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Weekly List of Public Laws

This is a listing of public bills enacted by Congress and approved by the President, together with the law number, the date of approval, and the U.S. Statutes citation. Subsequent lists will appear every Wednesday in the FEDERAL REGISTER and copies of the laws may be obtained from the U.S. Government Printing Office.

H.R. 7978 ..... Pub. Law 93–560
Hualapai Indian Tribe, Ariz., lands held in trust
(Dec. 30, 1974; 88 Stat. 1820)

H.R. 10212 ..... Pub. Law 93–602
Harry S. Truman Memorial Veterans' Hospital
(Jan. 2, 1975; 88 Stat. 1957)

H.R. 10710 ..... Pub. Law 93–618
Trade Act of 1974
(Jan. 3, 1975; 88 Stat. 1978)

H.R. 12044 ..... Pub. Law 93–603
Hensley Lake, designation
(Jan. 2, 1975; 88 Stat. 1959)

H.R. 12113 ..... Pub. Law 93–604
General Accounting Act of 1974
(Jan. 2, 1975; 88 Stat. 1959)

H.R. 12427 ..... Pub. Law 93–605
Merchant Marine Act of 1936, amendment
(Jan. 2, 1975; 88 Stat. 1965)

H.R. 13022 ..... Pub. Law 93–606
Act of Sept. 2, 1960, amendment
(Jan. 2, 1975; 88 Stat. 1966)

H.R. 14401 ..... Pub. Law 93–571
Military band recordings
(Dec. 31, 1974; 88 Stat. 1868)

H.R. 14600 ..... Pub. Law 93–607
Panama Canal Company, borrowing authority
(Jan. 2, 1975; 88 Stat. 1966)

H.R. 14718 ..... Pub. Law 93–608
Reporting requirement of law
(Jan. 2, 1975; 88 Stat. 1967)

H.R. 15173 ..... Pub. Law 93–609
National Commission for the review of Federal and State Laws on Wiretapping Electronic Surveillance, extension
(Jan. 2, 1975; 88 Stat. 1972)

H.R. 15229 ..... Pub. Law 93–610
Canal Zone Government, expansion
(Jan. 2, 1975; 88 Stat. 1973)

H.R. 15912 ..... Pub. Law 93–569
Veterans Housing Act of 1974
(Dec. 31, 1974; 88 Stat. 1863)

H.R. 16045 ..... Pub. Law 93–611
Solid Waste Disposal Act, amendment
(Jan. 2, 1975; 88 Stat. 1974)

H.R. 16215 ..... Pub. Law 93–612
Coastal Zone Management Act of 1972, amendment
(Jan. 2, 1975; 88 Stat. 1974)

H.R. 16596..... Pub. Law 93–567
Emergency Jobs and Unemployment Assistance Act of 1974
(Dec. 31, 1974; 88 Stat. 1845)

H.R. 16609..... Pub. Law 93–576
Amend appropriations to the Atomic Energy Act of 1954
(Dec. 31, 1974; 88 Stat. 1878)

H.R. 16901..... Pub. Law 93–563
Agriculture-Environmental and Consumer Protection Appropriation Act, 1975
(Dec. 31, 1974; 88 Stat. 1822)

H.R. 17010..... Pub. Law 93–613
Department of Justice, working capital fund
(Jan. 2, 1975; 88 Stat. 1975)

H.R. 17450..... Pub. Law 93–614
People's Counsel for the Public Service Service Commission in the District of Columbia
(Jan. 2, 1975; 88 Stat. 1975)

H.R. 17558..... Pub. Law 93–615
Saint Lawrence Seaway Development Corporation, seven-year term of office for the Administrator, etc.
(Jan. 2, 1975; 88 Stat. 1977)

H.R. 17597..... Pub. Law 93–572
Emergency Unemployment Compensation Act of 1974
(Dec. 31, 1974; 88 Stat. 1869)

H.R. 17628..... Pub. Law 93–616
Holifield National Laboratory
(Jan. 2, 1975; 88 Stat. 1977)

H.R. 17655..... Pub. Law 93–617
Striking of medals, extension authorization
(Jan. 2, 1975; 88 Stat. 1978)

H.J. Res. 1178..... Pub. Law 93–570
Continuing appropriations, 1975
(Dec. 31, 1974; 88 Stat. 1867)

S. 194..... Pub. Law 93–566
Certain lands in Anchorage, Alaska, conveyance
(Dec. 31, 1974; 88 Stat. 1844)

S. 939..... Pub. Law 93–562
Admission Act for the State of Idaho, amendment
(Dec. 30, 1974; 88 Stat. 1821)

S. 1283..... Pub. Law 93–577
Federal Nonnuclear Energy Research and Development Act of 1974
(Dec. 31, 1974; 88 Stat. 1878)

S. 2125..... Pub. Law 93–574
Certain lands in Albuquerque, N. Mex., amendment of act concerning
(Dec. 31, 1974; 88 Stat. 1875)

S. 3191..... Pub. Law 93–558
Commissioned officers, regular grades below major, involuntary discharge
(Dec. 30, 1974; 88 Stat. 1793)

S. 3418..... Pub. Law 93–579
Privacy Act of 1974
(Dec. 31, 1974; 88 Stat. 1896)

S. 3489..... Pub. Law 93–564
Teton National Forest, Wyoming, exchange of land
(Dec. 31, 1974; 88 Stat. 1843)

S. 3518..... Pub. Law 93–565
Certain lands in Nevada, title clearance
(Dec. 31, 1974; 88 Stat. 1843)

S. 3574..... Pub. Law 93–578
Relinquish title to certain lands in Yuma County, Arizona
(Dec. 31, 1974; 88 Stat. 1895)

S. 3615..... Pub. Law 93–575
Certain lands in Colorado, transfer to boundaries of Arapaho National Forest, Colorado
(Dec. 31, 1974; 88 Stat. 1878)

S. 3976..... Pub. Law 93–573
Limited copyright in sound recordings and penalties
(Dec. 31, 1974; 88 Stat. 1873)

S.J. Res. 40..... Pub. Law 93–568
White House Conference on Library and Information Services
(Dec. 31, 1974; 88 Stat. 1855)

S.J. Res. 224..... Pub. Law 93–561
January, 1975, "March of Dimes Birth Defects Prevention Month", proclamation designation
(Dec. 30, 1974; 88 Stat. 1821)

The following bills were pocket vetoed:

H.R. 2933, unshelled filberts and shelled filberts, improve quality for marketing in United States; Weekly Compilation of Presidential Documents, Vol. 11, No. 2

H.R. 11897, "President Gerald R. Ford Federal Office Building", designation; Weekly Compilation of Presidential Documents, Vol. 11, No. 2

H.R. 13296, to authorize appropriations for the fiscal year 1975 for maritime programs of the Department of Commerce, etc.; Weekly Compilation of Presidential Documents, Vol. 11, No. 2

H.R. 17085, Nurse Training Act of 1974; Weekly Compilation of Presidential Documents, Vol. 11, No. 1

S. 3943, To extend the time for using funds to carry out the 1973 Rural Environmental Assistance Program and the 1974 Rural Environmental Conservation Program; Weekly Compilation of Presidential Documents, Vol. 11, No. 2

S. 4206, milk price support, provision; Weekly Compilation of Presidential Documents, Vol. 11, No. 1

presidential documents

Title 3—The President

EXECUTIVE ORDER 11829

The Hopi-Navajo Land Settlement Interagency Committee

By virtue of the authority vested in me by Section 1(c)(2) of the Act to provide for final settlement of the conflicting rights and interests of the Hopi and Navajo Tribes concerning lands within the reservation established by the Executive order of December 16, 1882, and lands within the reservation created by the Act of June 14, 1934, and for other purposes (Public Law 93–531, approved December 22, 1974, hereinafter referred to as the Act), and as President of the United States of America, it is hereby ordered:

Section 1. There is established the Hopi-Navajo Land Settlement Interagency Committee (hereinafter referred to as the Committee). The membership of the Committee shall consist of the Secretary of the Interior, who shall be its Chairman, the Attorney General, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the Secretary of Housing and Urban Development.

Sec. 2. *Functions of the Committee.* (a) The Committee shall, to the extent permitted by law and as provided by Section 1(c)(2) of the Act, develop relevant information for and respond to the requests of the Mediator. The Mediator shall be appointed by the Director of the Federal Mediation and Conciliation Service pursuant to Section 1(a) of the Act, and shall facilitate the compilation and development of information concerning negotiations under the Act.

(b) The Chairman shall call meetings of the Committee and shall establish liaison with the Mediator. This shall be done so the Committee can, in view of the time limit set for the negotiating process by Section 3(a) of the Act, provide information and assistance to the Mediator as expeditiously as practicable.

Sec. 3. The Department of the Interior shall, to the extent permitted by law, furnish the Committee such administrative services and support as may be necessary.

Sec. 4. The Committee shall terminate upon the completion of the Mediator's duties, as determined in accordance with the provisions of Section 1(a) of the Act. The Mediator shall advise the Chairman when his duties have ceased. Any records which may have been maintained by the Committee shall be transferred to the Secretary of the Interior.

Gerald R. Ford

THE WHITE HOUSE,
January 6, 1975.

[FR Doc.75-883 Filed 1-7-75;11:30 am]

rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Department of the Treasury

Section 213.3305 is amended to show that the positions of Deputy Assistant Secretary (Financial Resources Policy Coordination) and Deputy Assistant Secretary (Energy Policy) are excepted under Schedule C.

Effective on January 8, 1975, § 213.3305 (a) (57) and (58) are added as set out below.

§ 213.3305 Treasury Department.

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

(57) Deputy Assistant Secretary (Financial Resources Policy Coordination).

(58) Deputy Assistant Secretary (Energy Policy).

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

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

[FR Doc.75-780 Filed 1-7-75;8:45 am]

Title 7—Agriculture

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

[Amdt. 22]

PART 220—SCHOOL BREAKFAST AND NONFOOD ASSISTANCE PROGRAMS AND STATE ADMINISTRATIVE EXPENSES

Allocation of State Administrative Expense Funds

On July 15, 1974, there was published in the FEDERAL REGISTER (39 FR 25952) a proposed amendment to the regulations governing State administrative expenses for the child nutrition programs. The proposed amendment would modify the allocation of funds by specifically including the needs of States' outreach efforts as a criterion for determining the basic amount of assistance. It would also reduce the proportion of residual funds allocated to outlying areas from 3 percent to 2 percent. Finally, the annual family income level would be changed from the present $4,000 to $6,000 in determining the number of children used in allocating residual funds to States.

Several commentators objected to the emphasis on State outreach efforts in determining the basic grant. Since it was never intended to make this the sole basis for establishing the basic grant, the relevant sentence has been reworded.

Two respondents advocated the distribution of funds on a performance basis rather than using information from State plans of child nutrition operations and the number of children from low-income families. Section 7 of the Child Nutrition Act, 42 U.S.C. 1776, authorizes the use of Federal funds for State administrative expenses "to assist such State agencies in the administration of additional activities undertaken by them under sections 11 and 13 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act." The allocation method in the proposed amendment is considered more in keeping with the authorizing statute than allocation according to the amount of Federal funds expended or the number of meals served. Data from State plans are used to avoid requiring States to submit a separate document which would duplicate information already reported.

One commentator objected to the decrease in the share of residual funds going to the outlying areas. Considering the amount of funds which it is expected will be made available for fiscal year 1975 and the scope and size of the programs administered, it has been determined that this change will not work a hardship nor result in any inequity.

1. Section 220.19 is revised to read as follows:

§ 220.19 Allocation of funds to States.

(a) Beginning with the fiscal year ending June 30, 1975, FNS shall determine the amount of State administrative expense funds needed by each State based on justification for such funds as revealed in the State agency plan of child nutrition program operations submitted under § 210.4a of this chapter. Information as to the program or programs for which these funds are available for each State shall be supplied by FNS to each State agency. To the extent that funds are available, FNS shall establish a tentative allocation for each State agency which shall include: (1) a basic amount related to the number of man-years required to establish, maintain and expand the programs for needy children including the State's outreach effort. This amount shall be determined by FNS on the basis of information available as to the salary level of State food service personnel; and (2) an amount determined by dividing 2 per centum of the remaining funds among Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands on the basis of the number of children, aged 3 to 17, inclusive, in each State and by dividing the balance of 98 per centum of such remaining funds among other States on the basis of the number of children, aged 3 to 17, inclusive, in each State in families with incomes of less than $6,000 per annum. Appropriate reductions shall be made by FNS from the tentative allocation so computed for any State where FNS determines that program scope and size, as indicated by the plan of child nutrition program operations, do not warrant the tentative allocation or where the State agency does not administer the programs authorized under the Act and the National School Lunch Act in nonprofit private schools and service institutions. Where Federal funds for State administrative expenses are available to FNS from more than one appropriation account, the makeup of the tentative figure for any State may be from one or more of such accounts, as determined by FNS.

§ 220.22 [Deleted]

2. Section 220.22 is deleted.

(Catalog of Federal Domestic Assistance Program No. 10.553 National Archives Reference Services)

Effective date. This amendment becomes effective January 8, 1975.

Dated: January 2, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75-509 Filed 1-7-75;8:45 am]

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

PART 916—NECTARINES GROWN IN CALIFORNIA

Increase in Expenses for 1974–75 Fiscal Period

This document authorizes an increase from $525,615 to $550,000 in the expenses that are reasonable and likely to be incurred during the 1974–75 fiscal period by the Nectarine Administrative Committee established under Marketing Order No. 916.

Notice was published in the December 12, 1974, issue of the FEDERAL REGISTER (39 FR 43313) that consideration was being given a proposal regarding an increase in the expenses previously approved for the fiscal period March 1, 1974, through February 28, 1975, pursuant to the marketing agreement, as amended, and Order No. 916, as amended (7 CFR Part 916), regulating the handling of nectarines grown in California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The notice provided that all written data, views, or arguments in connection with said proposal be submitted by December 27, 1974. None were received.

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice and the recommendation thereof which was submitted by the Nectarine Administrative Committee (established pursuant to the said marketing agreement and order), it is hereby ordered that the provisions of paragraph (a) of § 916.213 *Expenses and rate of assessment* (39 FR 27806) be, and hereby are, amended to read as follows:

§ 916.213 Expenses and rate of assessment.

(a) *Expenses.* Expenses that are reasonable and likely to be incurred by the Nectarine Administrative Committee during the period March 1, 1974, through February 28, 1975, will amount to $550,000.

