service) customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle, and
(2) The weight of the maximum load customarily carried on highway motor vehicles of the same type as such highway motor vehicle and on the semitrailers and trailers referred to in paragraph (1) (B).

Taxable gross weight shall be determined under regulations prescribed by the Secretary or his delegate (which regulations may include formulas or other methods for determining the taxable gross weight of vehicles by classes, specifications, or otherwise).

[Sec. 4482 (b) as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4482 (b)–1 *Definition of taxable gross weight*—(a) *In general.* The tax imposed on the use of a highway motor vehicle (of a taxable gross weight in excess of 26,000 pounds) is based on the taxable gross weight of such highway motor vehicle. Taxable gross weight of a highway motor vehicle is determined with reference to the sum of (1) the actual unloaded weight of such highway motor vehicle (fully equipped for service); (2) the actual unloaded weight of any one or more trailers or semitrailers (fully equipped for service) customarily used in combination with highway motor vehicles of the same type as such highway motor vehicle; and (3) the weight of the maximum load customarily carried on highway motor vehicles of the same type as such highway motor vehicle and on any one or more trailers or semitrailers customarily used in combination with highway motor vehicles of the same type as such highway motor vehicle.

(b) *Meaning of terms.* For purposes of the schedule of taxable gross weights prescribed in paragraph (c) of this section—

(1) The term "actual unloaded weight" means the empty (or tare) weight of the truck, truck-tractor, or bus, fully equipped for service.

(2) The term "fully equipped for service" includes body (whether or not designed and adapted primarily for transporting cargo, as for example, concrete mixers); all accessories; all equipment attached to or carried on such truck, truck-tractor, or bus, for use in connection with the movement of the vehicle by means of its own motor or for use in the maintenance of the vehicle; and a full complement of lubricants, fuel, and water. The term does not include driver, any equipment (not including body) attached to or carried on the vehicle for use in handling or transporting cargo; or any special equipment (such as an air compressor, crane, specialized oil-field machinery, etc.) mounted on the vehicle for use on construction jobs, in oil-field operations, etc.

(c) *Schedule of taxable gross weights.* The following schedule of taxable gross weights, based on the sum of the weights referred to in paragraph (a) of this section, is hereby prescribed:

USE TAX SCHEDULE

	Taxable gross weight (in pounds)
1. Single units:	
2 axled truck equipped for use as a single unit with actual unloaded weight of 13,000 pounds or more	27,000
3 or 4 axled truck equipped for use as a single unit with actual unloaded weight of at least 13,000 pounds and less than 16,000 pounds	30,000
3 or 4 axled truck equipped for use as a single unit with actual unloaded weight of 16,000 pounds or more	40,000
2. Combinations:	
2 axled truck-tractor with actual unloaded weight of at least 5,500 pounds and less than 7,000 pounds	30,000
2 axled truck-tractor with actual unloaded weight of at least 7,000 pounds and less than 9,500 pounds	40,000
2 axled truck-tractor with actual unloaded weight of 9,500 pounds or more	50,000
2 axled truck with actual unloaded weight of at least 9,000 pounds and less than 12,000 pounds and equipped for use in combinations	40,000
2 axled truck with actual unloaded weight of 12,000 pounds or more and equipped for use in combinations	55,000
3 or 4 axled truck equipped for use in combinations	60,000
3 or 4 axled truck-tractor	60,000
3. Buses: Actual unloaded weight of vehicle plus 150 pounds for each unit of seating capacity provided for passengers and driver.	

Any highway motor vehicle which falls in one of the categories shown in such schedule shall be considered, for purposes of the regulations in this part, to have the taxable gross weight assigned to such category. Any highway motor vehicle which does not fall in one of the categories shown in such schedule shall be considered, for purposes of the regulations in this part, to have a taxable gross weight of 26,000 pounds or less.

§ 41.4482 (c) *Statutory provisions; definitions; other definitions; State, year, and use.*

SEC. 4482 *Definitions.* • • •

(c) *Other definitions.* For purposes of this subchapter—

(1) *State.* The term "State" means a State, a Territory of the United States, and the District of Columbia.

(2) *Year.* The term "year" means the one-year period beginning on July 1.

(3) *Use.* The term "use" means use in the United States on the public highways.

[Sec. 4482 (c) as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4482 (c)–1 *Definition of State, year, and use*—(a) *State.* The term "State", as used in the regulations in this part, means any one of the several States, the Territory of Alaska or Hawaii, or the District of Columbia.

(b) *Taxable year.* The term "taxable year", as used in the regulations in this part, means the one-year period beginning with July 1 and ending with the following June 30.

(c) *Use.* The term "use", as used in the regulations in this part with reference to a highway motor vehicle, means the use of the highway motor vehicle on the public highways in the United States, that is, operation of the vehicle, by means of its own motor, on any roadway (whether a Federal highway, State highway, city street, or otherwise) in the United States which is not a private roadway. Thus, for purposes of the tax, there is no use of a highway motor vehicle while the vehicle is in "dead storage". The term "use" does not include operation of a new highway motor vehicle on a public highway in the United States if such operation is merely for the purpose of transporting the vehicle from the point of manufacture or assembly to the consumer, whether direct or with intermediate deliveries to such points as are involved in the distribution process. For example, operation of a new vehicle for the purpose of delivering it from the factory to a branch establishment of the manufacturer, or from the factory or branch establishment to a dealer, distributor, or consumer, does not constitute use of the vehicle within the meaning of the regulations in this part; likewise, the further operation of the vehicle by a dealer or distributor for the purpose of delivering the vehicle to a consumer does not constitute use of the vehicle. Similarly, the operation of a secondhand highway motor vehicle by a dealer or distributor for the purpose of delivering the vehicle to a purchaser does not constitute use of the vehicle within the meaning of the regulations in this part. Furthermore, the term "use" does not include operation of a new or secondhand highway motor vehicle, if such operation is exclusively for the purpose of demonstration of the vehicle by a dealer in, or distributor of, new or secondhand highway motor vehicles. Operation of a highway motor vehicle on a private roadway, or other private property, does not constitute use of the vehicle within the meaning of the regulations in this part.

§ 41.4483 *Statutory provisions; exemptions.*

SEC. 4483. *Exemptions*—(a) *State and local governmental exemption.* Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any highway motor vehicle by any State or any political subdivision of a State.

(b) *Exemption for United States.* The Secretary may authorize exemption from the tax imposed by section 4481 as to the use by the United States of any particular highway motor vehicle, or class of highway motor vehicles, if he determines that the imposition of such tax with respect to such use will cause substantial burden or expense which can be avoided by granting tax exemption and that full benefit of such exemption, if granted, will accrue to the United States.

(c) *Certain transit-type buses.* Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any bus which is of the transit type (rather than of the intercity type) by a person who, for the last 3 months of the preceding year (or for such other period as the Secretary or his delegate may by regulations prescribe for purposes of this subsection), met the 60-percent passenger fare revenue test set forth in section 6421 (b) (2) as applied to the period prescribed for purposes of this subsection.

[Sec. 4483 as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4483–1 *State and local governmental exemption.* Use by any State or any political subdivision thereof of any highway motor vehicle is exempt from the tax imposed by section 4481. For definition of the term "State", see § 41.4482 (c)–1. For purposes of this section, the term "use by any State or any political subdivision thereof" means the operation by any State or any political subdivision thereof on the public highways in the United States of any highway motor vehicle, whether or not such highway motor vehicle is owned by the State or the political subdivision.

§ 41.4483–2 *Exemption for certain transit-type buses*—(a) *In general.* Use in any taxable year, or part thereof, of any bus of the transit type by any person who is engaged in the operation of a transit system is exempt from the tax, if such person meets the 60 percent passenger fare revenue test set forth in section 6421 (b) (2) for the applicable period prescribed in paragraph (c) of this section as the test period for such person for such system for such taxable year, or part thereof.

(b) *Buses of the transit type.* The term "transit type", when used in the regulations in this part with reference to a bus, means the type of bus which is designed for the mass transportation of persons within an urban area, as distinguished from the intercity-type bus. A transit-type bus is ordinarily distinguishable from an intercity-type bus by comparison of seats, doors, and baggage facilities. The transit-type bus usually has straight-back seats of the bench type, while the intercity-type bus generally has seats which either can be reclined or are in fact permanently fixed in a reclining position. The transit-type bus is more likely to have an accordion or folding-type door at the front of the bus, and often has a second door in the middle or at the rear for passengers to leave the bus, as opposed to the emergency-type rear door which may or may not be included in the intercity-type bus. The typical transit-type bus does not have facilities for storing baggage whereas the typical intercity-type bus has facilities for storing baggage in a compartment underneath the floor of the bus or in overhead racks, or both. Other characteristics which may be taken into account in distinguishing a transit-type bus from an intercity-type bus include gear ratios, acceleration and maximum speed, and aisle space for standees. The transit-type bus ordinarily has a lower gear ratio to provide for quick starts and because, in general, buses of this type are operated at low speeds. The intercity-type bus ordinarily has a higher gear ratio and can be operated at much higher speeds. The transit-type bus usually has wider aisles, with overhead straps or bars to accommodate standees.

(c) *Test period.* (1) In the case of any person who is engaged in the operation of a transit system at any time in the calendar quarter immediately preceding July 1 of any taxable year, the test period for such system for such taxable year shall be such calendar quarter. However, if passenger fare revenue from scheduled service described in paragraph (e) of this section was derived on less than 30 days during such calendar quarter from operation of such system, the test period for such system for such taxable year shall be the last preceding test period for such system. If such system has no preceding test period, then the test period for such system for such taxable year shall be the calendar quarter beginning with July 1 of such taxable year.

(2) In the case of any person who commences operation of a transit system at any time on or after July 1 of any taxable year, the test period for such system for that part of such taxable year beginning with the first day on which such operation was commenced shall be the calendar quarter in which falls such first day. However, if passenger fare revenue from scheduled service described in paragraph (e) of this section was derived on less than 30 days during such calendar quarter from operation of such system, the test period for such system for such taxable year shall be the following calendar quarter.

(d) The term "transit system", as used in the regulations in this part, means any system for furnishing scheduled common carrier public passenger land transportation service along regular routes.

(e) *60-percent passenger fare revenue test.* For purposes of this section, a person engaged in the operation of a transit system meets the 60-percent passenger fare revenue test set forth in section 6421 (b) (2), for the applicable test period prescribed in this section, if—

(1) During such test period (rather than any different period prescribed in section 6421 (b) (2)) such person derived passenger fare revenue from the operation of such system, and

(2) At least 60 percent of the total of such passenger fare revenue derived by such person during such test period was attributable to fares which were exempt (by reason of section 4263 (a), relating to the exemption for commutation travel, etc.) from the tax on transportation of persons imposed by section 4261.

In determining the total of such passenger fare revenue, the tax imposed by section 4261 is not to be taken into account for that purpose, nor is revenue from such sources as charter fees, rentals of property, advertising receipts, etc., to be included for that purpose.

(f) *Examples.* Application of this section may be illustrated by the following examples:

Example (1). The X Transit Company is engaged in the operation of a transit system in the city of A and surrounding area throughout April, May, and June of 1956 and the taxable year beginning July 1, 1956. It derives passenger fare revenue from the operation of such system for 15 days in April and for the entire months of May and June of 1956. On July 1, 1956, the Company is using 60 buses of the transit type and 40 buses of the intercity type. Each of 20 of the transit-type buses and each of 10 of the intercity-type buses has a taxable gross weight of more than 26,000 pounds. (No tax is imposed on the use of either a transit-type bus or an intercity-type bus having a taxable gross weight of 26,000 pounds or less. See § 41.4481–1.) Use of the 10 intercity-type buses is subject to the tax for the taxable year beginning with July 1, 1956, since the exemption, if any, applies only to transit-type buses. Use of the 20 transit-type buses is not subject to the tax for such taxable year if at least 60 percent of the total passenger fare revenue (not including any tax on the transportation of persons imposed by section 4261) derived by the X Transit Company during April, May, and June of 1956 (the test period perscribed in paragraph (c) (1) of this section) from operation of such system was from fares which were exempt from the tax imposed by section 4261 by reason of section 4263 (a) (relating to the exemption for commutation travel, etc.). If the X Transit Company does not meet the 60-percent passenger fare revenue test for April, May, and June of 1956, the tax attaches for the taxable year beginning with July 1, 1956, with respect to the use of each of the 20 transit-type buses having a taxable gross weight of more than 26,000 pounds.

Example (2). Assume the same facts as those stated in Example (1), except that the X Transit Company commences operation of the transit system on July 15, 1956, and derives passenger fare revenue from operation of the system throughout the following August and September. In such case, the test period is July, August, and September of 1956, and if the test is met for this period, no tax is imposed on the use by the Company of any bus of the transit type in the period July 15, 1956, through June 30, 1957.

Example (3). Assume the same facts as those stated in Example (1), except that the X Transit Company commences operation of the transit system on April 15, 1957, and derives passenger fare revenue from operation of the system throughout the following May and June. In such case the test period is April, May, and June of 1957, and if the test is met for this period, no tax is imposed on the use by the Company of any bus of the transit type in the period April 15 through June of 1957 or in the taxable year beginning on July 1, 1957.

§ 41.4483–3 *Application of exemptions.* Any exemption from the tax on the use of a highway motor vehicle has application only with respect to the use of such highway motor vehicle and not with respect to the highway motor vehicle as such. Furthermore, such exemption is subject to those provisions of § 41.4481–1 (c) relating to proration of the tax and to the effect of an exempt use of a highway motor vehicle after a taxable use has been made. Thus, if a taxable use is made of a highway motor vehicle at any time in the taxable year, the tax is imposed on the use of such vehicle for such taxable year, computed from the first day of the month in which such taxable use occurred, even though at some time in the same taxable year, before or after such taxable use occurred, the use of the vehicle may have been, or may be, exempt. For example, if a highway motor vehicle is operated exclusively by a State in the period July 1 through September 10 of a taxable year, use of such vehicle in such period is exempt from the tax. However, if a taxable use of the vehicle is made on September 11 of such taxable year, the tax imposed on the use of such vehicle for such taxable year is computed from September 1. On the other hand, if a taxable use of the vehicle is made at any time in July of the taxable year, the tax imposed on the use of such vehicle for such taxable year is computed from July 1, even though the vehicle may be operated exclusively by a State in every other month of such year.

§ 41.4484 *Statutory provisions; cross reference.*

SEC. 4484. *Cross reference.* For penalties and administrative provisions applicable to this subchapter, see subtitle F.

[Sec. 4484 as added by sec. 206 (a), Highway Revenue Act 1956]

§ 41.4484–1 *Administrative provisions.* For administrative provisions relating to the tax on the use of certain highway motor vehicles, see Subpart C of this part and the applicable sections of the regulations on procedure and administration (Part 301 of this chapter).

SUBPART C—ADMINISTRATIVE PROVISIONS OF SPECIAL APPLICATION TO TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

§ 41.6001 *Statutory provisions; notice or regulations requiring records, statements, and special returns.*

SEC. 6001. *Notice or regulations requiring records, statements, and special returns.* Every person liable for any tax imposed by this title, or for the collection thereof, shall keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary or his delegate may from time to time prescribe. Whenever in the judgment of the Secretary or his delegate it is necessary, he may require any person, by notice served upon such person or by regulations, to make such returns, render such statements, or keep such records, as the Secretary or his delegate deems sufficient to show whether or not such person is liable for tax under this title.

§ 41.6001–1 *Records*—(a) *Records to be kept.* Every person in whose name any highway motor vehicle having a taxable gross weight in excess of 26,000 pounds (see the schedule of taxable gross weights prescribed by § 41.4482 (b)–1) is registered at any time in the taxable year shall keep records sufficient to enable the district director to determine whether such person is liable for the tax and, if so, the amount thereof. Such records shall show with respect to each such vehicle—

(1) A description of the vehicle (including serial number or other manufacturer's number) in sufficient detail to permit positive identification of the vehicle and of the category of the schedule of taxable gross weights in which such vehicle falls.

(2) In the case of any such vehicle acquired after June 30, 1956, the date on which such person acquired such vehicle and the name and address of the person from whom the vehicle was acquired.

(3) The first month of each taxable year in which occurred a taxable use of each such vehicle while the vehicle was registered in the name of such person; information showing whether such vehicle was operated, while registered in the name of such person, in any prior month in such taxable year; and if such vehicle was so operated, evidence establishing that such operation was not a taxable use.

(4) The date of sale or other transfer to another of any such vehicle, together with the name and address of the person to whom transferred.

(5) In the case of any such vehicle disposed of otherwise than by sale or other transfer, the date and method of disposition of the vehicle.

(6) In the case of a second hand highway motor vehicle acquired at any time in the taxable year, evidence showing whether there was a prior taxable use in such taxable year of such highway motor vehicle (see § 41.4481–2 (b)).

(7) A copy of each return, schedule, statement, or other document filed, pursuant to the regulations in this part or in accordance with the instructions applicable to any form prescribed thereunder, by the person required to keep such records.

(b) *Transit systems.* Every person engaged in the operation of a transit system shall keep records sufficient to show, with respect to each taxable year, whether he meets the 60 percent passenger fare revenue test (see § 41.4483–2 (e)) for the period prescribed as the test period (see § 41.4483–2 (c)) for such system for such taxable year.

(c) *Records of claimants.* Any person claiming refund, credit, or abatement of the tax, interest, additional amount, addition to the tax, or assessable penalty, shall keep a complete and detailed record with respect to the claim.

(d) *Place and period for keeping records.* (1) All records required by the regulations in this part shall be kept, by the person required to keep them, at a convenient and safe location within the United States which is accessible to internal revenue officers. Such records shall at all times be available for inspection by such officers. If such person has a principal place of business in the United States, the records shall be kept at such place of business.

(2) Records required by paragraphs (a) and (b) of this section shall be maintained for a period of at least 3 years after the date the tax becomes due or the date the tax is paid, whichever is the later. Records required by paragraph (c) of this section (including any record required by paragraph (a) or (b) of this section which relates to a claim) shall be maintained for a period of at least 3 years after the date the claim is filed.

§ 41.6011 (a) *Statutory provisions; general requirement of return, statement, or list; general rule.*

SEC. 6011. *General requirement of return, statement, or list*—(a) *General rule.* When required by regulations prescribed by the Secretary or his delegate any person made liable for any tax imposed by this title, or for the collection thereof, shall make a return or statement according to the forms and regulations prescribed by the Secretary or his delegate. Every person required to make a return or statement shall include therein the information required by such forms or regulations.

§ 41.6011 (a)–1 *Returns.* (a) Every person in whose name a highway motor vehicle is registered at the time of the first taxable use of such vehicle in any taxable year shall make a return of the tax on the use of such vehicle for such taxable year. Such return shall be made on Form 2290.

(b) Every person (other than a person required under paragraph (a) of this section to make a return) in whose name any highway motor vehicle is registered at a time during the taxable year when a taxable use (other than the first taxable use) of such vehicle occurs shall make a return of the tax on the use of such vehicle for such taxable year on Form 2290 if the district director notifies such person that such tax has not been paid in full. The amount to be reported as tax on such return with respect to the use of such vehicle shall be the unpaid portion of the tax on the use of such vehicle for such taxable year, measured from the first day of the month in which occurred the first taxable use of such vehicle in such taxable year. The district director shall advise such person of the amount of such unpaid tax.

(c) Each return shall be made in accordance with the instructions and regulations applicable thereto.

§ 41.6071 (a) *Statutory provisions; time for filing returns and other documents; general rule.*

SEC. 6071. *Time for filing returns and other documents*—(a) *General rule.* When not otherwise provided for by this title, the Secretary or his delegate shall by regulations prescribe the time for filing any return, statement, or other document required by this title or by regulations.

§ 41.6071 (a)–1 *Time for filing returns*—(a) *Use after June 1956 and before July 1957.* Except as otherwise provided in paragraph (c) of this section—

(1) In the case of any highway motor vehicle the first taxable use of which occurs after June 1956 and before December 1956, the person in whose name the vehicle is registered at the time of such use shall, after November 1956 and on or before January 31, 1957, make a return of the tax on the use of such vehicle for the taxable year ending June 30, 1957; and

(2) In the case of any highway motor vehicle the first taxable use of which occurs in a month after November 1956 and before July 1957, the person in whose name the vehicle is registered at the time of such use shall, after such month and on or before the last day of the following month, make a return of the tax on the use of such vehicle for the taxable year ending June 30, 1957.

(b) *Use after June 1957.* Except as otherwise provided in paragraph (c) of this section—

(1) In the case of any highway motor vehicle the first taxable use of which in any taxable year beginning on or after July 1, 1957, occurs in July of such taxable year, the person in whose name such vehicle is registered at the time of such use shall, after July and on or before August 31 of such taxable year, make a return of the tax on the use of such vehicle for such taxable year.

(2) In the case of any highway motor vehicle the first taxable use of which in any taxable year beginning on or after July 1, 1957, occurs in a month of such taxable year after July, the person in whose name the vehicle is registered at the time of such use shall, after such month and on or before the last day of the following month, make a return of the tax on the use of such vehicle for such taxable year.

(c) *Certain transit-type buses.* In the case of any bus of the transit type, the

first taxable use of which in any taxable year occurs prior to the close of the test period (see §41.4483–2 (c)) with reference to which liability for the tax on the use of such transit-type bus for such taxable year is determined, the person in whose name the bus is registered at the time of such use shall, after such test period and on or before the last day of the following month (but in no event earlier than the time prescribed in paragraph (a) (1) of this section for filing a return) make a return of such tax for such taxable year on the use of such transit-type bus.

(d) *Prior taxable use.* Every person who, pursuant to paragraph (b) of § 41.6011 (a)–1, is required to make a return of the tax on the use of any highway motor vehicle for any taxable year shall make such return on or before the last day of the month following the month in which such person is notified by the district director that such return is required.

(e) *Combined return.* In the case of any person who, pursuant to paragraph (a), (b), or (c) of this section, is required to report the tax on the use of two or more highway motor vehicles within a prescribed time after the close of a particular month, such person shall report the tax for the taxable year on the use of all such vehicles in a single return.

(f) *Delinquent returns.* For additions to the tax in case of failure to file return within prescribed time, see section 6651 and the regulations thereunder.

§ 41.6081 (a) *Statutory provisions; extension of time for filing returns; general rule.*

SEC. 6081. *Extension of time for filing returns*—(a) *General rule.* The Secretary or his delegate may grant a reasonable extension of time for filing any return, declaration, statement, or other document required by this title or by regulations. Except in the case of taxpayers who are abroad, no such extension shall be for more than 6 months.

§ 41.6081 (a)–1 *Extension of time for filing returns.* District directors may, upon application of the taxpayer, grant a reasonable extension of time (not to exceed 60 days) in which to file the return. Application for an extension of time for filing the return should be addressed to the district director for the district in which the taxpayer files his returns and must contain a full recital of the causes for the delay. For extensions of time for payment of the tax, see § 41.6161 (a) (1)–1.

§ 41.6091 *Statutory provisions; place for filing returns or other documents.*

SEC. 6091. *Place for filing returns or other documents*—(a) *General rule.* When not otherwise provided for by this title, the Secretary or his delegate shall by regulations prescribe the place for the filing of any return, declaration, statement, or other document, or copies thereof, required by this title or by regulations.

(b) *Tax returns.* In the case of returns of tax required under authority of part II of this subchapter—

(1) *Individuals.* Returns (other than corporation returns) shall be made to the Secretary or his delegate in the internal revenue district in which is located the legal residence or principal place of business of the person making the return, or if he has no legal residence or principal place of business in any internal revenue district, then at such place as the Secretary or his delegate may by regulations prescribe.

(2) *Corporations.* Returns of corporations shall be made to the Secretary or his delegate in the internal revenue district in which is located the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in any internal revenue district, then at such place as the Secretary or his delegate may by regulations prescribe.

* * * * *

(4) *Exceptional cases.* Notwithstanding paragraph (1), (2) * * * of this subsection, the Secretary or his delegate may permit a return to be filed in any internal revenue district, and may require the return of any officer or employee of the Treasury Department to be filed in any internal revenue district selected by the Secretary or his delegate.

§ 41.6091–1 *Place for filing returns*—(a) *Persons other than corporations.* Each return of a person other than a corporation shall be filed with the district director for the internal revenue district in which is located the principal place of business or legal residence of such person. If such person has no principal place of business or legal residence in any internal revenue district, the return shall be filed with the district director at Baltimore, Maryland.

(b) *Corporations.* Each return of a corporation shall be filed with the district director for the district in which is located the principal place of business or principal office or agency of the corporation. If it has no principal place of business or principal office or agency in any internal revenue district, the return shall be filed with the district director at Baltimore, Maryland.

§ 41.6101 *Statutory provisions; period covered by returns or other documents.*

SEC. 6101. *Period covered by returns or other documents.* When not otherwise provided for by this title, the Secretary or his delegate may by regulations prescribe the period for which, or the date as of which, any return, statement, or other document required by this title or by regulations, shall be made.

§ 41.6101–1 *Period covered by returns.* Each return shall cover a one-year period beginning with July 1 and ending with the following June 30.

§ 41.6151 (a) *Statutory provisions; time and place for paying tax shown on returns.*

SEC. 6151. *Time and place for paying tax shown on returns*—(a) *General rule.* Except as otherwise provided in this section, when a return of tax is required under this title or regulations, the person required to make such return shall, without assessment or notice and demand from the Secretary or his delegate, pay such tax to the principal internal revenue officer for the internal revenue district in which the return is required to be filed, and shall pay such tax at the time and place fixed for filing the return (determined without regard to any extension of time for filing the return).

§ 41.6151 (a)–1 *Time and place for paying tax.* The tax required to be reported on any return is due and payable to the district director with whom the return is required to be filed. Such tax shall be paid at the time prescribed in § 41.6071 (a)–1 for filing the return. For provisions relating to interest on underpayments, see section 6601 and the regulations thereunder. For provisions relating to credits and refunds, see §§ 301.6402–1, 301.6402–2, and 301.6402–4 of this chapter. For provisions relating to abatements, see § 301.6404–1 of this chapter. For provisions relating to limitations on credits or refunds, see §§ 301.6511 (a)–1 and 301.6511 (b)–1 of this chapter.

§ 41.6161 (a) (1) *Statutory provisions; extension of time for paying tax.*

SEC. 6161. *Extension of time for paying tax*—(a) *Amount determined by taxpayer on return*—(1) *General rule.* The Secretary or his delegate, except as otherwise provided in this title, may extend the time for payment of the amount of the tax shown, or required to be shown, on any return * * * required under authority of this title (or any installment thereof), for a reasonable period not to exceed 6 months from the date fixed for payment thereof. Such extension may exceed 6 months in the case of a taxpayer who is abroad.

§ 41.6161 (a) (1)–1 *Extension of time for paying tax.* If it is shown to the satisfaction of the district director that the payment of the tax upon the date prescribed for the payment thereof will result in undue hardship to the taxpayer, the district director, at the request of the taxpayer, may grant an extension of time (not to exceed 60 days) for the payment of such tax.

§ 41.6302 (b) *Statutory provisions; mode or time of collection; discretionary method.*

SEC. 6302. *Mode or time of collection.* * * *

(b) *Discretionary method.* Whether or not the method of collecting any tax imposed by chapters 21, 31, 32, 33, section 4481 of chapter 36, sections 4501 (a) or 4511 of chapter 37, or sections 4701 or 4721 of chapter 39 is specifically provided for by this title, any such tax may, under regulations prescribed by the Secretary or his delegate, be collected by means of returns, stamps, coupons, tickets, books, or such other reasonable devices or methods as may be necessary or helpful in securing a complete and proper collection of the tax.

[Sec. 6302 (b) as amended by sec. 206 (b), Highway Revenue Act 1956]

§ 41.6302 (b)–1 *Method of collection.* For provisions relating to collection of the tax by means of returns, see § 41.6011 (a)–1.

§ 41.7701 *Statutory provisions; definitions.*

SEC. 7701. *Definitions.* (a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(1) *Person.* The term "person" shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation.

(2) *Partnership and partner.* The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(3) *Corporation.* The term "corporation" includes associations, joint-stock companies, and insurance companies.

* * * * *

(9) *United States.* The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

* * * * *

(11) *Secretary.* The term "Secretary" means the Secretary of the Treasury.

(12) *Delegate.* The term "Secretary or his delegate" means the Secretary of the Treasury, or any officer, employee, or agency of the Treasury Department duly authorized by the Secretary (directly, or indirectly by one or more redelegations of authority) to perform the function mentioned or described in the context, and the term "or his delegate" when used in connection with any other official of the United States shall be similarly construed.

(13) *Commissioner.* The term "Commissioner" means the Commissioner of Internal Revenue.

(14) *Taxpayer.* The term "taxpayer" means any person subject to any internal revenue tax.

* * * * *

(b) *Includes and including.* The terms "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.

* * * * *

(d) *Cross references*—(1) *Other definitions.* For other definitions, see the following sections of Title 1 of the United States Code:

(1) Singular as including plural, section 1.

(2) Plural as including singular, section 1.

(3) Masculine as including feminine, section 1.

* * * * *

§ 41.7805 *Statutory provisions; rules and regulations.*

SEC. 7805. *Rules and regulations*—(a) *Authorization.* Except where such authority is expressly given by this title to any person other than an officer or employee of the Treasury Department, the Secretary or his delegate shall prescribe all needful rules and regulations for the enforcement of this title, including all rules and regulations as may be necessary by reason of any alteration of law in relation to internal revenue.

(b) *Retroactivity of regulations or rulings.* The Secretary or his delegate may prescribe the extent, if any, to which any ruling or regulation, relating to the internal revenue laws, shall be applied without retroactive effect.

(c) *Preparation and distribution of regulations, forms, stamps, and other matters.* The Secretary or his delegate shall prepare and distribute all the instructions, regulations, directions, forms, blanks, stamps, and other matters pertaining to the assessment and collection of internal revenue.

§ 41.7805–1 *Promulgation of regulations.* In pursuance of section 7805 of the Internal Revenue Code of 1954, the foregoing regulations are hereby prescribed. (See § 41.0–3 relating to the scope of the regulations.)

PAR. 2. In order to conform the regulations on procedure and administration (26 CFR Part 301) to section 206 (b) of the Highway Revenue Act of 1956 (70 Stat. 391), § 301.6302 of such regulations, adopted by Treasury Decision 6119, approved December 31, 1954, is amended as follows:

(A) By inserting "section 4481 of chapter 36," after "33," in section 6302 (b) of the Internal Revenue Code of 1954 as set forth in § 301.6302.

(B) By adding at the end thereof the following historical note:

(Sec. 7805, 68A Stat. 917, 26 U. S. C. 7805)

[F. R. Doc. 56-9982; Filed, Dec. 5, 1956; 8:48 a. m.]

Subchapter D—Miscellaneous Excise Taxes

PART 41—EXCISE TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES [1]

EXEMPTION

By virtue of the authority vested in me by section 4483 (b) of the Internal Revenue Code of 1954 (70 Stat. 391), as added by section 206 (a) of the Highway Revenue Act of 1956, exemption from the tax imposed by section 4481 of the Internal Revenue Code of 1954 (70 Stat. 390), as added by section 206 (a) of the Highway Revenue Act of 1956, is hereby authorized as to the use by the United States on or after July 1, 1956, of any highway motor vehicle on the public highways in the United States, whether or not such highway motor vehicle is owned by the United States.

(Sec. 4483, Pub. Law 627, 84th Cong.)

[SEAL] W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

[F. R. Doc. 56-9987; Filed, Dec. 5, 1956; 8:50 a. m.]

TITLE 45—PUBLIC WELFARE

Chapter I—Office of Education, Department of Health, Education, and Welfare

PART 130—FEDERAL ASSISTANCE UNDER THE LIBRARY SERVICES ACT, PUBLIC LAW 597, 84TH CONGRESS, 2D SESSION, TO PROMOTE THE FURTHER EXTENSION BY THE SEVERAL STATES OF PUBLIC LIBRARY SERVICES TO RURAL AREAS WITHOUT SUCH SERVICES OR WITH INADEQUATE SERVICES

Part 130 establishes regulations for the administration of the Library Services Act under Public Law 597, 84th Congress (70 Stat. 293).

Part 130 reads as follows:

AUTHORITY: §§ 130.1 to 130.19 issued under sec. 8, Pub Law 597, 84th Cong., sec. 8, 70 Stat. 295.

SUBPART A—DEFINITIONS

§ 130.1 *Terms.* The terms below are defined as follows:

(a) "Act" means the Library Services Act, Public Law 597, 84th Congress, 2d Session, approved June 19, 1956, as amended by Public Law 896, 84th Congress, 2d Session. (Public Law 896 extended the coverage of the act to include Guam.)

(b) "Commissioner" means the Commissioner of Education, Department of Health, Education, and Welfare.

(c) "Public library services" means library services which are provided free to all residents of a community, district, county or region, and are financially supported in whole or in part from public funds. Generally such term would not include services provided by libraries which are organized to serve a special clientele or purpose such as law, medical, and school libraries.