* * * * *

It is hereby found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) the increase in the expenses set forth does not involve an increase in the rate of assessment heretofore established by the Secretary (39 FR 27806); (2) the said committee has incurred expenses in excess of those previously thought likely to be incurred; and (3) it is essential that the specification of expenses herein provided be issued immediately so that said committee can meet its obligations and perform its duties and functions within the fiscal period in accordance with the said amended marketing agreement and order.

Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order.

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

Dated: January 2, 1975.

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

[FR Doc.75-654 Filed 1-7-75;8:45 am]

Title 9—Animals and Animal Products

CHAPTER IV—AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE

SUBCHAPTER A—POULTRY IMPROVEMENT

PART 445—NATIONAL POULTRY IMPROVEMENT PLAN

PART 447—AUXILIARY PROVISIONS ON NATIONAL POULTRY IMPROVEMENT PLAN

Miscellaneous Amendments

On October 9, 1974, there was published in the FEDERAL REGISTER (39 FR 36439) a notice of proposed amendments of the National Poultry Improvement Plan and Auxiliary Provisions. These proposed amendments were recommended by the 1974 National Plan Conference of representatives of the poultry industry and State Agencies cooperating in the administration of the Plan. Included in the proposed amendments were the criteria for voluntary programs for the control of *Mycoplasma synoviae* and *Salmonella typhimurium* in meat type chicken breeding flocks and for the control of Salmonella in turkey breeding flocks. It was also proposed that the *S. typhimurium* program for turkeys be deleted. An amendment also was proposed to provide for the classification of a State as "U.S. Pullorum-Typhoid Clean State" when the State reaches a certain stage in the control of *S. pullorum* and *S. gallinarum* in its poultry breeding flocks. Certain changes in the blood testing requirements of the *M. gallisepticum* program were also proposed.

Poultrymen affected by the foregoing amendments were represented at the 1974 National Plan Conference. Copies of the proposed amendments, when published in the FEDERAL REGISTER (39 FR 36439) as a notice of proposed rule making, were sent to each of the cooperating State agencies, to most of the major hatcherymen in the United States, and to other interested persons. Twenty-three letters containing comments on the proposed amendments were received, with the majority being favorable to the amendments. Opposition was expressed to the voluntary programs for the control of *Mycoplasma synoviae* in meat type chickens and *Salmonella* in turkeys, and to the classification of a State as "U.S. Pullorum-Typhoid Clean State". Additional experts in the Federal, State, university, and industry sectors were consulted, and their opinions and advice, together with those expressed by the delegates to the 1974 Conference were used as a basis to arrive at the decision to accept the foregoing amendments. The one change from the proposal is that the effective date for the provisions establishing the "U.S. Salmonella Controlled" program will be December 1, 1976. Therefore, pursuant to section 101(b) of the Department of Agriculture Organic Act of 1944 as amended (7 U.S.C. 429), Title 9, Chapter IV, Subchapter A, Code of Federal Regulations is hereby amended as follows:

Parts 445 and 447 are amended in the following respects:

1. Part 445 Table of Contents is amended by revising the titles of §§ 445.10, 445.23, 445.33, 445.43 and 445.53, and by adding new §§ 445.24, 445.34, 445.44 and 445.54 as follows:

Sec.
445.10 Terminology and classification; flocks, products, and States.
445.23 Terminology and classification; flocks and products.
445.24 Terminology and classification; States.
445.33 Terminology and classification; flocks and products.
445.34 Terminology and classification; States.
445.43 Terminology and classification; flocks and products.
445.44 Terminology and classification; States.
445.53 Terminology and classification; flocks and products.
445.54 Terminology and classification; States.

§ 445.3 [Amended]

2. Section 445.3(c) is amended by revising to read as follows:

(c) A participant in any State shall participate with all of his poultry hatching egg supply flocks and hatchery operations within such State. He shall report to the Official State Agency on NPIP Form 3B or through other appropriate means each breeding flock before the birds reach 24 weeks of age. This report will include:

(1) Name and address of flockowner;
(2) Flock location and designation;
(3) Type: Primary or Multiplier;
(4) Breed, variety, strain, or trade name of stock;
(5) Source of males;
(6) Source of females;
(7) Number of birds in the flock; and
(8) Intended classification of flock.

3. Section 445.10 is amended by revising the title and introductory statement to read as follows:

§ 445.10 Terminology and classification; flocks, products, and States.

Participating flocks, products produced from them, and States which have met the respective requirements specified in Part 445 Subpart B, C, D, or E may be designated by the following terms or illustrative designs:

* * * * *

4. Section 445.10(d) is amended by deleting reference to § 445.43(d) and adding § 445.33(d) to the parenthetical portion, and by adding new paragraphs (e), (f), (g), and (h) to read as follows:

* * * * *

(e) *U.S. M. Synoviae Clean*—(see § 445.33(e).)



Figure 6

(f) *U.S. Salmonella Controlled*—(see § 445.43(f).)



Figure 7

(g) *U.S. Pullorum-Typhoid Clean State*—(see § 445.24(g), § 445.34(g), § 445.44(g), and § 445.54(g).)



Figure 8

(h) *U.S. Pullorum-Typhoid Clean State, Turkeys*—(see § 445.44 (h).)



Figure 9

§ 445.12 [Amended]

5. Section 445.12(b) is amended by revising to read as follows:

(b) Each year at least 15 percent of the independent flocks and the affiliated flocks of each hatchery shall be inspected by a State Inspector. Each inspection shall include the examination of a sufficient number of males and females and, in flocks qualified for participation by the whole-blood test, the blood testing of a sufficient number of birds to determine whether the work of the Authorized Agent was satisfactory and that the flock is qualified for participation. The State Inspector shall also determine whether or not the flock and premises are in compliance with the provisions in § 445.5 (a) and (b).

§ 445.14 [Amended]

6. Section 445.14(a) (4) and (8) is amended by revising to read as follows:

* * * * *

(4) Poultry must be more than 4 months of age when tested: *Provided*, That candidates for participation under Subpart E of this part shall have attained the age of sexual maturity before being tested.

* * * * *

(8) Reactors shall be submitted to a laboratory for autopsy and bacteriological examination. All reactors in a flock if there are 4 or less reactors shall be submitted to a laboratory designated by the Official State Agency for bacteriological examination, as described in § 447.11 of this chapter: *Provided*, That if more than 4 reactors are found, a minimum of 4 birds shall be submitted. The recommended minimum procedure for bacteriological examination is described in § 447.11. When reactors are submitted within 10 days from date of reading the test and the bacteriological examination fails to demonstrate infection of the serotype for which the test was conducted, the flock shall be deemed to have had no reactors to the specified test.

* * * * *

7. Section 445.14(b) is amended by revising to read as follows:

* * * * *

(b) *For M. gallisepticum and M. synoviae.* (1) The official blood test for M. gallisepticum or M. synoviae shall be either the serum plate agglutination test, the tube agglutination test, the hemagglutination inhibition (HI) test, or a combination of two or more of these tests. The HI test shall be used to confirm the positive results of other serological tests.

(2) The tests shall be conducted using M. gallisepticum or M. synoviae antigens approved by the Department or the Official State Agency and shall be performed in accordance with the recommendations of the producer of the antigen.

(3) When reactors to the test for which the flock was tested are submitted to a laboratory as prescribed by the Official State Agency, the criteria found in § 447.6 shall be used in determining the final status of the flock.

§ 445.22 [Amended]

8. Section 445.22(d) is amended by revising to read as follows:

* * * * *

(d) Hatching eggs produced by primary breeding flocks shall be fumigated according to the procedures described in § 447.25(a) of this chapter: *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.23 [Amended]

9. Effective July 1, 1975, § 445.23(a) is amended by deleting the present provision. Upon deletion, (a) is marked as "[Reserved]."

10. Section 445.23 is further amended by revising the introductory statement of (b) (2) and (3) to read as follows:

* * * * *

(b) * * *

(2) It is a multiplier breeding flock, or a breeding flock composed of first generation progeny of a primary breeding flock which is intended solely for the production of multiplier breeding flocks, and meets the following specifications as determined by the Official State Agency and the Service:

(3) It is a multiplier breeding flock, or a breeking flock composed of first generation progeny of a primary breeding flock which is intended solely for the production of multiplier breeding flocks, that originated from U.S. Pullorum-Typhoid Clean primary breeding flocks or from flocks that met equivalent requirements under official supervision, and is located in a State in which it has been determined by the Service that:

* * * * *

11. Section 445.23(b)(3)(vii) is amended by revising to read as follows:

(b) * * *

(3) * * *

(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pollorum-typhoid test within 90 days of going to public exhibition;

* * * * *

12. Section 445.23(b)(4) is amended by revising to read as follows:

(b) * * *

(4) It is a multiplier breedng flock located in a State which has been determined by the Service to be in compliance with the provisions of (b)(3) of this section, and in which pullorum disease or fowl typhoid is not known to exist nor to have existed in hatchery supply flocks, other than turkey, waterfowl, exhibition poultry, and game bird supply flocks, within the State during the preceding 12 months.

* * * * *

13. Section 445.23(c)(1) (i) and (ii) is amended by revising to read as follows:

(c) * * *

(1) * * *

(i) It is a flock in which all birds, or a sample of at least 500 birds, in the flock have been tested for M. gallisepticum as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, all birds or a sample of at least 500 birds shall be tested at intervals of not more than 90 days: *And provided further*, That a flock, and subsequent flocks, located on a premises on which, during the preceeding two years, all birds originated from U.S. M. Gallisepticum Clean sources and were initially tested as provided above, may retain this classification by testing, in an authorized laboratory, serum samples from at least 200 day-old chicks produced from the flock at intervals of not more than 60 days; or

(ii) It is a multiplier breeding flock which originated as U.S. M. Gallisepticum Clean chicks from primary breeding flocks and a sample comprised of 50 percent of the birds in the flock, with a

maximum of 300 birds and a minimum of 30 birds per flock, has been tested for M. gallisepticum as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

* * * * *

14. Section 445.23(d)(1)(ii) is amended by revising to read as follows:

(d) * * *
(1) * * *

(ii) A sample of at least 500 birds in the flock has been tested within the past 12 months for S. Typhimurium as provided in § 445.14(a) and environmental samples or cloacal swabs collected by a State Inspector or Authorized Agent as described in § 447.12 of this chapter have been examined for S. typhimurium by an authorized laboratory, and no evidence of the disease was found: *Provided*, That when the only typhimurium isolation made in a flock is from a single environmental or cloacal sample, the Official State Agency may make additional bacteriological examinations before classifying the flock.

* * * * *

15. Part 445, Subpart B, is amended by adding a new § 445.24 to read as follows:

§ 445.24 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23 (b)(3)(i) through (vii), § 445.33(b)(3)(i) through (vii), § 445.43(b)(3)(i) through (vi), and § 445.53(b)(3)(i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a)(1)(i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a)(1)(ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.32 [Amended]

16. Section 445.32(c) is amended by revising to read as follows:

* * * * *

(c) Hatching eggs produced by primary breeding flocks shall be fumigated according to the procedures described in § 445.25 (a): *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.33 [Amended]

17. Section 445.33(b)(3)(vii) is amended by revising to read as follows:

(b) * * *
(3) * * *

(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pullorum-typhoid test within 90 days of going to public exhibition;

* * * * *

18. Section 445.33(b)(4) is amended by revising to read as follows:

(b) * * *

(4) It is a multiplier breeding flock located in a State which has been determined by the Service to be in compliance with the provisions of paragraph (c)(3) of this section, and in which pullorum disease or fowl typhoid is not known to exist nor to have existed in hatchery supply flocks, other than turkey, waterfowl, exhibition poultry, and game bird supply flocks, within the State during the preceding 12 months.

* * * * *

19. Section 445.33(c)(1)(i) and (ii) is amended by revising to read as follows;

(c) * * *
(1) * * *

(i) All birds have been tested for M. gallisepticum as provided in § 445.14(b) when more than 4 months of age: *Provided*, That birds in primary breeding flocks may be sample tested after qualifying for this classification for two generations. This random sample shall consist of 500 birds in flocks of more than 500 and each bird in flocks of 500 or less: *And provided further*, That to retain this classification, a random sample of at least 5 percent of the birds in the flock, with a minimum of 100 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That, at the discretion of the Official State Agency and with the concurrence of the Service, a sample comprised of less than 5 percent may be tested at any one time, provided that a total of at least 5 percent of the birds in the flock, with a minimum of 100 birds, is tested within each 90-day period; or

(ii) It is a multiplier breeding flock which originated as U.S. M. Gallisepticum Clean chicks from primary breeding flocks and a random sample comprised of 300 birds in flocks of more than 300 and each bird in flocks of 300 or less has been tested for M. gallisepticum as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

* * * * *

20. Section 445.33 is amended by adding new paragraphs (d) and (e) to read as follows:

* * * * *

(d) *U.S. Typhimurium Controlled.* (1) A flock in which freedom from S. typhimurium has been demonstrated under the criteria specified in paragraph (d)(1)(i) or (ii) of this section.

(i) All birds have been tested within the past 12 months for S. typhimurium as provided in § 445.14(a) and no reactors were found on the first test, or

(ii) A sample of at least 500 birds in the flock has been tested within the past 12 months for S. typhimurium as provided in § 445.14(a) and environmental samples or cloacal swabs collected by a State Inspector or Authorized Agent as described in § 447.12 of this chapter have been examined for S. typhimurium by an authorized laboratory, and no evidence of the disease was found: *Provided*, That when the only typhimurium isolation made in a flock is from a single environmental or cloacal sample, the Official State Agency may make additional bacteriological examinations before classifying the flock.

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

(e) *U.S. M. Synoviae Clean.* (1) A flock maintained in compliance with the provisions of § 447.26 and in which freedom from M. synoviae has been demonstrated under the criteria specified in paragraph (e)(1)(i) or (ii) of this section.

(i) It is a flock in which 5 percent, or a maximum sample of 500 birds, in the flock have been tested for M. synoviae as provided for in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a random sample of at least 1 percent of the birds, with a minimum of 30, shall be tested at intervals of not more than 30 days.

(ii) It is a multiplier breeding flock which originated as U.S. M. Synoviae Clean chicks from primary breeding flocks and a sample of 1 percent of the birds in the flock has been tested for M. synoviae as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a random sample of at least 1 percent of the birds, with a minimum of 30 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That a sample of less than 1 percent may be tested at any one time, provided that a total of at least 1 percent of the birds in the flock is tested within each 90 day period.

(2) A participant handling U.S. M. Synoviae Clean products shall keep these products separate from other products in a manner satisfactory to the official State Agency: *Provided*, That U.S. M. Synoviae Clean chicks from primary breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (e)(1)(i) or (ii) of this section are set.

(3) U.S. M. Synoviae Clean chicks shall be boxed in clean boxes and delivered in

trucks that have been cleaned and disinfected as described in § 447.24(a).

21. Part 445, Subpart C, is amended by adding a new § 445.34 to read as follows:

§ 445.34 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid-Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b)(3)(i) through (vii), § 445.33(b)(3)(i) through (vii), § 445.43(b)(3)(i) through (vi), and § 445.53(b)(3)(i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a)(1)(i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a)(1)(ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.42 [Amended]

22. Section 445.42 is amended by adding a new paragraph (c) to read as follows:

* * * * *

(c) Hatching eggs shall be fumigated according to the procedures described in § 447.25(a): *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.43 [Amended]

23. Section 445.43 is amended by deleting (b)(3)(vii) and marking this subdivision as "(Reserved)".

24. Section 445.43(b)(3)(viii) is amended by revising to read as follows:

(b) * * *

(3) * * *

(viii) Discontinuation of any of the conditions or procedures described in paragraph (b)(3)(i), (ii), (iii), (iv), (v), and (vi) of this section, or the occurrence of repeated outbreaks of pullorum or typhoid in turkey breeding flocks within or originating within the State shall be grounds for the Service to revoke its determination that such conditions and procedures have been met or complied with. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity to present its views.

* * * * *

25. Section 445.43(c)(2) is amended by revising to read as follows:

(c) * * *

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

* * * * *

26. Section 445.43 is further amended by deleting paragraph (d) and marking (d) as "(Reserved)" and by adding a paragraph (e) and marking (e) as "(Reserved)".

27. Effective December 1, 1976, § 445.43 is further amended by adding a new paragraph (f) to read as follows:

* * * * *

(f) *U.S. Salmonella Controlled.* (1) A flock meeting the following requirements as determined by the Official State Agency and the Service.

(i) The flock is maintained in compliance with the provisions of § 447.21, and the hatching eggs are handled in compliance with the provisions of § 447.22 in a manner satisfactory to the Official State Agency. Each flock and premises shall be inspected at least once during the egg production season by an Inspector to ascertain that these provisions are being followed.

(ii) Hatching eggs shall be visibly clean and fumigated as described in § 447.25(a) as soon as possible after collection: *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence of the Service in the policy adopted by the Official State Agency.

28. Part 445, Subpart D, is amended by adding a new § 445.44 to read as follows:

§ 445.44 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b)(3)(i) through (vii), § 445.33(b)(3)(i) through (vii), § 445.43(b)(3)(i) through (vi), and § 445.53(b)(3)(i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a)(1)(i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a)(1)(ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

(b) *U.S. Pullorum-Typhoid Clean State, Turkeys.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State, Turkeys, when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.43(b)(3)(i) through (vi).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in turkey hatchery supply flocks within the State during the preceding 24 months.

(2) Discontinuation of any of the conditions described in paragraph (b)(1)(i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (b)(1)(ii) of this section, or if an infection spreads from the originating premises, Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.53 [Amended]

29. Section 445.53 (a) is amended by revising to read as follows:

(a) *U.S. Approved.* All birds in the breeding flock observed by Authorized Agents or State Inspectors are found to conform with the criteria for the breed represented, as contained in the Standard of Perfection [1] or the breeder's specifications for the stock represented in the flock, and such specifications are on file with the Official State Agency.

* * * * *

30. Section 445.53(b)(3)(vii) is amended by revising to read as follows:

(b) * * *

(3) * * *

(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pullorum-typhoid test within 90 days of going to public exhibition;

* * * * *

31. Section 445.53(c) is amended by revising to read as follows:

* * * * *

(c) *U.S. M. Gallisepticum Clean.* (1) A flock maintained in compliance with the

[1] Published by the American Poultry Association, Inc.

provisions of § 447.26 of this chapter and in which freedom from M. gallisepticum has been demonstrated under the criteria specified in paragraph (c)(1) (i) or (ii) of this section.

(i) All birds have been tested for M. gallisepticum as provided in § 445.14(b) when more then 4 months of age: *Provided*, That birds in primary breeding flocks may be sample tested after qualifying for this classification for two generations. This random sample shall consist of 300 birds in flocks of more than 300 and each bird in flocks of 300 or less: *And provided further*, That to retain this classification, a random sample of at least 5 percent of the birds in the flock, with a minimum of 100 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That, at the discretion of the Official State Agency and with the concurrence of the Service, a sample comprised of less than 5 percent may be tested at any one time, provided that a total of at least 5 percent of the birds in the flock, with a minimum of 100 birds, is tested within each 90-day period; or

(ii) It is a multiplier breeding flock which originated as U.S. M. Gallisepticum Clean baby poultry from primary breeding flocks and a random sample comprised of 50 percent of the birds in the flock, with a maximum of 300 birds and a minimum of 30 birds per flock, has been tested for M. gallisepticum as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

(*a*) At intervals of not more than 90 days, a random sample of at least 2 percent of the birds in the flock, with a minimum of 30 birds per pen, shall be tested; or

(*b*) At intervals of not more than 30 days, a sample of 25 cull baby poultry produced from the flock shall be subjected to laboratory procedures acceptable to the Official State Agency and approved by the Service, for the detection and recovery of M. gallisepticum; or

(*c*) At intervals of not more than 60 days, serum samples obtained from at least 100 day-old baby poultry produced from the flock shall be examined for M. gallisepticum antibodies by an authorized laboratory.

(2) A participant handling U.S. M. Gallisepticum Clean products shall keep these products separate from other products in a manner satisfactory to the Official State Agency: *Provided*, That U.S. M. Gallisepticum Clean baby poultry from primary breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (c)(1)(i) of this section are set.

(3) U.S. M. Gallisepticum Clean baby poultry shall be boxed in clean boxes and delivered in trucks that have been cleaned and disinfected as described in § 447.24(a) of this chapter.

32. Part 445, Subpart E, is amended by adding a new § 445.54 to read as follows:

§ 445.54 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b)(3)(i) through (vii), § 445.33(b)(3)(i) through (vii), § 445.43(b)(3)(i) through (vi), and § 445.53(b)(3)(i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a)(1)(i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a)(1)(ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

33. Subpart A is amended by adding a new § 447.6 to the table of contents to read as follows:

Sec.
447.6 Procedure for determining the status of flocks reacting to tests for Mycoplasma gallisepticum and Mycoplasma synoviae.

34. Part 447, Subpart A, is amended by adding a new § 447.6 to read as follows:

§ 447.6 Procedure for determining the status of flocks reacting to tests for Mycoplasma gallisepticum and Mycoplasma synoviae.

The macroagglutination tests for Mycoplasma antibodies, as described in "Standard Methods for Testing Avian Sera for the Presence of Mycoplasma Gallisepticum Antibodies" published by the Agricultural Research Service, USDA, March 1966, and the microagglutination tests, as reported in the Proceedings, Sixteenth Annual Meeting of the American Association of Veterinary Laboratory Diagnosticians, 1973, shall be the official tests.

(a) When reactors are submitted to a laboratory as prescribed by the Official State Agency, the following criteria shall be used to determine if the flock is negative for M. gallisepticum or M. synoviae:

(1) Active air sac lesions, sinusitis, synovitis, or other clinical signs of a respiratory disease;

(2) Recovery by culture of the Mycoplasma for which the flock was tested;

(3) Supplemental serological test.

(b) If all of these tests are negative, the flock shall be deemed to have had no reactors for the Mycoplasma for which the flock was tested. If the Mycoplasma for which the flock was tested is isolated bacteriologically, the flock shall be considered infected. If any of the other tests described in paragraph (a) (1) or (3) of this section is positive, the flock shall be considered suspicious, and supplemental serological tests shall be conducted according to the following sequence:

(1) If the tube agglutination or the serum plate test is negative, the flock qualifies.

(2) If the tube agglutination or the serum plate test is positive, the hemagglutination inhibition (HI) test shall be conducted.

(3) If the HI test is negative, the flock qualifies.

(4) If HI titers of 1:40 are found, the flock shall be considered suspicious and shall be retested in accordance with paragraph (b)(6) of this section.

(5) If HI titers of 1:80 or higher are found, the flock shall be considered infected: *Provided*, That, at the discretion of the Official State Agency, additional tests may be conducted in accordance with paragraph (b)(6) of this section before final determination of the flock status is made.

(6) Fourteen days after the previous bleeding date, all birds or a random sample comprised of 5 percent of the birds in the flock, with a minimum of 100, whichever is greater, shall be tested by the serum plate or tube agglutination test. Tested birds shall be identified by numbered bands.

(7) If the tube agglutination test or serum plate test is negative for the Mycoplasma for which the flock was tested, the flock qualifies.

(8) If the tube agglutination or serum plate test is positive, the HI test shall be conducted on the reacting samples.

(9) If the HI test is negative, the flock qualifies.

(10) On the retest if HI titers of 1:80 or higher are found, the flock shall be considered infected: *Provided*, That, at the discretion of the Official State Agency, additional tests may be conducted in accordance with paragraph (b)(6) of this section before final determination of the flock status is made.

(11) If HI titers of 1:80 or higher are found on the second retest, the flock shall be considered infected for the Mycoplasma for which it was tested.

35. Section 447.26 is amended by revising the title and the introductory statement of paragraph (a) to read as follows:

§ 447.26 Procedures for establishing isolation and maintaining sanitation and good management practices for the control of Mycoplasma gallisepticum and Mycoplasma synoviae.

(a) The following procedures are required for participation in the U.S. M. Gallisepticum Clean and U.S. M. Synoviae Clean classifications:

* * * * *

§ 447.26 [Amended]

36. Section 447.26(b)(1) is amended by revising to read as follows:

(b) * * *

(1) Avoid the introduction of Mycoplasma gallisepticum or Mycoplasma synoviae infected poultry;

* * * * *

§ 447.43 [Amended]

37. Section 447.43(a) is amended by revising to read as follows:

(a) The General Conference Committee shall consist of the Assistant Secretary of Agriculture for Conservation, Research, and Education, or his designee, and one member to be elected, as provided in paragraph (b) of this section, from each of the following regions:

* * * * *

38. Section 447.43(d)(2)(iii) is amended by revising to read as follows:

(d) * * *

(2) * * *

(iii) Recommending to the Secretary of Agriculture such administrative changes in the requirements of the Plan as may be necessitated by unforeseen conditions when postponement until the next Conference would seriously impair the operation of the program. Such recommendations shall remain in effect only until confirmed or rejected by the next Plan Conference, or until sooner rescinded by the committee;

* * * * *

Except as otherwise provided, all amendments should be made effective as soon as possible to reflect the interests of the Conference and to effectuate the purpose of the statute (7 U.S.C. 429). Therefore, under the administrative procedure provisions in 5 U.S.C. 553, good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

Except for the amendments set forth in §§ 445.23(a) and 445.43(f) which have delayed effective dates as indicated, the foregoing amendments shall become effective January 8, 1975.

Done at Washington, D.C., this 2nd day of January, 1975.

RALPH J. MCCRAKEN,
Acting Administrator,
Agricultural Research Service.

[FR Doc.75-508 Filed 1-7-75;8:45 am]

Title 12—Banks and Banking

CHAPTER II—FEDERAL RESERVE SYSTEM

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

PART 265—RULES REGARDING DELEGATION OF AUTHORITY

Miscellaneous Amendments

The Reserve Banks presently have delegated authority to approve, under certain standards, one-bank holding company formations, bank holding company formations involving more than one bank, bank acquisitions by existing bank holding companies, bank mergers, mergers of bank holding companies, and certain finance company, industrial bank, and insurance company acquisitions by bank holding companies. The Reserve Banks, however, may not exercise their authority in any such case when a significant policy issue is raised by the proposal as to which the Board has not expressed its view. In this light, the Board has, as a matter of general policy, determined that it would not be appropriate for a Reserve Bank to act on an application under section 3 or section 4 of the Bank Holding Company Act or section 18(c) of the Federal Deposit Insurance Act when a director or senior officer of (1) the holding company, (2) any subsidiary bank of the holding company, (3) the merging banks, or (4) the finance company, industrial bank, or insurance company to be acquired, as the case may be, is either a director of a Federal Reserve Bank or branch or a member of the Federal Advisory Council. The Board has, as a matter of general policy, also determined that a Reserve Bank should submit to the Board for its action any application for the formation of a bank holding company when an individual (or group of individuals) who is a principal in the holding company being formed is already a principal in another bank holding company. Since the only criterion preventing approval under delegated authority of the above applications and other applications which the Board may, as a general policy matter, from time to time determine should not be acted on by a Reserve Bank, is special policy situations involving a Reserve Bank, such as potential conflicts of interest, or policy issues which the Board believes call for special study by the Board's staff, the Board has decided to delegate to the Secretary of the Board, pursuant to sections 3(a)(1), 3(a)(3), 3(a)(5) and 4(c)(8) of the Bank Holding Company Act and section 18(c) of the Federal Deposit Insurance Act, the authority to approve such applications if all of the other relevant regulatory criteria for approval under delegated authority have been met, and all relevant divisions of the Board's staff recommend approval. Applications falling outside these standards will be submitted to the Board for further consideration.

Designated Board members presently have delegated authority under sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), (1) to approve the establishment of certain foreign branches or agencies by members banks, or corporations organized under section 25(a) of the Federal Reserve Act ("Edge" corporations) or operating under an agreement with the Board pursuant to section 25 of the Federal Reserve Act ("Agreement" corporations); (2) to grant specific consent, under certain standards, to the acquisition, either directly or indirectly, by a member bank or an Edge or Agreement corporation of the stock of certain companies and to approve any such acquisition that may exceed the limitations in section 25(a) of the Federal Reserve Act based on such a corporation's capital and surplus; (3) to permit an Edge or Agreement corporation to exceed the limitations in § 211.9 (b) and (c) of this chapter (Regulation K); and (4) to approve under certain standards, the issuance by an Edge or Agreement corporation or a subsidiary thereof of debentures, bonds, promissory notes (with a maturity of more than one year), or similar obligations under § 211.4 of this chapter (Regulation K). The Board has decided to delegate to the Secretary of the Board, in lieu of a designated Board member, the authority to take the foregoing actions, pursuant to sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M). In so doing, the Board has set forth standards under which this authority may be exercised. Applications falling outside these standards will be submitted to the Board for further consideration.