(d) "Rural area" means any area from which have been excluded (1) all "incorporated and unincorporated places" as defined in the U. S. Census of Population: 1950, Vol. 1, and listed therein, or in any later official United States census, as having a population of over 10,000 persons, and (2) any "minor civil division" or part of a "minor civil division" (or any county or part of a county if it has no minor civil divisions within it), which is within the boundaries of an "urbanized area" and which has a population of over 10,000 persons, as defined and listed in the U. S. Census of Population: 1950, Vol. 1.

(e) "State agency" or "agency" means the State library administrative agency charged by State law with the extension and development of public library services throughout the State.

(f) "State plan" or "plan" means the plan for the further extension of library services meeting the requirements of this part and section 5 (a) of the act.

(g) "Supervision" shall mean guidance by the State agency with authority necessary to assure the observance of the policies and methods of administration adopted by the State agency.

SUBPART B—STATE PLANS

§ 130.2 *The State plan; general requirements*—(a) *Purpose.* A basic condition to the certification of Federal funds to a State for further extension of public library services to rural areas is a State plan found to meet the requirements of section 5 (a) of the act. This plan shall constitute a description of the library extension program in which the State expects Federal financial participation. In addition to a description in the basic continuing plan of the general

[1] This affects § 41.4483.

scope of agency activities to be undertaken, the plan shall also include an annual program and program budget as prescribed in § 130.17. The Commissioner shall approve any plan meeting the requirements of the act. The plan, when approved, constitutes the basis on which Federal payments are made, the Federal Government paying the "Federal share" of the sums expended under the plan.

(b) *Submission.* The State plan and all amendments thereto shall be submitted to the Commissioner by a duly authorized officer of the State agency. The plan shall indicate the official or officials who are authorized to submit plan material.

(c) *Amendment.* The plan must be amended whenever necessary to reflect any material change in the program provided for by the plan, any changes in pertinent State law or in the organization, policies or operations of the library extension program of the State agency.

§ 130.3 *State agency for administration*—(a) *Designation of State agency.* The State plan shall provide for the administration of the plan or the supervision of the administration of the plan by the State agency.

(b) *Supervision by State agency.* All of the activities to be carried out under the plan must be either administered directly by the State agency or their administration must be supervised by the State agency. To the extent that locally controlled libraries participate in the plan, their administration of activities which form a part of the plan must be under the supervision of the State agency. Activities under the plan may be coordinated with activities of locally controlled libraries but only activities and expenditures for activities under State supervision can be considered part of the State plan.

(c) *Organization.* The State plan shall show, by chart or otherwise, the organization of and lines of authority between the units of the State agency involved in the library extension program and shall briefly describe the principal functions assigned to each unit. If any part of the plan is to be administered by local agencies, the plan shall set forth the manner in which the State agency will exercise and make effective its supervision over the operations of the local public agencies with respect to such administration.

§ 130.4 *Authority of State agency.* The State plan shall set forth the authority of the State agency under State law for the administration of the program. If there is any administration by local agencies, the basis under State law for the supervision of such administration by the State agency shall also be described. Copies of, or citations to, all directly pertinent laws and interpretations of laws by appropriate State officials or courts shall be furnished as part of the plan. All copies must be certified as correct by the official authorized to submit plan material.

§ 130.5 *Custody of funds.* The State plan shall designate the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) who will receive and provide for the custody of all funds paid to the State under the Act, subject to requisition or disbursement by the State agency.

§ 130.6 *Fiscal administration.* The State plan shall provide information as to the fiscal administration of the program including sources of funds, the incurrence and payment of obligations, disbursements, accounting and auditing. The State and local agencies participating in the program shall establish and maintain such accounts and supporting documents as will permit an accurate and expeditious audit of the program to be made at any time. Such records shall be maintained until the completion of such audits or for three years, whichever is later.

§ 130.7 *Policies and methods.* The State plan shall set forth the policies and methods which will be followed in administering or supervising the plan, including the criteria used in selecting the rural areas to be served. The State agency, through its duly authorized officer, shall certify that these policies and methods will, in the judgment of the agency, assure that all funds spent under the plan, Federal, State, and local, will be used to maximum advantage in the further extension of public library services to rural areas without such services or with inadequate services.

§ 130.8 *Reports.* The State plan shall provide that the State agency will make such reports as to categories of expenditures made under the act, as the Commissioner may from time to time reasonably require, and will comply with such provisions as he may find necessary to assure the correctness and verification of such reports.

§ 130.9 *Services.* The State plan shall provide that any services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

SUBPART C—FEDERAL FINANCIAL PARTICIPATION AND PAYMENT

§ 130.10 *Federal reimbursement; in general.* The Federal Government will pay from each State's allotment the "Federal share" of the total sums expended under the State plan by the State and its political subdivisions for the further extension of public library services to rural areas without such services or with inadequate services. Any expenditure, therefore, for which the State expects the Federal Government to pay its share, must be included in the plan and must meet the requirements of the act. Such expenditure may include salaries and wages, the purchase of books, other library materials, and equipment, and operational costs, applied to the further extension of public library services to rural areas.

§ 130.11 *Public nature of funds.* The expenditures to be considered in computing Federal participation must be made from public funds. Public funds may include contributions by private organizations or individuals which are deposited in accordance with State law to the account of a unit or agency of State or local government without such conditions or restrictions as would negate their public character.

§ 130.12 *Allocation between reimbursable and non-reimbursable expenditures.* With respect to any activity referred to in the plan, which is only partly for the further extension of public library services to rural areas without such services or with inadequate services, the Federal Government will pay the "Federal share" only of that part of the cost of such activity which is attributable to such further extension. When such allocation of cost is made, the plan must indicate the basis on which the portion of the total cost attributable to such extension is determined.

§ 130.13 *Beginning of participation.* Since the Federal Government pays a share only of what is expended under the State plan, there can be no Federal participation in any expenditure made before the plan is in effect. For the purposes of this section, the earliest date on which a plan may be considered in effect is the date on which it is submitted in substantially approvable form to the Commissioner of Education.

§ 130.14 *Effect of State rules.* Subject to the provisions and limitations of the act and this part, Federal financial participation will be available only in expenditures made under the State plan in accordance with applicable State laws, rules, regulations, and standards governing expenditures by State and local agencies.

§ 130.15 *Determining to which fiscal year an expenditure is chargeable.* In determining to which Federal fiscal year or period expenditures are chargeable for the purpose of earning the State's allotment, State laws and regulations for determining to which State fiscal year or period an expenditure is chargeable will be followed.

§ 130.16 *Requirements for payment.* No payments shall be made to any State from its allotment for any fiscal year unless the Commissioner finds that for such fiscal year:

(a) There will be available for expenditure, from State sources, for all public library services, an amount not less than the amount actually expended from State sources for all public library services in the fiscal year which ended June 30, 1956.

(b) There will be available for expenditure (1) for all public library services, from State and local sources, in the geographic areas covered by the plan, an amount which will be not less than the total amount spent for such services from such sources in such areas during the fiscal year which ended June 30, 1956, and (2) for public library services under the plan, from State and local sources, in the geographic areas covered by the plan, an amount which will be not less than the total amount spent from such sources in such areas for services of the same type during the fiscal year which ended June 30, 1956.

(c) The State will have available for expenditure under the plan from State and local sources sums sufficient to enable the State to receive Federal funds in an amount not less than $10,000 in the case of the Virgin Islands and Guam and $40,000 for the other States.

§ 130.17 *Submission of budgets.* For each fiscal year the State agency shall submit, upon official forms and in accordance with procedures established by the Commissioner:

(a) A description of the particular extension services and projects to be carried out under the plan for that year, noting the rural areas which are to be served; and

(b) A budget of the estimated expenditures to be made in carrying out such services and projects, indicating the sources of all funds available to meet the State and local share of the total so estimated.

§ 130.18 *Estimates and reports of expenditures.* (a) The Commissioner's findings under § 130.16 shall be made on the basis of (1) reports filed by the State containing data as to the amounts spent during the fiscal year ending June 30, 1956, and the amounts available for expenditure during the fiscal year for which the findings are made, and (2) such other information as he may find necessary.

(b) Prior to the beginning of each semi-annual fiscal period, the State agency shall submit to the Commissioner, upon official forms and in accordance with procedures established by the Commissioner, a statement of estimated total expenditures and sources of funds for activities under the plan during such semi-annual period. At the same time, the agency shall submit a report of the total expenditures and obligations made under the plan during the semi-annual period which ended six months prior to the beginning of the period for which such estimate is made.

§ 130.19 *Effect of payments.* (a) Neither the approval of the State plan nor any payment to the State pursuant thereto shall be deemed to waive the right or duty of the Commissioner to withhold funds by reason of the failure of the State to observe, before or after such administrative action, any Federal requirements.

(b) The final amount to be paid for any period is determined on the basis of expenditures under the State plan with respect to which Federal financial participation is authorized. The State assumes responsibility for the application of Federal funds to authorized plan purposes.

Dated: November 27, 1956.

[SEAL] WAYNE O. REED,
Acting United States Commissioner of Education.

Approved: December 4, 1956.

M. B. FOLSOM,
Secretary of Health, Education, and Welfare.

[F. R. Doc. 56-10022; Filed, Dec. 5, 1956; 8:52 a. m.]

TITLE 46—SHIPPING

Chapter I—Coast Guard, Department of the Treasury

Subchapter B—Merchant Marine Officers and Seamen

[CGFR 56-45]

PART 14—SHIPMENT AND DISCHARGE OF SEAMEN

SUBPART 14.05—SHIPPING ARTICLES

CERTIFICATION OF SHIPPING ARTICLES

The Secretary of the Treasury has transferred to the Commandant, U. S. Coast Guard, the function of issuing true and certified copies of shipping articles containing the names of crews of vessels bound on foreign voyages from ports of the United States as provided in section 4575 of the Revised Statutes, as amended (46 U. S. C. 676). Because this amendment describes the procedures to be followed in the administration of this function, it is hereby found that compliance with the Administrative Procedure Act with respect to notice of proposed rule making, public rule making procedures thereon, and effective date requirements thereof is impracticable.

By virtue of the authority vested in me as Commandant, United States Coast Guard, the following amendment to Part 14 is prescribed and shall become effective on the date of publication of this document in the FEDERAL REGISTER:

§ 14.05-3 *Certification of shipping articles.* For every vessel bound on any foreign voyage required to have shipping articles, it shall be the duty of the owners of such vessel to obtain from the shipping commissioner or the person performing duties of a shipping commissioner a statement showing that the duplicate copy of the shipping articles is a true and certified copy as required by R. S. 4575, as amended (46 U. S. C. 676).

(R. S. 4551, sec. 7, 49 Stat. 1936, as amended; 46 U. S. C. 643, 689. Interpret or apply R. S. 4575, as amended, 46 U. S. C. 676)

Dated: November 28, 1956.

[SEAL] J. A. HIRSHFIELD,
Rear Admiral, U. S. Coast Guard, Acting Commandant.

[F. R. Doc. 56-9983; Filed, Dec. 5, 1956; 8:49 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

Subchapter B—Carriers by Motor Vehicle

[Ex Parte No. MC-43]

PART 207—LEASE AND INTERCHANGE OF VEHICLES

MOTOR CARRIERS

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 23d day of November A. D. 1956.

Upon consideration of the record in the above-entitled proceeding, of the rules and regulations heretofore prescribed herein, of the petitions pending against the order of October 6, 1955 (20 F. R. 7905) of the verified statements filed pursuant to the notice of rule making dated February 24, 1956 (21 F. R. 1721), of those matters under postponement under the order of June 18, 1956 (21 F. R. 4628), and all other matters pending in this proceeding which remain to be disposed of;

And it appearing that the Commission on the date hereof, has made and filed a supplemental report herein setting forth the basis and purpose of its conclusions and findings therein, which report and the prior reports, 51 M. C. C. 461, 52 M. C. C. 675, and 64 M. C. C. 361, are hereby referred to and made a part hereof;

And it further appearing that all of the rules and regulations in this proceeding, whether presently in effect or whether being made effective hereby, should be incorporated into this order as a single document; and good cause appearing therefor:

It is ordered, That the rules and regulations set forth below shall, on the effective date specified in this paragraph, supersede all of the previous rules and regulations heretofore prescribed in this proceeding without disturbing the continuity of application of those rules which previously have been made effective, and that such other rules as are prescribed herein which were the subject of rule making by notice dated February 24, 1956 (21 F. R. 1721), or as to which the effective dates were postponed by order of June 18, 1956 (21 F. R. 4628), be and they are hereby prescribed to become effective on February 1, 1957.

And it is further ordered, That except to the extent that relief has been granted herein, all petitions or pleas for relief filed prior to the date hereof, which seek additional or different relief or further proceedings herein, be, and they are hereby denied.

Sec.
207.1 Applicability.
207.2 Definitions.
207.3 Exemptions.
207.4 Augmenting equipment.
207.5 Interchange of equipment.
207.6 Rental of equipment to private carriers and shippers.

AUTHORITY: §§ 207.1 to 207.6 issued under sec. 204, 49 Stat. 546, as amended; 49 U. S. C. 304.

§ 207.1 *Applicability.* The rules and regulations in this part apply to the augmenting of equipment by common and contract carriers of property by motor vehicle in interstate or foreign commerce subject to Part II of the Interstate Commerce Act, 49 U. S. C. 301 et. seq; to the interchange of equipment between such common carriers of property by motor vehicle, and to the lease of equipment by common and contract carriers of property by motor vehicle, with or without drivers, to private motor carriers and shippers.

§ 207.2 *Definitions*—(a) *Authorized carrier.* A person or persons authorized to engage in the transportation of property as a common or contract carrier under the provisions of sections 206, 207, or 209 of the Interstate Commerce Act, 49 U. S. C. 306, 307, or 309.

(b) *Equipment.* A motor vehicle, straight truck, tractor, semitrailer, full trailer, combination tractor-and-trailer, combination straight truck and full trailer, and any other type of equipment used by authorized carriers in the transportation of property for hire.

(c) *Interchange of equipment.* The physical exchange of equipment between motor common carriers or the receipt by one such carrier of equipment from another such carrier, in furtherance of a through movement of traffic, at a point or points which such carriers are authorized to serve.

(d) *Regular employee.* A person not merely an agent but regularly in exclusive full-time employment.

(e) *Agent.* A person duly authorized to act for and on behalf of an authorized carrier.

(f) *Owner.* A person to whom title to equipment has been issued, or who has lawful possession of equipment, and has the same registered and licensed in any State or States or the District of Columbia in his or its name.

(g) *Private carrier.* A person as defined in § 203 (a) (17) of the Interstate Commerce Act.

(h) *Shipper.* A person who consigns or receives property which is transported in interstate or foreign commerce.

§ 207.3 *Exemptions.* The provisions of § 207.4, except paragraphs (c) and (d), relative to inspection and identification of equipment, shall not apply:

(a) *Return of equipment by authorized carriers.* To equipment owned or held under a lease of 30 days or more by an authorized carrier and regularly used by it in the service authorized, and leased by it to another authorized carrier for transportation in the direction of a point which lessor is authorized to serve.

(b) *Rail or express vehicles.* To equipment utilized wholly or in part in the transportation of railway express traffic, or in substituted motor-for-rail transportation of railroad freight moving between points that are railroad stations on railroad billing.

(c) *Commercial zone operations.* To equipment utilized in transportation performed solely and exclusively within any municipality, contiguous municipalities, or commercial zone, as defined by the Commission.

(d) *Vehicles without drivers from rental companies.* To the lease of equipment without drivers by an authorized carrier from an individual, copartnership, or corporation, whose principal business is the leasing of equipment without drivers for compensation.

(e) *Non-powered equipment.* To equipment other than a power unit, provided that such equipment is not drawn by a power unit leased from the lessor of such equipment.

§ 207.4 *Augmenting equipment.* Other than equipment exchanged between motor common carriers in interchange service as defined in § 207.5, authorized carriers may perform authorized transportation in or with equipment which they do not own only under the following conditions:

(a) *Contract requirements.* The contract, lease, or other arrangement for the use of such equipment:

(1) *Parties.* Shall be made between the authorized carrier and the owner of the equipment.

(2) *Written contract required.* Shall be in writing and signed by the parties thereto, or their regular employees or agents duly authorized to act for them in the execution of contracts, leases, or other arrangements.

(3) *Minimum duration of 30 days when operated by lessor.* Shall specify the period for which it applies, which shall be not less than 30 days when the equipment is to be operated for the authorized carrier by the owner or employee of the owner; excepting:

(i) *Equipment used in agricultural or perishable operations.* That such 30-day minimum period shall not apply to equipment, with driver, of a farmer, agricultural cooperative or private carrier of certain perishable property or which is exempt under section 203 (b) (6) of the act, to the extent that such equipment falls within the terms of the exceptions of section 204 (f) (1) or (2) of the act (49 U. S. C. 304 (f)), and is utilized in accordance therewith; *Provided*, That prior to the execution of the lease, the authorized carrier receives and retains a statement signed by the owner of the equipment, or someone duly authorized to sign for the owner, authorizing the driver to lease the equipment for the movement or movements contemplated by the lease, certifying that the equipment so leased meets the qualifications enumerated in section 204 (f) (1) or (2) of the act, and specifying the origin, destination, and the time of the beginning and ending of the last movement which brought the equipment within the purview of section 204 (f).

(ii) *Automobile and tank truck carriers.* That equipment owned by an automobile carrier or tank truck carrier or held by such authorized carriers under lawful leases and used in the transportation of motor vehicles or liquid commodities, in bulk, respectively, may be leased or subleased to other such authorized carriers.

(4) *Exclusive possession and responsibility.* Shall provide for the exclusive possession, control, and use of the equipment, and for the complete assumption of responsibility in respect thereto, by the lessee for the duration of said contract, lease or other arrangement, except:

(i) *Lessee may be considered as owner.* Provision may be made therein for considering the lessee as the owner for the purpose of subleasing under these rules to other authorized carriers during such duration.

(ii) *Household goods, carriers; intermittent operations under long-term lease.* When entered into by authorized carriers of household goods, for the transportation of household goods, as defined by the Commission, such provisions need only apply during the period the equipment is operated by or for the authorized carrier, lessee.

(5) *Compensation to be specified.* Shall specify the compensation to be paid by the lessee for the rental of the leased equipment.

(6) *Duration to be specific.* Shall specify the time and date or the circumstances on which the contract, lease, or other arrangement begins, and the time or the circumstances on which it ends. The duration of the contract, lease or other arrangement shall coincide with the time for the giving of receipts for the equipment, as required by paragraph (b) of this section; and

(7) *Copies of lease and their distribution; copy to be carried on vehicle.* Shall be executed in triplicate; the original shall be retained by the authorized carrier in whose service the equipment is to be operated, one copy shall be retained by the owner of the equipment, one copy shall be carried on the equipment specified therein during the entire period of the contract, lease, or other arrangement, unless a certificate as provided in paragraph (d) (2) of this section is carried in lieu thereof.

(b) *Receipts for equipment to be specific.* When possession of the equipment is taken by the authorized carrier or its regular employee or agent duly authorized to act for it, said carrier, employee or agent shall give to the owner of the equipment, or the owner's employee or agent a receipt specifically identifying the equipment and stating the date and the time of day possession thereof is taken; and when the possession by the authorized carrier ends; it or its employee or agent shall obtain from the owner of the equipment, or its regular employee or agent duly authorized to act for it, a receipt specifically identifying the equipment and stating therein the date and the time of day possession thereof is taken.

(c) *Safety inspection of equipment by the authorized carrier.* It shall be the duty of the authorized carrier, before taking possession of equipment, to inspect the same or to have the same inspected by a person who is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of the carrier, in order to insure that the said equipment complies with Parts 193 and 196 of this chapter (Motor Carrier Safety Regulations (Rev.), pertaining to "Parts and Accessories Necessary for Safe Operation," and "Inspection and Maintenance,") and if explosives or other dangerous articles are to be transported thereon, further to inspect and check such vehicles or equipment to insure that they or it complies with Part 197 of this chapter (safety regulations pertaining to "Safe Transportation of Explosives"). The person making the inspection shall certify the results thereof on a report in the form hereinafter set forth, which report shall be retained and preserved by the authorized carrier, and if his inspection discloses that the equipment does not comply with the requirements of the said safety regulations, possession thereof shall not be taken. In all instances in which the inspection required by this section is made, the authorized carrier, if an individual, or a member of the co-partnership if the authorized carrier is a co-partnership,

or one of the officials thereof if the authorized carrier is a corporation, shall certify on the inspection report that the person who made the inspection, whether an employee or person other than an employee, is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of such authorized carrier. When equipment other than a power unit is leased, a form of report applicable to such equipment may be used.

REPORT OF VEHICLE INSPECTION

Description of vehicle:
Make _____ Year _____
Model _____ Serial No. _____
Type: Tractor _____ Trailer _____
Semitrailer _____
License plate: No. _____ State _____
Owner's name _____
Name of authorized carrier _____

Indicate in the proper column the result of the inspection of each item listed:

Item	Not defective	Defective	Description of defect
Body			
Brakes			
Cooling system			
Drive line			
Emergency equipment			
Engine			
Exhaust			
Fuel system			
Glass			
Horn			
Leaks			
Lights (state which)			
Reflectors			
Speedometer			
Springs			
Steering			
Tires			
Wheels			
Windshield wiper			

Any other items requiring attention _____

I hereby certify that on the _____ day of _____ I carefully inspected the equipment described above and that this is a true and correct report of the result of such inspection.

_____
(Signature of person making inspection)

I hereby certify that on the date stated above the person who made the inspection covered by this report was competent and qualified to make such inspection and was duly authorized to make such inspection as a representative of

_____
(Name of authorized carrier)

_____
(Signature of authorized carrier or co-partner or officer of authorized carrier)

Date: _____

(d) *Identification of equipment as that of the authorized carrier.* The authorized carrier acquiring the use of equipment under this section shall properly and correctly identify such carrier, during the period of the lease, contract, or other arrangement in accordance with the Commission's requirements in Ex Parte No. MC–41; Part 166 of this chapter (Identification of Motor-Carrier Vehicles). If a removable device is used to identify the authorized carrier as the operating carrier, such device shall be on durable material such as wood, plastic, or metal, and bear a serial number in the authorized carrier's own series so as to keep proper record of each of the identification devices in use.

(1) *Identification to be removed when lease terminated.* The authorized carrier operating equipment under this part shall remove any legend, showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier, before relinquishing possession of the equipment.

(2) *Certified statement may be carried on vehicle in lieu of lease.* Unless a copy of the lease, contract or other arrangement is carried on the equipment, as provided in paragraph (a) (7) of this section, the authorized carrier or its regular employee or agent shall prepare a statement certifying that the equipment is being operated by it, which shall specify the name of the owner, the date of the lease, contract or other arrangement, the period thereof, any restrictions therein relative to the commodities to be transported, and the location of the premises where the original of the lease, contract or other arrangement is kept by the authorized carrier, which certificate shall be carried with the equipment at all times during the entire period of the lease, contract, or other arrangement.

(e) *Driver of equipment to be in compliance with safety regulations.* Before any person other than a regular employee of the authorized carrier is assigned to drive equipment operated under this part, it shall be the duty of the authorized carrier to make certain that such driver is familiar with, and that his employment as a driver will not result in, violation of any provision of Parts 192, 193, 195, and 196 of this chapter (Motor Carrier Safety Regulations (Rev.) pertaining to "Driving of Motor Vehicles," "Parts and Accessories Necessary for Safe Operation," "Hours of Service of Drivers," and "Inspection and Maintenance,") and to require such driver to furnish a certificate of physical examination in accordance with Part 191 of this chapter (Motor Carrier Safety Regulations (Rev.) pertaining to "Qualifications of Drivers,") or, in lieu thereof, a photostatic copy of the original certificate of physical examination, which shall be retained in the authorized carrier's file.

(f) *Record of equipment to be maintained; shipping documents to identify the authorized carrier.* The authorized carrier utilizing equipment operated under this part for periods of less than 30 days shall prepare and keep a manifest or other documents covering each trip for which the equipment is used in its service, containing the name and address of the owner of such equipment; point of origin, the time and date of departure, the point of final destination, and the authorized carrier's serial number of any identification device affixed to the equipment. During the time that equipment subject to this part is operated there shall be carried with the equipment, bills of lading, waybills, freight bills, manifests, or other papers identifying the lading, and containing the foregoing information, which shall clearly indicate that the transportation of the property carried is under the responsibility of the authorized carrier, which papers shall be preserved by the authorized carrier. This section shall also apply with respect to vehicles leased for periods of 30 days or more unless the required information is kept at a terminal or office as a part of the records of the authorized carrier.

§ 207.5 *Interchange of equipment.* Authorized common carriers may by contract, lease, or other arrangement, interchange any equipment defined in § 207.2 with one or more other such common carriers, or one of such carriers may receive from another such carrier, any of such equipment, in connection with any through movement of traffic, under the following conditions:

(a) *Interchange agreement to be specific.* The contract, lease, or other arrangement providing for interchange shall specifically describe the equipment to be interchanged; the specific points of interchange; the use to be made of the equipment, and the consideration for such use; and shall be signed by the parties to the contract, lease, or other arrangement, or their regular employees or agents duly authorized to act for them, in the execution of such contracts, leases, or other arrangements.

(b) *Operating authority of carriers participating in interchange.* The certificates of public convenience and necessity held by the carriers participating in the interchange arrangement must authorize the transportation of the commodities proposed to be transported in the through movement and service from and to the point where the physical interchange occurs.

(c) *Through bills of lading required.* The traffic transported in interchange service must move on through bills of lading issued by the originating carrier, and the rates charged and revenues collected must be accounted for in the same manner as if there had been no interchange of equipment. Charges for the use of the equipment shall be kept separate and distinct from divisions of the joint rates or the proportions thereof accruing to the carriers by the applica- accruing to the carriers by the application of local or proportional rates.

(d) *Safety inspection of equipment.* It shall be the duty of the carrier acquiring the use of equipment in interchange to inspect such equipment, or to have it inspected in the manner provided in § 207.4 (c) and equipment which does not meet the requirements of the safety regulations shall not be operated in the respective services of the interchange carriers until the defects have been corrected.

(e) *Identification of equipment as that of the operating carrier.* Authorized carriers operating power units in interchange service shall identify such equipment in accordance with the Commission's requirements in Ex Parte No. MC–41, Part 166 of this chapter (Identification of Motor Carrier Vehicles). Any removable device used to identify the operating carrier shall be on durable materials such as wood, plastic, or metal, and shall bear a serial number in the

operating carrier's own series and such carrier shall keep a proper record of each identification device in use. The authorized carrier operating equipment under this part shall remove any legend, showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier, before relinquishing possession of the equipment. Authorized carriers operating equipment in interchange service under this section shall carry with each vehicle so operated, except trailers and semitrailers, a copy of the contract, or other arrangement, while the equipment is being operated in the interchange service, unless a statement certifying that the equipment is being operated by it and identifying the equipment by company or State registration number, showing the specific point of interchange, the date and time of the assumption of responsibility for the equipment, and the use to be made of the equipment, is carried in the vehicle while it is operated in interchange service. Such statement shall be signed by the parties to the contract or other arrangement or their employees or agent.

(f) *Through movement involving more than two carriers, lessee considered as owner.* For the purpose of this section, a lessee of equipment on a through movement involving more than two carriers, shall be considered the owner of the equipment for the purpose of leasing the equipment for movement to destination or for return to the originating carrier.

§ 207.6 *Rental of equipment to private carriers and shippers*—(a) *Rental of equipment with drivers.* Unless such service is specified in their operating authorities, authorized carriers shall not rent equipment with drivers to private carriers or shippers, except where the vehicle so rented is to be used for transportation which may be performed for compensation within the exemption provisions of section 203 (b) (7) or (8) of the Interstate Commerce Act.

(b) *Rental of equipment without drivers.* Authorized common carriers shall not rent equipment without drivers to private carriers or shippers and authorized contract carriers shall not so rent such equipment without first having obtained approval of the rental contract from this Commission, except that the prohibitions contained in this section shall not apply to authorized carriers transporting property wholly for and on the billing of railroads or where the vehicle so rented is to be used for transportation which may be performed for compensation within the exemption provisions of section 203 (b) (7) or (8) of the Interstate Commerce Act.

Notice of this order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Division of the Federal Register.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 56-9981; Filed, Dec. 5, 1956; 8:48 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 301]

PROCEDURE AND ADMINISTRATION

JEOPARDY, BANKRUPTCY AND RECEIVERSHIPS

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. These proposed regulations relate to the administrative provisions under chapter 70 of Subtitle F of the Internal Revenue Code of 1954. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention T:P, Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805).

[SEAL] RUSSELL C. HARRINGTON, *Commissioner of Internal Revenue.*

The following regulations relating to jeopardy, bankruptcy and receiverships are prescribed under chapter 70 of the Internal Revenue Code of 1954, and except as otherwise specifically provided therein are effective on and after August 17, 1954, and are applicable with respect to taxes imposed under the Internal Revenue Code of 1954:

JEOPARDY, BANKRUPTCY AND RECEIVERSHIPS

JEOPARDY

Sec.

BANKRUPTCY AND RECEIVERSHIPS

GENERAL RULES

EFFECTIVE DATE AND RELATED PROVISIONS

JEOPARDY, BANKRUPTCY AND RECEIVERSHIPS

JEOPARDY

§ 301.6851 *Statutory provisions; termination of taxable year.*

SEC. 6851. *Termination of taxable year*—(a) *Income tax in jeopardy*—(1) *In general.* If the Secretary or his delegate finds that a taxpayer designs quickly to depart from the United States or to remove his property therefrom, or to conceal himself or his property therein, or to do any other act tending to prejudice or to render wholly or partly ineffectual proceedings to collect the income tax for the current or the preceding taxable year unless such proceedings be brought without delay, the Secretary or his delegate shall declare the taxable period for such taxpayer immediately terminated, and shall cause notice of such finding and declaration to be given the taxpayer, together with a demand for immediate payment of the tax for the taxable period so declared terminated and of the tax for the preceding taxable year or so much of such tax as is unpaid, whether

or not the time otherwise allowed by law for filing return and paying the tax has expired; and such taxes shall thereupon become immediately due and payable. In any proceeding in court brought to enforce payment of taxes made due and payable by virtue of the provisions of this section, the finding of the Secretary or his delegate, made as herein provided, whether made after notice to the taxpayer or not, shall be for all purposes presumptive evidence of jeopardy.

(2) *Corporation in liquidation.* If the Secretary or his delegate finds that the collection of the income tax of a corporation for the current or the preceding taxable year will be jeopardized by the distribution of all or a portion of the assets of such corporation in the liquidation of the whole or any part of its capital stock, the Secretary or his delegate shall declare the taxable period for such taxpayer immediately terminated and shall cause notice of such finding and declaration to be given the taxpayer, together with a demand for immediate payment of the tax for the taxable period so declared terminated and of the tax for the preceding taxable year or so much of such tax as is unpaid, whether or not the time otherwise allowed by law for filing return and paying the tax has expired; and such taxes shall thereupon become immediately due and payable.

(b) *Reopening of taxable period.* Notwithstanding the termination of the taxable period of the taxpayer by the Secretary or his delegate, as provided in subsection (a), the Secretary or his delegate may reopen such taxable period each time the taxpayer is found by the Secretary or his delegate to have received income, within the current taxable year, since a termination of the period under subsection (a). A taxable period so terminated by the Secretary or his delegate may be reopened by the taxpayer (other than a nonresident alien) if he files with the Secretary or his delegate a true and accurate return of the items of gross income and of the deductions and credits allowed under this title for such taxable period, together with such other information as the Secretary or his delegate may by regulations prescribe. If the taxpayer is a nonresident alien the taxable period so terminated may be reopened by him if he files, or causes to be filed, with the Secretary or his delegate a true and accurate return of his total income derived from all sources within the United States, in the manner prescribed in this title.

(c) *Citizens.* In the case of a citizen of the United States or of a possession of the United States about to depart from the United States, the Secretary or his delegate may, at his discretion, waive any or all of the requirements placed on the taxapayer by this section.

(d) *Departure of alien.* No alien shall depart from the United States unless he first procures from the Secretary or his delegate a certificate that he has complied with all the obligations imposed upon him by the income tax laws.

(e) *Furnishing of bond where taxable year is closed by the Secretary or his delegate.* Payment of taxes shall not be enforced by any proceedings under the provisions of this section prior to the expiration of the time otherwise allowed for paying such taxes if the taxpayer furnishes, under regulations prescribed by the Secretary or his delegate, a bond to insure the timely making of returns with respect to, and payment of, such taxes or any income or excess profits taxes for prior years.

§ 301.6851–1 *Termination of taxable year.* For regulations under section 6851, see § 1.6851–1 of this chapter.

§ 301.6861 *Statutory provisions; jeopardy assessments of income, estate, and gift taxes.*

SEC. 6861. *Jeopardy assessments of income, estate, and gift taxes*—(a) *Authority for making.* If the Secretary or his delegate believes that the assessment or collection of a deficiency, as defined in section 6211, will be jeopardized by delay, he shall, notwithstanding the provisions of section 6213 (a), immediately assess such deficiency (together with all interest, additional amounts, and additions to the tax provided for by law), and notice and demand shall be made by the Secretary or his delegate for the payment thereof.