The Board has also decided to delegate to the Secretary of the Board the authority to grant specific consent, pursuant to the provisions of section 4(c)(13) of the Bank Holding Company Act, to the acquisition, either directly or indirectly, by a bank holding company of a noncontrolling stock interest in certain foreign companies. The Board has set forth standards under which this authority may be exercised. Applications falling outside these standards will be submitted to the Board for further consideration.

The Board has also decided to change the name of The Committee on Organization, Compensation, and Building Plans to the "Committee on Federal Reserve Bank Activities". In addition, the Board has decided to delete the provision delegating to that Committee the power to approve, subject to certain conditions, the salary of any officer of a Federal Reserve Bank holding a position below that of First Vice President and to insert in lieu thereof a provision delegating to such Committee the power to approve, in connection with year-end salary reviews, the salary of any o.cer of a Federal Reserve Bank at the level of Senior Vice President (Salary Group A), excluding the Manager of the System Open Market Account and the Special Manager for Foreign Currency Operations for such Account, and the salary of any General Auditor of a Federal Reserve Bank.

1. Effective December 30, 1974, § 265.1a is amended by striking out all of paragraph (a) thereof, and by striking out "(b) The Committee on Organization, Compensation, and Building Plans, consisting of three members of the Board" in paragraph (b) thereof and inserting in lieu thereof "(a) The Committee on Federal Reserve Bank Activities, consisting of at least three members of the Board" and by striking clause (ii) of subparagraph (1) thereof, and inserting in lieu thereof "(ii) in connection with year-end salary reviews, the salary of any officer of a Federal Reserce Bank at the level of Senior Vice President (Salary Group A), excluding the Manager of the System Open Market Account and the Special Manager for Foreign Currency Operations for such Account, and the salary of any General Auditor of a Fed-

eral Reserve Ban." As so amended, § 265.-1a reads as follows:

§ 265.1a Specific Functions Delegated to Board Members.

(a) The Committee on Federal Reserve Bank Activities, consisting of at least three members of the Board designated by the Chairman, is authorized, pursuant to the twenty-second paragraph of section 4 of the Federal Reserve Act (12 U.S.C. 307) and subject to such general guidelines as may be prescribed by the Board:

(1) To approve (i) changes in the salary structure for officers, other than the President and First Vice President, of each Federal Reserve Bank and branch thereof, and (ii) in connection with year-end salary reviews, the salary of any officer of a Federal Reserve Bank at the level of Senior Vice President (Salary Group A), excluding the Manager of the System Open Market Account and the Special Manager for Foreign Currency Operations for such Account, and the salary of any General Auditor of a Federal Reserve Bank.

(2) To approve (i) changes in maximum and minimum salaries for the respective grades of the salary structure for nonofficial employees of each Federal Reserve Bank and branch thereof, (ii) an increase in the special maximum salary for Grade 16 of such salary structure for each Reserve Bank or branch, and (iii) the payment of salary to any such employee in excess of the maximum or below the minimum for the grade in which the employee's position is classified.

(3) To approve (i) amendments to the authorization from the Board of Governors to the Federal Reserve Banks for the payment of separation allowances upon the involuntary termination of employment of any officer or employee of a Federal Reserve Bank or branch, and (ii) payment of such a separation allowance to any officer of a Reserve Bank or branch.

(4) To approve the payment of salary to any officer (other than the President or First Vice President) or employee of a Federal Reserve Bank whose services are retained for more than 90 days after attainment of normal retirement age.

(5) To approve amendments to the Guidelines and Objectives for Health Insurance prescribed by the Board of Governors for officers and employees of Federal Reserve Banks and their branches. In the exercise of any authority delegated under this paragraph (a), the Committee shall be guided by the objectives of promoting the efficiency of Reserve Bank operations and of maintaining the morale of Reserve Bank personnel and shall give appropriate attention to salary levels and employment practices in the relevant community but with due regard to the public character of the Federal Reserve System.

2. Effective December 30, 1974, § 265.2 (a) is amended by changing the comma following "authorized" to a colon, by making a new subparagraph (1) out of that part of paragraph (a) beginning with the word "under", and by adding new subparagraphs (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), and (12) to read as follows:

§ 265.2 Specific Functions Delegated to Board Employees and to Federal Reserve Banks.

(a) The Secretary of the Board (or, in his absence, the Acting Secretary) is authorized:

(1) Under the provisions of Part 261 of this chapter, to make available, upon request, information in the records of the Board.

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

(i) The Reserve Bank could approve such formation under paragraph (f) (22) of this section, except for the fact that paragraph (f) (22) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such formation:

(*a*) A director or senior officer of a bank which would become a subsidiary of the holding company proposed to be formed or a director or senior officer of the holding company proposed to be formed, is a director of a Federal Reserve Bank or branch.

(*b*) A director or senior officer of a bank which would become a subsidiary of the holding company proposed to be formed, or a director of senior officer of the holding company proposed to be formed, is a member of the Federal Advisory Council.

(*c*) An individual (or group of individuals) who is a principal in the holding company proposed to be formed is already a principal in another bank holding company.

(*d*) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

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

(i) The Reserve Bank could approve such acquisition under paragraph (f) (24) of this section, except for the fact that paragraph (f) (24) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition:

(*a*) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of any bank sought to be acquired, is a director of a Federal Reserve Bank or branch.

(*b*) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of any bank sought to be acquired, is a member of the Federal Advisory Council.

(*c*) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(4) Under the provisions of section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)), to approve a merger, consolidation, acquisition of assets or assumption of liabilities, where the resulting bank is a State member bank, if all of the following conditions are met:

(i) The Reserve Bank could approve such merger, consolidation, acquisition of assets or assumption of liabilities under paragraph (f) (28) of this section, except for the fact that paragraph (f) (28) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such transaction:

(*a*) A director or senior officer of any bank involved in such transaction is a director of a Federal Reserve Bank or branch.

(*b*) A director or senior officer of any bank involved in such transaction is a member of the Federal Advisory Council.

(*c*) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(5) Under the provisions of section 3 (a) (5) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the merger or consolidation of a bank holding company with any other bank holding company, if all of the following conditions are met:

(i) The Reserve Bank could approve such merger or consolidation under paragraph (f) (30) of this section, except for the fact that paragraph (f) (30) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such merger or consolidation:

(*a*) A director or senior officer of any of the holding companies or of any of the subsidiary banks of the holding companies involved in such merger or consolidation is a director of a Federal Reserve Bank or branch.

(*b*) A director or senior officer of any of the holding companies or of any of the subsidiary banks of the holding companies involved in such merger or consolidation is a member of the Federal Advisory Council.

(*c*) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(6) Under the provisions of section 4(c) (8) of the Bank Holding Company

Act (12 U.S.C. 1843(c)(8)) and §§ 225.4 (a)(1), (2), (3) and (9)(ii) of Regulation Y (12 CFR 225.4(a)(1), (2), (3) and (9)(ii)) to approve the acquisition by a bank holding company of an interest in a finance company or an industrial bank, as such terms are respectively defined in paragraph (f), (31) of this section, whether by acquisition of shares or assets, if all of the following conditions are met:

(i) The Reserve Bank could approve such acquisition under paragraph (f)(31) of this section, except for the fact that paragraph (f)(31)(v) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition:

(a) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the finance company or industrial bank to be acquired is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the finance company or industrial bank to be acquired is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(7) Under the provisions of section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4 (a)(9)(iii)(a) of Regulation Y (12 CFR 225.4(a)(9)(iii)(a)) to approve the acquisition or, as an incident to a bank holding company formation pursuant to section 34a)(1) of the Act, the retention by a bank holding company of shares or assets of a company that acts as insurance agent or broker in offices at which the holding company or its subsidiaries are otherwise engaged in business (or in an office adjacent thereto) with respect to any insurance sold in a community that has a population not exceeding 5,000, if all of the following conditions are met:

(i) The Reserve Bank could approve such acquisition or retention under paragraph (f)(32) of this section, except for the fact that paragraph (f)(32)(iv) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition or retention:

(a) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the company to be acquired or retained, is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the company to be acquired or retained, is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(8) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to approve the establishment, directly or indirectly, of a foreign branch or agency by a member bank or corporation organized under section 25(a) (an "Edge" corporation) or operating under an agreement with the Board pursuant to section 25 (an "Agreement" corporation) which has already established, or has been authorized to establish, branches in two or more foreign countries, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(9) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to grant specific consent to the acquisition, either directly or indirectly, by a member bank or an Edge or Agreement corporation of stock of (i) a company chartered under the laws of a foreign country or (ii) a company chartered under the laws of a State of the United States that is organized and operated for the purpose of financing exports from the United States, and to approve any such acquisition that may exceed the limitations in section 25(a) of the Federal Reserve Act based on such a corporation's capital and surplus, if all of the following conditions are met:

(a) The appropriate Reserve Bank recommends approval.

(b) All relevant divisions of the Board's staff recommend approval.

(c) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(d) Such acquisition does not result, either directly or indirectly, in the acquisition by such bank or corporation of effective control of any such company (other than a company performing nominee, fiduciary, or other banking services incidental to the activities of a foreign branch or affiliate of such bank or corporation).

(10) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to permit an Edge or Agreement corporation to exceed the limitations in § 211.9 (b) and (c) of this chapter (Regulation K),[1] if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

[1] Subject, of course, to the limitations in section 25(a) relating to aggregate liabilities outstanding on debentures, bonds, and promissory notes.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(11) Under sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to approve, under § 211.4 of this chapter (Regulation K), the issuance by an Edge or Agreement corporation or a subsidiary thereof of debentures, bonds, promissory notes (with a maturity of more than one year), or similar obligations, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(12) Under the provisions of section 4(c)(13) of the Bank Holding Company Act (12 U.S.C. 1843), and § 225.4(f) of Part 225 of this chapter (Regulation Y), to grant specific consent to the ownership or control, either directly or indirectly, by a bank holding company of voting shares of a company chartered under the laws of a foreign country, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(iv) Such acquisition does not result, either directly or indirectly, in the acquisition by such bank holding company of control of any such company (other than a company performing nominee, fiduciary, or other banking services incidental to the activities of a direct or indirect foreign subsidiary of such corporation).

* * * * * *

By order of the Board of Governors, effective December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-449 Filed 1-7-75;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Airspace Docket No. 73-SO-59]

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

Alteration of Transition Area

On September 5, 1973, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (38 FR 23969), stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the Charleston, S.C., transition area.

Interested persons were afforded an opportunity to participate in the rule making through the submission of com-

ments. All comments received were favorable.

Subsequent to publication of the Notice, the geographic position of Johns Island RBN was refined to "lat. 32°42'-09'' N., long. 80°00'10'' W." It is necessary to amend the description to reflect this change. Since this amendment is minor in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 9:01 G.m.t., February 27, 1975, as hereinafter set forth.

In § 71.181 (40 FR 441), the Charleston, S.C., transition area is amended as follows:

* * * log. 80°00'00'' W.) * * * is * * * long. 80°00'00'' W.) * * *" is within 3 miles each side of the 280° bearing from Johns Island RBN (lat. 32°42'-09'' N., long. 80°00'10'' W.), extending from the 6.5-mile radius area to 8.5 miles west of the RBN * * * is substituted therefor.

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

Issued in East Point, Ga., on December 26, 1974.

DUANE W. FREER,
Acting Director,
Southern Region.

[FR Doc.75-660 Filed 1-7-75;8:45 am]

[Airspace Docket No. 74-SO-122]

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

Redesignation of Control Zone

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to redesignate the Fort Stewart, Ga., control zone.

The Fort Stewart control zone is described in § 71.171 (40 FR 354) and is presently designated 24 hours daily. The U.S. Army has reduced the hours of operation of the airport traffic control tower from 24 hours daily to 7 a.m. to 11 p.m., local time, daily. It is necessary to amend the description to redesignate the control zone as part-time and publish the effective hours. Since this amendment lessens the burden on the public, notice and public procedure hereon are unnecessary.

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

In § 71.171 (40 FR 354), the Fort Stewart, Ga., control zone is amended as follows:

This control zone is effective from 0700 to 2300 hours, local time, daily, is added to the description.

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

Issued in East Point, Ga., on December 27, 1974.

PHILLIP M. SWATEK,
Director, Southern Region.

[FR Doc.75-662 Filed 1-7-75;8:45 am]

[Airspace Docket No. 73-SO-68]

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

Alteration of Transition Area

On January 8, 1974, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (39 FR 1362), stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would designate the Moncks Corner, S.C., transition area.

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

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 9 a.m. G.m.t., February 27, 1975, as hereinafter set forth.

In § 71.181 (40 FR 441), the following transition area is added.

MONCKS CORNER, S.C.

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Moncks Corner Airport (latitude 33°11'30'' N, longitude 80°02'00'' W); within 3 miles each side of the 226° bearing from Moncks Corner RBN (latitude 33°11'35'' N, longitude 80°01'34'' W), extending from the 6.5-mile radius area to 8.5 miles southwest of the RBN.

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

Issued in East Point, Ga., on December 26, 1974.

PHILLIP M. SWATEK,
Director, Southern Region.

[FR Doc.75-661 Filed 1-7-75;8:45 am]

Title 20—Employees' Benefits

CHAPTER III—SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Regs. No. 16]

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED (1974 .....)

Subpart M—Suspensions and Terminations

On April 2, 1974, a notice of proposed rulemaking was publishd in the FEDERAL REGISTER (39 FR 12027) relating to suspensions and terminations under the supplemental security income program. The proposed rules deal with events and circumstances for which payment under title XVI of the Act is precluded. The events and circumstances the occurrence of which result in a temporary suspension of payment and the events and circumstances the occurrence of which terminate an individual's eligibility under the program are described. The proposed rules also contain procedural provisions applicable to suspension or termination of eligibility or reduction of the amount of benefits occurring after the establishment of initial eligibility and amount of benefits.

The period for comments expired on May 2, 1974, and seven letters of comment were received from the public in response to the proposal. While comments were varied, the most significant ones pertained to the proposed effective dates for suspension of payment and to the situations in which it was proposed that no advance written notice of intent to reduce, suspend, or terminate an individual's payment be furnished prior to effectuating such action. There follows a discussion of the comments received from the public and the disposition thereof.

The proposed § 416.1325 provided for suspension of payment for any month for which a recipient is ineligible for payment because he is an inmate of a public institution throughout such month. One writer objected to the provision. However, section 1611(e)(1)(A) of the Social Security Act (42 U.S.C. 1382(e)(1)(A)) specifically provides that no individual shall be eligible for any month throughout which he is an inmate of a public institution.

Another writer commented on the proposed § 416.1323, which provides for suspension of payment due to ineligibility because an individual's "countable income" (as defined in § 416.1115) equals or exceeds the amount of benefits otherwise payable. The writer suggested that income should be counted only at the point at which it is physically received by the individual and not when it is merely promised to him. In fact, it is established policy not to count income which cannot be reliably anticipated by the recipient (e.g., earnings from sporadic employment) until such income is actually available to him. However, the suggestion does not take into consideration the fact that many individuals have income such as pensions, annuities, or earnings from steady employment which are received regularly and in fixed amounts. As such, the income can be reliably anticipated to be available to meet the recipient's needs and should be counted at the time the individual's eligibility and payment amount are determined. By doing so, the recipient's payment amount more accurately reflects his current circumstances; and once such income has been counted, the recipient then need report only changes in the amount or receipt of the income. To do as suggested with all types of income would impose unrealistic reporting requirements on the recipient, especially when the income is received as often as weekly or monthly. For these

reasons, no change is being made in this provision.

In another comment the same writer objected to several of the proposed suspension effective dates on the premise that they resulted in a "retroactive" suspension of eligibility for months for which the recipient had already received payment. Two examples were cited: the proposed § 416.1326, which provides for suspension effective with the month in which the recipient fails to undergo treatment for drug addiction or alcoholism, and the proposed § 416.1328, which provides for suspension effective with the month in which the recipient refuses to accept vocational rehabilitation services. Because supplemental security income benefits are normally paid on the first day of the month for which they are due, it was pointed out that in both instances the recipient would have already received payment for the effective month of suspension. Thus, the suspension of eligibility would result in an overpayment to the recipient. To remedy this it was suggested that the proposed regulations be changed to provide that in every case, if a recipient is eligible for payment on the first day of the month, he would remain eligible for payment throughout that month. In most cases the Act does provide for ineligibility effective with the month after the month in which the pertinent event or change in the recipient's circumstances occurs. This is evident in the statutory provisions making ineligible for any month an individual who is outside the country or an inmate of a public institution "throughout such month". However, section 1611(e)(3)(A) of the Act merely conditions eligibility for any month upon the acceptance of appropriate available treatment for alcoholism or drug addiction, and, similarly, section 1615(c) provides for ineligibility upon the recipient's refusal without good cause to accept vocational rehabilitation services for which he has been referred. Because the statutory provisions relating to treatment for drug addiction or alcoholism and acceptance of vocational rehabilitation services could be defeated by expressing willingness to accept treatment or services for brief periods throughout the month, and because the statute does not contain the "throughout the month" concept, these rules are considered to be both necessary and justifiable and hence no change has been made.

Another writer commented that as a result of the proposed suspension effective dates overpayments would occur due to the fact that payment for a month is normally made on the first of the month. The writer was concerned that if these overpayments are withheld from a recipient's payment (presumably after the recipient had reestablished eligibility for payment), he would be left without any income and would be forced to apply for general assistance. To forestall this possibility, the writer suggested that if the proposed dates are adopted, greater use should be made of the provisions in proposed § 416.570 (Subpart E of Part 416) which permits the withholding of only a part of a recipient's payment to recover an overpayment. In fact, established policy permits partial withholding of a recipient's payment to recover an overpayment in virtually all instances in which the recipient's only income is his supplemental security income benefit. However, it is not considered necessary to set this out in Subpart M as § 416.570 of Subpart E of the regulations is being revised to reflect this policy.

A recipient is ineligible for payment and his benefits are suspended effective with the first full calendar month he is outside the fifty States and the District of Columbia. The proposed § 416.1327 provides for such suspension and further provides that if a recipient has been outside the fifty States and the District of Columbia for 30 consecutive days, he is, for purposes of reestablishing eligibility, considered as remaining there until he has returned to and remained in one of the fifty States or the District of Columbia for a period of 30 consecutive days. A writer objected to the requirement that the recipient must remain in one of the fifty States or the District of Columbia for 30 consecutive days before he may reestablish eligibility. However, such requirement is specifically provided in section 1611(f) of the Social Security Act and cannot be changed by regulation.

Another writer, in commenting on the same proposed regulation, stated that the provision discriminates against citizens who reside in Puerto Rico, Guam, and the Virgin Islands, and requested that the proposed rule be changed to permit payment of supplemental security income benefits to these individuals. However, Congress expressly provided in section 303(b) of Public Law 92-603 (86 Stat. 1484) that the statutory provision establishing the supplemental security income program and repealing the Federal grants for locally-administered public assistance programs provided in titles I, X, XIV, and XVI of the Social Security Act would not be effective with respect to Puerto Rico, Guam, and the Virgin Islands. For this reason, no change is being made in this provision.

Another writer questioned whether the resource limitations referred to in proposed § 416.1324(a), which provides for suspension of payment due to excess resources, also applied in the case of a recipient who was not receiving a Federal benefit under title XVI but who was receiving a State supplementary payment. As provided in the proposed § 416.2003(a) (38 FR 21188, August 6, 1973), such resource limitations do apply to any individual who is receiving a federally administered optional payment. Therefore, it is not considered necessary to include a similar stipulation in the proposed § 416.1324(a).

In the proposed § 416.1336, which provides that advance written notice of intent to reduce, suspend, or terminate payment must be furnished prior to effectuation of the action, four situations are described in which it is proposed that such notice will not be furnished. These are cases where: (1) The Social Security Administration has factual information confirming the death of the recipient; (2) amendments to Federal law or an increase in benefits payable under Federal law require automatic suspension, reduction, or termination of payment; (3) clerical or mechanical error has been made in effectuating a determination or decision; and (4) the facts on which a reduction, suspension, or termination action is based were supplied by the recipient, are complete, and the conclusions to be drawn from such facts are not subject to conflicting interpretations. Two writers objected to these exceptions to furnishing advance written notice. Both argued that the U.S. Supreme Court decision in *Goldberg* v. *Kelly*, 397 U.S. 254 (1970), would require that such a notice be sent in every case in which an action adverse to the recipient is taken and that failure to furnish such a notice would deprive recipients of their constitutional right to due process. The court, in *Goldberg* v. *Kelly*, made it clear that the purpose of furnishing advance notice of an adverse action is to prevent a termination of assistance pending resolution of a factual controversy. To thus deprive an eligible recipient of the means by which to live while the question of his eligibility was being resolved, the court found, would contravene the individual's right to due process. Thus, advance written notice affords the recipient an effective opportunity to prevent the adverse action from being taken while he challenges the determination by taking issue with the information on which it is based. It is believed that the proposed exceptions to furnishing the recipient advance written notice are valid and necessary, and that their application will not violate any recipient's right to due process as defined in *Goldberg*. In each of the situations in which it is proposed that advance notice is not required, the factual information on which a determination is based was either supplied by the recipient himself or is not of a nature that would be subject to dispute. For example, if a clerical or merchanical error had been made in effectuating a determination, the correction of the erroneous action does not introduce new facts and, as such, would not be the subject of a successful challenge by the recipient. Continuation of payment until there had been an opportunity to contest the required action in each of these instances could, in fact, actually work to the disadvantage of the recipient. To delay the action to reduce or stop a recipient's payment in these situations would only result in an overpayment for which the individual would be liable for repayment. Such a result would be extremely undesirable, particularly in any case where the recipient himself had conscientiously reported information because he understood that it would necessitate a reduction or stoppage of his payment.

The writers also stated that another reason for furnishing advance written notice in every case of reduction, suspen-

sion, or termination of payment was that if an error had been made in applying the facts in a recipient's case, the notice would alert him in time to have the error corrected before his payment was affected. However if this argument were carried to its logical conclusion, any action, including one favorable to the recipient, would require advance notice since any given action can be subject to error. Such an extreme measure would only be warranted in those cases where there is a real potential for disagreement or error so that the notice would serve to actually protect the recipients' interests rather than to work against them by delaying essential payment adjustment actions. These are the very cases to which the advance notice provisions of § 416.1336 apply.

Two changes have been made in the wording of certain sections for the purpose of clarity.

Accordingly, with these changes, the proposed amendments are adopted as set forth below.

(Secs. 1102, 1611–1615, and 1631 of the Social Security Act, as amended, 49 Stat. 647, as amended, 86 Stat. 1466–1477 (42 U.S.C. 1302, 1382–1382d, 1383.))

Effective date. These amendments shall become effective January 8, 1975.

(Catalog of Federal Domestic Assistance Program No. 13.807, Supplemental Security Income Program.)

Dated: November 18, 1974.

J. B. CARDWELL,
Commissioner of Social Security.

Approved: December 30, 1974.

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

Part 416 of 20 CFR Chapter III is amended by adding thereto Subpart M to read as follows:

Sec.
416.1321 Suspensions; general.
416.1323 Suspension due to excess income.
416.1324 Suspension due to excess resources.
416.1325 Suspension due to status as an inmate of an institution.
416.1326 Suspension for failure to accept treatment for drug addiction or alcoholism.
416.1327 Suspension due to absence from the United States.
416.1328 Suspension due to refusal to accept vocational rehabilitation services.
416.1329 Suspension due to loss of United States residency, United States citizenship, or status as an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law.
416.1330 Suspension due to failure to apply for and obtain other benefits.
416.1331 Termination due to cessation of blindness or disability.
416.1334 Termination due to death of recipient.
416.1335 Termination due to continuous suspension for ineligibility.
416.1336 Notice of proposed adverse action affecting recipient's payment status.

Subpart M—Suspensions and Terminations

§ 416.1321 Suspensions; general.

(a) *When suspension is proper.* Suspension of benefit payments is required when a recipient is alive but no longer meets the requirements of eligibility under title XVI of the Act (see Subpart B of this part) and termination in accordance with §§ 416.1331–416.1335 does not apply. (This subpart does not cover suspension of payments for administrative reasons, as, for example, when mail is returned as undeliverable by the Postal Service and the Administration does not have a valid mailing address for a recipient or when the representative payee dies and a search is underway for a substitute representative payee.)

(b) *Effect of suspension.* When payments are correctly suspended due to the ineligibility of a recipient, payments shall not be resumed until the individual again meets all requirements for eligibility except the filing of a new application. Such recipient, upon requesting reinstatement, shall be required to submit such evidence as may be necessary (except evidence of age, disability, or blindness) to establish that he again meets all requirements for eligibility under this part. Payments to such recipient shall be reinstated effective with the first month such recipient meets all requirements for eligibility except the filing of a new application.

(c) *Actions which are not suspensions.* Payments are not "suspended," but the claim is disallowed, when it is found that:

(1) The claimant was notified in accordance with § 416.230(c) at or about the time he filed application and before he received payment of a benefit that he should file a claim for a payment of the type discussed in § 416.1330 and such claimant has failed, without good cause (see § 416.230(d)), to take all appropriate steps within 30 days after receipt of such notice to file and prosecute an application for such payment;

(2) Upon initial application, payment of benefits was conditioned upon disposal of specified resources which exceeded the permitted amount and the claimant did not comply with the agreed-upon conditions;

(3) Payment was made to an individual faced with a financial emergency who was later found to have been not eligible for payment; or

(4) Payment was made to an individual presumed to be disabled and such disability is not established.

§ 416.1323 Suspension due to excess income.

(a) *Effective date.* Suspension of payments due to ineligibility for benefits because of excess income is effective with the first month in which "countable income" (see § 416.1115) equals or exceeds the amount of benefits otherwise payable for such month (see Subpart D of this part). This rule applies regardless of the month in which the income is received.

(b) *Claims filed late in quarter.* When a claim is filed in the second or third month of a calendar quarter, eligibility for benefits in the quarter of filing is determined on a monthly basis rather than on a quarterly basis. In such case, suspension of payments due to ineligibility for benefits because of excess income is effective with the month in which actual monthly countable income equals or exceeds the amount of the monthly benefit otherwise payable.

§ 416.1324 Suspension due to excess resources.

(a) *Effective date.* Except as specified in §§ 416.1240–416.1242, suspension of benefit payments because of excess resources is required effective with the month in which: (1) Ineligibility exists because countable resources (see § 416.1205) are in excess of:

(i) $1,500 for an eligible individual who has no spouse or who has an ineligible spouse who is not living with him, or

(ii) $2,250 for an eligible individual living with his spouse or for an eligible individual and eligible spouse, or

(iii) In the case of an eligible individual (and eligible spouse, if any) who for the month of December 1973 was a recipient of aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Act, the maximum amount of resources specified in such State plan as in effect for October 1972, if greater than the amounts specified in paragraph (a)(1)(i) or (ii), as applicable, of this section; or

(2) After eligibility has been established, payment of benefits was conditioned upon disposal of specified resources which exceeded the permitted amount and the claimant did not comply with the agreed upon conditions. (3) The amount of an individual's or couple's countable resources is determined as of the first moment of each calendar quarter.

(b) *Claims filed late in quarter.* When a claim is filed in the second or third month of a calendar quarter, eligibility for benefits in the quarter of filing is determined on a monthly basis rather than on a quarterly basis. In such case, suspension of payments due to ineligibility for benefits because of excess resources is effective as of the first month in which countable resources exceed the allowable amount. When countable resources exceed the permitted amount as of such month, the beneficiary is ineligible for such month due to excess resources.

§ 416.1325 Suspension due to status as an inmate of an institution.

Except as provided in § 416.231(a)(2), a recipient is ineligible for benefits for the first full calendar month in which he defined in § 416.231(b)(3)) throughout is an inmate of a public institution (as the calendar month (as defined in §416.231(b)(4)), and his payments are suspended effective with such first full month. Such ineligibility continues for

each full calendar month such individual is so institutionalized.

EXAMPLE: R entered a public hospital on May 5. The hospital did not receive title XIX payments (i.e., Medicaid) on his behalf. He remained in the hospital until July 29. R was ineligible for payments for June, and his payments were subject to suspension effective with that month. Such institutionalization would not preclude payment to R for July if he otherwise reestablishes his eligibility as of July.

§ 416.1326 Suspension for failure to accept treatment for drug addiction or alcoholism.