(b) *Deficiency letters.* If the jeopardy assessment is made before any notice in respect of the tax to which the jeopardy assessment relates has been mailed under section 6212 (a), then the Secretary or his delegate shall mail a notice under such subsection within 60 days after the making of the assessment.

(c) *Amount assessable before decision of Tax Court.* The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the taxpayer, despite the provisions of section 6212 (c) prohibiting the determination of additional deficiencies, and whether or not the taxpayer has theretofore filed a petition with the Tax Court. The Secretary or his delegate may, at any time before the decision of the Tax Court is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Secretary or his delegate shall notify the Tax Court of the amount of such assessment, or abatement, if the petition is filed with the Tax Court before the making of the assessment or is subsequently filed, and the Tax Court shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith.

(d) *Amount assessable after decision of Tax Court.* If the jeopardy assessment is made after the decision of the Tax Court is rendered, such assessment may be made only in respect of the deficiency determined by the Tax Court in its decision.

(e) *Expiration of right to assess.* A jeopardy assessment may not be made after the decision of the Tax Court has become final or after the taxpayer has filed a petition for review of the decision of the Tax Court.

(f) *Collection of unpaid amounts.* When the petition has been filed with the Tax Court and when the amount which should have been assessed has been determined by a decision of the Tax Court which has become final, then any unpaid portion, the collection of which has been stayed by bond as provided in section 6863 (b) shall be collected as part of the tax upon notice and demand from the Secretary or his delegate, and any remaining portion of the assessment shall be abated. If the amount already collected exceeds the amount determined as the amount which should have been assessed, such excess shall be credited or refunded to the taxpayer as provided in section 6402, without the filing of claim therefor. If the amount determined as the amount which should have been assessed is greater than the amount actually assessed, then the difference shall be assessed and shall be collected as part of the tax upon notice and demand from the Secretary or his delegate.

(g) *Abatement if jeopardy does not exist.* The Secretary or his delegate may abate the jeopardy assessment if he finds that jeopardy does not exist. Such abatement may not be made after a decision of the Tax Court in respect of the deficiency has been rendered or, if no petition is filed with the Tax Court, after the expiration of the period for filing such petition. The period of limitation on the making of assessments and levy or a proceeding in court for collection, in respect of any deficiency, shall be determined as if the jeopardy assessment so abated had not been made, except that the running of such period shall in any event be suspended for the period from the date of such jeopardy assessment until the expiration of the 10th day after the day on which such jeopardy assessment is abated.

(h) *Cross references.* (1) For the effect of the furnishing of security for payment, see section 6863.

(2) For provision permitting immediate levy in case of jeopardy, see section 6331 (a).

§ 301.6861–1 *Jeopardy assessments of income, estate, and gift taxes*—(a) *Authority for making.* If a district director believes that the assessment or collection of a deficiency in income, estate, or gift tax will be jeopardized by delay, he is required to assess such deficiency immediately, together with the interest, additional amounts, and additions to the tax provided by law. A jeopardy assessment may be made before the mailing of the notice of deficiency provided by section 6212, or after the mailing of such notice and at any time before a decision of the Tax Court has become final, or before the filing of a petition for review of a decision rendered by the Tax Court. However, a jeopardy assessment for a taxable year under section 6861 cannot be made after a decision of the Tax Court with respect to such taxable year has become final (see section 7481) or after the taxpayer has filed a petition for review of the decision of the Tax Court with respect to such taxable year. In the case of a deficiency determined by a decision of the Tax Court which has become final or with respect to which the taxpayer has filed a petition for review and has not filed a bond as provided in section 7485, assessment may be made in accordance with the provisions of section 6215, without regard to section 6861.

(b) *Amount of jeopardy assessment.* If a notice of a deficiency is mailed to the taxpayer before it is discovered that delay would jeopardize the assessment or collection of the tax, a jeopardy assessment may be made in an amount greater or less than that included in the deficiency notice. If a deficiency is assessed on account of jeopardy after the decision of the Tax Court is rendered, the jeopardy assessment may be made only with respect to the deficiency determined by the Tax Court.

(c) *Jurisdiction of Tax Court.* If the jeopardy assessment is made before the notice in respect of the tax to which the jeopardy assessment relates has been mailed pursuant to section 6212 (a), the district director shall, within 60 days after the making of the assessment, send the taxpayer a notice of deficiency pursuant to such subsection. The taxpayer may file a petition with the Tax Court for a redetermination of the amount of the deficiency within the time prescribed in section 6213 (a). If the petition of the taxpayer is filed with the Tax Court, either before or after the making of the jeopardy assessment, the district director is required to notify the Tax Court of

such assessment or of any abatement thereof, and the Tax Court has jurisdiction to redetermine the amount of the deficiency, together with all other amounts assessed at the same time in connection therewith.

(d) *Payment and collection of jeopardy assessment.* After a jeopardy assessment has been made, the district director is required to send notice and demand to the taxpayer for the amount of the jeopardy assessment. Regardless of whether the taxpayer has filed a petition with the Tax Court, he is required to make payment of the amount of such assessment (to the extent that it has not been abated) within 10 days after the sending of notice and demand by the district director, unless before the expiration of such 10-day period he files with the district director a bond as provided in section 6863. Section 6331 provides that, if the district director makes a finding that the collection of the tax is in jeopardy, he may make demand for immediate payment of the amount of the jeopardy assessment and, in such case, the taxpayer shall immediately pay such amount or shall immediately file the bond provided in section 6863. If a petition is not filed with the Tax Court within the period prescribed in section 6213 (a), the district director will be so advised, and, if collection of the deficiency has been stayed by the timely filing of a bond as provided in section 6863, he should then give notice and make demand for payment of the amount assessed plus interest. After the Tax Court has rendered its decision and such decision has become final, the district director will be notified of the action taken. He will then send notice and demand for payment of the unpaid portion of the amount determined by the Tax Court, the collection of which has been stayed by the bond. If the amount of the jeopardy assessment is less than the amount determined by the Tax Court, the difference will be assessed and collected as part of the tax upon notice and demand from the district director. If the amount of the jeopardy assessment is in excess of the amount determined by the Tax Court, the unpaid portion of such excess will be abated. If any part of the excess amount has been paid, it will be credited or refunded to the taxpayer as provided in section 6402, without the filing of claim therefor.

(e) *Abatement of excessive assessment.* The district director may, at any time before the decision of the Tax Court is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount.

(f) *Abatement if jeopardy does not exist.* (1) The district director may abate a jeopardy assessment in whole or in part, if it is shown to his satisfaction that jeopardy does not exist. An abatement may not be made under this paragraph after a decision of the Tax Court in respect of the deficiency has been rendered or, if no petition is filed with such court, after the expiration of the period for filing such petition.

(2) After abatement of a jeopardy assessment in whole or in part, the district director may proceed to assess and collect a deficiency in the manner authorized by law as if the jeopardy assessment or part thereof so abated had not existed. If a notice of deficiency has been sent to the taxpayer before the abatement of the jeopardy assessment in whole or in part, whether such notice was sent before or after the making of the assessment, such abatement will not affect the validity of the notice or of any proceedings for redetermination based thereon. The period of limitation on the making of assessments and the beginning of levy or a proceeding in court for collection in respect of any deficiency shall be determined as if the jeopardy assessment so abated had not been made, except that the running of such period shall in any event be suspended for the period from the date of such jeopardy assessment until the expiration of the tenth day after the date on which such jeopardy assessment is abated in whole or in part. The provisions of this subparagraph may be illustrated by the following example:

Example. On March 18, 1958, 28 days before the last day of the 3-year period of limitations on assessment, a jeopardy assessment is made in respect of a proposed deficiency. On May 2, 1958, before the mailing of the notice of deficiency provided by section 6861 (b), this assessment is abated. By virtue of this subparagraph, the last day of the period of limitations for the making of an assessment is June 9, 1958, that is, the thirty-eighth day after the date of the abatement. If the notice of deficiency provided for in section 6861 (b) had been sent before the abatement, the running of the period of limitations on assessment would have been suspended pursuant to the provisions of section 6503 (a).

(3) Request for abatement of a jeopardy assessment, because jeopardy does not exist, shall be filed with the district director, shall state fully the reasons for the request, and shall be supported by such evidence as will enable the district director to determine that the collection of the deficiency is not in jeopardy. See paragraph (e) of this section with respect to the abatement of jeopardy assessments which are excessive in amount.

§ 301.6862 *Statutory provisions; jeopardy assessment of taxes other than income, estate, and gift taxes.*

SEC. 6862. *Jeopardy assessment of taxes other than income, estate, and gift taxes*—(a) *Immediate assessment.* If the Secretary or his delegate believes that the collection of any tax (other than income tax, estate tax, and gift tax) under any provision of the internal revenue laws will be jeopardized by delay, he shall, whether or not the time otherwise prescribed by law for making return and paying such tax has expired, immediately assess such tax (together with all interest, additional amounts, and additions to the tax provided for by law). Such tax, additions to the tax, and interest shall thereupon become immediately due and payable, and immediate notice and demand shall be made by the Secretary or his delegate for the payment thereof.

(b) *Immediate levy.* For provision permitting immediate levy in case of jeopardy, see section 6331 (a).

§ 301.6862–1 *Jeopardy assessment of taxes other than income, estate, and gift taxes.* (a) If the district director believes that the collection of any tax (other than income, estate, or gift tax) will be jeopardized by delay, he shall, whether or not the time otherwise prescribed by law for filing the return or paying such tax has expired, immediately assess such tax, together with all interest, additional amounts and additions to the tax provided by law. For example, assume that a taxpayer incurs on January 18, 1955, liability for admissions tax imposed by section 4231, that the last day on which return and payment of such tax is required to be made is April 30, 1955, and that on January 18, 1955, the district director determines that collection of such tax would be jeopardized by delay. In such case, the district director shall immediately assess the tax.

(b) The tax, interest, additional amounts, and additions to the tax will, upon assessment, become immediately due and payable, and the district director shall, without delay, issue a notice and demand for payment thereof in full. Upon failure or refusal to pay the amount demanded, collection thereof by levy shall be lawful without regard to the 10-day period provided in section 6331 (a). However, the collection of the whole or any part of the amount of the jeopardy assessment may be stayed by timely filing with the district director a bond as provided in section 6863.

§ 301.6863 *Statutory provisions: stay of collection of jeopardy assessments.*

SEC. 6863. *Stay of collection of jeopardy assessments*—(a) *Bond to stay collection.* When a jeopardy assessment has been made under section 6861 or 6862, the collection of the whole or any amount of such assessment may be stayed by filing with the Secretary or his delegate, within such time as may be fixed by regulations prescribed by the Secretary or his delegate, a bond in an amount equal to the amount as to which the stay is desired, conditioned upon the payment of the amount (together with interest thereon) the collection of which is stayed, at the time at which, but for the making of the jeopardy assessment, such amount would be due. Upon the filing of the bond the collection of so much of the amount assessed as is covered by the bond shall be stayed. The taxpayer shall have the right to waive such stay at any time in respect of the whole or any part of the amount covered by the bond, and if as a result of such waiver any part of the amount covered by the bond is paid, then the bond shall, at the request of the taxpayer, be proportionately reduced. If any portion of the jeopardy assessment is abated, the bond shall, at the request of the taxpayer, be proportionately reduced.

(b) *Further conditions in case of income, estate, or gift taxes.* In the case of taxes subject to the jurisdiction of the Tax Court—

(1) *Prior to petition to Tax Court.* If the bond is given before the taxpayer has filed his petition under section 6213 (a), the bond shall contain a further condition that if a petition is not filed within the period provided in such section, then the amount, the collection of which is stayed by the bond, will be paid on notice and demand at any time after the expiration of such period, together with interest thereon from the date of the jeopardy notice and demand to the date of notice and demand under this paragraph.

(2) *Effect of Tax Court decision.* The bond shall be conditioned upon the payment of so much of such assessment (collection of which is stayed by the bond) as is not abated by a decision of the Tax Court which has become final. If the Tax Court determines that the amount assessed is greater than the amount which should have been assessed,

then when the decision of the Tax Court is rendered the bond shall, at the request of the taxpayer, be proportionately reduced.

(3) *Stay of sale of seized property pending Tax Court decision*—(A) *General rule.* Where, notwithstanding the provisions of section 6213 (a), a jeopardy assessment has been made under section 6861 the property seized for the collection of the tax shall not be sold—

(i) If section 6861 (b) is applicable, prior to the issuance of the notice of deficiency and the expiration of the time provided in section 6213 (a) for filing petition with the Tax Court, and

(ii) If petition is filed with the Tax Court (whether before or after the making of such jeopardy assessment under section 6861), prior to the expiration of the period during which the assessment of the deficiency would be prohibited if section 6861 (a) were not applicable.

(B) *Exceptions.* Such property may be sold if—

(i) the taxpayer consents to the sale,

(ii) the Secretary or his delegate determines that the expenses of conservation and maintenance will greatly reduce the net proceeds, or

(iii) the property is of the type described in section 6336.

(C) *Applicability.* Subparagraphs (A) and (B) shall be applicable only with respect to a jeopardy assessment made on or after January 1, 1955, and shall apply with respect to taxes imposed by this title and with respect to taxes imposed by the Internal Revenue Code of 1939.

§ 301.6863–1 *Stay of collection of jeopardy assessments; bond to stay collection*—(a) *General rule.* (1) The collection of a jeopardy assessment of any tax may be stayed by filing with the district director a bond on the form to be furnished by the district director upon request.

(2) The bond may be filed—

(i) At any time before the time collection by levy is authorized under section 6331 (a), or

(ii) After collection by levy is authorized and before levy is made on any property or rights to property, or

(iii) In the discretion of the district director, after any such levy has been made and before the expiration of the period of limitations on collection.

(3) The bond must be in an amount equal to the portion (including interest thereon to the date of payment as calculated by the district director) of the jeopardy assessment collection of which is sought to be stayed. See section 7101 and the regulations thereunder, relating to the form of bond and the sureties thereon. The bond shall be conditioned upon the payment of the amount (together with interest thereon), the collection of which is stayed, at the time at which, but for the making of the jeopardy assessment, such amount would be due. For example, if petition for redetermination is filed with the Tax Court, the bond shall be conditioned upon payment of the amount at the time the decision of the Tax Court becomes final.

(4) Upon the filing of a bond in accordance with this section, the collection of so much of the assesment as is covered by the bond will be stayed. The taxpayer at any time waive the stay of collection of the whole or any part of the amount covered by the bond. If as a result of such waiver any part of the amount covered by the bond is paid, or if any portion of the jeopardy assessment is abated by the district director, then the bond shall at the request of the taxpayer be proportionately reduced.

(b) *Additional conditions applicable to income, estate, and gift tax assessments.* In the case of a jeopardy assessment of income, estate, or gift tax, the bond must be conditioned upon the payment of so much of the amount included therein as is not abated by a decision of the Tax Court which has become final, together with the interest on such amount. If the Tax Court determines that the amount assessed is greater than the corect amount of the tax, the bond will be proportionately reduced at the request of the taxpayer after the Tax Court renders its decision. If the bond is given before the taxpayer has filed his petition with the Tax Court, it must contain a further condition that if a petition is not filed before the expiration of the period provided in section 6213 (a) for the filing of such petition, the amount stayed by the bond will be paid upon notice and demand at any time after the expiration of such period, together with interest thereon at the rate of 6 percent per annum from the date of the jeopardy notice and demand to the date of the notice and demand made after the expiration of the period for filing petition with the Tax Court.

§ 301.6863–2 *Collection of jeopardy assessment; stay of sale of seized property pending Tax Court decision*—(a) *General rule.* In the case of a jeopardy assessment made after December 31, 1954, of income, estate, or gift tax imposed by the Internal Revenue Code of 1954 or 1939, any property seized for the collection of such assessment shall not (except as provided in paragraph (b) of this section) be sold—

(1) Until the expiration of the period provided in section 6213 (a) within which the taxpayer may file a petition for redetermination with the Tax Court, and

(2) If a petition for redetermination is filed with the Tax Court (whether before or after the making of the jeopardy assessment), until the decision of the Tax Court becomes final, except that a petition for review of the Tax Court decision will not operate as a further stay of the sale of the seized property unless the taxpayer files a bond as provided in section 7485.

(b) *Exceptions.* Notwithstanding the provisions of paragraph (a) of this section, any property seized may be sold—

(1) If the taxpayer files with the district director a written consent to the sale, or

(2) If the district director determines that the expenses of conservation and maintenance of the property will greatly reduce the net proceeds from the sale of such property, or

(3) If the property is of a type to which section 6336 (relating to sale of perishable goods) is applicable.

§ 301.6864 *Statutory provisions; termination of extended period for payment in case of carryback.*

SEC. 6864. *Termination of extended period for payment in case of carryback.* For termination of extensions of time for payment of income tax granted to corporations expecting carrybacks in case of jeopardy, see section 6164 (h).

BANKRUPTCY AND RECEIVERSHIPS

§ 301.6871(a) *Statutory provisions; claims for income, estate, and gift taxes in bankruptcy and receivership proceedings.*

SEC. 6871. *Claims for income, estate, and gift taxes in bankruptcy and receivership proceedings*—(a) *Immediate assessment.* Upon the adjudication of bankruptcy of any taxpayer in any liquidating proceeding, the approval of a petition of, or against, any taxpayer in any other bankruptcy proceeding, or the appointment of a receiver for any taxpayer in any receivership proceeding before any court of the United States or of any State or Territory or of the District of Columbia, any deficiency (together with all interest, additional amounts, or additions to the tax provided by law) determined by the Secretary or his delegate in respect of a tax imposed by subtitle A or B upon such taxpayer shall, despite the restrictions imposed by section 6213 (a) upon assessments, be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

§ 301.6871 (a)–1 *Immediate assessment of claims for income, estate, and gift taxes in bankruptcy and receivership proceedings.* (a) Upon the adjudication of bankruptcy of any taxpayer in any liquidating proceeding, or the approval of a petition of, or against, any taxpayer in any other proceeding under the Bankruptcy Act, or the appointment of any receiver for any taxpayer in a receivership proceeding before any court of the United States or of any State or Territory or of the District of Columbia, the district director shall immediately assess any deficiency of income, estate, or gift tax (together with all interest, additional amounts, or additions to the tax provided by law), determined by him, if such deficiency has not theretofore been assessed in accordance with law. Such assessment shall be made immediately, whether or not a notice of deficiency has been issued, and without regard to the restrictions upon assessments under section 6213.

(b) As used in this section and §§ 301.6871 (a)–2 to 301.6873–1, inclusive, (1) the term "proceeding under the Bankruptcy Act" includes a proceeding under chapters I to VII, inclusive, of the Bankruptcy Act (11 U. S. C. cc. I–VII), or under section 75 or 77, or chapters X to XIII, inclusive, of such act, or any other proceeding under the act; and (2) the term "approval of a petition * * * in any other proceeding under the Bankruptcy Act" includes the filing of a petition under section 75 or chapters XI to XIII, inclusive, of the Bankruptcy Act with a court of competent jurisdiction.

§ 301.6871 (a)–2 *Collection of assessed taxes in bankruptcy and receivership proceedings.* (a) During a proceeding under the Bankruptcy Act or a receiver-

ship proceeding in either a Federal or State court, generally the assets of the taxpayer are under the control of the court in which such proceeding is pending, and the collection of taxes cannot be made by levying upon such assets. However, any assets which under applicable provisions of law are not under the control of the court may be subject to levy. See paragraph (b) of this section and § 301.6871 (b)–1 with respect to claims for such taxes. See section 6873 with respect to collection of unpaid claims.

(b) District directors should, promptly after ascertaining the existence of any outstanding liability against a taxpayer in any proceeding under the Bankruptcy Act or in any receivership proceeding, and in any event within the time limited by the appropriate provisions of the Bankruptcy Act, or by the appropriate orders of the court in which such proceeding is pending, file proof of claim covering such liability in the court in which such proceeding is pending. Such proof of claim should be filed whether the unpaid taxes involved have been assessed or not, except in cases where the instructions of the Commissioner direct otherwise; for example, where the payment of the taxes is secured by a sufficient bond. At the same time proof of claim is filed with the bankruptcy or receivership court, the district director will send notice and demand for payment to the taxpayer, together with a copy of such proof of claim.

(c) Under sections 3466 and 3467 of the Revised Statutes and section 64 of the Bankruptcy Act, taxes are entitled to the priority over other claims therein specified, and the trustee, receiver, debtor in possession, or other person designated as in control of the assets of the debtor by the court in which the proceeding under the Bankruptcy Act or receivership proceeding is pending, may be held personally liable for failure on his part to protect the priority of the Government respecting taxes of which he has notice. Sections 75 (l), 77 (e), 199, 337 (2), 455, and 659 (6) of the Bankruptcy Act (11 U. S. C. 203 (l), 205 (e), 599, 737 (2), 855, and 1059 (6)) also contain provisions with respect to the rights of the United States relative to priority of payment. For the filing of returns by a trustee in bankruptcy or by a receiver, see section 6012 (b) (3) and 28 U. S. C. 960. Bankruptcy courts have jurisdiction under the Bankruptcy Act to determine all disputes regarding the amount and validity of taxes claimed in a proceeding under the Bankruptcy Act. A proceeding under the Bankruptcy Act or receivership proceeding does not discharge any portion of a claim of the United States for taxes except in the case of a proceeding under section 77 or chapter X of the Bankruptcy Act. However, the claim may be settled or compromised as in other cases in court.

(d) For the requirement that a receiver, trustee in bankruptcy, or other like fiduciary give notice as to his qualification as such, see section 6036 and the regulations thereunder.

§ 301.6871 (b) *Statutory provisions; claims for income, estate, and gift taxes in bankruptcy and receivership proceedings.*

SEC. 6871. *Claims for income, estate, and gift taxes in bankruptcy and receivership proceedings.* * * *

(b) *Claim filed despite pendency of Tax Court proceedings.* In the case of a tax imposed by subtitle A or B claims for the deficiency and such interest, additional amounts, and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the bankruptcy or receivership proceeding is pending, despite the pendency of proceedings for the redetermination of the deficiency in pursuance of a petition to the Tax Court; but no petition for any such redetermination shall be filed with the Tax Court after the adjudication of bankruptcy, approval of the petition in any other bankruptcy proceeding, or the appointment of the receiver.

§ 301.6871 (b)–1 *Claims for income, estate, and gift taxes in proceedings under the Bankruptcy Act and receivership proceedings; claim filed despite pendency of Tax Court proceedings.* (a) If the district director has determined that a deficiency is due in respect of income, estate, or gift tax and the taxpayer has filed a petition with the Tax Court before the adjudication of bankruptcy in any liquidating proceeding or before the approval of a petition in any other proceeding under the Bankruptcy Act or before the appointment of a receiver, the trustee, receiver, debtor in possession, or other like fiduciary, may, upon his own motion, be made a party to the Tax Court proceeding and thereafter may prosecute the appeal before the Tax Court as to that particular determination. No petition shall be filed with the Tax Court for a redetermination of the deficiency after the adjudication of bankruptcy in a liquidating proceeding or after the approval of a petition in any other proceeding under the Bankruptcy Act or after the appointment of a receiver.

(b) Even though the determination of a deficiency is pending before the Tax Court for redetermination, proof of claim for the amount of such deficiency may be filed with the court in which the proceeding under the Bankruptcy Act or receivership proceeding is pending without awaiting final decision of the Tax Court. In case of a final decision of the Tax Court before the payment or the disallowance of the claim in the proceeding under the Bankruptcy Act or receivership proceeding, a copy of the Tax Court's decision may be filed by the district director with the court in which such proceeding is pending.

(c) While a district director is required by section 6871 (a) to make immediate assessment of any deficiency, such assessment is not made as a jeopardy assessment within the meaning of section 6861, and consequently the provisions of that section do not apply to any assessment made under section 6871. Therefore, the notice of deficiency provided in section 6861 (b) will not be mailed. Although such notice will not be issued, a letter will be sent to the taxpayer or to the trustee, receiver, debtor in possession, or other like fiduciary, notifying him in detail how the deficiency was computed, that he may furnish evidence showing wherein the deficiency is incorrect, and that upon request he will be granted a conference by the district director with respect to such deficiency. However, such letter will not provide for such a conference where a petition was filed with the Tax Court before the adjudication of bankruptcy in a liquidating proceeding, before the approval of a petition in any other proceeding under the Bankruptcy Act, or before the appointment of a receiver.

§ 301.6872 *Statutory provisions; suspension of period on assessment.*

SEC. 6872. *Suspension of period on assessment.* If the regulations issued pursuant to section 6036 require the giving of notice by any fiduciary in any proceeding under the Bankruptcy Act, or by a receiver in any other court proceeding, to the Secretary or his delegate of his qualification as such, the running of the period of limitations on the making of assessments shall be suspended for the period from the date of the institution of the proceeding to a date 30 days after the date upon which the notice from the receiver or other fiduciary is received by the Secretary or his delegate; but the suspension under this sentence shall in no case be for a period in excess of 2 years.

§ 301.6872–1 *Suspension of running of period of limitations on assessment.* If any fiduciary in any proceeding under the Bankruptcy Act (including a trustee, receiver, or debtor in possession) or a receiver in any other court proceeding is required, pursuant to section 6036, to give notice in writing to the district director of his qualification as such, then the running of the period of limitations on assessment shall be suspended from the date the proceeding is instituted to the date such notice is received by the district director, and for an additional 30 days thereafter. However, the suspension under this section of the running of the period of limitation on assessment shall in no case exceed 2 years.

§ 301.6873 *Statutory provisions; unpaid claims.*

SEC. 6873. *Unpaid claims*—(a) *General rule.* Any portion of a claim for taxes allowed in a receivership proceeding or any proceeding under the Bankruptcy Act which is unpaid shall be paid by the taxpayer upon notice and demand from the Secretary or his delegate after the termination of such proceeding.

(b) *Cross references.* (1) For suspension of running of period of limitations on collection, see section 6503 (b).

(2) For extension of time for payment, see section 6161 (c).

§ 301.6873–1 *Unpaid claims in bankruptcy or receivership proceedings.* (a) If any portion of the claim allowed by the court in a receivership proceeding, or in any proceeding under the Bankruptcy Act, remains unpaid after the termination of such proceeding, the district director will send notice and demand for payment thereof to the taxpayer. Such unpaid portion with interest as provided in section 6601 may be collected from the taxpayer by levy or proceeding in court within the period of limitation for collection after assessment. For the general rule as to such period of limitation, see section 6502, and for suspensions of the running of the period provided in section 6502, see, for example, section 6503. For suspensions under other provisions of

law, see, for example, section 11f of the Bankruptcy Act (11 U. S. C. 29 (f)). Extension of time for the payment of such unpaid amount may be granted in the same manner and subject to the same provisions and limitations as provided in section 6161 (c).

(b) Section 6873 is applicable only where a claim for taxes is allowed in a receivership proceeding or in a proceeding under the Bankruptcy Act. Claims for taxes, interest, additional amounts, or additions to the tax may be collectible in equity or under other provisions of law although no claim was allowed in the proceeding because, for example, such items were not included in a proof of claim filed in the proceeding or no proof of claim was filed. Except in the case of a proceeding under section 77 or chapter X of the Bankruptcy Act, a tax or a liability in respect thereof is not discharged by a proceeding under such act, whether or not a claim is filed in such proceeding, and provisions suspending the running of the period of limitation on the collection of taxes are applicable, whether or not a claim is filed in such proceeding.

GENERAL RULES

EFFECTIVE DATE AND RELATED PROVISIONS

§ 301.7851 *Statutory provisions; applicability of revenue laws.*

SEC. 7851. *Applicability of revenue laws*—(a) *General rules.* Except as otherwise provided in any section of this title—

* * * * *

(6) Subtitle F.

(A) *General rule.* The provisions of subtitle F [including chapter 70, relating to jeopardy, bankruptcy and receiverships] shall take effect on the day after the date of enactment of this title and shall be applicable with respect to any tax imposed by this title. * * *

* * * * *

[F. R. Doc. 56-9988; Filed, Dec. 5, 1956; 8:50 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 936]

FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

ORDER DIRECTING THAT A REFERENDUM BE CONDUCTED; DESIGNATION OF REFERENDUM AGENTS TO CONDUCT SUCH REFERENDUM; AND DETERMINATION OF REPRESENTATIVE PERIOD

Pursuant to the applicable provisions of Marketing Agreement No. 85, as amended, and Order No. 36, as amended (7 CFR Part 936), and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.), it is hereby directed that a referendum be conducted during the 2-month period of December 1956 and January 1957, among the producers who, during the current marketing season beginning on March 1, 1956 (which period is hereby determined to be a representative period for the purposes of such referendum), were engaged, in the State of California, in the production of any fruit (as such term is defined in the amended marketing agreement and order) for shipment in fresh form to determine whether such producers favor the termination of the said amended marketing agreement and order as to any one or more of the fruits covered thereby. Oscar H. Chapin and Harry J. Krade of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to perform, jointly or severally, the following functions in connection with the referendum:

(a) Conduct said referendum in the manner herein prescribed:

(1) By determining the time of commencement and termination of the period of the referendum, and by giving opportunity to each of the aforesaid producers to cast his ballot, in the manner herein authorized, relative to the aforesaid termination of the amended marketing agreement and order, on a copy of the appropriate ballot form. A cooperative association of such producers, bona fide engaged in marketing any such fruit or in rendering services for or advancing the interests of the producers of such fruits, may vote for the producers who are members of, stockholders in, or under contract with, such cooperative association (such vote to be cast on a copy of the appropriate ballot form); and the vote of such cooperative association shall be considered as the vote of such producers.

(2) By giving public notice, as prescribed in (a) (3) hereof, (i) of the time during which the referendum will be conducted, (ii) that any ballot may be cast by mail, and (iii) that all ballots so cast must be addressed to the Western Marketing Field Office, Fruit and Vegetable Division, Room 302, 701 K Street, Sacramento 14, California, and the time prior to which such ballots must be received at such office.

(3) By giving public notice (i) by utilizing available agencies of public information (without advertising expense), including both press and radio facilities in the State of California; (ii) by mailing a notice thereof (including a copy of the appropriate ballot form) to each such cooperative association and to each producer whose name and address are known; and (iii) by such other means as said referendum agents or any of them may deem advisable.

(4) By conducting meetings of producers and arranging for balloting at the meeting places, if said referendum agents or any of them determine that voting shall be at meetings. At each such meeting, balloting shall continue until all of the producers who are present, and who desire to do so, have had an opportunity to vote. Any producer may cast his ballot at any such meeting in lieu of voting by mail.

(5) By giving ballots to producers at the meeting, and receiving any ballots when they are cast.

(6) By securing the name and address of each person casting a ballot, and inquiring into the eligibility of such person to vote in the referendum.

(7) By giving public notice of the time and place of each meeting authorized hereunder by posting a notice thereof, at least two days in advance of each such meeting, at each such meeting place, and in two or more public places within the applicable area; and, so far as may be practicable, by giving additional notice in the manner prescribed in paragraph (a) (3) hereof.

(8) By appointing any persons deemed necessary or desirable, to assist the said referendum agents in performing their duties hereunder. Each such person so appointed shall serve without compensation and may be authorized, by the said referendum agents or any of them, to perform any or all of the functions set forth in paragraphs (a) (5), (6), (7) and (8) hereof (which, in the absence of such appointment of subagents, shall be performed by said referendum agents) in accordance with the requirements herein set forth; and shall forward to the Western Marketing Field Office, Fruit and Vegetable Division, Room 302, 701 K Street, Sacramento 14, California, immediately after the close of the referendum, the following:

(i) A register containing the name and address of each producer to whom a ballot form was given;

(ii) A register containing the name and address of each producer from whom an executed ballot was received;

(iii) All of the ballots received by the respective referendum agent in connection with the referendum, together with a certificate to the effect that the ballots forwarded are all of the ballots cast and which were received by the respective agent during the referendum period;

(iv) A statement showing when and where each notice of referendum posted by said agent was posted and, if the notice was mailed to producers, the mailing list showing the names and addresses to which the notice was mailed and the time of such mailing; and

(v) A detailed statement reciting the method used in giving publicity to such referendum.

(b) Upon receipt by the said Western Marketing Field Office of all ballots cast in accordance with the provisions hereof, Oscar H. Chapin, who is hereby designated as agent-in-charge, shall: (i) canvass the ballots and prepare and submit to the Secretary a detailed report covering the results of the referendum, the manner in which the referendum was conducted, the extent and kind of public notice given, and all other information pertinent to the full analysis of the referendum and its results; and (ii) forward such report, together with the ballots and other information and data, to the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

(c) Each referendum agent and appointee pursuant hereto shall not refuse to accept a ballot submitted or cast; but should they, or any of them, deem that a ballot should be challenged for any reason, or if such ballot is challenged by any other person, said agent or appointee shall endorse above his signature, on the back of said ballot, a statement that such ballot was challenged, by who challenged, and the reasons therefor; and the number of such challenged ballots shall be

stated when they are forwarded as provided herein.

(d) All ballots shall be treated as confidential.