(a) *Suspension effective date.* A disabled recipient who is medically determined to be a drug addict or alcoholic is ineligible for benefits and his payments are subject to suspension effective with the first month in which he does not undergo treatment appropriate for his condition as a drug addict or alcoholic (as the case may be) at an institution or facility approved for such purpose by the Social Security Administration when such treatment is made available to him. In addition, such recipient is ineligible for benefits for any month, and his payments are suspended effective with such month, with respect to which it is determined that he is not complying with the terms, conditions, and requirements of the treatment provided or with the requirements established by the Social Security Administration to aid in remedying his condition. (See Subpart Q of this part for the treatment requirements.)

EXAMPLE: B had been medically determined to be an alcoholic, but he was in payment status because the approved facility did not have space to care for him. On June 4, B was notified that space had become available and that he was required to report for treatment on June 15. B did not respond and his payments were subject to suspension effective as of June.

(b) *Reestablishing eligibility.* When payments are suspended because a disabled recipient who is medically determined to be a drug addict or an alcoholic is not undergoing the required treatment, such ineligibility continues until he demonstrates compliance by actually undergoing the required treatment and such compliance is verified by the responsible authority at the institution or facility providing the treatment (see Subpart Q of this part). Reinstatement is effective with the first month in which the recipient complies with the required treatment or other direction, provided such compliance is first verified by the responsible official and provided the recipient otherwise establishes his eligibility for benefits for such month.

EXAMPLE: Payments to C, a drug addict, were suspended effective May because C failed to report for treatment. On June 25, C reported for treatment and otherwise established eligibility for benefits. The responsible State official reported on August 2 that C had reported June 25 and was complying with the required treatment. Payments may be resumed effective with June.

§ 416.1327 Suspension due to absence from the United States.

(a) *Suspension effective date.* A recipient is ineligible for benefits beginning with the first full calendar month he is outside the United States, and his payments are subject to suspension for such month. For purposes of this paragraph, "outside the United States" means outside the 50 States and the District of Columbia. After a recipient has been outside the United States for 30 consecutive calendar days, he is considered as remaining outside the United States until he has returned to and remained in the United States for a period of 30 consecutive days. Each calendar day consists of a full 24-hour day.

EXAMPLE 1: S left the United States on July 1 and returned July 31. S was not ineligible for payments based on his 29-day absence from the United States in July.

EXAMPLE 2: T left the United States on January 31 and returned to the United States on March 1. He was absent from the United States 28 full consecutive calendar days. T is ineligible for benefits for February because he was absent from the United States throughout the full calendar month.

EXAMPLE 3: V left the United States on March 1 and returned to the United States on April 1 where he remained. V was physically absent from the United States for 30 full consecutive calendar days; consequently, he is found to have remained outside the United States for 30 additional full consecutive calendar days (i.e., throughout April). V is eligible for the month of March, but not for the month of April. He may, however, reestablish eligibility beginning May if he otherwise is eligible for payment.

EXAMPLE 4: W left the United States on April 15. He returned to the United States on July 1. Since he was absent for more than 30 full consecutive calendar days, he is treated as being absent from the United States for an additional 30 full consecutive days. Thus, W is treated as having left the United States on April 15 and as having returned on July 31. W is ineligible for benefits for May and June; however, he may reestablish eligibility for benefits beginning July if he otherwise is eligible for benefits.

(b) *Reestablishing eligibility for benefits.* If a recipient submits evidence of his eligibility after he returns to and remains in the United States for 30 full consecutive calendar days, he may reestablish eligibility for benefit payments beginning with the first month in which he is considered as being in the United States on any day of such month.

§ 416.1328 Suspension due to refusal to accept vocational rehabilitation services.

(a) *Suspension effective date.* A recipient who is paid on account of blindness or disability is ineligible for benefits for the first month, and his payments are subject to suspension effective with such first month, in which he refuses, without good cause, to accept appropriate vocational rehabilitation services (see Subpart Q of this part).

(b) *Reestablishing eligibility for benefits.* Eligibility for benefits may be reestablished effective with the first month in which the blind or disabled recipient no longer refuses without good cause to accept vocational rehabilitation services, provided such individual otherwise establishes his eligibility for benefits.

§ 416.1329 Suspension due to loss of United States residency, United States citizenship, or status as an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law.

A recipient ceases to be an eligible individual or eligible spouse, under section 1614(a)(1)(B) of the Act, when he ceases to meet the requirements of § 416.202(b) with respect to United States residency, United States citizenship, or status as an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law. Payments are suspended effective with the first month after the last month in which a recipient meets the requirements of § 416.202(b) on one or more calendar days.

§ 416.1330 Suspension due to failure to apply for and obtain other benefits.

A recipient ceases to be an eligible individual or eligible spouse when, in the absence of a showing of incapacity to do so, or other good cause, he fails within 30 days after notice from the Social Security Administration of probable eligibility, to take all appropriate steps to apply for and, if eligible, to obtain payment of an annuity, pension, retirement, or disability benefit, including veterans' compensation and pension, workmen's compensation, old-age, survivors, and disability insurance benefit, railroad retirement annuity or pension, or unemployment insurance benefit. Benefit payments are suspended due to such ineligibility effective with the month in which the recipient was notified in writing of the requirement that he file and take all appropriate steps to receive the other benefits (see § 416.230(d)).

§ 416.1331 Termination due to cessation of blindness or disability.

Eligibility for payment of benefits to a recipient who is being paid supplemental security income payments on account of blindness (see § 416.901(d)) or disability (see § 416.901(b)), who is not age 65 or older and who ceases to be blind or to be disabled and, consequently, ceases to be an eligible individual or eligible spouse, ends with the second month after the month in which such blindness or disability ceases (if such blind or disabled recipient is otherwise eligible for payments during such 2-month period). Payments are terminated effective with the third month after the month in which such blindness or disability ceases. This section does not pertain to cessation of payments which were made on the basis of presumptive disability pending an initial determination of eligibility (see §§ 416.951–416.954).

§ 416.1334 Termination due to death of recipient.

Eligibility for benefits ends with the month in which the recipient dies. Payments are terminated effective with the month after the month of death.

§ 416.1335 Termination due to continuous suspension for ineligibility.

Eligibility for benefits is terminated when 12 calendar months have elapsed after suspension for ineligibility if the beneficiary has not reestablished eligibility for benefits.

§ 416.1336 Notice of proposed adverse action affecting recipient's payment status.

(a) Advance written notice of intent to discontinue payment because of an event requiring suspension, or to reduce (see Subpart D of this part), or terminate payments prior to effectuation of the action will be given in all cases except where:

(1) The Social Security Administration has factual information confirming the death of the recipient; or

(2) Amendments to Federal law or an increase in benefits payable under Federal law (other than benefits payable under this part) require automatic suspension, reduction, or termination of benefits under this part; or

(3) Clerical or mechanical error has been made in effectuation of a determination or decision under this part; or

(4) (i) The facts indicating such suspension, reduction, or termination action were supplied by the recipient; and

(ii) The conclusions to be drawn from such facts are not subject to conflicting interpretations; and

(iii) The facts are complete.

(b) Where (1) a suspension, reduction, or termination action is effectuated, and (2) in accordance with the criteria in paragraph (a) (4) of this section the recipient is not given advance notice of intent to effectuate such action, and (3) the recipient, within 30 days following receipt of notice that such action was effectuated (see paragraph (e) of this section) requests review of the determination upon which such action is based and presents information indicating that the criteria in paragraph (a) (4) of this section were not met, payments will be reinstated at that time (or restored to the rate before reduction) effective with the month such payments were suspended, reduced, or terminated and will be continued until such time as a reconsidered determination (or, where the issue upon which the initial determination was based is cessation of disability due to medical improvement, a hearing decision) is rendered and notice thereof is transmitted regarding the appeal to the recipient.

(c) The written notice of intent to suspend, reduce, or terminate payments will allow 30 days from the date of receipt of the notice for the recipient to request the appropriate administrative appellate review (see Subpart N of this part). Payments will be continued for the period of time allowed to request such review and if such review is requested, payments will continue until such time as a reconsidered determination (or, where the issue upon which the initial determination was based is cessation of disability due to medical improvement, a hearing decision) is rendered and notice thereof is transmitted regarding the appeal to the recipient.

(d) Notwithstanding any other provision of this section, the recipient, in order to avoid the possibility of an overpayment of benefits, may waive prior written notice and continuation of payment after having received a full explanation of his rights.

(e) Where advance written notice is not required in accordance with paragraph (a) of this section, notice in accordance with § 416.1404 will nevertheless be sent.

[FR Doc.75-242 Filed 1-7-75;8:45 am]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER D—DRUGS FOR HUMAN USE

PART 450—ANTITUMOR ANTIBIOTIC DRUGS

Mithramycin for Injection

An amendment to the antibiotic regulations was published in the FEDERAL REGISTER of June 12, 1971 (36 FR 11434), which revised the requirements for certification of mithramycin for injection (formerly § 149v.2, now 450.240 (21 CFR 450.240) pursuant to recodification published in the FEDERAL REGISTER of May 30, 1974 (39 FR 18922)) by raising the upper limit of the LD_{10} test from 3.0 to 4.0 in paragraph (a) (1) of that section. At the same time, the amendment should have deleted the last sentence in paragraph (b) (4) (ii), which also specifies an LD_{10} range. Inadvertently, the sentence in paragraph (b) (4) (ii) was neither revised nor deleted, resulting in a discrepancy in the monograph. This amendment corrects that discrepancy.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463 as amended; 21 U.S.C. 357) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120), Part 450 is amended in § 450.240 *Mithramycin for injection* by deleting the last sentence in paragraph (b) (4) (ii).

Since the revised LD_{10} range has been effective since June 12, 1971, notice and public procedure are not prerequisite to this promulgation.

Effective date. This order shall be effective January 8, 1975.

(Sec. 507, 59 Stat. 463 as amended (21 U.S.C. 357))

Dated: January 2, 1975.

MARY A. MCENIRY,
Assistant to the Director for Regulatory Affairs, Bureau of Drugs.

[FR Doc.75-519 Filed 1-7-75;8:45 am]

Title 22—Foreign Relations

CHAPTER I—DEPARTMENT OF STATE

SUBCHAPTER F—NATIONALITY AND PASSPORTS

PART 51—PASSPORTS

Subpart B—Application

By virtue of the authority vested in the Secretary of State by 22 U.S.C. 213, and authority delegated to me by the Secretary, paragraph (b) (4) of § 51.21 is amended to delete "A postal clerk designated by the Postmaster General" and substitute the following: "A postal employee designated by the postmaster at a post office which has been selected to accept passport applications."

Effective date. This amendment is effective as of November 12, 1974.

Compliance with the rulemaking provisions of 5 U.S.C. 553 is unnecessary because the amendment involves a matter relating to agency management as defined in 5 U.S.C. 553(a)(2). The amendment merely provides a more efficient procedure for authorizing and empowering designated postal employees to administer oaths for passport purposes.

(Sec. 1, 44 Stat. 887, Sec. 4, 63 Stat. 111, as amended; 22 U.S.C. 211a, 2658; E.O. 11295, 36 FR 10603; 3 CFR 1966-1970 Comp., page 507)

Dated: December 19, 1974.

BARBARA M. WATSON,
Administrator, Bureau of Security and Consular Affairs.

[FR Doc.75-545 Filed 1-7-75;8:45 am]

Title 29—Labor

CHAPTER XVII—OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR

PART 1952—APPROVED STATE PLANS FOR ENFORCEMENT OF STATE STANDARDS

Kentucky Plan; Level of Federal Enforcement

1. *Background.* Part 1954 of Title 29, Code of Federal Regulations, sets out procedures under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) (hereinafter referred to as the Act) for the evaluation and monitoring of State plans which have been approved under section 18(c) of the Act and 29 CFR Part 1902. Section 1954.3 of this chapter provides guidelines and procedures for the exercise of discretionary Federal enforcement authority under section 18(e) of the Act with regard to Federal standards in issues covered under an approved State plan. In accordance with § 1954.3(b) of this chapter, Federal enforcement authority will not be exercised as to occupational safety and health issues covered under a State plan where a State is operational. A State is determined to be operational under § 1954.3(b) of this chapter when it has provided for the following requirements: enacted enabling legislation, approved State standards, a sufficient number of qualified enforcement

personnel and provisions for the review of enforcement actions. In determining whether and to what extent a State plan meets the operational guidelines, the results of evaluations conducted under 29 CFR Part 1954 are taken into consideration. Once this determination has been made, under § 1954.3(f) of this chapter, a notice of the determination of the operational status of a State plan as described in an agreement setting forth the Federal-State responsibility is to be published in the FEDERAL REGISTER.

2. *Notice of Kentucky operational agreement.* (a) In accordance with the provisions of § 1954.3 of this chapter, notice is hereby given that it has been determined that Kentucky has met the following conditions for operational status:

(1) Enactment of the Kentucky Occupational Safety and Health Act of 1972 (hereinafter referred to as KOSHA) (Chapter 338, KRS) which became effective on March 27, 1972; and was amended by Senate Bill No. 5 of the First Extraordinary Session of 1972 and by House Bill No. 403 enacted by the 1974 General Assembly.

(2) Promulgation under Kentucky Revised Statutes, section 338.061, of general industry and construction standards by the State Occupational Safety and Health Standards Board on December 29, 1972 and updated on March 8, 1974. The maritime standards of 29 CFR 1910.13 through 1910.16 are excluded as Kentucky has chosen not to assume jurisdiction over maritime or longshoring activities covered by those standards. The general industry and construction standards were found in the professional judgment of the Assistant Regional Director to be identical to the Federal standards in 29 CFR Part 1910 and 29 CFR Part 1926, and to provide overall protection equal to the comparable Federal standards in such issues;

(3) A sufficient number of qualified safety and health personnel employed under an approved merit system: namely twenty-two (22) safety inspectors and six (6) health inspectors as of September 1, 1974;

(4) Operation since August 1, 1973, of a review and appeals system before the Kentucky Occupational Safety and Health Review Board providing the mechanism for employers and employees to contest enforcement actions and/or abatement dates. The appeals are processed by the Commission under rules and regulations effective on August 1, 1973.

(5) State enforcement since August 1, 1973, of the State standards described in (2) above by the Kentucky Department of Labor and, under a delegation of authority since August 1, 1973, by the Kentucky Public Service Commission in industries regulated by that Commission, monitored under Subpart C of 29 CFR Part 1954, including two semi-annual evaluations, covering the period from July 1, 1973, to June 30, 1974.