The Director of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, is hereby authorized to prescribe additional instructions, not inconsistent with the provisions hereof, to govern the procedure to be followed by the said referendum agents and appointees in conducting said referendum.

Copies of the text of the aforesaid amended marketing agreement and order, and of this order, may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington 25, D. C., at the offices of the Field Representatives, Fruit and Vegetable Division, Agricultural Marketing Service, Room 302, 701 K Street, Sacramento, California, or at the office of the California Tree Fruit Agreement, 1515 Ninth Street, Sacramento, California.

Ballots to be cast in the referendum, and other necessary forms and instructions, may be obtained at said offices of the Field Representatives, or from any referendum agent or appointee hereunder.

(48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Dated: November 30, 1956.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 56-9970; Filed, Dec. 5, 1956; 8:46 a. m.]

[7 CFR Part 959]

IRISH POTATOES GROWN IN MODOC AND SISKIYOU COUNTIES, CALIF., AND IN ALL COUNTIES IN OREGON EXCEPT MALHEUR COUNTY

NOTICE OF PROPOSED EXPENSES AND RATE OF ASSESSMENT

Notice is hereby given that the Secretary of Agriculture is considering the approval of the expenses and rate of assessment hereinafter set forth, which were recommended by the Oregon-California Potato Committee, established pursuant to Marketing Agreement No. 114, as amended, and Order No. 59, as amended (7 CFR Part 959; 20 F. R. 7068), regulating the handling of Irish potatoes grown in Modoc and Siskiyou Counties in California and in all counties in Oregon except Malheur County, issued under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.).

Consideration will be given to any data, views, or arguments pertaining thereto, which are filed with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C., not later than 15 days following publication of this notice in the FEDERAL REGISTER. The proposals are as follows:

§ 959.209 *Expenses and rate of assessment.* (a) The reasonable expenses that are likely to be incurred by the Oregon-California Potato Committee, established pursuant to Marketing Agreement No. 114, as amended, and Order No. 59, as amended, to enable such committee to perform its functions pursuant to the provisions of aforesaid amended marketing agreement and order during the fiscal period ending June 30, 1957, will amount to $19,150.00.

(b) The rate of assessment to be paid by each handler, pursuant to Marketing Agreement No. 114, as amended, and Order No. 59, as amended, shall be three-eighths cent ($0.00375) per hundredweight of potatoes handled by him as the first handler thereof during said fiscal period.

(c) The terms used in this section shall have the same meaning as when used in Marketing Agreement No. 114, as amended, and Order No. 59, as amended (7 CFR Part 959; 20 F. R. 7068).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: November 30, 1956.

[SEAL] S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F. R. Doc. 56-9969; Filed, Dec. 5, 1956; 8:46 a. m.]

[7 CFR Part 962]

FRESH PEACHES GROWN IN GEORGIA

ORDER DIRECTING THAT A REFERENDUM BE CONDUCTED; DESIGNATION OF REFERENDUM AGENTS TO CONDUCT SUCH REFERENDUM; AND DETERMINATION OF REPRESENTATIVE PERIOD

Pursuant to the applicable provisions of Marketing Agreement No. 99, as amended, and Order No. 62, as amended (7 CFR Part 962), and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.), it is hereby directed that a referendum be conducted among the growers who, during the calendar year 1956 (which period is hereby determined to be a representative period for the purpose of such referendum), were engaged, in the State of Georgia, in the production of peaches for market to determine whether such growers favor the termination of the said amended marketing agreement and order. M. F. Miller and W. R. Cleveland of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to perform, jointly or severally, the following functions in connection with the referendum:

(a) Conduct said referendum in the manner herein prescribed:

(1) By giving opportunity to each of the aforesaid growers to cast his ballot, in the manner herein authorized, relative to the aforesaid termination of the amended marketing agreement and order, on a copy of the appropriate ballot form. A cooperative association of such growers, bona fide engaged in marketing fresh peaches grown in the State of Georgia or in rendering services for or advancing the interests of the growers of such peaches, may vote for the growers who are members of, stockholders in, or under contract with, such cooperative association (such vote to be cast on a copy of the appropriate ballot form), and the vote of such cooperative association shall be considered as the vote of such growers.

(2) By determining the time of commencement and termination of the period of the referendum and by giving public notice, as prescribed in (a) (3) hereof, (i) of the time during which the referendum will be conducted, (ii) that any ballot may be cast by mail, and (iii) that all ballots so cast must be addressed to the Fruit and Vegetable Division, Agricultural Marketing Service, P. O. Box 19, Lakeland, Florida, and the time prior to which such ballots must be postmarked.

(3) By giving public notice (i) by utilizing available agencies of public information (without advertising expense), including both press and radio facilities in the State of Georgia; (ii) by mailing a notice thereof (including a copy of the appropriate ballot form) to each such cooperative association and to each grower whose name and address are known; and (iii) by such other means as said referendum agents or any of them may deem advisable.

(4) By conducting meetings of growers and arranging for balloting at the meeting places, if said referendum agents or any of them determine that voting shall be at meetings. At each such meeting, balloting shall continue until all of the growers who are present, and who desire to do so, have had an opportunity to vote. Any grower may cast his ballot at any such meeting in lieu of voting by mail.

(5) By giving ballots to growers at the meeting; and receiving any ballots when they are cast.

(6) By securing the name and address of each person casting a ballot, and inquiring into the eligibility of such person to vote in the referendum.

(7) By giving public notice of the time and place of each meeting authorized hereunder by posting a notice thereof, at least two days in advance of each such meeting, at each such meeting place, and in two or more public places within the applicable area; and, so far as may be practicable, by giving additional notice in the manner prescribed in paragraph (a) (3) hereof.

(8) By appointing any county agricultural agent in the State of Georgia, and any other persons deemed necessary or desirable, to assist the said referendum agents in performing their duties hereunder. Each county agricultural agent and other person so appointed shall serve without compensation and may be authorized, by the said referendum agents or any of them, to perform any or all of the functions set forth in paragraphs (a) (5), (6), (7), and (8) hereof (which, in the absence of such appointment of subagents, shall be performed by said referendum agents) in accordance

with the requirements herein set forth; and shall forward to M. F. Miller, Field Representative, Fruit and Vegetable Division, Agricultural Marketing Service, P. O. Box 19, Lakeland, Florida, immediately after the close of the referendum, the following:

(i) A register containing the name and address of each grower to whom a ballot form was given;

(ii) A register containing the name and address of each grower from whom an executed ballot was received;

(iii) All of the ballots received by the respective referendum agent in connection with the referendum, together with a certificate to the effect that the ballots forwarded are all of the ballots cast and which were received by the respective agent during the referendum period;

(iv) A statement showing when and where each notice of referendum posted by said agent was posted and, if the notice was mailed to growers, the mailing list showing the names and addresses to which the notice was mailed, and the time of such mailing; and

(v) A detailed statement reciting the method used in giving publicity to such referendum.

(b) Upon receipt by M. F. Miller of all ballots cast in accordance with the provisions hereof, he shall canvass the ballots and prepare and submit to the Secretary a detailed report covering the results of the referendum, the manner in which the referendum was conducted, the extent and kind of public notice given, and all other information pertinent to the full analysis of the referendum and its results; and shall forward such report, together with the ballots and other information and data, to the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D. C.

(c) Each referendum agent and appointee pursuant hereto shall not refuse to accept a ballot submitted or cast; but should they, or any of them, deem that a ballot should be challenged for any reason, or if such ballot is challenged by any other person, said agent or appointee shall endorse above his signature, on the back of said ballot, a statement that such ballot was challenged, by whom challenged, and the reasons therefor; and the number of such challenged ballots shall be stated when they are forwarded as provided herein.

(d) All ballots shall be treated as confidential.

The Director of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, is hereby authorized to prescribe additional instructions, not inconsistent with the provisions hereof, to govern the procedure to be followed by the said referendum agents and appointees in conducting said referendum.

Copies of the text of aforesaid amended marketing agreement and order may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Washington, D. C., and at the Office of W. E. Leigh, Manager, Industry Committee, Georgia Peach Marketing Agreement and Order, currently at 2300 No. Slappey Drive, Albany, Georgia.

Ballots to be cast in the referendum may be obtained from any referendum agent, and any appointee hereunder.

Dated: November 30, 1956.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 56-9971; Filed, Dec. 5, 1956; 8:47 a. m.]

[7 CFR Part 1017]

[Docket No. AO 283]

ONIONS GROWN IN CERTAIN DESIGNATED COUNTIES IN IDAHO AND MALHEUR COUNTY, OREGON

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT NO. 130 AND ORDER NO. 117

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Caldwell, Idaho on June 20–21, 1956, pursuant to notice thereof which was published in the FEDERAL REGISTER (21 F. R. 3653) upon proposed Marketing Agreement No. 130 and proposed Order No. 117 regulating the handling of onions grown in Malheur County, Oregon, and in all counties south and southeast of the southern boundary of Idaho County in the State of Idaho.

Upon the basis of the evidence introduced at the aforesaid hearing and record thereof, the Deputy Administrator, Agricultural Marketing Service, on November 1, 1956, filed with the Hearing Clerk, United States Department of Agriculture, the recommended decision in this proceeding. The notice of the filing of such recommended decision affording opportunity to file written exception thereto was published November 6, 1956, in the FEDERAL REGISTER (21 F. R. 8493). No exceptions to the recommended decision were filed.

Material issues. The material issues presented on the record of the hearing are as follows:

(1) The existence of the right to exercise Federal jurisdiction;

(2) The need for the proposed regulatory program to effectuate the declared policy of the act;

(3) The definition of the commodity and determination of the production area to be affected by the proposed order;

(4) The identity of the persons and transactions to be regulated; and

(5) The specific terms and provisions of the proposed order including:

(a) Definitions of terms used therein which are necessary and incidental to attain the declared objectives of the act, and including all those set forth in the notice of hearing, among which are those applicable to the following additional terms and provisions;

(b) The establishment, maintenance, composition, powers, duties, and operation of a committee, which shall be the administrative agency for assisting the Secretary in administration of the program;

(c) The authority to incur expenses and to levy assessments on onions handled;

(d) The authority for the establishment of onion marketing research and development projects;

(e) The authority for limiting the grade, size, and quality of onions which may be handled under the proposed order;

(f) The method for fixing the size, capacity, weight, dimensions, or pack, of the containers which may be used in the packaging or handling of onions;

(g) The authority for the institution of so-called shipping holidays with respect to the handling of onions;

(h) The authority for establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity with respect to the onions that may be handled;

(i) The authority for establishing special regulations applicable to the handling of onions for specified purposes or to specified outlets under special regulations that are modifications of, or amendments to, grade, size, and quality regulations;

(j) The authority for the inspection and certification of onions handled pursuant to the proposed order;

(k) The establishment of reporting requirements for handlers;

(l) The requirement of compliance with all provisions of the proposed order and with regulations issued pursuant thereto; and

(m) Additional terms and conditions as set forth in §§ 1017.70 through 1017.73 and §§ 1017.82 through 1017.91 as published in the FEDERAL REGISTER (21 F. R. 3653) on May 29, 1956, which are common to marketing agreements and marketing orders.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence introduced at the hearing and the record thereof, are as follows:

(1) The major portion of the onions grown in the designated counties of Idaho and in Malheur County, Oregon, comprising the "production area" as set forth in the proposed order, enter fresh market channels, with the bulk of such movement going to destinations outside of the production area. Approximately 5,000 to 6,000 carloads of onions are shipped from this area each season between late July and early April.

Onion production from Malheur County, Oregon, in 1955, was 2,700,000 50-pound sacks; and in 1954 it was 3,224,000 50-pound sacks. Idaho production, which is practically all confined to the designated counties of Idaho in the production area of the proposed order, was 2,080,000 50-pound sacks in 1955; and 2,350,000 50-pound sacks in 1954.

The distribution of onions from the production area, also referred to herein as the Idaho-Eastern Oregon production area, is very widespread. For example, Exhibit No. 10, "Carlot Unloads of Cer-

tain Fruits and Vegetables in 100 United States Cities and 5 Canadian Cities for Calendar Year 1955," shows unloads of Idaho onions in 94 U. S. cities and in 5 Canadian cities. Also, unloads of Oregon onions, including onions grown in Malheur County, are listed for 92 U. S. cities and for 4 Canadian cities. The largest number of unloads in the order of volume were made in Los Angeles, New York, Chicago, Philadelphia, Seattle, Detroit, Boston, Cincinnati, Baltimore, and Pittsburgh. While the principal markets range generally east of the Rocky Mountains, through the midwestern, eastern, and southern parts of the United States, a substantial quantity of such onions moves to markets on the west coast. The usual trading areas in such onions outside of the continental United States are Canada, Alaska, Hawaii, the Philippines, Mexico, and Cuba.

The chief competition to such onions is from onions produced in Colorado, Utah, and Washington. These States also produce sweet Spanish onions—the same variety which is mainly grown in the Idaho-Eastern Oregon production area—as a major portion of their onion crops. Additional competition is felt from the northern Texas and California onion deals in years of carry-overs in such States. Also, whenever the eastern States, such as New York, have unusually large onion crops, some competition is present. As a consequence of excessive supplies of onions generally, prices received for Idaho-Eastern Oregon onions, as well as for other onions, tend to be depressed.

Local markets, in the States included in the production area, such as those in Portland, Oregon, and Boise, Idaho, receive onions from the Idaho portion, as well as from the Malheur County, Oregon, portion of the production area. Also, there is a direct relationship between prices received for onions grown in the Idaho-Eastern Oregon production area which are marketed within the production area and for those marketed outside the production area. The sale or transportation of onions grown in the Idaho-Eastern Oregon production area exerts a direct influence upon the sale and transportation of onions from other producing areas. While the major portions of the market for onions produced in this production area lie outside of the production area, markets within the production area provide opportunities for producers and shippers to affect sales there the same as markets outside of the production area. If onions marketed within the production area, or in portions of the States of Idaho or Oregon outside the area, are not subject to regulations under the proposed order and are selling at depressed prices, buyers would take advantage of the depressed situation in the States of the production area by offering similar low prices for onions for shipment to outside markets. Factors which influence the onion market within the production area are soon reflected in prices for onions at terminal markets; and, in turn, factors influencing prices in receiving markets are soon reflected in the production area. Prices for onions in Chicago, for example, affect prices of onions in Ontario, Oregon, and in Boise, Idaho (within the production area), and the reverse is also true. Therefore, the movement and sale of onions grown in the Idaho-Eastern Oregon production area, whether to a market within or outside of the production area, affects prices for all onions grown in such production area.

Production area onions that are shipped to a market within the production area are sometimes diverted to markets outside of the production area and vice versa. It is not always known at the time when onions are first shipped whether such onions will be marketed within the production area or at a point outside. Handlers generally have ready access to market price information; and on very short notice the shipper could promptly divert onions moving to a particular market (whether within or outside the production area) to some other market which offers a better return. Such diversions are common in the onion trade.

Onions grown in any portion of such production area and marketed or transported in either Idaho or Oregon at any given time compete with, and directly affect the price of, other onions from other portions of the production area similarly marketed at such time. For example, onions grown in the Idaho portion of the production area and sold within the State of Idaho are directly in competition with onions grown in Malheur County, Oregon, which are also sold in Idaho. Similarly, Malheur County onions sold within the State of Oregon directly compete with onions grown in the Idaho portion of the production area which are also sold in Oregon. It is essential, therefore, that the sale of all onions grown in the production area which are marketed within either of the States comprising a portion of such area be subject to regulation under the proposed order to effectuate the declared policy of the act.

As a consequence of the interdependence of the markets for onions, as indicated above, it is hereby found that all sale and movement of such onions grown in the production area are either in the current of interstate or foreign commerce or directly burden, obstruct, or affect such commerce. Therefore, all such movement and sale of onions grown in the production area should be subject to the authority of the act and of the proposed order.

(2) Prices for onions grown in Idaho-Eastern Oregon have fluctuated rather widely during the past several years, reflecting certain marketing conditions that have adversely affected producers' returns.

During the past ten years, from 1946 through 1955, the average farm price received for onions in the production area has exceeded the Idaho and Malheur County, Oregon, parity equivalent price in only three years. The average farm prices paid to growers in the production area per 50-lb. sack, during this ten year period, were consecutively as follows: $0.50, $1.41, $0.75, $0.91, $0.41, $0.99, $1.53, $0.33, $0.70, and $1.04. In 1950, and again in 1953, prices received by producers in this area were so low that they failed to return growing costs and many producers sustained losses which seriously jeopardized their financing of the following year's operation.

The following are the three major varieties of onions produced in the Idaho-Eastern Oregon production area: the yellow Sweet Spanish variety which accounts for the largest part of the crop; the white Sweet Spanish variety; and the white Globe variety. There are also several hybrid strains which fall within these varieties. More than half of the yellow Sweet Spanish are usually moved in jumbo sizes, that is, over three inches in diameter, and the balance are moved as mediums, between one and one half and three inches. Of the white Sweet Spanish variety, a smaller percentage moves as jumbos, and over half of this variety moves in sizes within the medium range. There is usually a price premium paid for the jumbo sizes, particularly for the yellow Sweet Spanish. But this varies from season to season in relation to the percentage of jumbos in a particular crop that is being marketed; e. g., when the supply of jumbos exceeds customers' orders for both jumbos and medium sizes the price premium for jumbos may be reduced. Producers' prices for the white Sweet Spanish variety are usually above the prices for the yellow Sweet Spanish variety.

It has been the practice of some producers and shippers in the production area to ship to fresh market any grades or sizes the trade would take. For instance, in periods of low prices when only top quality onions were shipped and acceptable, the poorer grades and sizes were accumulated on the warehouse floors. As soon as the prices improved, the poorer grades and sizes would be shipped to market in the expectation that such onions would command some of the improved prices. However, the availability or sale of such poor quality onions in competition with good quality onions in the terminal markets brought low prices returning little, if anything, to the producer and depressed the prices for the better quality onions.

Compulsory inspection of onions is a requirement of the State of Oregon. This State requires that onions shipped to market must grade a minimum of 85 percent U. S. No. 1 quality. Idaho does not require inspection of onions and has no minimum grade requirement. The result of this situation is that onions produced in Malheur County, Oregon, which do not meet the Oregon minimum grade requirements because of excessive decay are sometimes transported to Idaho where they are packed and shipped to market. The shipment to market of onions with excessive decay is one of the practices which has a depressing effect on the market prices for onions grown in the production area and which could be corrected by the proposed order.

Medium size onions in the yellow Sweet Spanish variety are quite often in excess supply both in terminal markets and in the production area as they are in direct competition with onions from other late producing areas. A substantial price disadvantage prevails at most times for the medium size onions of this variety. It

is especially important that the lower grades in this size of this variety be kept off the market in most years when the possibility of any net profit is remote.

Onions of lower grades include misshapen onions, seeders, doubles, splits, and lots containing excessive invisible decay, such as neck rot. It is a fact that shipment to market of such poor quality onions returns the producer very little. At the same time such poor quality onions displace good quality onions and adversely affect the price of better quality onions, especially since the demand for onions is relatively inelastic, that is, the demand for onions remains approximately the same regardless of price.

Witnesses stated that the shipment of very poor quality onions, including culls, i. e., seriously damaged onions which are normally dumped or given away for stock feed, is never in the interest of the producer or the consumer. Such onions do not give consumers proper value for their expenditures because of the large amount of waste and the time consumed in preparing them. Even when the seasonal average price is above parity it is not in the public interest to ship poor quality onions.

The record shows that efforts have been made by some individual producers and handlers, to market only good quality onions; but such limited efforts have not raised producers' prices appreciably because of the large quantity of poorer grades and sizes of onions generally marketed.

By having authority in the proposed order to regulate by grades, sizes, and quality, it will be possible to remove the lower grades, estimated at 15 to 20 percent of the average annual crop, and to permit the marketing of only the better quality onions, thereby establishing a reputation in the trade for consistently good quality onions from the production area. The withholding of poor grades and qualities, and undesirable sizes, of onions from markets also reduces the available supply of such onions. By reducing the quantity being marketed, as well as eliminating such grades, qualities, and sizes of onions which generally cause discounts from average price, producers' prices for onions should thereby be improved.

At times, especially during harvest, more onions are often graded and loaded into cars than can be sold at going prices; and these unsold cars, referred to as "rollers," are generally shipped to markets. This practice results in glutted supplies in markets, causing unduly depressed prices and extremely low returns to producers for their onions. It would be desirable, under such conditions, to stop all grading, packing, and loading in the production area for a few days, as specified in the "shipping holiday" provisions of the proposed order, so that onion supplies may become adjusted to demand.

The need for a marketing agreement and order program, such as the proposed order, to eliminate certain price depressing practices with respect to onions grown in the production area is clearly established in the record. The establishment of more orderly marketing conditions as may be brought about by marketing agreement and order regulations will tend to establish parity prices to producers for onions grown in the production area. Also, the exercise of the authority in the proposed order with respect to the establishment and maintenance in effect of minimum standards of quality, in terms of grades and sizes, together with grading and inspection requirements, when prices are above the parity level would tend to effectuate such orderly marketing of production area onions as will be in the public interest.

(3) Certain terms and provisions of the proposed order should be defined and explained for the purpose of designating specifically their applicability and limitations whenever they are used.

The term "onions" should be defined to specify the commodity covered by the proposed order and with respect to which the terms and provisions of the proposed order are applicable. The term "onions" has a specific meaning to all producers of the commodity in the Idaho-Eastern Oregon production area, and to sales managers and to other parties who purchase, ship, and distribute onions to, or in the receiving markets. Such term is so defined as to include all varieties of onions which are grown, as well as those which may be grown, within the production area. It includes such varieties as: Yellow and white Sweet Spanish; red, white, and yellow Globe; all hybrids; and all other varieties and variations of such varieties or any other variety that may be developed and produced at a later date within the production area.

A definition for the term "production area" should be incorporated in the proposed order so as to fix the area in which onions must be grown before the handling thereof is subject to regulation under the proposed order. Such term should be defined to include all territory within the boundaries of Malheur County, Oregon, and all territory in the State of Idaho that is within the boundaries of the counties south and southeast of the southern boundary of Idaho County. While commercial onion production within this production area is concentrated mostly in Southwestern Idaho and in Malheur County, Oregon, there is some commercial production in the Twin Falls area of Idaho. Also, onion production may be developed in any other part of the production area where growing conditions are suitable and economic conditions warrant. This is particularly true in that additional land is being brought under irrigation each year. The same varieties of onions are grown in Malheur County, Oregon, as are grown in the Idaho portion of the production area; and the onion markets for both portions are the same. To exclude any portion of the production area, as defined, would tend to defeat the purpose of the proposed order in that poor quality onions from a section outside the area could then be marketed free from regulations and thereby depress the price of the regulated onions. All territory included within the boundaries of the production area constitutes the smallest regional production area that is practicable, consistently with carrying out the declared policy of the act; and the production area, therefore, should be defined as hereinafter set forth.

(4) The term "handler" should be defined as being synonymous with "shipper" and to identify the persons who handle onions in the manner described and set forth in the definition of "handle," because such persons are to be subject to the proposed order and regulations authorized thereunder. A handler should include any individual, partnership, corporation, association, or any other business unit which handles onions. Such persons are responsible for the grade, size, quality, and maturity of the onions delivered to transportation agencies or which are transported to market or sold; and such persons should therefore be considered as handlers. However, common or contract carriers of onions they do not own should not be considered as handlers, even though they transport onions, for the reason that these agencies transport onions for a monetary consideration and do not have a proprietary or agency interest in the commodity or any control over the grade, size, and quality thereof.

The definition of the term "handler" should apply to any person, including a producer, when such person performs any handling activities within the scope of the term "handle." It should include not only the first handler, but each succeeding handler who performs any such handling activities, so as to assure that all such handling of onions will be in accordance with the proposed order and regulations thereunder. With respect to handlers who conduct their businesses other than as individuals (e. g., firms that have sales managers or packing house managers), any handling activities engaged in by employees or officers of such handlers should be construed as handling caused by the principal company, as "handler". Hence, the term "handler" would cover the owner of a firm, even though such person does not personally sell or transport the onions. Such term should also include, in addition to the owner and officers, any other individuals of a firm handling onions who, in a supervisory capacity, are directly responsible for, and consequently cause, the sale or transportation of the commodity. Therefore, a handler would mean any person (except a common or contract carrier of onions owned by another person) who handles onions or causes onions to be handled. In other words, the term "handler" should include not only persons who themselves sell or transport onions, but also those persons who, although they do not themselves sell or transport onions, nevertheless cause their sale or transportation. All persons coming within the meaning of such term should be responsible for complying with the obligations imposed by or pursuant to the proposed order so as to assure that all onions will be properly handled.

"Handle" and "ship" are synonyms. The term "handle" should be defined in the proposed order to determine the particular phases of onion marketing, including selling and transporting activities, which place the onions in commerce within the production area or between the production area and any point out-

side thereof. Handling (transporting or selling) of onions under the proposed order would begin after the harvest of onions and after they have been lifted and are on top of the ground, and include each of the successive selling or transporting activities with respect to such onions. The term "handle" should not be limited to any one action or function, but should include any and all such activities and functions. It is desirable and appropriate that the definition of "handle" should include each of the activities to the extent covered thereby so that each person who performs, or causes to be performed, any such activity with respect to onions would be responsible for seeing to it that the onions are handled in accordance with the proposed order.

The record shows that approximately ten percent of the onions grown in the production area are graded and packed in the field during the harvest season and are moved directly from the field where grown to markets within the production area and to markets outside thereof by the producers. Each such movement is a handling activity and, as such, makes the applicable producer a handler under the proposed order and subject to any rules and regulations pursuant thereto. Onions that are not so disposed of are generally hauled within the production area to storage or to a packing house for grading and packing. Such onions have not as yet been prepared for market by grading and packing and should, for that reason, be exempted from regulation at that time. After they are graded and packed, however, such onions should be handled in conformity to the proposed order, and each handler should be responsible for complying with the regulations thereunder. In other words, each person who is responsible for transporting or selling onions, and is not exempted under the proposed order, would have the responsibility for seeing to it that such onions are of the proper grade, size, and quality at the time of handling and have been inspected prior thereto.

Prior to placing onions in the channels of commerce, i. e., selling or transporting the onions, they are usually graded and packed. If the person handling the onions does not grade and pack such onions himself, it should be his responsibility to assure himself that the onions meet the grade, size, and quality regulations in effect.

Compliance with regulations which are authorized by the proposed order can readily be determined by the person who is grading or preparing such onions for market. The primary responsibility for the grade, size, and quality of the onions in any given unit, or any given lot, should rest with the person responsible for transporting or selling such onions, i. e., placing them in the channels of commerce. In most cases, such person will be the one who graded, or at least was responsible for grading or preparing, such onions for market. Of course, all subsequent handlers of such onions should also have the responsibility for the grade, size, and quality thereof at the time such persons handle the onions.

Some production area onions find outlets other than in fresh market channels, these being for the most part for commercial dehydration into dehydrated onion products. It was testified at the hearing that onions shipped to commercial dehydrators for dehydrating into dehydrated onion products should be excluded from regulation under the proposed order, except for safeguards. Onions sold to commercial dehydrators for processing into dehydrated onion products are an additional source of revenue to the producers and could well increase the over-all return for the onion crop grown in the production area. Since nearly all dehydration of production area onions is carried on in the production area, fairly close supervision of the movement and sale of such onions could be maintained by the committee without undue inconvenience or hardship. However, the committee should have the requisite authority to institute, with the approval of the Secretary, such safeguards as may be necessary to protect the fresh onion market from diversions thereto of onions which do not conform to those being handled in accordance with then current limitation of shipment regulations. Therefore, onions that are transported or sold under then effective safeguards either to commercial dehydrators for processing by such dehydrators into dehydrated onion products, or for canning or freezing, should not be considered as onions "handled," as such term is defined in the proposed order.

With the exception of the activities which are thus specifically exempted, all transportation and sales from the time the onions are harvested until they are disposed of within the production area by a person in his capacity as a retailer, or transported or sold to points outside the production area, should therefore be included within the definition of the term "handle."

(5) (a) The definition of "Secretary" in the proposed order should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all functions and duties imposed upon him by the law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

The definition of "act" provides the correct legal citation for the statute pursuant to which the proposed order is to be operative, and makes it unnecessary to refer to such citations thereafter.

The definition of "person" follows the definition of that term as set forth in the act, and will ensure that it will have the same meaning as used in the act.

A definition of "grading" should be included in the proposed order so as to identify those operations by which field-run onions are sorted or separated so that the onions which are to go to consumer markets will be separated from those which are considered generally unmarketable or marketable in different outlets. Grading is an operation which is common and customary to practically all onion marketing in the production area. The grading operation is usually a combination of mechanical and hand operations. A machine, called a grader, is usually used. The machine or grader usually is a combination of elevators, chains, and eliminators which sift the dirt from the onions. It is so set or arranged that the small or under-size onions drop through, and run off the the grader, usually at the side, on to a moving belt or rollers so that they can be run into a sack or other type of container. Onions which do not drop through the sizing equipment continue on through the machine to the picking table where men or women perform the hand work of picking out the poor quality or undesirable quality from the marketable onions. The onions are also separated, at this time, into grades such as U. S. No. 1 or U. S. No. 2. This is an operation by which the practiced eye examines the onions as they move along the belt or rollers, and the grader hand picks out of the onions as they move along, those onions which are below the quality permitted or desired in the various grades being packed.

There are variations in this process of grading, but the essential feature of the operation is the separation or sorting of field-run onions so that the onions which are not to go to market are removed from the onions which are going to market. The grading operation is closely tied in as part of the process of preparing the onions for market, and serves a specific purpose of making the onions more acceptable to the buyer. Grading is synonymous with "prepare for market."

Definitions of "grade" and "size" are incorporated in the proposed order to enable persons affected thereby to determine the extent, and application, of grade and size limitations thereunder. "Grade" is defined as any one or more of the established grades of onions as defined and set forth in the "United States Standards for Northern Grown Onions," issued by the United States Department of Agriculture, effective July 31, 1944, which standards were published in the FEDERAL REGISTER (21 F. R. 6251).

It was testified that in order to provide needed flexibility in prescribing grade requirement limitations, the definition of "grade" should not be restricted solely to the grades set forth in the foregoing United States Standards. Grades that are elsewhere described, such as in the "Oregon Standards for Onions and Onion Sets, 1940" and "Oregon Standards for Yellow Globe Danver Type Onions 1949," which are now in effect, or in future United States or Oregon or Idaho onion standards, or amendments thereto, or modifications or variations based thereon should also be available for use in describing grades of onions permitted to be handled under the proposed order.

The committee (herein described as the Idaho-Eastern Oregon Onion Committee) should have authority to recommend regulations by grade, in terms of one or more grades specified in the onion standards or based upon modifications or variations of grades set forth in such standards; and the Secretary should

have comparable latitude in issuing grade regulations. For example, the committee may recommend that regulations be issued to limit shipments of onions to those meeting a certain percentage of U. S. No. 1 quality. In this connection, references to sales of production area onions are at times in terms of 85 percent U. S. No. 1 quality. Also, the regulations might specify that shipments must meet a certain grade except for particular modifications for certain defects. The United States Standards and Oregon Standards for onions provide appropriate and commonly accepted bases for determining grades and they have been used as such for a number of years.

It is a common practice in the industry to refer to production area onions by size. "Size" should be defined in the proposed order as any of the sizes recognized by the trade or set forth in any United States, or Oregon or Idaho, Standards for onions, and as such standards may be modified or amended. Examples of sizes recognized by the trade are: "medium" size and "large" or "jumbo" size. Medium size onions, as recognized by the onion industry in the production area, refers to onions that range from a minimum diameter of 1½ inches or 2 inches to a 3 inch maximum diameter. Large or jumbo size onions are referred to as onions that have a diameter of not less than 3 inches. The diameter of the onion is measured as the greatest dimension at right angles to a straight line running from the stem to the root of the onion. Here, too, flexibility should be afforded in fixing the sizes of production area onions that may be handled whenever limitation of shipment regulations are in effect. Hence, the term "size" should be so defined as to enable the achievement of that goal.

"Producer" should be defined to indicate specifically those persons who have the right to vote for the producer nominees for membership on the committee. It is also desirable to define "producer" so that such persons may be distinguished from those who are defined as "handlers." The term "producer" should be defined to mean any person (i. e., individual, partnership, corporation, association, or any other business unit) who is engaged in a proprietary capacity in the production of onions within the production area and who is producing such onions for market. The term "producer" should include any individual who owns and farms land resulting in his ownership of onions produced thereon. A tenant or a landlord who rents a farm and owns all or a portion of the onions produced on the farm should be classified as a "producer." The term "producer" includes persons owning land which they do not farm but, as rental for such land, obtain the ownership of a portion of the onions produced thereon. The term "producer" should be limited to those who have an ownership interest in the onions produced. It should not include laborers or others who perform work for a fee or for hire in producing onions or persons who rent their farms for cash, for the reason that none of such persons has title to the onions thus produced.

"Committee" should be defined to mean the Idaho-Eastern Oregon Onion Committee, established pursuant to § 1017.20 of the proposed order. Such an administrative agency is authorized by section 8c (7) (C) of the act. This section of the act empowers the Secretary of Agriculture to select or provide a method of selecting an agency or agencies to administer a marketing order pursuant to the act. This definition identifies the agency which will be utilized by the Secretary in this particular case.

"Fiscal period" should be defined as set forth in the notice of hearing. It means a period of time beginning and ending on the dates approved by the Secretary pursuant to recommendations by the committee. No definite dates are set forth for such purpose in the proposed order so that the committee will have flexibility in its recommendations as to the beginning and ending dates of a particular fiscal period in the light of any changes in the production and shipping season that may take place in the future. At present, onion harvest and marketing generally start in August, with the shipping season extending into March and April of the following year. In the future, through the development of better strains and new varieties of onions, the harvest and shipment thereof may start earlier than August. Also, through improved and better storage facilities it may be possible to extend the shipping season to a date beyond April. The date marking the end of one fiscal period and the beginning of the next such period should fall at a time of little or no activity in the marketing of the then current onion crop and should allow sufficient time for the committee to organize and be prepared to function prior to the start of the next marketing season.

The term "variety" or "varieties" should be defined to include all classifications of onions which are commonly recognized by the trade and officially recognized by the United States Department of Agriculture. The common classifications of onions grown in the production area and usually recognized by growers and also by sellers and the buying trade are: white Sweet Spanish, white Globe, yellow Sweet Spanish, both open pollinated and hybrid strains, and yellow Globe and Southport Red Globe onions. Recognition of distinctions as between these varieties is common throughout the growing area and throughout the trade. Different prices are quoted at times for the different varieties of onions. Regulation may be desirable at different times for different varieties. It may be desirable, in proper situations, to have regulations in effect on the yellow Sweet Spanish onions with a different or no regulation applicable to the white Sweet Spanish onions, and possibly no regulation on any of the other varieties.

The definition makes distinctions between the red, yellow, and white varieties, for example, and serves as a basis for different regulations among the varieties. The definition of variety should also include any new classifications of onion varieties which are officially recognied by the United States Department of Agriculture.

"Export" should be defined in the proposed order as any shipment of onions beyond the boundaries of the continental United States. Shipments of onions to points outside of the continental United States whether such shipments are to a foreign country or elsewhere, are generally made, but the onions may be of different grades, sizes, or qualities than those shipped to domestic markets. This results from different market demands as between domestic and other markets. Further, different foreign markets may demand different grades, sizes, or qualities of onions. Different or special regulations, or even no regulations, could, therefore, be made effective when warranted, with respect to such shipments out of the United States.

"District" should be defined as set forth in the proposed order to provide a basis for the nomination and selection of committee members. The districts (i. e., the geographical divisions of the production areas as established and as set forth in the proposed order represent the best basis which could be devised at this time for providing a fair, adequate, and equitable representation on the committee. The provision for redistricting is desirable because it allows the committee and the Secretary to consider, from time to time, whether the basis for representation on the committee should be improved.

The term "pack" is commonly used throughout the onion trade and refers to a combination of factors relating to grade, size, type of container, and quantity of onions. For example, "85% U. S. No. 1 quality, 3 inches min., 50-lb. sacks," is considered by the onion trade as a specific pack. It was testified that the term "pack" should be defined in the proposed order as follows: "Pack" means a quantity of onions in any type of container and which falls within specific weight limits or within specific grade or size limits, or both, recommended by the committee and approved by the Secretary.

Under certain circumstances it may be desirable to regulate shipments of onions on the basis of the quantity of onions of particular grades and sizes which may be packed in containers; and the term "pack" will, by its definition enable the establishment of this type of regulation. Hence, the committee would be able to recommend, for example, that onions shipped in so-called consumer size containers of 5, 10, or 15 pounds, should be limited to a minimum size and a maximum size of a particular grade or quality of onions. It may also be desirable, in order to effectuate the declared policy of the act, to permit the shipment of 50-pound sacks of onions when the size limitation does not prescribe a maximum size. The shipping of large size onions in 50-pound sacks is customary in the onion trade and authority for such differentiation in regulations should be included in the proposed order.

The term "container" should be defined in the proposed order to mean a

sack, box, bag, crate, hamper, basket, carton, package, or any other type of receptacle used in the packaging, or transportation, sale, shipment, or other handling of onions. The definition of the term is needed to serve as a basis for differentiation among the various shipping receptacles in which onions are sold or move to market for which different regulation could be applicable.

(b) The proposed order should provide for the selection by the Secretary of an administrative committee, called the Idaho-Eastern Oregon Onion Committee, which shall have the responsibility for local administration of the proposed order. The act provides that marketing agreement and order programs be administered locally by agencies which are selected by the Secretary. The record shows that such a local administrative agency should be established which will be representative of the onion industry and responsible in the administration of the program. This committee should consist of ten members, with a like number of alternates, to provide adequate industry representation on the committee, and be authorized to recommend marketing regulations and to take care of other administrative responsibilities.

In order to assure that such committee will represent the onion industry in the production area, six of the ten members should be producers and four should be handlers. Although this is primarily a producers' program, restrictions under the proposed order will be at the handler level; and it is proper for handlers to have representation on the committee. The division of six producers and four handlers gives the majority membership to the producers. Handlers are usually closer to the marketing situation, and their advice and counsel should be available to the committee.

Provision should be made in the proposed order for an alternate for each member of the committee. Circumstances may arise when a member or members may be unable to attend particular meetings of the committee; and positions may become vacant because of resignations or for other reasons. In such situations it is desirable for an alternate to be available to serve in lieu of the absent member so that there will be no interruption of committee operations and to assure producers and handlers in all districts of the production area representation in the conduct of all committee business. Also, alternates could relieve members by performing other assigned tasks necessary for administration of the program. In order that the interests of all producers and handlers would be adequately considered at all times in the administration of the proposed order such alternates should have the same qualifications as members.

Seven of the ten members of the committee should constitute a quorum and seven concurring votes should be required to pass any motion or approve any committee action. Because of the importance of committee actions relative to operations under the proposed order, something more than a simple majority for concurrence should be required. This would result in greater assurance that action taken by the committee will reflect industry support (e. g., that of producers and handlers) than would otherwise be the case if approval of action was merely by a simple majority which could well be only by the producer members. Therefore, at least one handler member's concurrence in any such action should be provided.

The committee should be authorized to vote by telephone, telegraph, or other means of communication when the matter to be considered is of a routine nature and it would be unreasonable to call an assembled meeting, or when rapid action is necessary because of an emergency. Votes cast at other than an assembled meeting should always be confirmed promptly in writing so that the committee will have on file a record of the voting on all committee actions taken by this means. In case of an assembled meeting, however, all votes should be cast in person. This would insure that a person voting on a motion or any committee action will have had an opportunity to participate in the committee's deliberations, so as to hear both sides of the question before he casts his ballot. This will preclude the obtaining of telephone or other types of votes from members or alternates who did not participate in the assembled meeting deliberations.

The proposed order should provide that each committee producer member, and each alternate, selected to represent producers, should be an individual who is a producer, or an officer or employee of a producer, of onions in the district for which selected. A person with such qualifications should be intimately acquainted with the problems of producing or marketing onions grown in such district and should be able adequately to represent his district in committee deliberations. Also, each handler member and each alternate selected to represent handlers, should be an individual who is a handler of onions, or an officer or employee of a handler engaged in the handling of onions, in the portion of the production area of the particular State for which selected. Since some handlers handle onions in each of the districts in the production area, it is impractical to limit handler members to any one district or State. For this reason, the selection of one handler member from each of the two States and two handler members, from the production area at large, should give fair and adequate handler representation on the committee. For the same reason, the handler alternate members should be similarly selected. The geographical basis set forth in the proposed order for the selection of the committee membership is related to the acreage and production of onions within the production area so that such selection provides a practical and adequate basis for committee representation.

Each person selected by the Secretary as a committee member or alternate should qualify by filing with the Secretary a written acceptance of his willingness and intention to serve in such capacity. Such acceptance should be filed promptly after notification of appointment so that the composition of the committee will not be unduly delayed. This requirement is also necessary so that the Secretary may be in a position to promptly select some other eligible person to serve as a member or alternate in the event the initially selected member or alternate fails to indicate his willingness and intention to serve on the committee.

The term of office of committee members and alternates under the proposed program should be for two years beginning on the first day of June and continuing until May 31. This will establish an orderly procedure for changing the membership of the committee. The term of office should be for two years so that members and alternates will have adequate time to familiarize themselves with the operation of the program and thus be in a position to render the most effective service assisting the Secretary to carry out the declared policy of the act. The beginning of each term of office will occur during a period prior to the commencement of a marketing season and hence allow adequate time for the committee to organize and start operating.

Provision is made in the proposed order for staggered terms of office of committee members and alternates. Under this provision one-half of the committee in office on May 31 of each year will continue in office until the next year. The establishment of such staggered terms will provide for more efficient administration of the program in that members and alternates constituting the new half of the committee membership will benefit from the guidance of experienced members who carry over. The experienced members will help insure continuity of the policies and procedures relating to the administration of the proposed order; and continuity will furnish an essential ingredient in the successful administration of the marketing program. However, the terms of office of one-half of the initial committee members and alternates should be from the time of appointment until the following May 31 and of the other half from the time of appointment until the second following May 31. Committee members and alternates should serve during the term of office for which selected, and until their successors are selected and have qualified to insure continuity of committee operations.

The committee should be given those specific powers which are set forth in section 8c (7) (C) of the act because such powers are authorized to be granted by the enabling statutory authority. They are common to marketing agreements and marketing orders operating under the act and necessary so that an agency of the character set forth in the proposed order can function.

The duties set forth in the proposed order for the committee are generally similar to those specified for administrative agencies under other marketing agreements and marketing orders of this character. These duties should enable the committee, and its members and alternates, to undertake and perform such activities as may be necessary for the committee to carry out its prescribed responsibilities. Such committee duties are necessary for the discharge of this administrative agency's responsibilities.

It should be recognized, however, that specified duties are not necessarily all inclusive, in that there may be other duties which are incidental to and not inconsistent with the terms and conditions of the proposed order which the committee may need to perform in connection with its operations thereunder.

It is appropriate that the members and alternates of the Idaho-Eastern Oregon Onion Committee may receive compensation for the time spent in attending committee meetings. The proposed order authorizes a maximum of $10.00 per day for this purpose, since the time so spent is usually at financial sacrifice to their personal businesses. While the payment of an amount not to exceed $10.00 per day will not in most cases fully compensate for the time such members and alternates spend away from their personal businesses, there are producers and handlers in the production area who are willing to represent the industry by serving on the committee regardless of the personal sacrifice involved. The proposed order should also provide for reimbursement of actual out-of-pocket reasonable expenses incurred on committee business since it would be unfair to request the members and alternates to pay for such expenses incurred in the interest of all onion producers and handlers in the production area.

In order for an alternate to adequately represent his district at any committee meeting in place of an absent member, it may be desirable that he should have attended previous meetings, along with the member so as to have a full understanding of all background discussions leading up to action that may be taken at the meeting. Also, an alternate may, in future years, be selected as a member on the committee; and to this extent, attendance at meetings by alternate members could be helpful. Although only committee members, and alternates acting as members, have authority to vote on actions taken by the committee, it is often important for the committee to obtain as wide a representation as practical of producer and handler attitudes toward a proposed regulation or other matter. Therefore, the proposed order should provide that the committee, at its discretion, may request the attendance of alternate members at any or all meetings, notwithstanding the expected or actual presence of the respective members, when a situation so warrants. The same compensation and reimbursement that is available to members should also be made available to alternate members when they are so requested to attend such meetings as alternates.

Districts are established in the proposed order to provide a geographical basis for the selection of committee producer members. For this purpose, the production area has been divided into six districts, three in Malheur County, Oregon, and three in the Idaho portion of the production area. This is a usual division of the onion industry in the respective State portions of the production area. The six districts set forth in the proposed order are commonly referred to by onion producers and handlers in connection with their deliberations on local onion problems. The establishment of districts in terms of these commonly accepted divisions also reflects generally recognized geographical divisions of the production area at the present time. Although acreage devoted to onions is not the same in each district it is believed that, for the foregoing reasons, the division of the production area into the six districts, as set forth in the proposed order, provides the most equitable and appropriate basis for the selection of producer members on the committee. In addition, the groupings of three districts each for the Oregon and Idaho portions of the production area are appropriately designated for the selection of individual handler members to represent such groups. A provision for redistricting is necessary so as to enable the committee and the Secretary to consider from time to time whether the basis for representation has changed or could be improved and how such improvement should be made. The shifts or other changes which may take place in the future in the development of new acreage within the production area cannot be foreseen at the present time. Therefore, it is desirable to provide flexibility of operation so that if it should be in the best interests of the administration of the proposed order to change the boundaries of some districts or to change the representation of some districts, the committee may so recommend, and the Secretary take, such action.

The guides and limitations set forth in the proposed order which the committee and the Secretary should keep in mind in considering redistricting are appropriate and desirable points of reference that relate directly to the welfare of onion producers and handlers in the production area. The committee's recommendation for redistricting, or reapportionment of membership, should be made sufficiently well in advance of the time when any such change would affect membership on the committee so that changes can be properly effected by the Secretary and with the least possible inconvenience to all concerned.

It is recognized that the Secretary has the legal authority and responsibility for the selection of the members and alternates on the committee. It is also recognized that the industry bears a heavy responsibility for recommending appropriate nominees to the Secretary so that he may make his selection from such nominees or other eligible persons. The proposed order should provide a means so that the views of the industry can be made known to the Secretary with respect to its recommended selection of members and alternates.

The provisions for presenting nominees to the Secretary for membership on the committee, as outlined in the proposed order, are proper. A separate meeting or meetings of producers and handlers should be held in each district, or each State, as the case may be, to nominate the members and alternates who may be selected to serve on the committee. This would provide a suitable means whereby the views of the industry could be made known. Nomination meetings for members and alternates to serve on the committee should be called by the then current committee, except with respect to the selection of the initial committee membership. Since the membership of the committee will not have been selected by the time the proposed order becomes effective, the Secretary should have the authority to call such initial meetings. The responsibility for calling subsequent nomination meetings should rest with the committee as one of its administrative duties. The committee may work with other organizations or agencies, such as the field office of the Fruit and Vegetable Division of the United States Department of Agriculture or grower and shipper associations, in conducting such nomination meetings. These meetings could, for example, be held at the same time when the associations are conducting their annual or other meetings. This timing could tend to assure maximum attendance of onion producers and handlers.

The committee should be required to hold such meetings for the nomination of successor members and alternates not later than April 1 of each year. Inasmuch as the term of office for committee members and alternates begins June 1 and ends on May 31, these nomination meetings should be held in sufficient time to assure that nominatoins for such members and alternates will be before the Secretary well in advance of the time for him to select members and alternates prior to the beginning of each new term of office. Nominee lists should be supplied to the Secretary in the manner and form prescribed by him so that the Secretary may obtain full and complete reports on nomination meetings.

The proposed order provides that only producers shall participate in designating nominees for producer members and alternates and only handlers shall participate in designating nominees for handler members and their alternates. This is necessary to insure that the interests of each group are properly safeguarded and that the nominees truly reflect the choices of each group. If a person is both a producer and a handler he may vote either as a producer or as a handler by selecting the group with which he wishes to participate. Such persons may not vote both as a producer and a handler because to do so would enable him to participate in nominations to a greater degree than persons who are only producers or only handlers.

Each producer and handler should be limited to one vote on behalf of himself, his partners, agents, subsidiaries, affiliates, and representatives, in designating nominees for committee members and alternates regardless of the number of districts in which he produces or handles onions. Voting on any other basis would not provide equitable participaiton or representation. If a producer or handler could cast more than one vote by reason of operating in more than one district, such producer or handler would have an advantage in selecting nominees over producers or handlers operating in only one district. Also, if more than one vote was permitted, large producers or handlers could dominate the elections by means of their partners, agents, subsidiaries, affiliates, and representatives,

and nominate the producers and handlers not favored by a majority of producers or of handlers.

An eligible producer or handler's privilege of casting only one vote should, however, be construed to mean that one vote may be cast for each applicable position to be filled.

A producer who operates in more than one district should be permitted to select from among the districts in which he produces onions the district in which he will vote. He will thus be able to cast his vote for nominees for a committee member and alternate where he believes his best interest lies. Similarly, a handler who operates both in Malheur County, Oregon, and in the Idaho portion of the production area, should be permitted to select either one of such portions of the production area in which to cast his votes for committee handler members and alternates. In addition, such handler should also be entitled to cast one vote for nominees to serve on the committee as handler member, or alternate, from the production area-at-large.

In order that there will be an administrative agency in existence at all times to administer the proposed order, the Secretary should be authorized to select committee members and alternates without regard to nomination if, for any reason, nominations are not submitted to him in conformance with the procedure prescribed therein. Such selection should, of course, be on the basis of the representation provided in the proposed order so that the composition of the committee will at all times continue as prescribed therein.

It is also desirable and necessary that the Secretary should be authorized to fill committee vacancies that occur during a term of office without regard to nominations, if the names of nominees to fill any such vacancy are not submitted to the Secretary within 30 days after such vacancy occurs. This is necessary in order to insure that all portions of the production area are adequately represented in the conduct of committee business.

(c) The committee should be authorized to incur such expenses as the Secretary finds are reasonable and likely to be incurred by it incident to the proper administration of the proposed order. Authorized expenses should include such items as salaries for the committee manager, clerical help and field personnel, office equipment, supplies and maintenance, and expenses and compensation for committee members. Expenses may also include the initiation and carrying on of such authorized marketing research and development projects as are designed to assist, improve or promote the marketing, distribution and consumption of onions. However, such expenses should not be used for other industry programs such as advertising.

Expenses incurred by the committee in operating the proposed order must, under the act, be borne by handlers. The most practical way of distributing the costs of the program among handlers is to require each handler who first handles onions to pay his pro rata share of such expenses on the basis of the ratio of his total onion shipments inspected under the proposed order, as the first handler thereof, to the total of such onion shipments by all such handlers, during a particular fiscal period. According to the record, a large percentage of production area onions are inspected by the Federal-State Inspection Service serving that area and, in most cases, the person who first shipped the onions also applied for inspection; and generally such person is the only handler of the onions. In addition, such person is the one who started the commodity on its way to commercial fresh market channels. Therefore, such person, i. e., the first handler, should be the person who is to pay the assessment. For onions which are not so inspected, the handler responsible for the assessment should continue to be the handler who first handles the onions and should be so designated by the committee. The requirement that first handlers pay assessments will preclude multiple assessments on onions that are handled more than once; and handlers will be able to arrange their operations accordingly.

The committee should be required to prepare a budget at the beginning of each fiscal period, and as often as may be necessary thereafter, showing estimates of income and expenditures necessary for the administration of the proposed order for such period. Each such budget should be presented to the Secretary with an analysis of its components and explanation thereof in the form of a report on such budget. It is desirable that the committee should recommend a rate of assessment to the Secretary which should be designed to bring in during each fiscal period sufficient income to cover authorized expenses incurred by the committee.

The rate of assessment should be established by the Secretary on the basis of the committee's recommendation, or other available information, so as to assure the imposition of such assessments as are consistent with the act. Such rate should be fixed on a fair and equitable unit basis, such as a container, carload, truckload, or other quantity measurement.

Each handler, therefore, who ships onions as the first handler thereof should pay assessments to the committee upon demand, which assessments shall be in payment of such handler's pro rata share of the program's expenses, so that the committee may have adequate funds to carry on its operations on a current basis.

Should developments indicate that assessments collected, or to be collected, during any fiscal period will not provide sufficient income to cover committee expenses, the committee should be authorized to recommend that the Secretary approve an amended budget and fix an increased rate of assessment to balance necessary committee expenses and revenue. Upon the basis of such recommendations, or other available information, the Secretary should be authorized to approve an amended budget and, if he finds that the then current rate of assessment is insufficient to cover committee administration of the proposed order, he should be authorized to increase the rate of assessment. Such increased rate should apply to all inspected onions handled under the proposed order, including those previously handled, by first handlers during the specified fiscal period so as to avoid inequities among handlers.

Handlers should be entitled to a proportionate refund of any excess assessments which remain at the end of a fiscal period. Such refund should be credited to each such handler against the operations of the following fiscal period so as to provide the committee with operating funds prior to the start of the ensuing shipping season. However, if a handler should demand payment of any such credit, the proportionate refund should be paid to him.

Funds received by the committee pursuant to the levying of assessments should be used solely for the purposes of the proposed order. The committee should be required, as a matter of good business practice, to maintain books and records clearly reflecting the true, up-to-date operation of its affairs so that its administration could be subject to inspection at any time by the Secretary. The committee should provide the Secretary with periodic reports at appropriate times, such as at the end of each marketing season or at such other times as may be necessary, to enable him to maintain appropriate supervision and control over the committee's activities and operations. Each member and each alternate, as well as employees, agents, or other persons working for or on behalf of the committee, should be required to account for all receipts and disbursements, funds, property, and records for which they are responsible, should the Secretary at any time ask for such an accounting. Also, whenever any person ceases to be a member or alternate of the committee, he should similarly be required to account for all funds, property, and other committee assets for which he is responsible and to deliver such funds, property, and other assets to such successor as the Secretary may designate. Such person should also be required to execute assignments and such other instruments which may be appropriate to vest in the successor the right to all such funds and property and all claims vested in such person. This is a matter of good business practice.

If the committee were to recommend that the operation of the proposed order should be suspended, or if no regulation should be in effect for a part or all of a marketing season, the committee should be authorized to recommend as a practical measure that one or more of its members, or any other person, should be designated by the Secretary to act as a trustee or trustees during such period with respect to the committee's records, funds, and other property. This provides a feasible means whereby the committee's business affairs may be taken care of during periods of relative inactivity with a minimum of expense and inconvenience to the industry and to the Secretary.

When the committee is required to wind up its affairs, upon termination of the proposed order, considerable expenses may be involved in the liquidation process. It is appropriate, therefore, in order to meet the expenses of such liquidation that some of the funds remaining

at the end of a fiscal period, which are in excess of those necessary for payment of expenditures during such period, should be carried over into subsequent fiscal periods as a reserve for possible liquidation. Such reserve should be maintained for the purpose of helping to cover the expenses of such liquidation in the event the proposed order is terminated and would, to the extent practical, spread the cost of liquidation on an equitable basis among handlers during the entire period the program is in effect. However, any funds not required for such liquidation should, to the extent practical, be returned on a pro rata basis to all persons who contributed to the reserve.

(d) It was testified that the onion industry wishes to avail itself of the opportunity granted by recent amendments to the act which permit the establishment or provisions for establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of onions. Such authorization should be included in the proposed order.

Through the medium of research investigation, the committee could be able to assemble and evaluate data on growing, harvesting, shipping, marketing, and other factors with respect to onions which would be of value in determining what regulations could be established, in accordance with the act and the proposed order, for the benefit of the onion industry in the production area. As the committee becomes more aware of the value and need for marketing research and development, other projects will undoubtedly be initiated, the need for which may not have been foreseen during the course of the hearing.

The committee should be empowered to engage in such projects (except advertising projects which are not permitted by the act), to spend assessment funds for them, and to consult and cooperate with appropriate agencies with regard to their establishment. The committee may be limited by the lack of facilities and trained technicians in carrying out any such projects; and it should be authorized to enter into contracts for their development with qualified agencies, such as State universities, and public and private agencies.

Prior to engaging in any such activities, the committee should of course submit to the Secretary for his approval the plans for each project. Such plans should set forth the details, including the cost and the objectives to be accomplished, so as to insure, among other things, that the projects are within the purview of the act. The cost of any such project should be included in the budget for approval and such cost should be defrayed by the use of assessment funds as authorized by the act.

(e) The declared policy of the act is to establish and maintain such orderly marketing conditions for onions, among other commodities, as will tend to establish parity prices therefor, and to establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements as will be in the public interest. The regulation of onion shipments by grade, size, or quality, or any combination thereof, as authorized in the proposed order, provides a means of carrying out such policy.

The procedures and methods which are outlined in the proposed order for the development of marketing policies provide a practical basis for the committee to obtain appropriate and adequate information relating to onion marketing problems. As a prerequisite to making recommendations with respect to limitations of shipments in accordance with the proposed order, the committee should be required to consider and develop a marketing policy for the handling of onions.

A marketing policy should set forth the over-all plan of the committee for the orderly marketing of onions grown in the production area during the ensuing season, including, to the extent practical, the kinds of regulations that may be desirable. Such marketing policy should be made available to the Secretary and to producers and handlers prior to the beginning of each marketing season. It would thus enable growers and handlers to plan their operations in the light of the committee's marketing policy and the kinds of regulations that may become effective under the proposed order. It would also provide the Secretary with helpful information which should facilitate his consideration and appraisal of the recommendations of the committee for marketing regulations.

The factors set forth in the proposed order which the committee should take into consideration in developing its marketing policy are the factors usually taken into account by growers and handlers in their day-to-day, as well as seasonal, evaluations of the market outlook with respect to onions and provide a practical basis for the committee to obtain appropriate and adequate information relating to onion marketing problems.

In order that the Secretary may effectively carry out his responsibilities in connection with the proposed order, the committee should prepare, and submit to the Secretary, a report on its proposed marketing policy and, as thereafter warranted, amendments thereto, relating to the marketing of onions during such season.

Under certain conditions, the committee may be able to indicate, in its marketing policy, that it intends to recommend such regulations as may be necessary to prevent onions of certain qualities and sizes from entering fresh market channels. The marketing policy could also indicate such limitations as would regulate the grade and size of onions so as to bring to producers improved returns consistent with supply and demand, and to protect the interest of consumers by supplying a better quality and size of onions. In developing a marketing policy, the committee should investigate and give consideration to the then current, as well as anticipated, market prices of onions, including prices by variety, grade, size, and quality for different packs and for different types of containers, and to the volume of onions expected to be sold; also estimates by districts, in the production area, of the available supply of onions by varieties, and by grade, size, and quality; estimated shipments from competing areas; estimated supplies of competing commodities; and estimated harvesting and marketing costs for onions grown in the production area. The committee should, in addition, take into consideration the volume of onions moving from competing areas in determining to what extent regulations should be imposed and to what extent the market may react if the quantity of production area onions that is permitted to be handled is reduced by grade, size, and quality regulations. Also, other factors which may have an influence on the market price for onions, such as the trend and level of consumer income, should be considered by the committee.

The committee's marketing policy should be written in report form and should include not only the committee's proposals for the marketing season and why it has arrived at such conclusions, but also appropriate statistical data and other facts which it considered in arriving at the recommendations. Such report should be as complete as possible so that the Secretary and the industry may know what considerations were involved in the preparation of the marketing policy.

The initial marketing policy forwarded at the beginning of each season by the committee should be prepared and submitted to the Secretary prior to or simultaneous with recommendations for regulations. This should give all interested parties the maximum notice of probable regulations. Reports on marketing policies recommended by the committee should be submitted to the Secretary and made available to producers and handlers in the production area as a means of keeping them informed.

It is essential that the committee should be able to change its marketing policy as conditions and facts may warrant. This flexibility should tend to assure that the marketing policy for a particular season will be as up-to-date as possible. Onions are sensitive to weather conditions. If cold or wet weather, or both, should adversely affect the supply or quality of onions, the committee should be in a position to evaluate such facts as they may affect the supply and, in turn, the prices which growers may receive for their onion crop. If the committee finds it desirable and necessary to change its marketing policy, a revised or new marketing policy and report should be prepared by the committee and made available to producers and handlers and the Secretary. The committee should give the same publicity to each revised or new policy report as is given with respect to each initial report for a marketing season.

The Idaho-Eastern Oregon Onion Committee should, as the local administrative agency under the proposed order, be authorized to recommend such grade, size, and quality regulations, as well as any other regulations and amendments

thereto authorized by the proposed order, as will tend to effectuate the declared policy of the act. It is the key to successful operation of the proposed marketing program that the committee should have such responsibility. The Secretary should look to the committee, as the agency reflecting the thinking of the industry, for its views and recommendations, for promoting more orderly marketing conditions and increased growers' returns for production area onions. The committee should, therefore, have authority to recommend such regulations as are authorized by the proposed order whenever such regulations will, in the judgment of the committee, tend to promote more orderly marketing conditions and effectuate the declared policy of the act.

When conditions change so that the then current regulations do not appear to the committee to be carrying out the declared policy of the act, the committee should have the authority to recommend the suspension or termination of such regulations, as the situation warrants.

The proposed order authorizes the Secretary, on the basis of committee recommendations or other available information, to issue various grade, size, quality, and other appropriate regulations which are necessary for the improvement of growers' returns and for the development of more orderly marketing conditions for production area onions. The Secretary should not be precluded from using such information as he may have, and which may or may not be available to the committee for consideration, in issuing such regulations, or amendments or modifications thereof, as may be necessary to effectuate the declared policy of the act. Also, when he determines that any regulation does not tend to effectuate such policy, he should have authority to suspend or terminate the regulation.

The grade, size, and quality of onions which are shipped at any particular time have a direct effect on returns to growers. It is a fact that poorer grades, and less desirable sizes, of onions marketed return lower prices than do better grades and sizes. It was testified that in some years the price generally received for U. S. No. 2 grade onions was only slightly more than the cost of packing, with little or no return to the grower to cover his costs of production and harvesting. A restriction, under the proposed order, of the shipment of onions of such low grade could result in higher returns for the better grades marketed by eliminating the price depressing effect of poor quality onions.

Excessive supplies of medium size onions of the yellow Sweet Spanish variety are quite often difficult to dispose of at a profitable return to the growers, especially because of the usual higher price differential in favor of the larger sizes. It would, therefore, be necessary that the lower grades and smaller size of this variety be kept off the market under such circumstances. Since size is such an important price factor in the marketing of onions, it is proper that the proposed order should include authority for the issuance of minimum size, maximum size, or a combination of both, when setting up regulations for the handling of onions.

Barring unforseen decreases in onion production, there is generally a sufficient volume of onions harvested in the production area so that the shipment of only the better grades, sizes, and qualities of onions to the fresh market could fill market demands. It is important, therefore, that the proposed order should provide authority for the committee to recommend, and the Secretary to issue, regulations governing the handling of onions so that only such grades, sizes, and qualities of onions may be shipped as could improve growers' returns and, at the same time, make available to consumers acceptable quality onions. Maturity is a factor of grade and, as such, would be included within the authority to regulate by grades. Due to the fact that conditions such as price, supply, and demand vary greatly with different varieties of onions, the authority should be flexible in order to permit different grade and size regulations by different varieties and also during any period.

It was testified at the hearing that onions produced in the production area are grown either from seed or as so-called transplanted onions. The latter onions are initially grown from seed for several months and later transplanted. Such transplanting usually occurs in the production area during the early spring about the same time as onion seeds are planted. The transplanted onions thus have an earlier harvesting time than onions grown from seed without subsequent transplanting. Generally, transplanted onions are marketed immediately after harvesting. This occurs during July and August and takes place much earlier than the harvest time of the bulk of production area onions. Most of these transplants contain a large percentage of seedstems or seeders (i. e., onions containing a seed stalk); and certain of these defects in any lot of onions to be inspected and certified under the United States Standards for Northern Grown Onions could prevent the onions from meeting the requirements of the U. S. grades. However, such condition does not adversely affect the demand for these onions when they are moved promptly into the market for fresh use following the harvest. Such onions usually command a premium price. It is, therefore, appropriate for the proposed order to contain authority whereby onions of such qualities could be permitted to be handled under a qualified grade and size requirement consonant with the supply and market demand. Hence, since the earliest shipments of onions during a marketing season nearly always are comprised of transplanted onions only, the initial regulation for the season, if one is to be made effective, could well be fixed at a level that would authorize the shipment of such grades, sizes, and qualities as could meet the market needs. As the season progresses, and the bulk of the onions grown directly from seed planted in the production area become available for marketing, the regulation could be amended, or terminated, as the situation may warrant, and be replaced by an amendment to the regulation or by a new regulation. In this way the degree and extent of regulation for a particular period of the marketing season could be so established as to tend to effectuate the declared policy of the act with respect to production area onions. Similarly, during remaining portions of the season, situations could arise which may require further consideration, and issuance if necessary, of additional amendments or new regulations. The proposed order should contain the requisite authority to accomplish these ends.

Adverse weather conditions may occur during a crop year in one portion of the production area and not in other portions of such area. This possibility is particularly true with respect to such hazards as hail, wind, and violent rain storms, all of which are beyond the control or reasonable expectation of onion growers. Because of these circumstances, and in order to provide equity among producers and handlers, authority should be provided in the proposed order to permit regulation in any or all portions of the production area, as well as differently for different portions of the production area, of onions handled thereunder. It is contemplated, however, that notwithstanding any relaxation of regulations for an adversely affected portion of the production area onions of the best quality available would be handled. The authority for such different regulations for onions grown in different portions of the production area would, and it was so urged at the hearing, adequately protect the equities of individual producers whose onions were damaged as a result of the adverse weather conditions. For this reason, it was not considered necessary that the proposed order contain any special provisions for granting exemptions to producers or handlers in hardship cases.