(b) In addition, the State has provided under its plan for:

(1) Notification to employers and employees since July 1, 1974, of rights and responsibilities under KOSHA by requiring the display of a State poster in workplaces covered by the plan;

(2) Occupational accident and illness recordkeeping and reporting by employers covered under the plan;

(3) Responding to complaints filed with the Kentucky Department of Labor for violations of the prohibition against discrimination by employers against employees for exercising their rights under KOSHA (KRS § 338.12(3));

(4) Assurance of the rights of employers and employees and their representatives consistent with the provisions of the Federal Act and its implementing regulations;

(5) Coverage of State and local Government employees in a manner designed to be ultimately as effective as coverage provided for private employees.

Pursuant to this finding, an agreement effective November 18, 1974, and incorporated as part of the Kentucky plan has been entered into between James R. Yocum, Commissioner of the Kentucky Department of Labor, and Donald E. MacKenzie, Assistant Regional Director for Occupational Safety and Health of the U.S. Department of Labor providing that Federal enforcement activity under section 18(e) of the Act will not be initiated with regard to Federal occupational safety and health standards in issues covered under 29 CFR Part 1910 and 29 CFR Part 1926 wherever Kentucky occupational safety and health standards are in effect and operational.

Under the agreement, Federal responsibility under the Act will continue to be exercised, among other things, with regard to complaints about violations of the discrimination provisions of section 11(c) of the Act (29 U.S.C. 660(c)); enforcement of standards promulgated under the Act subsequent to the agreement where necessary to protect employees, as in the case of standards promulgated under section 6(c) of the Act (29 U.S.C. 665(c)), until such time as the State shall have adopted equivalent standards in accordance with Subpart C of 29 CFR Part 1953; enforcement of Federal standards in the maritime and longshoring issues covered by 29 CFR 1910.13 through 1910.16 which issues have been specifically excluded from coverage under the plan; and investigations and inspections for the purpose of evaluating the State plan under sections 18(e) and (f) of the Act (29 U.S.C. 667 (e) and (f)).

The agreement is subject to revision or termination by the Assistant Secretary of Labor for Occupational Safety and Health upon substantial failure by the State to comply with any of its provisions, or when the results of evaluation under 29 CFR Part 1954 reveal that State operations covered by the agreement fail in a substantial manner to be at least as effective as the Federal program.

In accordance with this agreement and effective as of November 18, 1974, Subpart Q of 29 CFR Part 1952 is hereby amended as set forth below.

Section 1952.232 is revised to read as follows:

§ 1952.232 Level of Federal enforcement.

Pursuant to §§ 1902.20(b)(1)(iii) and 1954.3 of this chapter under which an agreement has been entered into with Kentucky, effective November 18, 1974, and based on a determination that Kentucky is operational in issues covered by the Kentucky occupational safety and health plan, discretionary Federal enforcement authority under section 18(e) of the Act (29 U.S.C. 667(e)) will not be initiated with regard to Federal occupational safety and health standards in issues covered under 29 CFR Part 1910 and 29 CFR Part 1926. The U.S. Department of Labor will continue to exercise authority, among other things, with regard to: Complaints filed with the U.S. Department of Labor about violations of the discrimination provisions of section 11(c) of the Act (29 U.S.C. 660(c)); Federal standards promulgated subsequent to the agreement where necessary to protect employees, as in the case of temporary emergency standards promulgated under section 6(c) of the Act (29 U.S.C. 665(c)), in the issues covered under the plan and the agreement until such time as Kentucky shall have adopted equivalent standards in accordance with Subpart C of 29 CFR Part 1953; Standards in 29 CFR 1910.13 through 1910.16, which issues have been specifically excluded from coverage under the Kentucky plan; and Investigations and inspections for the purpose of the evaluation of the Kentucky plan under sections 18 (e) and (f) of the Act (29 U.S.C. 667 (e) and (f)). The Assistant Regional Director for Occupational Safety and Health will make a prompt recommendation for resumption of exercise of Federal enforcement authority under section 18(e) of the Act (29 U.S.C. 667(e)) whenever, and to the degree, necessary to assure occupational safety and health protection to employees in Kentucky.

(Secs. 8(g)(2), 18, 84 Stat. 1600, 1608 (29 U.S.C. 257(g)(2), 667))

Signed at Washington, D.C. this 30th day of December 1974.

JOHN STENDER,
Assistant Secretary of Labor.

[FR Doc.75-471 Filed 1-7-75;8:45 am]

Title 38—Pensions, Bonuses, and Veterans' Relief

CHAPTER I—VETERANS ADMINISTRATION

PART 36—LOAN GUARANTY

Mobile Home Freight and Set-Up Charges

On page 33809 of the FEDERAL REGISTER of September 20, 1974, there was published a notice of proposed regulatory development to amend § 36.4232 to permit a veteran-borrower to pay freight and set-up charges, in excess of the

amounts that may be included in the guaranteed loan, in cash. In addition, a minor editorial change is made in § 36.4231(a) to reflect agency policy of using precise terms denoting gender. Interested persons were given 30 days in which to submit comments, suggestions, or objections regarding the proposed regulations.

Two comments were received, one related to a unique situation not within the scope of a regulation intended for general application. The other raised objection to establishing new governmental services, current charges being too high and that the proposed regulation would not deter collusive agreements. The regulation will not establish any new services. Costs for these services, as well as almost all other, have been escalating and attempting to limit the amount payable only results in depriving the veteran of his or her choice of home and location. Since the veteran will be paying cash from his or her own resources rather than including the excess amount in the loan, the possibility of collusive agreements should be reduced rather than increased.

Effective date. Section 36.4232 is effective January 2, 1975.

Approved: January 2, 1975.

By direction of the Administrator:

[SEAL] ODELL W. VAUGHN,
Deputy Administrator.

1. In § 36.4231, paragraph (a) is revised to read as follows:

§ 36.4231 Manufacturers warranty.

(a) When a new mobile home purchased with financing guaranteed under 38 U.S.C. 1819 is delivered to the veteran-borrower he or she will be supplied a written warranty by the manufacturer in the form and content prescribed by the Administrator. Such warranty shall be in addition to, and not in derogation of, all other rights and privileges which such purchaser or owner may have under any other law or instrument, and the warranty instrument will so provide. No evidence of guaranty shall be issued by the Administrator unless a copy of such warranty duly receipted by the purchaser is submitted with the loan papers.

* * * * *

2. In § 36.4232 paragraphs (a) (5) and (6) are revoked and paragraph (d) is added to read as follows:

§ 36.4232 Allowable fees and charges; mobile home unit.

(a) Incident to the origination of a guaranteed loan for the purchase of a mobile home unit only, no charge shall be made against, or paid by, the veteran-borrower without the express prior approval of the Administrator except as follows:

* * * * *

(5) [Revoked]
(6) [Revoked]

* * * * *

(d) Subject to the limitations set forth in this section, the following may be included in the loan, and paid out of the proceeds of the loan, provided such inclusion does not increase the amount of the loan to more than the maximum amount allowable under § 36.4204:

(1) The actual cost of transportation or freight not to exceed $400 or not to exceed $600 when the mobile home consists of two or more modules.

(2) Setup charges for installing the mobile home on site not to exceed $200 or not to exceed $400 when the mobile home consists of two or more modules.

If the actual costs exceed the limitations in this section, the veteran must certify that any excess cost has been paid in cash from the veteran's own resources without borrowing.

[FR Doc.75-537 Filed 1-7-75;8:45 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF STATE

Bureau of Security and Consular Affairs

[22 CFR Part 42]

[Docket No. SD-109]

INELIGIBLE CLASSES OF IMMIGRANTS

Notice of Proposed Rulemaking

Notice is hereby given that the Department proposes to amend subparagraph (15) of paragraph (a) of § 42.91 of Title 22, Code of Federal Regulations to establish standards to be applied by consular officers in determining the eligiblity of an alien to receive an immigrant visa under section 212(a)(15) of the Immigration and Nationality Act. Family members of prospective immigrants and other interested persons have become increasingly critical of the actions by some consular officers in refusing immigrant visas to some aliens who in the opinion of the consular officers were likely to become charges on the public if admitted to the United States. Some of these interested persons have contended that consular officers have imposed unrealistically high income standards for purposes of establishing eligibility under section 212(a)(15) of the Act. At the same time, several State and local governments and residents of certain geographic areas of the country have complained that many immigrants have applied for and received welfare payments within a short time of their admission to this country, thus giving rise to some further contentions that visas should not have been issued to these immigrants.

Consular officers have been seriously handicapped in obtaining the information required to make sound assessments of the veracity and authenticity of prearranged employment offers to immigrant visa applicants by persons in the United States when the income to be derived from the employment has been a material factor in considering the eligibility of applicants to recive a visa under section 212(a)(15) of the Act. It has come to the Department's attention that many of these prearranged employment offers which have been accepted by consular officers to satisfy public charge issues have been made without any intention of fulfillment by the persons or organizations making the offers. In some cases the affidavits of friends and relatives of visa applicants giving assurances of support to the prospective immigrants have been routinely disregarded with the result that many immigrants have become charges on the public immediately after admission into the country. This has been noticeably more prevalent when the sponsoring affiants have been distant relatives or friends of the immigrant or where they have lacked the financial resources to provide support to the immigrant.

Interested persons are invited to submit written comments, recommendations or objections to the Administrator, Bureau of Security and Consular Affairs, Room 6811, Department of State, Washington, D.C. 20520 on or before February 28, 1975. Oral comments will not be considered. All written material relevant to the proposed amendments which is timely received will be evaluated and considered.

Subparagraph (15) of paragraph (a) of § 42.91 is amended to read:

§ 42.91 Aliens ineligible to receive a visa.

(a) *Aliens ineligible under the provisions of section 212(a) of the Act.* * * *

(15) *Public charge.* (i) Any conclusion that an alien is ineligible to receive an immigrant visa under the provisions of section 212(a)(15) of the Act shall be predicated upon circumstances which indicate that the alien will probably become a charge upon the public after entry into the United States.

(ii) An alien relying on an offer of prearranged employment, other than one certified by the Department of Labor pursuant to section 212(a)(14) of the Act, shall not be deemed eligible to receive an immigrant visa unless the employment offer has been made on a form prescribed by the Department which has been sworn to and subscribed to by the employer before a notary public.

(iii) An alien relying on the assurances of financial support by others as the sole or principal evidence to establish that he will not become a charge on the public after admission shall not be deemed eligible for an immigrant visa under section 212(a)(15) of the Act unless such assurances are in the form of an affidavit by a parent, spouse, son, daughter, brother or sister, or any combination of such family members, who have established to the satisfaction of the consular officer that they have the financial capability to assume support of the visa applicant: *Provided*, That where the financial capability to provide the support is essentially based upon income which the relative affiant is deriving from present employment or upon income which he will be deriving through employment pursuant to an offer of prearranged employment, the details of the employment or the employment offer will have been provided on a form prescribed by the Department which has been sworn to and subscribed to by the employer before a notary public.

(iv) An alien who does not establish that he will have an annual income above the income poverty guidelines published annually or at shorter intervals by the Office of Economic Opportunity as derived from the low income threshold tables which are also published annually by the Bureau of the Census, and who is without other adequate financial resources, shall be deemed ineligible under section 212(a)(15) of the Act.

(v) An alien within the purview of section 212(a)(15) of the Act, who is otherwise eligible to receive a visa, may be issued an immigrant visa upon receipt of notice by the consular officer to the giving of a bond or undertaking, as provided in section 221(g) of the Act, if the consular officer is satisfied that the giving of such bond or undertaking removes the alien's ineligibility to receive a visa under this section of the law: *Provided*, That an alien who is 65 years of age or over and who does not have adequate resources of his own but is destined to live with relatives upon whom he is dependent for support shall be deemed ineligible to receive a visa until the consular officer is in receipt of notice of the giving of such bond or undertaking in the amount of at least $5,000; *Provided further*, That an alien who is the parent of an accompanying dependent minor child or accompanying dependent minor children and who does not have adequate resources of his own and is not accompanying or following to join a spouse, shall be deemed ineligible to receive a visa until the consular officer is in receipt of a notice of the giving of such bond or undertaking in the amount of at least $5,000 on behalf of the adult applicant and in the amount of at least $2,000 on behalf of each dependent minor child accompanying or following to join the principal adult.

Dated: December 18, 1974.

For the Secretary of State.

BARBARA M. WATSON,
Administrator, Bureau of Security and Consular Affairs.

[FR Doc.75-470 Filed 1-7-75;8:45 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 916]

NECTARINES GROWN IN CALIFORNIA

Order Directing Referendum

Pursuant to the applicable provisions of the marketing agreement, as amended, and Order No. 916, as

amended (7 CFR Part 916), and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), it is hereby directed that a referendum be conducted within the period beginning December 1, 1974, and ending February 15, 1975, among the growers who, during the current marketing season beginning on May 1, 1974 (which period is hereby determined to be a representative period for the purpose of such referendum), were engaged, in the State of California, in the production of nectarines for market to ascertain whether such growers favor the continuance of said amended marketing order. W. B. Blackburn and G. P. Muck, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, 2800 Cottage Way, Room E–2713, Sacramento, California 95825, are hereby designated as referendum agents of the Secretary of Agriculture to conduct said referendum.

The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda in Connection with Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (7 CFR 900.400 et seq.).

Copies of the texts of the aforesaid marketing agreement and order may be examined in the office of the referendum agents or of the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Ballots to be cast in the referendum may be obtained from the referendum agents and from their appointees.

Dated: January 2, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75–656 Filed 1–7–75;8:45 am]

[7 CFR Part 917]

FRESH PEARS, PLUMS, AND PEACHES GROWN IN CALIFORNIA

Order Directing Referendum

Pursuant to the applicable provisions of the marketing agreement, as amended, and Order No. 917, as amended (7 CFR Part 917), and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), it is hereby directed that a referendum be conducted within the period January 1, 1975, through February 15, 1975, among the growers who, during the period March 1, 1974, through December 31, 1974 (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 covered by the said amended marketing agreement and order (as the term "fruit" is therein defined) for market in fresh form to ascertain whether continuance of the said amended marketing order as to such fruit is favored by the growers. W. B. Blackburn and G. P. Muck, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Room E–2713, 2800 Cottage Way, Sacramento, California 95825, are hereby designated as referendum agents of the Secretary of Agriculture to conduct said referendum. The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda in Connection with Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (7 CFR 900.400 et seq.).