The proposed order should contain authority to regulate differently for different packs. This would assist the onion industry in the production area in its merchandising efforts to provide the most acceptable packs to enhance its reputation in the trade. It is a usual practice in the production area to prepare specific packs of onions for market. One such common pack is referred to as: 85% U. S. No. 1, 3 inch min., 50-lb. sacks. The onions in this pack are generally large, and packed to a minimum size with no maximum size limitation. Onions packed in the smaller, so-called consumer size packages such as those containing 5, 10, or 15 pounds are usually limited to onions ranging in size from 2 to 3 inches in diameter of a particular grade and quality. Onions sold for export shipment are sometimes packed in different containers and may be of different sizes and grades than onions shipped to the domestic trade.

Under certain circumstances it may be desirable to regulate shipments of onions differently for containers of different capacities on the basis of the particular grades and sizes which may be packed in such containers. Authority for such flexibility in regulations, included in the proposed order, would tend to effectuate the declared policy of the act.

In connection with the small size packages, it was testified at the hearing that a grade tolerance for defects which may be appropriate for the 50-lb. pack could present a problem when applied to a smaller container, in that only one defective onion in the smaller pack could cause the whole package to fail to meet grade requirements. Thus, the authority to regulate by packs could be used to modify the tolerances that would otherwise be applicable to a particular grade so as to facilitate the packing of the smaller containers which could meet grade and size requirements.

Small shipments, such as sales or shipments of one or a few bags of onions to friends or tourists, could present real operating problems if inspection thereof should be required. Moreover, if each such shipment had to comply with grade, size, and quality regulations, and assessments had to be paid with respect thereto, the cost of administrative supervision involved in enforcement could outweigh the advantages of required compliance. It may, therefore, be desirable to exempt such small or nuisance shipments from meeting grade, size, or quality requirements, or from mandatory inspection, or assessments, or any combination thereof, which could otherwise become unduly burdensome on handlers and producers. The committee should be authorized to recommend, and the Secretary to specify, minimum quantities which would be exempt from inspection, assessment, or grade and size regulations, or any combination thereof under the proposed order. Such authority would provide flexibility in administration and should be used in a practical manner to meet local needs and conditions. However, minimum quantity shipments exempted from regulations should not be of sufficient volume to adversely influence the market; and, in this connection, reports of such shipments by handlers could be of assistance to the committee and the Secretary.

(f) It is also important that the proposed order should provide authority for the committee to recommend, and the Secretary to fix, through rules and regulations, the size, weight, capacity, dimensions, or pack of the containers which may be used in the packaging or handling of onions. Although the bulk of the onion shipments from the production area are now made in 50-lb. capacity mesh bags (or 85 to 90-pound capacity burlap bags in the case of shipments to processors and repackers), some shipments are made in smaller packages of 5, 10, 15, and 25-pound capacities. It is also probable that new types and different sizes of containers may be developed, some of which may or may not be desirable from the standpoint of grower returns, for the packaging of production area onions. It was testified that certain practices could develop in connection with the use of such containers which would adversely affect growers' returns. An example of such practices is the packaging of 4½ pounds of onions to sell in competition with 5-pound packages at a lower price. The lower priced pack which the receiver or consumer does not perceive to be of a lesser quantity would tend to pull down the price of the 5-pound package. It was testified that there is the practice in the production area to pack 51 or 52 pounds of onions in a 50-pound capacity bag to allow for possible shrinkage. If a shipper were to pack 55 pounds in such a container and sell it without an increased price in order to gain an advantage over his competitors, such a practice could well be at the expense of the growers. The exercise of the authority to regulate containers would enable the committee and the Secretary to correct or preclude any such abuses which may develop and to prohibit the use of any undesirable or deceptive containers. This authority, however, should not be used to close the door on experimenting with new containers or to prevent the commercial use of any new or superior containers which may be developed.

(g) There are times, especially during harvest, when more onions are graded and loaded into cars than can be sold. In the main, these unsold cars are shipped as "rollers" (i. e., cars in transit that have not been sold and which are usually consigned to the shipper). Only a few days of heavy shipments of such rollers, accompanied by slow movement on the consuming end, results in glutted markets and depressed prices for production area onions. As a consequence, the market becomes demoralized and prices often drop below the cost of production, harvesting, and packing. Without some curtailment of shipments that bring supplies more in line with demand, there is little recovery from this condition. Past experience has proven that a substantial curtailment of loadings has resulted in fairly rapid market stabilization, and often in some market recovery.

It was testified at the hearing that the most practical approach to this problem, when the market is glutted, would be the establishment of a so-called "shipping holiday" which would completely stop additional shipments of onions from the production area for a short period of time. In practial effect, this would mean that the grading and packing sheds would be shut down; and grading, packing, loading, and billing would be temporarily discontinued. Such a holiday would permit the removal from the production area of all onions that were already loaded and billed, as well as facilitate the acceptance in the fresh market of unsold rollers. Since the purpose of a shipping holiday is to facilitate the disposition of production area onions that are already in the current of commerce and to prohibit the movement of additional quantities of unsold onions into fresh market channels until such disposition, any onions that had already been loaded and billed prior to the beginning of such holiday would in effect have already been placed in such channels. Therefore, all such loaded and billed onions should be permitted to be handled if they meet the then current applicable grade, size, and other requirements in effect under the proposed order.

The cleaning up of the local supplies and the rollers could thus tend to reduce the quantities of unsold onions to manageable proportions. The shipping holiday would thus restore confidence on the part of buyers and receivers that the glutted condition was over and tend to minimize serious losses to producers.

It was proposed that shipping holidays should be in effect either under glutted conditions, such as were experienced in the past, or on Saturdays and Sundays (over week-ends) so as to eliminate the preparation for market and loading of onions during such periods when receivers and other buyers in the terminal markets are not open for business. Most of the terminal markets are now operating on a five day week, while onion shippers in the production area are still working on a six, and sometimes on a seven, day week. A shipper in the production area is unable to contact many customers on a Saturday, and if he continues to grade, pack and load onions during the week-end, he finds himself on Monday morning with most of the week-end's loadings to sell in addition to those he will load on Monday. This causes a depressing effect on the market price for onions. The proposed order, therefore, should contain authority for shipping holidays in such circumstances and during such periods.

The proposed order should authorize shipping holidays to be declared by the Secretary pursuant to committee recommendations or other available information during week-ends or any other part of the week whenever circumstances warrant. Since a shipping holiday would thus stop the grading and packaging, as well as the loading and billing operations, only those shipments of onions that were already billed not later than the beginning of such holiday would be permitted. During the shipping holiday, however, there should not be any restriction against the sale of onions for future shipment or delivery. Neither should the prohibitions of the shipping holiday apply to any activity that is specifically excluded from the definition of the term "handle".

In order to prevent excessive shipments immediately following the holiday, and to encourage more orderly marketing, the proposed order should prohibit the shipment during, as well as after, the shipping holiday of any onions which were graded, packed, or loaded during the holiday period. This is necessary in order to prevent the accumulation in the production area of onion supplies during the holiday which could be dumped on the market immediately after the holiday thereby tending to minimize the benefits thereof.

The production area grows a large crop of onions which should be moved, to the extent practical, in an orderly fashion during its regular marketing period and while the onions are still in good condition. Hence, as a safeguard for the protection of production area growers and handlers from undue competition from other onion producing sections, as well as to achieve the orderly movement of the crop in good condition, the period of a shipping holiday should not exceed 96 consecutive hours; and there should be a period of not less than 72 hours, between holidays, in which shipments can be made. A 96-hour period would not only aid greatly in cleaning up unsold, rolling cars and in establishing

confidence among the trade, but it also would be short enough to avoid causing deterioration to such onions as were graded and packed, but not billed, at the time the holiday became effective. The 72-hour period would be conveniently available for the shipment of such onions.

(h) It is not in the public interest to drop all regulations when the seasonal average price of onions exceeds parity. The committee should be authorized to recommend, and the Secretary to establish, such minimum standards of quality and maturity, in terms of grades or sizes, or both, and such grading and inspection requirements, during any and all periods when the seasonal average price for onions may be above parity, as will effectuate such orderly marketing of production area onions as will be in the public interest. Some onions do not give consumer satisfaction because they are unacceptable in the market place. Consumers do not receive proper value for their expenditures for such onions, and even when prices are above parity it is not in the public interest, either of the producers or consumers, to permit shipments of certain off-quality, lower grades, and discounted sizes of onions. Such shipments displace good quality onions and could destroy the reputation of the production area for quality onions, thereby adversely affecting growers' returns. The proposed order should, therefore, contain authority for the establishment of such minimum standards of quality and maturity as will effectuate such orderly marketing of production area onions as will be in the public interest. It is necessary that such authority should include grading and inspection requirements so that compliance with such minimum standards may be determined whenever such regulations are in effect.

(i) The Secretary, upon the basis of recommendations and information submitted by the committee or upon the basis of other available information, should be authorized to establish special regulations, or to modify, suspend, or terminate, grade, size, quality, and other applicable regulations with respect to the handling of onions, to facilitate shipments of onions for purposes other than disposition in normal domestic fresh market channels.

Onions moving to, or sold in, certain outlets, such as those specified in § 1017.53 of the proposed order, are usually handled in a different manner, or such outlets usually accept different grades, sizes, qualities, maturities, packs, or containers, than those required by the domestic fresh onion trade. The proposed order should provide authority for the committee and the Secretary to give appropriate consideration to the handling of onions for such outlets so that full opportunity may be taken, under relevant provisions of this program, to promote the tendency to increase total returns to onion producers in the production area.

Some export markets accept certain grades and sizes which normally are discounted in domestic markets. It should be provided that special regulations, or a modification, suspension, or termination of existing regulations, should be applied to the shipment of onions for export so that this demand can be met. This would result in augmented income for the total onion crop thereby tending to effectuate the declared policy of the act.

Shipments of onions for relief and other charitable purposes should also be given special consideration. Such shipments are intended for special outlets and are usually by way of donation to people in need, or in a disaster area, and, therefore, should be permitted to be made without limitation. Such shipments do not compete with fresh market shipments.

It is the practice in the production area to feed onions to livestock, mainly sheep, and this use provides a salvage outlet for culls and off-grades and off-sizes of onions. The movement of such onions to livestock feeders within the production area for feeding to livestock should be permitted without restrictions since the committee would be able to maintain control and supervision of such movement conveniently and without any appreciable cost. Moreover, the value of such onions is too low to bear the cost of inspection and assessments. It would not be practical, however, to permit such free movement to points outside the production area unless some adequate supervision was imposed to assure that onions shipped for livestock feed were so used. Such supervision should be affected through the use of Certificates of Privilege, as hereinafter described. Similarly, since the shipment of onions for planting does not compete with commercial shipments for fresh market use, such handling also should be permitted to be made without restrictions but under proper safeguards.

The committee and the Secretary should have authority to give special consideration to onions which move to processing or other outlets. Shipments of onions for canning and freezing are exempted from regulation by the act, and shipments for dehydration are specifically exempted from regulation by the proposed order; however, it was testified at the hearing that shipments of onions for canning, freezing, or dehydration should be subject to reasonable and appropriate safeguards to assure that no improper diversion of such onions to fresh market channels will be made. The sole purpose of such safeguards for canning and freezing should be to assure the committee by means of reports or similar informational requirements that the onions shipped to such exempted outlets are, in fact, used as intended. No other regulation or restriction, such as is authorized for onions going to fresh market, is implied or intended.

The requirement in the proposed order that the Secretary shall notify the committee of each regulation and each modification, suspension, and termination thereof is appropriate and necessary to enable the committee to be informed of such actions. The committee's obligation to give reasonable notice by such means as it deems adequate, to inform producers and handlers of regulatory orders, with respect to the handling of onions, issued by the Secretary, is also appropriate and necessary for proper and efficient administration of the proposed order.

The authority for issuing special regulations or modifying, suspending, or terminating grade, size, quality, assessment, or inspection regulations with respect to shipments for special purposes should be accompanied by the additional administrative authority for the committee to recommend and the Secretary to prescribe adequate safeguards to prevent shipments for such purposes from entering market channels contrary to the provisions of such regulations. Such safeguards may be recommended by the committee and, upon approval by the Secretary, administered by the committee. The authority for establishment of safeguards should include such limitations or appropriate qualifications on shipments which are necessary and incidental to the proper and efficient administration of the proposed order. Such safeguards for special shipments under § 1017.53 may include requirements for: (1) Inspection so that the committee and the Secretary may be fully informed and have an accurate record of the grade, size, and quality of onions shipped to special outlets; (2) applications to make such special shipments; (3) payments of assessment in connection with such shipments; (4) reports by handlers on the number of such shipments and the amounts shipped; and (5) assurances by handlers, receivers, and processors that the onions are to be used for the purpose designated.

In order to maintain appropriate identification of shipments of onions to special outlets, such safeguards could require the prior application for, and issuance of, certificates of privilege to handlers of such onions. Certificates of privilege issued by the committee would serve not only as the authority for a handler to make such shipments but also as a means of identifying specific shipments. Such certificates of privilege should be issued in accordance with rules and regulations to be established, or approved, by the Secretary on the basis of committee recommendations, or other available information, so that the issuance of such certificates may be handled in an orderly and efficient manner which can be made known to all handlers and at all times be under the supervision of the Secretary. The committee should be authorized to exercise the authority necessary and incidental to the proper administration of the proposed order which should include the authority to rescind or deny certificates upon evidence satisfactory to it that a handler to whom a certificate of privilege has been issued has handled onions contrary to the provisions of the certificate. If the committee rescinds or denies a certificate of privilege, such action should be in terms of a specified period of time. Handlers affected by the denial of a certificate or the rescinding of such a certificate should have the right of appeal to the committee for a reconsideration.

In order that the Secretary may retain all rights necessary to carry out the declared policy of the act, he should have

the right to modify, change, alter, or rescind any safeguards prescribed as well as any certificates of privilege issued by the committee. The Secretary should give prompt notice to the committee of any action taken by him in connection therewith and the committee should currently notify all persons affected by the indicated action.

The committee should maintain records relevant to safeguards and to certificates of privilege and should submit reports thereon to the Secretary when requested in order to supply pertinent information needed by him to discharge his duties under the act and the proposed order.

(j) Inspection of onions grown in the production area by the Federal-State Inspection Service is a common and usual practice for the purpose of determining officially the grade, size and quality of such onions. The Federal-State Inspection Service has operated in Idaho and eastern Oregon for many years. Under the State law in Oregon, all shipments of onions, including those grown in Malheur County, are required to be inspected, and during the past several years shipments of Malheur County onions have been so inspected. Although the State of Idaho does not make it mandatory that Idaho onions be inspected prior to shipment, approximately 80 percent of all such onion shipments have, in fact, been inspected for grade, size, and condition by the Federal-State Inspection Service at the request of the shippers.

Onion producers and handlers throughout the production area are well acquainted with the Federal-State Inspection Service and with the inspections which it offers on shipments of onions. Also, such inspection service is available throughout the entire production area and can be given at all points within the production area upon reasonable notice prior to shipment of the onions to be inspected.

Provision should be made in the proposed order for the inspection by the Federal-State Inspection Service, or by such other inspection service as the Secretary may approve, of onions grown in the production area whenever the handling of onions is regulated under the proposed order. In order to assure that onions will not be shipped without prior inspection in the event the Federal-State Inspection Service is not available to furnish the service, the Secretary should be authorized to designate an appropriate inspection service to perform the inspection. Thus, there should always be an authoritative means of establishing the grade, size, and quality of onion shipments.

Responsibility for obtaining inspection should fall on each person who handles onions. In this way, not only will the handler who first ships or handles onions be required to obtain inspection thereof, but also no subsequent handler may handle onions unless a properly issued inspection certificate, valid pursuant to the terms of the proposed order and applicable regulations thereunder, applies to the shipment. Each handler must bear responsibility for determining that each of his shipments is inspected. Even if a handler should receive onions which have not been inspected, he should be responsible for having them inspected prior to his handling them.

Whenever any onions which have been inspected are later dumped from the containers in which they were inspected, such onions lose their identity insofar as the original inspection certificate issued for them is concerned. When any such onions should thereafter be repacked, regraded, or resorted, such onions take on a new identity; and any handling of such onions should comply with regulations issued under the proposed order. Hence, inspection of such onions should be required, as in the case of any other handling of onions, so as to effectuate the declared policy of the act and as a means of effecting compliance. The proposed order should, therefore, provide that any person who handles onions grown in the production area after they have been repacked, regraded, or resorted shall not handle such onions unless they were inspected prior to handling. Such inspection of repacked, regraded, or resorted onions is necessary so that the shipper thereof, as well as subsequent handlers, and the committee may determine if such shipments comply with the regulations then in effect and applicable thereto.

Although it is the general practice in the production area to load and ship onions promptly after inspection, which practice tends to preserve the identity of the inspected onions, there are instances when onions are inspected in a warehouse, for example, toward the end of a day and are loaded and shipped at a later time. It would be appropriate, in these circumstances, if the identity of these onions is to be preserved for later shipment of the lot, for such inspected onions to be properly identified by means of a seal, tag, or other identification on the individual containers, or master containers. The committee, with the approval of the Secretary, should be authorized by the proposed order to prescribe appropriate rules and regulations in that regard, and to procure and furnish such seals, tags, and other identification. This would enable a shipper to obtain inspection of onions in such unusual circumstances and thereafter ship them, within permitted time limits, without another inspection.

In view of the perishable nature of onions and their susceptibility to fairly rapid deterioration under certain conditions, the committee, with the approval of the Secretary, should be authorized to fix the length of time inspection certificates may be valid insofar as the requirements of the proposed order are concerned. This will assure, to the extent practical, that an inspection certificate properly reflects the grade, size, and quality of a particular lot of inspected onions at the time it is handled.

In order that the committee may carry out its duties under the order to determine that specific shipments of onions have been properly inspected and certified and also comply with other applicable regulations, it is necessary that the committee be supplied with appropriate evidence of each such shipment in the form of an inspection certificate.

(k) The committee should have the authority, with the approval of the Secretary, to require that handlers submit to the committee such reports and information as may be needed to perform such agency's functions under the proposed order. It is difficult to anticipate every type of report or kind of information which the committee may require, but it should have the authority to request reports and information as needed, of the type set forth in the proposed order, and at such times and in such manner as may be necessary.

The Secretary should retain the right to approve, change, or rescind any requests by the committee for information in order to protect handlers from unreasonable requests for reports.

Any reports and records submitted for committee use by handlers should remain under protective classification and be disclosed to none other than persons authorized by the Secretary.

Any reported information released to the industry should be on a composite basis, and no such release of information should disclose either the identity of handlers or their operations.

Since it is possible that a question could arise with respect to compliance, handlers should be required to maintain complete records on their receipts, handling, and dispositions of onions for not less than two succeeding years.

(l) Except as provided in the proposed order, no handler should be permitted to handle onions the handling of which is prohibited pursuant to the proposed order; and no handler should be permitted to handle onions except in conformity with the proposed order. If the program is to operate effectively, compliance therewith is essential; and, hence, no handler should be permitted to evade any of its provisions. Any such evasion on the part of even one handler, could be demoralizing to the handlers who are in compliance and would tend, thereby, to impair the effective operation of the program.

(m) The provisions of §§ 1017.70 through 1017.73 and §§ 1017.82 through 1017.91 as published in the FEDERAL REGISTER of May 29, 1956 (21 F. R. 3653), are common to marketing agreements and marketing orders now operating. Each such section sets forth certain rights, obligations, privileges, or procedures which are necessary and appropriate to the effective operation of the proposed order. These provisions are incidental to, and not inconsistent with, section 8c (6) and (7) of the act and are necessary to effectuate the other provisions of the proposed order and to effectuate the declared policy of the act. The substance of such provisions should, therefore, be included in the proposed order.

General findings. Upon the basis of the evidence introduced in the hearing and record thereof, it is found that:

(1) The marketing agreement and order as hereinafter set forth, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to onions produced in the production area, by establishing

and maintaining such orderly marketing conditions therefor as will tend to establish as prices to the producers thereof parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such onions above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity and such grading and inspection requirements as may be incidental thereto as will tend to effectuate such orderly marketing of such onions as will be in the public interest;

(2) The said marketing agreement and order authorize regulation of the handling of onions grown in the production area in the same manner as, and are applicable only to persons in the respective classes of industrial or commercial activity specified in, a proposed marketing agreement and order upon which a hearing has been held;

(3) The said marketing agreement and order are limited in application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of several marketing agreements and orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) The said marketing agreement and order prescribe, so far as practicable, such different terms applicable to different parts of the production area as are necessary to give due recognition to the difference in the production and marketing of onions grown in the production area; and

(5) All handling of onions grown in the production area as defined in said marketing agreement and order is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects such commerce.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Onions Grown in Certain Designated Counties in Idaho and Malheur County, Oregon" and "Order Regulating the Handling of Onions Grown in Certain Designated Counties in Idaho and Malheur County, Oregon" which have been decided upon as the appropriate and detailed means of effectuating the foregoing conclusions. The aforesaid marketing agreement and the aforesaid order shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

It is hereby ordered, That all of this decision, except the attached agreement, be published in the FEDERAL REGISTER. The regulatory provisions of the said marketing agreement are identical with those contained in the annexed order, which will be published with this decision.

Dated: November 30, 1956.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

Order[1] *Regulating the Handling of Onions Grown in Certain Designated Counties in Idaho and Malheur County, Oregon*

§ 1017.0 *Findings and determinations—(a) Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Caldwell, Idaho, on June 20–21, 1956, upon a proposed marketing agreement and a proposed marketing order regulating the handling of onions grown in Malheur County, Oregon, and in all counties south and southeast of the southern boundary of Idaho County in the State of Idaho. Upon the basis of the evidence introduced at such hearing, and the record thereof, it is found that:

(1) This order, and all the terms and conditions hereof, will tend to effectuate the declared policy of the act with respect to onions produced in the production area (i) by establishing and maintaining such orderly marketing conditions therefor as will tend to establish, as prices to the producers thereof, parity prices, (ii) and by protecting the interest of the consumer by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and by authorizing no action which has for its purpose the maintenance of prices to producers of such onions above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such onions as will be in the public interest;

(2) This order regulates the handling of onions grown in the production area in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity specified in, a proposed marketing agreement upon which a hearing has been held;

(3) This order is limited in application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) This order prescribes, so far as practicable, such different terms, applicable to different parts of the production

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

area, as are necessary to give due recognition to the differences in the production and marketing of onions grown in the production area; and

(5) All handling of onions grown in the production area is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce.

Order relative to handling. It is, therefore, ordered that on and after the effective time thereof, the handling of onions grown in Malheur County, Oregon, and in all counties south and southeast of the southern boundary of Idaho County in the State of Idaho, shall be in conformity to and in compliance with the terms and conditions of this order; and such terms and conditions are as follows:

DEFINITIONS

§ 1017.1 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

§ 1017.2 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq., 68 Stat. 906, 1047).

§ 1017.3 *Person.* "Person" means an individual, partnership, corporation, association, or any other business unit.

§ 1017.4 *Production area.* "Production area" means all territory included within the boundaries of the County of Malheur in Oregon, and all counties south and southeast of the southern boundary of Idaho County in the State of Idaho.

§ 1017.5 *Onions.* "Onions" means all varieties of onions grown, or which may be grown, within the production area.

§ 1017.6 *Handler.* "Handler" is synonymous with "shipper" and means any person (except a common or contract carrier of onions owned by another person) who handles onions.

§ 1017.7 *Handle.* "Handle" is synonymous with "ship" and means to sell or transport onions, or cause onions to be sold or transported, within the production area or between the production area and any point outside thereof. Except as otherwise provided in §§ 1017.56 and 1017.65, this definition of "handle" shall not be applicable to onions that are transported within the production area for grading or storing therein, or to onions that are transported or sold to commercial dehydrators for processing by such dehydrators into dehydrated onion products.

§ 1017.8 *Grading.* "Grading" is synonymous with "prepare for market" and means the sorting or separation of onions into grades and sizes for market purposes.

§ 1017.9 *Grade and size.* "Grade" means any of the officially established grades of onions, and "size" means any of the officially established sizes of onions, as set forth in:

(a) The United States Standards for Northern Grown Onions (21 F. R. 6251), or amendments thereto, or modifications thereof, or variations based thereon; and

(b) Any other United States Standards, or State of Idaho or Oregon Standards for onions, or amendments thereto, or modifications thereof, or variations based thereon.

The term "size" also includes any of the sizes recognized by the onion trade in the production area.

§ 1017.10 *Producer.* "Producer" means any person engaged in the production of onions for market.

§ 1017.11 *Committee.* "Committee" means the Idaho-Eastern Oregon Onion Committee established pursuant to § 1017.20.

§ 1017.12 *Fiscal period.* "Fiscal period" means the period beginning and ending on the dates approved by the Secretary pursuant to recommendations by the committee.

§ 1017.13 *Variety or varieties.* "Variety" or "varieties" means and includes all classifications of onions according to those definitive characteristics now or hereafter recognized by the United States Department of Agriculture.

§ 1017.14 *Export.* "Export" means shipment of onions beyond the boundaries of continental United States.

§ 1017.15 *District.* "District" means each of the geographical divisions of the production area initially established or as reestablished pursuant to § 1017.27.

§ 1017.16 *Pack.* "Pack" means a quantity of onions in any type of container and which falls within specific weight limits or within specific grade or size limits, or both, as may be recommended by the committee and approved by the Secretary.

§ 1017.17 *Container.* "Container" means a sack, box, bag, crate, hamper, basket, carton, package, or any other type of receptacle used in the packaging, transportation, sale, shipment or other handling of onions.

ADMINISTRATIVE COMMITTEE

§ 1017.20 *Establishment and membership.* (a) The Idaho-Eastern Oregon Onion Committee consisting of ten members, of whom six shall be producers and four shall be handlers, is hereby established. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(b) An alternate member of the committee shall act in the place and stead of the member for whom he is an alternate, during such member's absence or inability to act, and shall perform other duties as assigned. In the event of the death, removal, resignation or disqualification of a member, his alternate shall act for him until a successor for such member is selected and has qualified.

§ 1017.21 *Procedure.* (a) Seven members of the committee shall be necessary to constitute a quorum and seven concurring votes shall be required to pass any motion or approve any committee action.

(b) The committee may provide for voting by telephone, telegraph, or other means of communication and any such vote shall be confirmed promptly in writing: *Provided*, That if an assembled meeting is held, all votes shall be cast in person.

§ 1017.22 *Selection.* The Secretary shall select the producer and handler members and alternates from the nominee lists submitted pursuant to this part or from among other eligible persons.

(a) Each person selected as a committee member or alternate to represent producers shall be an individual who is a producer, or an officer or employee of a producer, in the district for which selected.

(b) Each person selected as a committee member or alternate to represent handlers shall be an individual who is a handler, or an officer or employee of a handler in the portion of the production area for which selected.

(c) The Secretary shall select one producer member of the committee, and alternate, from each of the districts established, or reestablished, pursuant to § 1017.27. The Secretary shall also select one handler member of the committee, and his alternate, from the Idaho portion of the production area and one member and his alternate from Malheur County, Oregon, and two handler members, and their respective alternates, from the production area-at-large.

(d) Each person selected by the Secretary as a committee member or alternate shall qualify by filing a written acceptance promptly with the Secretary.

§ 1017.23 *Term of office.* (a) The term of office of committee members and alternates shall be for two years beginning on the first day of June and continuing through May 31. The terms of office of members and alternates shall be so determined that one-half of the total committe membership shall terminate each May 31.

(b) Committee members and alternates shall serve during the term of office for which they are selected and have qualified, or during that portion thereof beginning on the date on which they qualify during the current term of office and continuing until the end thereof, and until their successors are selected and have qualified.

§ 1017.24 *Powers.* The committee shall have the folowing powers:

(a) To administer the provisions of this part in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this part;

(c) To receive, investigate, and report to the Secretary complaints of violations of the provisions of this part; and

(d) To recommend to the Secretary amendments to this part.

§ 1017.25 *Duties.* It shall be the duty of the committee:

(a) At the beginning of each fiscal period, or as soon thereafter as practicable, to meet and organize, to select a

chairman and such other officers as may be necessary, to select subcommittees of committee members, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(b) To act as intermediary between the Secretary and any producer or handler;

(c) To furnish to the Secretary such available information as he may request;

(d) To appoint such employees, agents, and representatives as it may deem necessary and to determine the salaries and define the duties of each such person;

(e) To investigate, from time to time, and to assemble data on the growing, harvesting, shipping, and marketing conditions with respect to onions, and to engage in such research and service activities which relate to the handling or marketing of onions as may be approved by the Secretary;

(f) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee and such minutes, books, and records shall be subject to examination at any time by the Secretary or his authorized agent or representative;

(g) To make available to producers and handlers the committee voting record on recommended regulations and on other matters of policy;

(h) At the beginning of each fiscal period, to submit to the Secretary a budget of its proposed expenses for such fiscal period, together with a report thereon;

(i) To cause the books of the committee to be audited by a competent accountant at least once each fiscal period, and at such other time as the committee may deem necessary or as the Secretary may request; and the report of such audit shall show the receipt and expenditure of funds collected pursuant to this part; a copy of each such report shall be furnished to the Secretary and a copy of each such report shall be made available at the principal office of the committee for inspection by producers and handlers; and

(j) To consult, cooperate, and exchange information, with other onion marketing committees and other individuals or agencies in connection with all proper committee activities and objectives under this subpart.

§ 1017.26 *Expenses and compensation.* Committee members and alternates when acting on committee business shall be reimbursed for reasonable expenses necessarily incurred by them in the performance of their duties and in the exercise of their powers under this part, and in addition, may receive compensation at a rate to be determined by the committee and approved by the Secretary, not to exceed $10 for each day, or portion thereof, spent in attending to committee business: *Provided*, That at its discretion the committee may request the attendance of alternates at any or all meetings, notwithstanding the expected or actual presence of the respective members.

§ 1017.27 *Districts.* (a) For the purpose of selecting committee members, the following districts of the production area are hereby initially established:

District No. 1 (Emmett, Payette, Weiser Area): All territory within the boundaries of Washington, Payette and Gem Counties, in Idaho.

District No. 2 (Oregon Slope): All territory within a boundary following the Snake River northwesterly from its junction with the Malheur River, to the west line of Range 46E; thence south along said west line to the south line of Township 17S, and thence east along said south line to its junction with the Malheur River, and thence northeasterly along the Malheur River to the junction with the Snake River, the point of beginning.

District No. 3 (Ontario, Vale, Jamieson, Brogan): All territory within a boundary starting at the junction of the Malheur River with the Snake River and extending southwestward along the Malheur River to its junction with the south line of Township 17S, E. W. M.; thence westward along this line to its junction with the west line of Range 46E; thence north along this line to its junction with the Snake River; thence northwest along the Snake River to its junction with the north boundary of Malheur County; thence west along the north boundary of Malheur County to the west boundary of the county; thence south along the west boundary of Malheur County to its intersection with the south line of Township 20S; thence east along this line to its junction with the Hyline Canal and Siphon; thence northeast along the Hyline Canal to its intersection with Highway 20; thence east along Highway 20 to Cairo Junction; thence south ⅛ mile to the junction of Highway 20 to Oregon Avenue; thence east along Oregon Avenue to its termination at the Snake River; thence north along the Snake River to its junction with the Malheur River, the point of beginning.

District No. 4 (Nyssa-Adrian): All the area of Malheur County, Oregon, south of District No. 3.

District No. 5 (Parma, Wilder, Nampa, and Notus Area): Canyon County, Idaho.

District No. 6 (Homedale, Marsing, Meredian, Melba, Mountain Home, Glenns Ferry and Twin Falls Area): All counties in the Idaho portion of the production area not included within Districts Nos. 1 and 5.

(b) The Secretary, upon the recommendation of the committee, may reestablish districts within the production area and may reapportion committee membership among the various districts: *Provided*, That in recommending any such changes in districts or representation, the committee shall give consideration to: (1) The relative importance of new producing sections; (2) changes in the relative position of existing districts with respect to onion production; (3) the geographic location of areas of production as they would affect the efficiency of administering this part; (4) other relevant factors: *Provided, further*, That there shall be no change in the total number of committee members or in the total number of districts.

§ 1017.28 *Nominations.* Nominations from which the Secretary may select the members of the Idaho-Eastern Oregon Onion Committee and their respective alternates may be made in the following manner:

(a) The committee shall hold or cause to be held prior to April 1 of each year, after the effective date of this subpart, one or more meetings of producers and of handlers in each of the districts, or portions of the production area, in which the then current terms of office will expire the following May 31;

(b) In arranging for such meetings the committee may, if it deems desirable, cooperate with existing organizations and agencies and may combine its meetings with others;

(c) Nominations for committee members and alternate members shall be supplied to the Secretary, in such manner and form as he may prescribe, not later than 30 days prior to the end of each fiscal period;

(d) Only producers may participate in designating nominees for producer committee members and their alternates and only handlers may participate in designating nominees for handler committee members and their alternates;

(e) Each person who is both a handler and a producer may vote either as a handler or as a producer and may select the group in which he will vote; and

(f) Regardless of the number of districts in which a person produces or handles onions, each such person is entitled to cast only one vote on behalf of himself, his partners, agents, subsidiaries, affiliates and representatives, in designating nominees for committee members and alternates. In the event a person is a producer engaged in producing onions in more than one district, such person shall select the district within which he may participate as aforesaid in designating nominees. Similarly, a person who is a handler both in Malheur County, Oregon, and in the Idaho portion of the production area, may select either Malheur County or the Idaho portion of the production area in which to cast his vote for the applicable committee handler member and alternate. Each such handler shall also be entitled to cast his vote for the committee member and alternate to represent the production area-at-large. An eligible voter's privilege of casting only one vote, as aforesaid, shall be construed to permit such voter to cast one vote for each member and alternate position to be filled in the respective district or portion of the production area, as the case may be, in which he elects to vote.

§ 1017.29 *Failure to nominate.* If nominations are not made within the time and in the manner specified by the Secretary pursuant to § 1017.28, the Secretary may, without regard to nominations, select the committee members and alternates on the basis of the representation provided for in this subpart.

§ 1017.30 *Vacancies.* To fill any vacancy occasioned by the failure of any person, selected as a committee member or alternate, to qualify, or in the event of the death, removal, resignation, or disqualification of any qualified member or alternate, a successor for his unexpired term may be selected by the Secretary from nominations made in the manner specified in § 1017.28, or the Secretary may select such committee member or alternate from previously unselected nominees on the current nominee list from the district or portion of the production area, as the case may be, that is involved, or from other eligible persons. If the names of nominees to fill any such vacancy are not made

available to the Secretary within 30 days after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of the representation provided for in this subpart.

EXPENSES AND ASSESSMENTS

§ 1017.40 *Expenses.* The committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred by it during each fiscal period for its maintenance and functioning, and for such purposes as the Secretary, pursuant to this subpart, determines to be appropriate. Handlers shall share expenses upon the basis of a fiscal period. Each handler's share of such expenses shall be proportionate to the ratio between the total quantity of such handler's onion shipments inspected pursuant to this part that are handled by him as the first handler thereof during a fiscal period, and the total quantity of such onions handled by all handlers as first handlers thereof during the same period.

§ 1017.41 *Budget.* At the beginning of each fiscal period, and as may be necessary thereafter, the committee shall prepare a budget of estimated income and expenditures necessary for the administration of this part. The committee shall recommend to the Secretary a rate of assessment calculated to provide adequate funds to defray its proposed expenditures. The committee shall present such budget promptly to the Secretary with an accompanying report thereon showing the basis for its calculations and recommended rate.

§ 1017.42 *Assessments.* (a) The funds to cover the committee's expenses pursuant to § 1017.40 shall be acquired by the levying of assessments upon handlers as provided in this subpart. Each handler who handles onions as the first handler thereof which are inspected pursuant to this part shall pay assessments to the committee upon demand, which assessments shall be in payment of such handler's pro rata share of such expenses.

(b) Assessments shall be levied upon handlers at rates established by the Secretary. Such rates may be established upon the basis of the committee's recommendations or other available information.

(c) At any time during or subsequent to a given fiscal period, the committee may recommend the approval of an amended budget and an increase in the rate of assessment. Upon the basis of such recommendation, or other available information, the Secretary may approve an amended budget and increase the rate of assessment. Such increase shall be applicable to all onion shipments inspected pursuant to this part during such fiscal period.

§ 1017.43 *Accounting.* (a) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part.

(b) The Secretary may at any time require the committee, its members and alternates, employees, agents, and all other persons to account for all receipts and disbursements, funds, property, or records for which they are responsible. Whenever any person ceases to be a member or alternate of the committee, he shall account for all receipts, disbursements, funds, and property (including, but not being limited to, books and other records) pertaining to the committee's activities for which he is responsible, and deliver all such property and funds in his hands to such successor, agency, or person as may be designated by the Secretary, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in each such successor, agency, or person as may be designated by the Secretary the right to all of such property and funds and all claims vested in such person.

(c) The committtee may make recommendations to the Secretary for one or more of the members thereof, or any other person, to act as a trustee for holding records, funds, and any other committee property during periods of suspension of this part, or during any periods when regulations are not in effect; and, if the Secretary determines such action appropriate, he may direct that such person or persons shall so act as trustee or trustees.

§ 1017.44 *Refunds.* At the end of each fiscal period, monies arising from the excess of assessments collected over expenses shall be accounted for as provided in this section. Each handler entitled to a proportionate refund of such excess assessments at the end of a fiscal period shall be credited with such refund against the operations of the following fiscal period unless he demands payment thereof, in which event such proportionate refund shall be paid to him. However, the Secretary, upon recommendation of the committee, may determine that it is appropriate for the maintenance and functioning of the committee that some of the funds remaining at the end of a fiscal period which are in excess of the expenses necessary for committee operations during such period may be carried over into following periods as a reserve for possible liquidation. Upon approval by the Secretary, such reserve may be used upon termination of this part to liquidate the affairs of the committee, *Provided*, That upon termination of this part any monies in the reserve for liquidation which are not required to defray the necessary expenses of committee liquidation shall, to the extent practical, be returned upon a pro rata basis to all persons from whom such funds were collected.

RESEARCH AND DEVELOPMENT

§ 1017.47 *Research and development.* The committee, with the approval of the Secretary, may provide for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of onions.

REGULATION

§ 1017.50 *Marketing policy*—(a) *Preparation.* Prior to each marketing season the committee shall consider and prepare a proposed policy for the marketing of onions. In developing its marketing policy the committee shall investigate relevant supply and demand conditions for onions. In such investigations the committee shall give appropriate consideration to the following:

(1) Market prices for onions, including prices by variety, grade, size, and quality, and by different packs;

(2) Supply of onions by grade, size, quality, and variety in the production area and in other onion producing sections;

(3) The trend and level of consumer income;

(4) Establishing and maintaining orderly marketing conditions for onions;

(5) Orderly marketing of onions as will be in the public interest; and

(6) Other relevant factors.

(b) *Reports.* (1) The committee shall submit a report to the Secretary setting forth the aforesaid marketing policy; and the committee shall notify producers and handlers of the contents of such report.

(2) In the event it becomes advisable to shift from such marketing policy because of changed supply and demand conditions, the committee shall prepare an amended or revised marketing policy in accordance with the manner previously outlined. The committee shall submit a report thereon to the Secretary and notify producers and handlers of the contents of such report on the revised or amended marketing policy.

§ 1017.51 *Recommendations for regulations.* The committee shall recommend regulations to the Secretary whenever it finds that such regulations as provided in § 1017.52 will tend to effectuate the declared policy of the act. The committee also may recommend modification, suspension, or termination of any regulation, or amendments thereto, in order to facilitate the handling of onions for the purposes authorized in § 1017.53. The committee may also recommend amendment, modification, termination, or suspension of any regulation issued under this part.

§ 1017.52 *Issuance of regulations.* (a) Except as otherwise provided in this part, the Secretary shall limit the shipment of onions by any one or more of the methods hereinafter set forth whenever he finds from the recommendations and information submitted by the committee, or from other available information, that such regulation would tend to effectuate the declared policy of the act. Such limitation may:

(1) Regulate in any or all portions of the production area, the handling of particular grades, sizes, or qualities of any or all varieties of onions, or combinations thereof, during any period or periods;

(2) Regulate the handling of particular grades, sizes, or qualities, of onions differently, for different varieties, for different portions of the production area, for different packs, or for any combination of the foregoing, during any period or periods;

(3) Provide a method, through rules and regulations issued pursuant to this part, for fixing the size, capacity, weight, dimensions, or pack of the container, or

containers, which may be used in the packaging or handling of onions;

(4) Regulate the handling of onions by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity; or

(5) Limit the shipment of the total quantity of onions by prohibiting the handling thereof during a specified period or periods. No regulation issued pursuant to this subparagraph shall be effective for more than 96 consecutive hours: *Provided*, That not less than 72 consecutive hours shall elapse between the termination of any such period of prohibition and the beginning of the next such period.

(b) In the event the handling of onions is regulated pursuant to paragraph (a) (5) of this section, no handler shall handle any onions which were prepared for market or loaded during the effective period of such regulation. However, during any such period, no such regulation shall be deemed to limit the right of any person to sell or contract to sell onions for future shipment or delivery.

(c) The Secretary may amend any regulation issued under this part whenever he finds that such amendment would tend to effectuate the declared policy of the act. The Secretary may also terminate or suspend any regulation or amendment thereof whenever he finds that such regulation or amendment obstructs or no longer tends to effectuate the declared policy of the act.

§ 1017.53 *Handling for specified purposes.* Upon the basis of recommendations and information submitted by the committee, or other available information, the Secretary shall issue special regulations, or modify, suspend, or terminate requirements in effect pursuant to §§ 1017.42, 1017.52, 1017.60, or any combination thereof, in order to facilitate the handling of onions for the following purposes whenever he finds that to do so will tend to effectuate the declared policy of the act:

(a) Shipments of onions for export;

(b) Shipments of onions for relief or to charitable institutions;

(c) Shipments of onions for livestock feed;

(d) Shipments of onions for planting; and

(e) Shipments of onions for other purposes which may be specified.

§ 1017.54 *Minimum quantities.* The committee, with the approval of the Secretary, may establish minimum quantities below which onion shipments will be free from the requirements in, or pursuant to, §§ 1017.42, 1017.52, 1017.53, 1017.60, or any combination thereof.

§ 1017.55 *Notification of regulations.* The Secretary shall notify the committee of each regulation issued, and of each amendment, modification, suspension, or termination thereof. The committee shall give reasonable notice thereof to handlers.

§ 1017.56 *Safeguards.* (a) The committee, with the approval of the Secretary, may prescribe adequate safeguards to prevent onions shipped,

(1) Pursuant to § 1017.53 or § 1017.54; or

(2) To commercial dehydrators for processing by such dehydrators into dehydrated onion products,

from entering channels of trade for other than the purpose authorized therefor.

(b) The committee, with the approval of the Secretary, may also prescribe rules and regulations governing the issuance, and the contents, of Certificates of Privilege if such certificates are prescribed as safeguards by the committee. Such safeguards may include requirements that:

(1) Handlers shall first file applications with the committee to ship such onions;

(2) Handlers shall obtain inspection provided by § 1017.60, or pay the pro rata share of expenses provided by § 1017.42, or both, in connection with such onions; and

(3) Handlers shall obtain Certificates of Privilege from the committee prior to effecting the particular onion shipment.

(c) The committee may rescind any Certificate of Privilege, or refuse to issue any Certificate of Privilege to any handler if proof is obtained that onions shipped by him for the purposes stated in the Certificate of Privilege were handled contrary to the provisions of this part.

(d) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

(e) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of onions covered by such applications, the number of such applications denied and certificates granted, the quantity of onions handled under duly issued certificates, and such other information as may be requested.

INSPECTION

§ 1017.60 *Inspection and certification.* (a) During any period in which shipments of onions are regulated pursuant to this subpart, no handler shall handle onions unless such onions are inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate and are covered by a valid inspection certificate, except when relieved from such requirements pursuant to §§ 1017.53, 1017.54, or both.

(b) Regrading, resorting, or repacking any lot of onions shall invalidate prior inspection certificates insofar as the requirements of this section are concerned. No handler shall ship onions after they have been regraded, resorted, repacked or in any other way further prepared for market, unless such onions are inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate.

(c) Upon recommendation of the committee, and approval of the Secretary, all onions that are required to be inspected and certified in accordance with this section, shall be identified by appropriate seals, stamps, tags, or other identification to be furnished by the committee and affixed to the containers by the handler under the direction and supervision of the Federal-State, or Federal inspector, or the committee. Master containers may bear the identification instead of the individual containers within said master container.

(d) Insofar as the requirements of this section are concerned, the length of time for which an inspection certificate is valid may be established by the committee with the approval of the Secretary.

(e) When onions are inspected in accordance with the requirements of this section, a copy of each inspection certificate issued shall be made available to the committee by the inspection service.

REPORTS

§ 1017.65 *Reports.* Upon request of the committee, made with the approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties under this part.

(a) Such reports may include, but are not necessarily limited to, the following: (1) The quantities of onions received by a handler; (2) the quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation; (3) the date of each such disposition and the identification of the carrier transporting such onions; and (4) identification of the inspection certificates relating to the onions which were handled pursuant to §§ 1017.53 and 1017.54.

(b) All such reports shall be held under appropriate protective classification and custody by the committee, or duly appointed employees thereof, so that the information contained therein which may adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers is authorized, subject to the prohibition of disclosure of individual handler's identities or operations.

(c) Each handler shall maintain for at least two succeeding years such records of the onions received, and of onions disposed of, by such handler as may be necessary to verify the reports he submits to the committee pursuant to this section.

EFFECTIVE TIME AND TERMINATION

§ 1017.70 *Effective time.* The provisions of this subpart, or any amendment thereto, shall become effective at such time as the Secretary may declare and shall continue in force until terminated in one of the ways specified in this subpart.

§ 1017.71 *Termination.* (a) The Secretary may at any time terminate the provisions of this subpart by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary may terminate or suspend the operations of any or all of the provisions of this subpart whenever

he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal period whenever he finds that such termination is favored by a majority of producers who, during a representative period, have been engaged in the production for market of onions: *Provided*, That such majority has, during such representative period, produced for market more than fifty percent of the volume of such onions produced for market, but such termination shall be effective only if announced on or before May 31 of the then current fiscal period.

(d) The provisions of this subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 1017.72 *Proceeding after termination.* (a) Upon the termination of the provisions of this subpart, the then functioning members of the committee shall continue as joint trustees, for the purpose of liquidating the affairs of the committee, of all the funds and property then in the possession, or under control, of the committee, including claims for any funds unpaid and property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) The said trustees shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such person as the Secretary may direct; and shall, upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant to this subpart.

(c) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

§ 1017.73 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary, the termination of this subpart or of any regulation issued pursuant to this subpart, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this subpart or of any regulation issued under this subpart; (b) release or extinguish any violation of this subpart or of any regulations issued under this subpart; or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violations.

MISCELLANEOUS PROVISIONS

§ 1017.81 *Compliance.* No handler shall handle onions the handling of which has been prohibited or otherwise limited by the Secretary in accordance with provisions of this part; and no handler shall handle onions except in conformity to the provisions of this part.

§ 1017.82 *Right of the Secretary.* The members of the committee (including successors and alternates) and any agent or employee appointed or employed by the committee shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said committee shall be deemed null and void except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary.

§ 1017.83 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue of this subpart shall cease upon the termination of this subpart, except with respect to acts done under and during the existence of this subpart.

§ 1017.84 *Agents.* The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any agency in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this part.

§ 1017.85 *Derogation.* Nothing contained in this subpart is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 1017.86 *Personal liability.* No member or alternate of the committee nor any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, employee, or agent, except for acts of dishonesty, wilful misconduct, or gross negligence.

§ 1017.87 *Separability.* If any provision of this subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this subpart, or the applicability thereof to any other person, circumstance, or thing, shall not be affected thereby.

§ 1017.88 *Amendments.* Amendments to this subpart may be proposed, from time to time, by the committee or by the Secretary.

[F. R. Doc. 56-9972; Filed, Dec. 5, 1956; 8:47 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[Order 44]

PUBLIC INSPECTION OF ACCEPTED OFFERS IN COMPROMISE; REFILLING OF LIQUOR BOTTLES

Pursuant to the authority conferred upon me as Commissioner of Internal Revenue, it is hereby ordered:

1. *Scope.* For each offer in compromise submitted and accepted on or after the effective date of this order, pursuant to section 7122 of the Internal Revenue Code of 1954 in any case arising under sections 5641 and 5643 of the 1954 Code, relating to refilling of liquor bottles, a copy of the Abstract and Statement relating to the offer shall be available for public inspection for a period of one year in the office of the Assistant Regional Commissioner (Alcohol and Tobacco Tax) accepting the offer.

2. *Limitations.* Information shall not be disclosed concerning any trade secrets, processes, operations, style of work, or apparatus, or confidential statistical data, amount or source of income, profits, losses, or expenditures, or any other matter within the prohibition of Title 18, U. S. C., section 1905.

Issued: November 21, 1956.

Effective date: December 21, 1956.

[SEAL] RUSSELL C. HARRINGTON, *Commissioner.*

[F. R. Doc. 56-9986; Filed, Dec. 5, 1956; 8:49 a. m.]

Office of the Secretary

[Treasury Dept. Order 167-27; CGFR 56-46]

COMMANDANT, U. S. COAST GUARD

DELEGATION OF FUNCTION WITH RESPECT TO ISSUANCE OF TRUE AND CERTIFIED COPIES OF SHIPPING ARTICLES

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 (3 CFR, 1950 Supp. Ch. III), there is transferred to the Commandant, U. S. Coast Guard, the function of issuing true and certified copies of shipping articles containing the names of the crews of vessels bound on foreign voyages from ports of the United States, as provided in section 4575 of the Revised Statutes, as amended (46 USC 676).

The Commandant may make provision for the performance by subordinates in the Coast Guard of the function transferred.

Dated: November 27, 1956.

[SEAL] DAVID W. KENDALL,
Acting Secretary of the Treasury.

[F. R. Doc. 56-9985; Filed, Dec. 5, 1956; 8:49 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

CABBAGE

NOTICE OF PURCHASE PROGRAM XMP 45a

In order to encourage domestic consumption of cabbage by diversion from the normal channels of trade and commerce in accordance with section 32, Public Law 320, 74th Congress, approved August 24, 1935, as amended, a cabbage purchase program was made effective on October 16, 1956, and will continue as needed but no later than December 31, 1956. Purchases under this program will be made in producing areas where surpluses are causing serious marketing problems. Cabbage so purchased will be distributed to nonprofit school lunch programs and other eligible outlets. The quantity to be purchased will depend upon marketing conditions at the time of purchase, the availability of outlets for the use of cabbage without waste, and upon the amount of funds available for such purchases. Information relative to this purchase program may be obtained from: Fruit and Vegetable Division, Agricultural Marketing Service, Department of Agriculture, Washington 25, D. C.

Dated: December 3, 1956.

[SEAL] FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F. R. Doc. 56-10000; Filed, Dec. 5, 1956; 8:51 a. m.]

Office of the Secretary

KANSAS AND TEXAS

DISASTER ASSISTANCE; DELINEATION OF DROUGHT AREAS

Pursuant to Public Law 875, 81st Congress, the President determined on August 26, 1954, that a major disaster occasioned by drought existed in the State of Kansas; and the President determined on July 21, 1954, that a major disaster occasioned by drought existed in the State of Texas and extended that determination on September 19, 1955.

Pursuant to the authority delegated to me by the Administrator, Federal Civil Defense Administration (18 F. R. 4609; 19 F. R. 2148, 5364), and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law 480, 83d Congress, the following counties were determined on November 26, 1956, to be affected by the above-mentioned major disasters:

KANSAS

Garfield, Rock Creek, Wilmington and Plum Townships of Webaunsee County.

TEXAS

GALVESTON

That part of Liberty County which lies north of the timber belt that is north of Dayton.

Done at Washington, D. C., this 30th day of November 1956.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 56-9973; Filed, Dec. 5, 1956; 8:47 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Classification No. 121]

NEVADA

SMALL TRACT CLASSIFICATION

1. Pursuant to authority delegated to me by Bureau Order No. 541, dated April 21, 1954 (19 F. R. 2473), I hereby classify the following described public lands, totalling 160 acres in Washoe County, Nevada, as suitable for lease and sale for residence purposes under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U. S. C. 682a), as amended:

MOUNT DIABLO MERIDIAN

T. 18 N., R. 19 E., Sec. 34, SE¼.

2. Classification of the above-described lands by this order segregates them from all appropriations, including locations under the mining laws, except as to applications under the mineral leasing laws.

3. The lands classified by this order shall not become subject to application under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, until it is so provided by an order to be issued by an authorized officer, opening the lands to application or drawing with a preference right to veterans of World War II and of the Korean conflict and other qualified persons entitled to preference under the Act of September 27, 1944 (58 Stat. 497; 43 U. S. C. 279–284), as amended.

4. All valid applications filed prior to May 28, 1956, will be granted, as soon as possible, the preference right provided for by 43 CFR 257.5 (2).

E. R. GREENSLET,
State Supervisor.

NOVEMBER 27, 1956.

[F. R. Doc. 56-9960; Filed, Dec. 5, 1956; 8:46 a. m.]

[Classification No. 122]

NEVADA

SMALL TRACT CLASSIFICATION

1. Pursuant to authority delegated to me by Bureau Order No. 541, dated April 21, 1954 (19 F. R. 2473), I hereby classify the following described public lands, totalling 160 acres in Washoe County, Nevada, as suitable for lease and sale for residence purposes under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U. S. C. 682a), as amended:

MOUNT DIABLO MERIDIAN

T. 18 N., R. 20 E., Sec. 34, S½SE¼, NE¼SE¼, SE¼NE¼.

2. Classification of the above-described lands by this order segregates them from all appropriations, including locations under the mining laws, except as to applications under the mineral leasing laws.

3. The lands classified by this order shall not become subject to application under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, until it is so provided by an order to be issued by an authorized officer, opening the lands to application or drawing with a preference right to veterans of World War II and of the Korean conflict and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 497; 43 U. S. C. 279–284), as amended.

4. All valid applications filed prior to May 28, 1956, will be granted, as soon as possible, the preference right provided for by 43 CFR 257.5 (2).

E. R. GREENSLET,
State Supervisor.

NOVEMBER 27, 1956.

[F. R. Doc. 56-9959; Filed, Dec. 5, 1956; 8:45 a. m.]

[Classification No. 123]

NEVADA

SMALL TRACT CLASSIFICATION

1. Pursuant to authority delegated to me by Bureau Order No. 541, dated April 21, 1954 (19 F. R. 2473), I hereby classify the following described public lands, totalling 305.32 acres in Washoe County, Nevada, as suitable for lease and sale for residence purposes under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U. S. C. 682a), as amended:

MOUNT DIABLO MERIDIAN

T. 18 N., R. 20 E., Sec. 30, Lots 1 and 2 of NW¼, NE¼.

2. Classification of the above-described lands by this order segregates them from all appropriations, including locations under the mining laws, except as to applications under the mineral leasing laws.

3. The lands classified by this order shall not become subject to application under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, until it is so provided by an order to be issued by an authorized officer, opening the lands to application or drawing with a preference right to veterans of World War II and of the Korean conflict and other qualified persons entitled to preference under the Act of September 27, 1944 (58 Stat. 497; 43 U. S. C. 279–284), as amended.

4. All valid applications filed prior to May 28, 1956, will be granted, as soon as possible, the preference right provided for by 43 CFR 257.5 (2).

E. R. GREENSLET,
State Supervisor.

NOVEMBER 27, 1956.

[F. R. Doc. 56-9958; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF FILING OF PLAT OF SURVEY AND ORDER PROVIDING FOR OPENING OF PUBLIC LANDS

NOVEMBER 29, 1956.

1. Plats of survey of the lands described below will be officially filed in the Fairbanks Land Office, Fairbanks, Alaska, effective at 10:00 a. m. on January 4, 1957:

FAIRBANKS MERIDIAN

T. 10 S., R. 11 E.,
Secs. 19, 28, and 29;
Sec. 30—Lots 1 through 9 inclusive, 9A, 10, 10A, Lots 11 through 24 inclusive, E½NW¼NE¼NE¼, E½E½NE¼, NE¼NE¼SE¼, S½SE¼SE¼SE¼;
Sec. 31—Lots 1 through 16 inclusive, E½E½E½;
Secs. 32, 33 and 34.
T. 11 S., R. 10 E.,
Secs. 27, 28, 33, and 34.
T. 11 S., R. 11 E.,
Secs. 1, 2, 3, 4, 10, 11, 12, and 13.
T. 12 S., R. 10 E.,
Secs. 3, 4, 9, 10, 14, 15, 16, 22, 23, 26, 27, 34, and 35.

2. The above lands lie in the vicinity of Buffalo Center (Delta Junction), Alaska, southerly along the Richardson Highway and southeasterly along the Alaska Highway. The area is about 100 miles southeast of Fairbanks. In general, the lands are level to gently sloping bench land and the major vegetative cover is a mixed stand of young birch, aspen, spruce and tamarack. There are scattered areas of poorly drained muskeg throughout, but particularly in T. 10 S., R. 11 E., and T. 11 S., R. 11 E. Portions of the land may be suitable for agricultural purposes.

3. Subject to any existing valid rights and the requirements of applicable law, the lands described in paragraph 1 hereof, are hereby opened to filing of applications, selections, and locations in accordance with the following:

Applications and selections under the nonmineral public land laws and applications may be presented to the Manager mentioned below, beginning on the date of this order. Such applications and selections will be considered as filed on the hour and respective dates shown for the various classes enumerated in the following paragraphs:

(1) Applications by persons having prior existing valid settlement rights, preference rights conferred by existing laws, or equitable claims subject to allowance and confirmation will be adjudicated on the facts presented in support of each claim or right. All applications presented by persons other than those referred to in this paragraph will be subject to the applications and claims mentioned in this paragraph.

(2) All valid applications under the Homestead, Alaska Homesite, and Small Tract Laws by qualified veterans of World War II or of the Korean conflict, and by others entitled to preference rights under the Act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284 as amended), presented prior to 10:00 a. m. on January 4, 1957, will be considered as simultaneously filed at that hour. Rights under such preference right applications filed after that hour and before 10:00 a. m. on February 28, 1957, will be governed by the time of filing.

(3) All valid applications and selections under the non-mineral public land laws, other than those coming under paragraphs (1) and (2) above, presented prior to 10:00 a. m. on February 28, 1957 will be considered as simultaneously filed at that hour. Rights under such applications and selections filed after that hour will be governed by the time of filing.

4. Persons claiming veteran's preference rights under Paragraph 3 (2) above must submit with their applications proper evidence of military or naval service, preferably a complete photostatic copy of the certificate of honorable discharge. Persons claiming preference rights based upon valid settlement, statutory preference, or equitable claims must enclose properly corroborated statements in support of their applications, setting forth all facts relevant to their claims. Detailed rules and regulations governing applications which may be filed pursuant to this notice can be found in Title 43 of the Code of Federal Regulations.

5. Applications for these lands, which shall be filed in the land office at Fairbanks, Alaska, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations to the extent such regulations are applicable. Applications under the homestead and homesite laws shall be governed by the regulations contained in Parts 64, 65 and 166 of Title 43 of the Code of Federal Regulations and applications under the Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Part 257 of that title.

6. Inquiries concerning these lands shall be addressed to the Manager, Fairbanks Land Office, P. O. Box 110, Fairbanks, Alaska.

ROBERT L. JENKS,
Acting Manager.

[F. R. Doc. 56-9999; Filed, Dec. 5, 1956; 8:51 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Department of Air Force has filed an application, Serial No. Fairbanks 013469, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws including the mining and mineral leasing laws.

The applicant desires the land for a maneuver site.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

CHENA RIVER

A parcel of land situated approximately 20 miles northeast of Fairbanks, in the Fourth Judicial Division, Territory of Alaska. Said parcel being more particularly described as follows:

Commencing at the corner common to the southeast corner Section 24 and northeast corner Section 25, Township 1 North, Range 2 East, Fairbanks Meridian, Alaska; thence due east 3.00 miles to a point and the True Point of Beginning for this description; thence North 7.40 miles, more or less, to a point on the 65°00' North Latitude line; thence East 18.50 miles, more or less, along said Latitude line to a point of intersection with the 146°30' West Longitude line; thence South 5.52 miles, more or less, along said Longitude line to a point that is one-fourth mile north of an existing sled road traversing in an easterly and westerly direction, north of the Chena River; thence in a southwesterly direction, one-fourth mile north of and generally following the main sled roads, for a distance of 20.50 miles, more or less, to a point that is South 2.12 miles, more or less, from the Point of Beginning; thence North 2.12 miles, more or less, to the Point of Beginning.

The above described parcel of land contains 85,200.00 acres, more or less.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9951; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Bureau of Public Roads has filed an application, Serial No. Fairbanks 013138, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws including the mining and mineral leasing laws, but excluding grazing.

The applicant desires the land for erosion control purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the

FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

T. 4 S., R. 4 E., Fairbanks Meridian,
Sec. 30: That part of U. S. Survey No. 2285 lying West of the right-of-way limits of the Richardson Highway.

Containing 6.06 acres, more or less.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9952; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Department of Air Force has filed an application, Serial No. Fairbanks 013539, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws including the mining and mineral leasing laws.

The applicant desires the land for communication facility purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

FORT YUKON AREA

PARCEL NO. 1

Commencing at USGS Station "Fort Yukon" W. B. A. Z. M. K., latitude 66°33'39.313" North, longitude 145°12'34.927" West; thence N. 77° 00' W. for a distance of 2,100.00 feet to the True Point of Beginning of Parcel No. 1; thence West 500 feet; thence North 250 feet, more or less to the south right-of-way line of the access road; thence S. 73° 04' E. parallel to and along the above mentioned south right-of-way line for a distance of 522.66 feet; thence South 110 feet, more or less to the True Point of Beginning and containing 2.97 acres, more or less.

PARCEL NO. 2

Commencing at USGS Station "Fort Yukon" W. B. A. Z. M. K., latitude 66°33'39.313" North, longitude 145°12'34.927" West; thence N. 77° 00' W. for a distance of 2,100.00 feet to a point; thence North 172.72 feet to the True Point of Beginning for Parcel No. 2; thence N. 73° 04' W. 522.66 feet along the north right-of-way of the access road; thence North 192 feet, more or less; thence East 500 feet; thence South 327 feet, more or less to the True Point of Beginning and containing 2.06 acres, more or less.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9953; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Department of Air Force has filed an application, Serial No. Anchorage 032461, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws including the mining and mineral leasing laws.

The applicant desires the land for an Air Force Station Withdrawal.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

TAZLINA AREA

Commencing at USC & GS Triangulation Station, "Tolsona" at latitude N. 62°06'17" and longitude W. 146°10'20", west 1,500 feet to the point of beginning, thence due north 3,000 feet, thence east 3,000 feet, thence south 3,500 feet, thence west 3,000 feet, thence north 500 feet to the point of beginning, comprising an acreage of approximately 241 acres.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9954; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Territorial Department of Lands has filed an application, Serial No. Anchorage 033231, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws and the mining laws, but excepting mineral leasing and the disposition of material under the Materials Act.

The applicant desires the land for public recreation purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

LANDMARK GAP LAKE

From the point of beginning at approximately 63°06'20" N., 146°04'34" W., being the point of the peninsula, thence southeasterly along the shoreline 10 chains, thence 2 chains easterly, thence 15 chains northerly, thence approximately 2 chains westerly to the shore, thence approximately 10 chains southwesterly along the shore to the point of beginning. Containing approximately 7 acres.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9955; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Territorial Department of Lands has filed an application, Serial No. Anchorage 033230, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws and the mining laws, but excepting mineral leasing and the disposition of materials under the Materials Act.

The applicant desires the land for public recreation purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

GULKANA RIVER

Beginning on the west bank of the Gulkana River at the confluence of the Middle Fork (Gulkana River) and the Gulkana River, thence southerly along the Gulkana River for a distance of 15 chains, thence easterly 15 chains, thence northerly approximately 48 chains to the south bank of the Gulkana River, thence downstream along the southern and eastern bank of the Gulkana River approximately 50 chains to the point of the beginning, containing approximately 95 acres.

A strip with a width of 5 chains extending along the south bank of the Gulkana River from the northeastern corner of the above described site to a point immediately south of Huffman's cabin on the outlet of Paxson Lake, containing 80 acres more or less.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9956; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Territorial Department of Lands has filed an application, Serial No. Fair-

banks 013618, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws and the mining laws, but excepting mineral leasing and the disposition of material under the Materials Act.

The applicant desires the land for public recreation purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

RICHARDSON HILL CANYON AREA

T. 7 S., R. 6 E., Fairbanks Meridian, Sec. 24: Lots 5 and 11, containing 15.35 acres.

SHAW CREEK AREA

T. 8 S., R. 9 E., Fairbanks Meridian, Sec. 26: Lot 11, containing 6.92 acres.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9957; Filed, Dec. 5, 1956; 8:45 a. m.]

ALASKA

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

The Territorial Department of Lands has filed an application, Serial No. Anchorage 033232, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws and mining laws, but excepting mineral leasing and the disposition of materials under the Materials Act.

The applicant desires the land for public recreation purposes.

For a period of 60 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, Box 480, Anchorage, Alaska.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

STEPHAN AND SEVENMILE LAKE AREA

TRACT A

From the point of beginning at MC1, being a point of land marked by a 10" birch marked PSSWCMC1, thence S 18° E .15 chains, thence S 41° 30' E 2.41 chains, thence N 45° E 4.15 chains, thence N 50° W 2.82 chains, thence N 10° W 2.61 chains, thence N 16° E 1.85 chains, thence N 19° W 1.52 chains, thence N 72° W 1.73 chains, thence S 71° W 1.65 chains, thence S 52° W 1.55 chains, thence S 18° E 8.18 chains, to the point of beginning, containing approximately 3.87 acres.

TRACT B

From the point of beginning at MC1, being a point of land marked by an 8" spruce marked PSSWCMC1, thence S 77° E .15 chains, thence S 13° W. 3.50 chains, thence S 36° W 1.55 chains, thence S 59° W 2.12 chains, thence S 70° 15' W 2.72 chains, thence N 18° W 5 chains, thence N 40° E 3.85 chains, thence S 77° E 5 chains, to the point of beginning, containing approximately 3.69 acres.

TRACT C

From the point of beginning at MC1, being a point of land marked by a 6" spruce marked PSSMC1, thence N 74° E, 4.55 chains, thence N 85° E, .73 chains, thence S 54° E, .89 chains, thence S 32° E, 2.21 chains, thence S 22° E, 2.53 chains, thence S 68° W, 5.27 chains, thence N 31° 45' W, 6.25 chains, to the point of beginning, containing approximately 3.12 acres.

TRACT D

From the point of beginning at MC1, being a point of land marked by an 8" spruce marked PSSWCMC1, thence N 46° 30' E, .33 chains, thence S 65° E, 1.68 chains, thence S 72° 30' E, 1.56 chains, thence S 45° E, 1.12 chains, thence S 3° E, 1.83 chains, thence S 36° W, 2.18 chains, thence S 25° W, 1.91 chains, thence S 59° W, 2.85 chains, thence S 53° W, 2.83 chains, thence S 61° W, 2.36 chains, thence N 42° W, 5 chains, thence N 46° 30' E, 11.48 chains, to the point of beginning, containing approximately 7.14 acres.

Aggregating approximately 17.82 acres.

ROGER R. ROBINSON,
Operations Supervisor.

[F. R. Doc. 56-9961; Filed, Dec. 5, 1956; 8:46 a. m.]

Office of the Secretary

[Order 2818]

ADMINISTRATOR, SOUTHWESTERN POWER ADMINISTRATION

DELEGATION OF AUTHORITY TO NEGOTIATE A PROFESSIONAL ENGINEERING SERVICE CONTRACT

NOVEMBER 29, 1956.

The Administrator, Southwestern Power Administration is authorized to exercise the authority delegated by the Administrator of General Services, on November 23, 1956, to the Secretary of the Interior, for the period ending June 30, 1957, to negotiate, without advertising, under section 302 (c) (4) of the Federal Property and Administrative Services Act of 1949, as amended (41 U. S. C., sec. 252 et seq.), a professional engineering service contract for topography, alignment, and land ties for a 29 mile 69 kv transmission line and associated terminal facilities from Southwest City, Missouri, to Bentonville, Arkansas, as authorized by Title II of the Public Works Appropriation Act, 1957, approved July 2, 1956, Public Law 641, 84th Congress, 2d Session (70 Stat. 474). This delegation of authority shall be subject to all provisions of Title III of the Federal Property and Administrative Services Act with respect to negotiated contracts, and to all other provisions of law.

F. E. WORMSER,
Acting Secretary of the Interior.

[F. R. Doc. 56-9962; Filed, Dec. 5, 1956; 8:46 a. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

JOHN L. CROSS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of August 11, 1956, 21 F. R. 6048.

A. Deletions: None.
B. Additions: None.

This statement is made as of November 15, 1956.

JOHN L. CROSS.

NOVEMBER 15, 1956.

[F. R. Doc. 56-9976; Filed, Dec. 5, 1956; 8:47 a. m.]

ORVILLE K. SCHMIED

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of June 30, 1956, 21 F. R. 4894.

A. Deletions: South Park Development Company.
B. Additions: None.

This statement is made as of November 29, 1956.

ORVILLE K. SCHMIED.

NOVEMBER 29, 1956.

[F. R. Doc. 56-9977; Filed, Dec. 5, 1956; 8:47 a. m.]

GEORGE A. SANDS

REPORT OF APPOINTMENT AND STATEMENT OF FINANCIAL INTERESTS

Report of appointment and statement of financial interests required by section 710 (b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. George A. Sands.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: November 8, 1956.
4. Title of position: Consultant (Ferro-Alloys).

5. Name of private employer: Electro Metallurgical Division, Union Carbide & Carbon Corporation, 30 E. 42nd Street, New York, New York.

CARLTON HAYWARD,
Director of Personnel.

NOVEMBER 30, 1956.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Union Carbide & Carbon Corp.
Massachusetts Investment Trust
Canada General Fund
Pennroad Corp.
E. I. du Pont de Nemours & Co.
General Motors Corp.
Pennsylvania Railroad Co.
Curtiss-Wright Corp.
Bendix Aviation Corp.
Atlantic Refining Co.
Bank Deposits

GEORGE A. SANDS.

NOVEMBER 29, 1956.

[F. R. Doc. 56-9975; Filed, Dec. 5, 1956; 8:47 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 11735; FCC 56M-1099]

NEVADA TELECASTING CORP. (KAKJ)

ORDER CONTINUING HEARING CONFERENCE

In the matter of revocation of television construction permit of Nevada Telecasting Corporation (KAKJ), Reno, Nevada; Docket No. 11735.

On the oral request of counsel for the parties: *It is ordered*, This 30th day of November 1956, that the further prehearing conference now scheduled for December 3, 1956, is continued to Tuesday, January 8, 1957, at 10:00 a. m., in the offices of the Commission, Washington, D. C.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-9992; Filed, Dec. 5, 1956; 8:50 a. m.]

[Docket No. 11821; FCC 56-1176]

GOOD MUSIC STATION, INC., AND RKO TELERADIO PICTURES, INC.

MEMORANDUM OPINION AND ORDER STATING ISSUES

In the matter of The Good Music Station, Inc. (Assignor), and RKO Teleradio Pictures, Inc. (Assignee), Docket No. 11821, File Nos. BAPL-114, BALH-236; for assignment of license and construction permit of Station WGMS, Bethesda, Maryland, and license of Station WGMS-FM, Washington, D. C.

1. The Commission has before it for consideration (a) the Commission's Memorandum Opinion and Order released September 13, 1956 (FCC 56-870, Mimeo No. 35755), designating the above entitled applications for oral argument; (b) the transcript of oral argument and briefs of the parties filed pursuant to the Commission's order; and (c) the Commission's Memorandum Opinion and Order released November 1, 1956 (FCC 56-1051, Mimeo No. 37451), ordering an evidentiary hearing to be held upon issues and at a time and place to be specified in a later order.

2. The factual background of this proceeding has been stated fully in the Commission's Memorandum Opinion and Order released September 13, 1956, supra. In brief, the above-entitled applications were granted without a hearing on July 18, 1956; a protest of the grant was filed on August 17, 1956 by Lawrence M. C. Smith, a minority stockholder of Assignor; as a result of Smith's protest, the Commission, by its Order of September 13, 1956, supra, designated the above-entitled applications for oral argument to determine whether "* * * if the facts alleged in the protest were to be proven, grounds have been presented for setting aside the grant * * *"; oral argument was held before the Commission en banc on October 1, 1956; and the Commission thereafter, by its Memorandum Opinion and Order released November 1, 1956, found that certain of the facts alleged, if proved, could provide grounds for setting aside the grant. An evidentiary hearing was, therefore, ordered to be held on issues to be specified in a subsequent Order.

3. Protestant's allegations in this proceeding, as indicated by the pleadings and the oral argument, resolve themselves basically into (a) an attack upon the character qualifications of M. Robert Rogers, a majority stockholder of Assignor, which attack is based on an assertion that Rogers' acts in negotiating an assignment of WGMS and WGMS-FM to RKO Teleradio Pictures, Inc. were a fraud upon the Assignor and upon Protestant and (b) an averment that Assignor, having represented to the Commission in support of its 1954 application to increase power and hours of operation (BP-8769) that the then existing "good music" format would be retained over Station WGMS, assigned the license and construction permit to RKO Teleradio Pictures, Inc., and that RKO proposes to abandon the "good music" format for Station WGMS, though retaining it for WGMS-FM; and that this material alteration of program format, considered in the light of Assignor's prior representation, affects the public interest.

4. The Commission is not a proper forum for settling private disputes. Where, however, as in this proceeding, allegations of fraud are made which bear upon the character qualifications of one who seeks Commission approval for an act involving a broadcast facility, the private dispute may become cognizable as impinging upon the public interest. In a like manner, the Commission, though in no sense purporting to dictate program content or to impose business judgments, is confronted also with an allegation that misrepresentations may have been made to it in the course of prosecuting applications before it. For these reasons, it is believed that the allegations set forth in the protest are sufficient to warrant the matter being set for an evidentiary hearing on the issues specified by the protestant. The Commission, however, is not adopting the issues, and the burden of proceeding with the evidence and the burden of proof as to each issue shall, therefore, be on protestant. Moreover, the Commission does not by its order herein indicate that any issues specified other than those involving possible character qualifications or misrepresentation to the Commission would in its judgment, if fully established by protestant, constitute ground for grant of the protest.

5. *Accordingly, it is ordered*, This 28th day of November 1956, that, pursuant to the Communications Act of 1934, as amended, the evidentiary hearing on the above-entitled application which was ordered by the Commission's Memorandum Opinion and Order released November 1, 1956, be held at the offices of the Commission in Washington, D. C. on the following issues:

(1) To determine whether the contract between the Assignor and Assignee, dated April 14, 1956, and the "Consulting Agreement" of the same date between Rogers, his wife, and the Assignee, and the earlier agreement of Rogers and Underwood with RKO, dated February 25, 1956, were a fraud upon the Assignor corporation and upon Petitioner, and whether said contracts were a breach of the fiduciary obligations of the majority stockholders, directors, and officers of the Assignor.

(2) To determine whether the Assignor corporation or any of its officers, directors, or stockholders had legal capacity and power to enter into said contracts dated April 14, 1956.

(3) To determine whether a grant of the assignment applications would serve the public interest, convenience, and necessity particularly in view of

a. The determination of the foregoing issues;

b. The Assignor's representations to the Commission in 1954, that, if it were granted a construction permit to operate WGMS full time with increased power, WGMS would be continued as a good music station; the Commission's determination, in granting such construction permit, that it is in the public interest for WGMS to operate in this manner as a good music station (BP-8764); and the fact that, before said construction permit has ripened into a license and within less than eight months after increasing its power and hours of operation, The Good Music Station, Inc. seeks to assign the WGMS construction permit, together with its basic license, in a manner that will result in materially altering the good music character of the station;

c. The public interest in avoiding a material change in the character of the

program service of the only AM and FM good music stations in the Nation's capital;

It is further ordered, That the burden of proceeding with the introduction of evidence and the burden of proof as to each of the issues shall be upon the Protestant;

It is further ordered, That the Protestant and the Chief of the Broadcast Bureau are hereby made parties to the proceeding herein and that;

a. The hearing on the above issues is to commence at a time and place and before an Examiner to be specified in a subsequent order; and

b. The parties to the proceeding shall have 15 days after the issuance of the Examiner's decision to file exceptions thereto and 7 days thereafter to file replies to any such exceptions.

Released: November 29, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-9993; Filed, Dec. 5, 1956; 8:50 a. m.]

[Docket No. 11862; FCC 56M-1098]

BAY RADIO, INC., AND MID-AMERICA BROADCASTERS, INC.

ORDER SCHEDULING PREHEARING CONFERENCE

In the matter of Bay Radio, Inc. (Assignor) and Mid-America Broadcasters, Inc. (Assignee), Docket No. 11862, File No. BAL-2369; for assignment of license of Station KEAR, San Francisco, California.

It is ordered, This 29th day of November 1956, that all parties, or their counsel, in the above-entitled proceeding are directed to appear for a pre-hearing conference pursuant to the provisions of § 1.813 of the Commission's rules, at the offices of the Commission in Washington, D. C., at 10 o'clock a. m., December 10, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-9994; Filed, Dec. 5, 1956; 8:50 a. m.]

[Docket Nos. 11875, 11876; FCC 56-1179]

CHARLES W. DOWDY AND THOMAS D. PICKARD

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Charles W. Dowdy, Tifton, Georgia, Docket No. 11875, File No. BP-10550; Thomas D. Pickard, Ashburn, Georgia, Docket No. 11876, File No. BP-10785; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 28th day of November 1956;

The Commission having under consideration the applications of Charles W. Dowdy and Thomas D. Pickard, each for a construction permit for a new standard broadcast station to operate on 1570 kilocycles with a power of one kilowatt, daytime only, at Tifton and Ashburn, Georgia, respectively;

It appearing, that each of the applicants is legally, technically, financially and otherwise qualified, except as may appear from the issues specified below, to operate his proposed station, but that the operation of both stations as proposed would result in mutually destructive interference; and

It further appearing, that, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the subject applicants were advised by letter, dated October 17, 1956, of the aforementioned interference and that the Commission was unable to conclude that a grant of either application would be in the public interest; and

It further appearing, that a timely reply was received from each subject applicant; and

It further appearing, that the Commission, after consideration of the replies, is of the opinion that a hearing is necessary;

It is ordered, That, pursuant to section 309 (b) 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 the areas and populations which would receive primary service from each of the proposed operations and the availability of other primary service to such areas and populations.

2. To determine in the light of section 307 (b) of the Communications Act of 1934, as amended, which of the operations proposed in the above-captioned applications would better provide a fair, efficient and equitable distribution of radio service.

3. To determine, in the light of the evidence adduced pursuant to the foregoing issues, which, if either, of the above-captioned applications should be granted.

It is further ordered, That, to avail themselves of the opportunity to be heard, Charles W. Dowdy and Thomas D. Pickard, pursuant to § 1.387 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 appear on the date fixed for the hearing and present evidence on the issues specified in this order.

Released: December 3, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-9995; Filed, Dec. 5, 1956; 8:50 a. m.]

[Docket No. 11878; FCC 56-1195]

MOBILE COMMUNICATIONS

MEMORANDUM OPINION AND ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In the matter of the application of J. B. Wathen, III, d/b as Mobile Communications, Docket No. 11878, File No. 2184-C2-P-56; for a construction permit to establish a new station for two-way communications in the Domestic Public Land Mobile Radio Service at Louisville, Kentucky.

1. The Commission has before it (1) a protest by Newton Z. Wolpert and William A. Houser, co-partners, d/b as Telephone Answering Service (hereinafter called Answering Service or protestant), licensees of station KIF656, a one-way signaling station and holders of a construction permit for two-way station KIJ347, both of which are in the Domestic Public Land Mobile Radio Service at Louisville, Kentucky, timely filed on November 8, 1956, pursuant to section 309 (c) of the Communications Act of 1934, as amended, protesting the Commission's action of October 9, 1956, granting without hearing the above-entitled application of J. B. Wathen, III, d/b as Mobile Communications (hereinafter called Communications or applicant) for a construction permit to provide a two-way communications service in the Domestic Public Land Mobile Radio Service in the Louisville area; (2) an opposition to the said protest timely filed by Communications on November 19, 1956; and (3) a reply to said opposition.

PRELIMINARY STATEMENT

2. On May 24, 1956, Communications applied for a construction permit for the two-way communications service mentioned in paragraph 1 above. Answering Service had filed with the Commission, on April 17, 1956, an application to provide a similar service at Louisville. A construction permit was issued to Answering Service (station KIJ347) on June 29, 1956. A two-way Domestic Public Land Mobile Radio Service is now being provided at Louisville by station KIG855, operated by Louisville 2-Way Radio Service, Inc. The construction permit at issue here was granted to Communications on October 9, 1956. At no time, prior to the instant protest, had anyone asserted to the Commission that there was, or would be, any problem of destructive competition at Louisville by virtue of the grant of any of these authorizations.

ANSWERING SERVICE'S PROTEST

3. Answering Service alleges that the grant of the Communications application was made after Mr. Wathen had entered into a contract, dated August 22, 1956, on behalf of Communications, with Answering Service, in which it was agreed that the parties would be associated in the communications business and would not compete therein; that the failure of Communications to withdraw its application at issue here was calculated to lead to Commission action inconsistent with Answering Service's interests; that

Answering Service will be economically injured by the grant of the subject application since it would allow Communications to offer an identical service in direct competition with any service offered by Answering Service; that, based upon information and belief (supported by affidavits), Communications' sole purpose in obtaining said authorization was to preclude the assignment of the frequencies to someone else who would use them to offer a common carrier service; that Communications had no intent of actually offering service and that it was seeking a license solely "in order to keep it on the shelf"; that Communications would not be able to operate a common carrier service from the location specified in its construction permit since said location is the residence of Wathen, which is in a highly restricted residential neighborhood; that there is insufficient business in the Louisville area to support three independent two-way radio services and Answering Service, as a prior permittee is entitled to protection from ruinous competition; and that Communications has commenced the construction of radio transmitting facilities at the Washington Building in Louisville (a location different from that specified in its permit) without having first obtained a construction permit therefor.

4. Answering Service requests that the application be designated for hearing upon the following issues:

(a) To determine whether the application of J. B. Wathem (sic) III, dba Mobile Communications, 2184–C2–P–56 was filed and prosecuted in good faith.

(b) To determine whether said Wathem (sic) actually intended or intends to offer a common carrier service to the area of Louisville, Kentucky, under the authorization 2184–C2–P–56.

(c) To determine the nature and extent of the service actually proposed to be rendered by Wathem (sic) under 2184–C2–P–56.

(d) To determine the need for said service.

(e) To determine whether there is a need in Louisville, Kentucky, for two-way radio communications in the Domestic Public Land Mobile Radio Service in addition to the service presently available and that to be offered by petitioners.

(f) To determine whether it is in the public interest to authorize additional common carrier service in an area where no need therefor exists.

(g) To determine whether said Wathem (sic) has commenced the construction of any radio transmitting facilities in violation of section 319 (a) of the Communications Act of 1934, as amended.

(h) To determine whether J. B. Wathem (sic) III has the necessary character qualifications to hold a license from the Commission.

(i) To determine, on the basis of the foregoing, whether the grant of the application 2184–C2–P–56 of J. B. Wathem (sic) III, dba Mobile Communications was in the public interest.

THE OPPOSITION TO THE PROTEST

5. On November 19, 1956, Communications filed its unsworn opposition hereto. The opposition, in summary, is a general denial and urges that Answering Service has not stated facts sufficient to show they are parties in interest or that a grant of the protested construction permit would not be in the public interest, and that the economic injury alleged by Answering Service has not been shown with particularity, all as required by section 309 (c) of the act. The remainder of the opposition raises collateral matters which do not meet the specific allegations of the protest herein and are not deemed relevant or material thereto or to a determination of the propriety of the grant to Communications. The reply to the opposition adds nothing new to the facts already related.

DISPOSITION OF THE PROTEST

6. Without passing on the private rights or interests of the parties to the contract dated August 22, 1956, the Commission desires to consider this contract insofar as it may effect its jurisdiction and the public interest. Pursuant to the last paragraph of the said contract, if it is terminated by either party, the party so terminating may not operate a common carrier communications facility in the Louisville area for a period two years subsequent to such termination. Any termination of service which may be involved is not conditioned on prior approval of the Commission. Since communication service rendered in this area would probably be interstate[1] in character, in part, a termination of such interstate common carrier communication service would be subject to prior approval of the Commission, pursuant to section 214 of our act and Part 63 of the Commission's rules and regulations. Such approval is granted only after there has been a satisfactory showing that neither the present nor future public convenience and necessity would be adversely affected thereby. Thus, if Communications were a licensee in the Domestic Public Land Mobile Radio Service, and if it terminated the aforesaid contract, it would appear to be required to retire from this business without regard to the necessity for obtaining prior approval from this Commission.

7. Because of the apparent conflict between our jurisdiction in the premises and the aforesaid provisions of the contract, and the allegation of Answering Service that there is no need for an additional service in the area involved and that further competition in the area would be ruinous, Answering Service has presented allegations which suffice, in a case involving communications common carriers, to afford it both standing to protest and a basis for hearing under the provisions of section 309 (c) of our act. Further, Answering Service has raised matters concerning the bona fides of the application in its protest (supported by independent affidavits) which, had they been known at the time this application was filed, would have merited careful and substantial consideration when the application was processed.

8. The suggested issues in the protest (a) and (b), will be combined in one issue, since both involve the same matter; issue (c) will be rewritten to reflect certain additional information the Commission would desire to have on the record; issues (d), (e) and (f) will be combined and re-worded since they deal with the issue of need for the service in the area in question; and also to eliminate the conclusion in proposed issue (f) that here is no need for such service; proposed issues (g) and (h) will be adopted as rewritten; and issue (i), which is conclusionary in nature, will be rewritten to include the issues set forth hereinafter. Because of the nature of the matters involved in these issues, we shall adopt them as rewritten, and place the burden of proof thereon on the applicant.

9. Accordingly, in the light of our conclusions in paragraph 8 above, and in order to carry out the intent of Congress with respect to section 309 (c) of our act: *It is ordered*, That this matter is designated for hearing upon the following issues:

A. To determine the nature and extent of service proposed by Communications, including the rates, charges, practices, classifications, regulations, personnel and facilities pertaining thereto.

B. To determine the nature and extent of service proposed by Answering Service, including the rates, charges, practices, classifications, regulations, personnel and facilities pertaining thereto.

C. To determine the nature and extent of service now rendered by Louisville 2-Way Radio Service, Inc., including the rates, charges, practices, classifications, regulations, personnel and facilities pertaining thereto.

D. To determine the area and population presently covered by the service offered by Louisville 2-Way Radio Service, Inc.

E. To determine the area and population to be covered by the service proposed by Communications.

F. To determine the area and population to be covered by the service proposed by Answering Service.

G. To determine the need for the proposed service of Communications, and the nature and extent of any benefits to the public which will accrue because of Communications' proposed service.

H. To determine whether any disadvantages to the public will accrue because of Communications' proposed service.

I. To determine whether the provisions relating to restraints to be imposed upon the party terminating the contract entered into between Answering Service and Communications, on August 22, 1956, are in the public interest and whether said provisions are consistent with section 214 of our act and Part 63 of our rules.

J. To determine whether Communications has commenced the construction of any facilities for station KIJ350 in violation of section 319 (a) of our act.

[1] Official notice is taken of the fact that Louisville, Kentucky, is located on the Ohio River, which river is the common boundary, at that point, between Kentucky and Indiana.

K. To determine whether Communications is legally qualified to be a grantee in this service.

L. To determine whether Communications intended, when its application was filed, and intends now, to offer a common carrier service in the Louisville area and whether its application was filed and prosecuted in good faith.

M. To determine, apart from legal, financial and technical qualifications, whether Communications is otherwise qualified to be a licensee in the Domestic Public Land Mobile Radio Service.

N. To determine, in the light of the evidence adduced on all the foregoing issues, whether the public interest, convenience or necessity will be served by a grant of the subject application.

10. *It is further ordered,* That, the effective date of the Commission's action of October 9, 1956, granting the above-entitled application is postponed pending a final decision by the Commission with respect to the evidentiary hearing herein provided; and

11. *It is further ordered,* That, the hearing herein, upon the issues specified in paragraph 9 above, shall be held at the Commission's offices in Washington, D. C., on a date, and before an Examiner, to be announced later; and

12. *It is further ordered,* That, the burden of proof on issues A, C, D, E, G, H, I, J, K, L, M and N are placed on the applicant, and the burden of proof on issues B and F are placed on the protestant; and

13. *It is further ordered,* That, Telephone Answering Service, and the Acting Chief, Common Carrier Bureau, are made parties to the proceeding herein; and

14. *It is further ordered,* That, Louisville 2-Way Radio Service, Inc., licensee of station KIG855, the existing two-way Domestic Public Land Mobile Radio Service at Louisville, Kentucky, is made a party intervenor to the proceedings herein with its participation limited to issues, C, D, G and H; and

15. *It is further ordered,* That, the parties desiring to participate herein shall file their appearances not later than December 21, 1956.

Adopted: November 28, 1956.

Released: December 3, 1956.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 56-9996; Filed, Dec. 5, 1956; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6715]

GULF STATES UTILITIES CO.

NOTICE OF APPLICATION

DECEMBER 3, 1956.

Take notice that on November 29, 1956, an application was filed with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, by Gulf States Utilities Company, a corporation organized under the laws of the State of Texas, and doing business in the States of Louisiana and Texas, with its principal business office at Beaumont, Texas, seeking an order authorizing the issuance of Promissory Notes in the aggregate amount of $16,000,000. Said notes will be issued from time to time, up to and including December 1, 1957, with a maturity not in excess of eleven months from the date of issue, bearing interest at the lender's prime rate in effect at the time of each borrowing. Applicant proposes to use the proceeds for general corporate purposes and to carry on its construction program; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 17th day of December 1956, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 56-9997; Filed, Dec. 5, 1956; 8:51 a. m.]

[Docket No. G-11552]

HOLLANDSWORTH OIL CO. ET AL.

ORDER SUSPENDING PROPOSED CHANGE IN RATES

Hollandsworth Oil Co. et al. (Hollandsworth) on October 1, 1956, tendered for filing a proposed change in the presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate, is contained in the following designated filing.

Description; Purchaser; Rate Schedule Designation; and Effective Date[1]

Notice of change dated September 27, 1956; Mississippi River Fuel Corporation; Supplement No. 8 to Hollandsworth's FPC Gas Rate Schedule No. 2; November 1, 1956.

The increased rate and charge proposed in the aforesaid filing has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority contained in sections 4 and 15 of the Natural Gas Act and the Commission's general rules and regulations (18 CFR, Chapter I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of said proposed change in rates and charges; and, pending such hearing and decision thereon, the above-designated supplement be and the same hereby is suspended and the use thereof deferred until April 1, 1957, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(B) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(C) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

Issued: November 30, 1956.

By the Commission.[2]

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 56-9965; Filed, Dec. 5, 1956; 8:46 a. m.]

[Docket No. G-9966 etc.]

NATURAL GAS PIPELINE CO. OF AMERICA ET AL.

ORDER FOR HEARING AND SPECIFYING PROCEDURE

In the matters of Natural Gas Pipeline Company of America, Docket No. G-9966; Texas Illinois Natural Gas Pipeline Company, Docket No. G-10103; Colorado Interstate Gas Company, Docket No. G-10176; Chicago District Pipeline Company, Docket No. G-10214; Pacific Northwest Pipeline Corporation, Docket No. G-10455.

The above entitled proceedings are before the Commission for consideration of hearing.

The Commission finds: It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and in the public interest that the procedure hereinafter prescribed should be followed at the hearing herein set, so that said hearing may be conducted with reasonable dispatch.

The Commission orders:

(A) Pursuant to 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, the hearing be held commencing on January 7, 1957, at 10:00 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., concerning the matters involved in and the issues presented by the above entitled applications.

(B) The procedure at the hearing referred to in the above paragraph (A) shall be as follows:

(i) In the sequence set forth in the heading hereof each applicant shall present all testimony orally upon the record

[1] The stated effective date is the first day after expiration of the required thirty days notice, or the effective date proposed by Hollandsworth, if later.

[2] Commissioner Digby dissenting in opinion.

at the hearing in question and answer form and each witness who testifies shall be cross-examined immediately upon completion of his direct examination. Further examination of the witness may take place after completion of cross-examination.

(ii) Each applicant shall present its evidence as to market demands prior to the presentation of evidence relating to the other matters and issues involved.

(iii) No recess shall be taken during the course of the hearing for purpose of cross-examination.

Issued: November 30, 1956.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 56-9964; Filed, Dec. 5, 1956; 8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 54-54, etc.]

NORTHERN STATES POWER CO. (DELAWARE) AND (MINNESOTA)

NOTICE OF FILING BY PIONEER SERVICE & ENGINEERING COMPANY OF SECOND SUPPLEMENTAL PETITION FOR APPROVAL OF FEES AND EXPENSES

NOVEMBER 30, 1956.

In the matter of Northern States Power Company (Delaware), File No. 54-54; Northern States Power Company (Minnesota), File No. 70-559; Northern States Power Company (Delaware), File No. 59-50.

Notice is hereby given that Pioneer Service & Engineering Company ("Pioneer") has filed an application entitled "Second Supplemental Petition for Approval of Fees and Expenses" with respect to its services rendered in administering the estate of Northern States Power Company ("Delaware"), a Delaware corporation and registered holding company in process of liquidation under a plan of reorganization approved by the Commission (27 S. E. C. 321, 547) and the United States District Court for the District of Minnesota (80 Fed. Supp. 193) pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935.

Pioneer states that it has kept the books and records of Delaware since January 1, 1948; that it has administered Delaware's residual estate, supervising the exchanges of Delaware's preferred and common stocks for common stock of Northern States Power Company (Minnesota), the surviving holding company, pursuant to the provisions of the plan of reorganization; and that its charges for such services have been limited to cost plus 10 per cent. At the principal fee hearing in these proceedings in 1950, Pioneer submitted an application for approval of its fees and expenses for the two-year period 1948-1949, with testimony in support thereof, as follows:

Fees, 1948-1949	$52,786.61
Expenses, 1948-1949	9,866.32

The testimony indicated that Pioneer had been paid for its services and reimbursed for its expenses on a current monthly basis, and that the company would suffer no hardship if approval of its application should be deferred until consummation of the plan and the filing of its final application. The Commission therefore deferred action on the application pending the completion of Pioneer's services (Holding Company Act Release No. 11145).

The bar date for effecting exchanges under the plan expired on September 30, 1956 (Holding Company Act Release No. 12983), and Pioneer is now in the process of winding up the affairs of Delaware, delivering the residual assets to Minnesota, and making a final accounting to the Court. The instant petition gives an itemized statement of all services rendered and expenditures incurred by Pioneer for 1950 and subsequent years, which are summarized as follows:

Keeping Delaware's books of account and preparing detailed monthly statements for 1950 (no charge for subsequent years)	$420.00
Preparing report of Delaware to this Commission, 1950	265.58
Receiving 2,945 stock certificates representing shares of two series of preferred stock and the Class A common stock of Delaware, processing them for exchange, contacting stockholders in person, by letter, or telephone, and effecting exchanges	2,941.26
Addressing and mailing letters to approximately 4,700 holders of record of uncashed dividend checks issued during the years 1912-1948 inclusive, conducting investigations with respect to the addresses of such holders and the status of their rights, processing several thousand reply letters, and issuing and recording 2,058 checks	7,101.73
Fees, 1949 to date	10,728.57
Expenses, 1949 to date	377.58

Pioneer has been fully paid by Delaware, and this petition is filed to obtain the Commission's approval of such payments.

In addition to the foregoing services, Pioneer states that it has rendered certain special services at the request of the Minnesota company, as follows: (1) Mailing letter to Delaware's 53,082 stockholders with respect to the tax status of dividends paid in 1945, (2) computing amounts due, and preparing and mailing 12,327 checks in payment of accumulated dividends during the years 1949 to 1956 inclusive on Minnesota's common stock held for delivery to Delaware stockholders, and (3) preparing periodic reports to Minnesota concerning Delaware's residual assets and the status of stock exchanges under the plan. Pioneer has received from Minnesota fees aggregating $15,874.65 and reimbursement of expenses aggregating $1,593.46 in payment for such special services.

Supplements to the petition indicate that at the termination of the bar date on September 30, 1956, only thirteen of Delaware's approximately 53,000 stockholders had failed to surrender their certificates for exchange, representing 417¼ common shares of Minnesota's common stock, and that the residual cash to be turned over by Delaware to the Minnesota company will be approximately $142,500.

Pioneer asks that the Commission now approve the payments which it has heretofore received from Delaware for services rendered and expenses paid from 1948 to date, aggregating $63,515.20 for fees and $10,243.90 for expenses, in order that it may make its final report to the Court and terminate these proceedings.

Notice is further given that any interested person may, not later than December 18, 1956 at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date the application may be granted as now amended or as further amended, or the Commission may take such other action with respect thereto as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 56-9966; Filed, Dec. 5, 1956; 8:46 a. m.]

GENERAL SERVICES ADMINISTRATION

SECRETARY OF THE INTERIOR

DELEGATION OF AUTHORITY TO NEGOTIATE CONTRACTS FOR SERVICES OF ARCHITECTURAL AND ENGINEERING FIRMS

1. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, herein called the act, authority is hereby delegated for the period ending June 30, 1957, to the Secretary of the Interior to negotiate, without advertising under section 302 (c) (4) of the act, certain contracts required by the Bureau of Reclamation, in the administration of its program, viz., contracts for professional architectural and engineering services for the designing and testing of floodlighting of the Grand Coulee Dam spillway as authorized by Title II of the Public Works Appropriation Act, 1957, approved July 2, 1956, Public Law 641, 84th Congress, 2d Session (70 Stat. 474).

2. This delegation of authority shall be subject to all provisions of Title III of the said act with respect to negotiated contracts, and to all other provisions of law.

3. The authority herein delegated may be redelegated to any officer or employee of the Interior Department.

4. This delegation shall be effective as of the date hereof.

FRANKLIN G. FLOETE, *Administrator.*

NOVEMBER 30, 1956.

[F. R. Doc. 56-9998; Filed, Dec. 5, 1956; 8:51 a. m.]