Copies of the texts of the aforesaid amended marketing order may be examined in the office of the referendum agents or of the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Ballots to be cast in the referendum may be obtained from the referendum agents and from their appointees.

Dated: January 2, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.75–657 Filed 1–7–75;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Assistant Secretary for Planning and Evaluation

[45 CFR Part 63]

GRANT ASSISTANCE

Award Procedures

Pursuant to section 602 of the Economic Opportunity Act (42 U.S.C. 2942), and section 1110 of the Social Security Act (42 U.S.C. 1310), the Assistant Secretary for Planning and Evaluation, (hereafter ASPE), with the approval of the Secretary of Health, Education, and Welfare, is establishing rules and procedures for the award of grant assistance.

RELATION TO 45 CFR PART 74

45 CFR Part 74 establishes a regulatory umbrella for Department of Health, Education, and Welfare (DHEW) implementation of Office of Management and Budget (OMB) Circular A–102, "Uniform administrative requirements for grants-in-aid to State and local governments." Part 74 also establishes principles for determining allowable costs under DHEW grants to the various types of grantee organizations. This Part (63), adopts Part 74 with substitutions described herein, and makes the provisions applicable to awards to non-State and local government grantees.

RELATION TO "POLICY RESEARCH STUDIES, PROPOSED OBJECTIVES AND PRIORITIES" (FR, VOLUME 39, NUMBER 89: FRIDAY, SEPTEMBER 27, 1974)

This notice describes the Policy Research Program and proposes objectives and priorities for accomplishing the studies and work entailed. These proposed objectives and priorities provide notice to the public of the Departments current program interests and activities being conducted by ASPE pursuant to section 232 of the EOA and section 1110 of the Social Security Act. The general provisions in this part establish rules and procedures for award of grants under the Policy Research program. A separate notice of general solicitation for the Policy Research activity is being prepared for publication in the same issue of the Federal Register. It solicits grant applications, provides specific information on availability of funds for FY 75, and nature of and number of awards made in the prior fiscal year. Additional solicitations consistent with the Assistant Secretary's authority may be issued as described in that announcement.

Interested persons are invited to submit written comments, suggestions or objections regarding these provisions to the Office of the Assistant Secretary for Planning and Evaluation, Attention Grants Officer, Room 5416, D/HEW, 330 Independence Avenue SW., Washington, D.C. 20201. Comments received in response to this notice will be available for public inspection at the above office on Mondays through Fridays between 9 a.m. and 5:30 p.m. All relevant material received on or before February 7, 1975 will be considered. If no substantial comments are received, these regulations will take effect immediately upon republication in the FEDERAL REGISTER as final rules.

Dated: December 13, 1974.

WILLIAM A. MORRILL,
Assistant Secretary for Planning and Evaluation.

Approved: December 30, 1974.

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

PART 63—GENERAL GRANT PROVISIONS

Subpart A—General

Sec.
63.1 Purpose and scope.
63.2 Eligibility for award.
63.3 Program announcements and solicitations.
63.4 Cooperative arrangements.
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63.6 Evaluation of applications.
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63.16 Cross reference.
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Subpart C—Administration of Project Grants

63.30 Purpose and scope.
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63.33 Treatment of animals.
63.34 Principal investigators.
63.35 Dual compensation.
63.36 Fees to Federal employees.
63.37 Leasing facilities.

AUTHORITY: Sec. 602, Economic Opportunity Act (42 U.S.C. 2942); sec. 1110, Social Security Act (42 U.S.C. 1310).

Subpart A—General

§ 63.1 Purpose and scope.

The provisions of Part 74 of this chapter establishing uniform adminis-

trative requirements and cost principles for grants by the Department of Health, Education, and Welfare will apply to all grant awards made under this subpart including those to State and local governments as well as other eligible organizations as defined in § 63.2 except for optional changes, variations, or modifications described in the following Sections:

Subpart A—General (This subpart)
Subpart B—Federal Financial Participation
Subpart C—Administration of Project Grants

Subpart A—General of Part 74 is supplemented with the provisions which appear below.

§ 63.2 Eligibility for award.

(a) *Groups and organizations eligible.* Except where otherwise prohibited by law, any public or nonprofit private agency, institution, or organization which is found by the Assistant Secretary for Planning and Evaluation to be authorized and qualified by educational, scientific, or other relevant competence to carry out a proposed project in accordance with the regulations of this subchapter shall be eligible to receive a grant under this part.

(b) *Project eligible.* Any project found by the Assistant Secretary to be a research, pilot, evaluation, or demonstration project within the meaning of § 63.2 shall be eligible for an award. Eligible projects may include planning, policy modeling or research utilization studies; experiments; demonstrations; field investigations; statistical data collections or analyses; or other types of investigation or studies, or combinations thereof, and may either be limited to one aspect of a problem or subject, or may consist of two or more related problems or subjects for concurrent or consecutive investigation and may involve multiple disciplines, facilities, and resources.

§ 63.3 Program announcements and solicitations.

(a) In each fiscal year the Assistant Secretary may from time to time solicit applications through one or more general or specialized program announcements. Such announcements will be published in the Federal Register as notices and will include:

(1) A clear statement of the type(s) of applications requested and

(2) A specified plan, time(s) of application, and criteria for reviewing and approving applications.

(b) *Applications for grants.* Any applicant eligible for grant assistance may submit on or before such cutoff date or dates as the Assistant Secretary may announce in program solicitations, an application containing such pertinent information and in accordance with the forms and instructions as prescribed herein and additional forms as may be specified by the Assistant Secretary. Such application shall be executed by the applicant or an official or representative of the applicant duly authorized to make such application. The Assistant Secretary may recommend that any party eligible for assistance under this subchapter may submit a preliminary proposal for review and approval prior to the acceptance of an application submitted under these provisions.

§ 63.4 Cooperative arrangements.

(a) Eligible parties may enter into cooperative arrangements with other eligible parties, including those in another State, to apply for assistance.

(b) A joint application made by two or more applicants for assistance under this subchapter may have separate budgets corresponding to the programs, services and activities performed by each of the joint applicants or may have a combined budget. If joint applications present separate budgets, the Assistant Secretary may make separate awards, or may award separate amounts for each of the joint applicants.

(c) In the case of each cooperative arrangement authorized under paragraph (a) of this section and receiving assistance, except where the Assistant Secretary makes separate awards under paragraph (b) of this section all such applicants (1) shall be deemed to be joint legal recipients of the grant award and (2) shall be jointly and severally responsible for administering the project assisted under such grant.

§ 63.5 Effective date of approved grant.

Federal financial participation is normally available only with respect to obligations incurred subsequent to the effective date of an approved project. The effective date of the project will be set forth in the notification of grant award. Grantees may be reimbursed for costs resulting from obligations incurred before the effective date of the grant award if such costs are authorized by the Assistant Secretary in the notification of grant award or subsequently in writing, and otherwise would be authorized by the Assistant Secretary in the notification of grant award.

§ 63.6 Evaluation of applications.

(a) *Review procedures.* All applications filed in accordance with § 63.4 shall be evaluated by the Assistant Secretary through officers, employees, and such experts or consultants engaged for this purpose as he/she determines are specially qualified in the areas of research pursued by this office. Applications shall be taken only by the Assistant Secretary or the Grants Management and Contracts Staff. The evaluation criteria below will be supplemented each fiscal year by a program announcement outlining priorities and objectives for policy research, and by other general or specialized solicitations. Such supplements may modify the criteria below to provide greater specificity or otherwise improve their applicability to a given announcement or solicitation.

(b) *Criteria for evaluation.* Review of applications under paragraph (a) of this section will take into account such factors as:

(1) Scientific merit and the significance of the project in relation to policy objectives;

(2) Feasibility of the project;

(3) Soundness of research design, statistical technique, and procedures and methodology;

(4) Theoretical and technical soundness of the proposed plan of operation including consideration of the extent to which:

(i) The objectives of the proposed project are sharply defined, clearly stated, and capable of being attained by the proposed procedures;

(ii) The objectives of the proposed project show evidence of contributing to the achievement of policy objectives;

(iii) Provisions are made for adequate evaluation of the effectiveness of the project and for determining the extent to which the objectives are accomplished; and

(iv) Appropriate provisions are made for satisfactory inservice training connected with project services.

(5) Expected potential for utilizing the results of the proposed project in other projects or programs for similar purposes;

(6) Sufficiency of size, scope, and duration of the project so as to secure productive results;

(7) Adequacy of qualifications and experience, including managerial, of personnel;

(8) Adequacy of facilities and other resources;

(9) Reasonableness of estimated cost in relation to anticipated results; and

(10) Where the applicant has previously received an award from the Office of the Assistant Secretary for Planning and Evaluation of the Department of Health, Education, and Welfare, the applicant's compliance or noncompliance with requirements applicable to such prior award as reflected in past written evaluation reports, memorandum on performance, and completeness of required submissions: Provided, that in any case where the Assistant Secretary proposes to deny assistance based upon the applicant's noncompliance with requirements applicable to a prior award, he shall do so only after affording the applicant reasonable notice and an opportunity to rebut the proposed basis for denial of assistance.

§ 63.7 Disposition of applications.

(a) *Approval, disapproval, or deferral.* On the basis of the review of an application pursuant to § 63.6 the Assistant Secretary will either (1) approve the application in whole or in part, for such amount of funds and subject to such conditions as he/she deem necessary or desirable for the completion of the approved project, (2) disapprove the application, or (3) defer action on the application for such reasons as lack of funds or a need for further review.

(b) *Notification of disposition.* The Assistant Secretary will notify the applicant in writing of the disposition of its application. A signed notification of grant award will be issued to notify the applicant of an approved project application.

Subpart B—Federal Financial Participation

§ 63.16 Cross reference.

Subparts I and K of Part 74 are supplemented in these provisions by the following subpart B—"Federal Financial Participation."

§ 63.17 Amount of award.

Federal assistance shall be provided only to meet allowable costs incurred by the award recipient in carrying out an approved project in accordance with the authorizing legislation and the regulations of this Part.

§ 63.18 Limitations on costs.

The amount of the award shall be set forth in the grant award document. The total cost to the Government will not exceed the amount set forth in grant award document or any modification thereof approved by the Assistant Secretary which meets the requirements of applicable statutes and regulations. The Government shall not be obligated to reimburse the grantee for costs incurred in excess of such amount unless and until the Assistant Secretary has notified the grantee in writing that such amount has been increased and has specified such increased amount in a revised grant award document pursuant to Subpart M of this part. Such revised amount shall thereupon constitute the revised total cost of the performance of the grant.

§ 63.19 Budget revisions and minor deviations.

Section 102 of part 74 is adopted as is, except that paragraphs (b)(3) and (b)(4) are waived pursuant to paragraph (d) of that Section.

§ 63.20 Duration of project.

(a) The amount of the grant award shall remain available for obligation by the grantee during the period specified in the grant award or until otherwise terminated. Such period may be extended by revision of the grant with or without additional funds pursuant to paragraph (b) of this section where otherwise permitted by law.

(b) When it is determined that special or unusual circumstances will delay the completion of the project beyond the period for obligation, the grantee must in writing request the Assistant Secretary to extend such period and must indicate the reasons therefor.

§ 63.21 Obligation and liquidation by grantee.

Obligations will be considered to have been incurred by a grantee on the basis of documentary evidence of binding commitments for the acquisition of goods or property or for the performance of work, except that funds for personal services, for services performed by public utilities, for travel, and for the rental of facilities, shall be considered to have been obligated as of the time such services were rendered, such travel was performed, and such rented facilities were used, respectively.

Subpart C—Administration of Project Grants

§ 63.30 Purpose and scope.

This subpart contains several supplements to Part 74 relating to general administrative aspects of project grants.

§ 63.31 Protection of human subjects.

All grants made pursuant to this part are subject to the specific provisions of Title 41, Subpart 3-4.55 of the Code of Federal Regulations relating to the protection of human subjects.

§ 63.32 Data collection instruments.

(a) *Definitions.* For the purposes of this section "Child" means an individual who has not attained the legal age of consent to participate in research as determined under the applicable law of the jurisdiction in which such research is to be conducted.

"Data-collection instruments" means tests, questionnaires, inventories, interview schedules or guides, rating scales, and survey plans or any other forms which are used to collect information on substantially identical items from 10 or more respondents.

"Respondents" means individuals or organizations from whom information is collected.

(b) *Applicability.* This section does not apply to instruments which deal solely with (1) functions of technical proficiency, such as scholastic aptitude or school achievement, or (2) routine demographic information.

(c) *Protection of privacy.* (1) No project supported under this part may involve the use of data collection instruments which constitute invasions of personal privacy through inquiries regarding such matters as religion, sex, race, or politics. (2) A grantee which proposes to use a data collection instrument shall set forth in the grant application on explanation of the safeguards which will be used to restrict the use and disclosure of information so obtained to purposes directly connected with the project, including provisions for the destruction of such instruments where no longer needed for the purposes of the project.

(d) *Clearance of instruments.* (1) Grantees will not be required to submit data-collection instruments to the Assistant Secretary or obtain the Assistant Secretary's approval for the use of these instruments, except where the notification of grant award specifically so provides. (2) If a grantee is required under paragraph (d)(1) of this section to submit data-collection instruments for the approval of the Assistant Secretary or if a grantee wishes the Assistant Secretary to review a data-collection instrument, the grantee shall submit seven copies of the document to the Assistant Secretary along with seven copies of the Office of Management and Budget's standard form No. 83 and seven copies of the Supporting Statement as required in the "Instructions for Requesting OMB Approval under the Federal Reports Act" (Standard form No. 83A).

§ 63.33 Treatment of animals.

If animals are utilized in any project receiving assistance, the applicant for such assistance shall provide assurances satisfactory to the Assistant Secretary that such animals will be provided with proper care and humane treatment; in accordance with the Animal Welfare Act (7 U.S.C. 2131 et. seq.).

§ 63.34 Principal investigators.

The principal investigator designated in successful grant applications as responsible for the conduct of the approved project, shall not be replaced without the prior approval of the Assistant Secretary or his designee. Failure to seek and acquire such approval may result in the grant award being terminated in accordance with the procedures set forth in Subpart M of 45 CFR 74.

§ 63.35 Dual compensation.

If a project staff member or consultant of one grantee is involved simultaneously in two or more projects supported by any funds either under this part or otherwise, he/she may not be compensated for more than 100 percent of his/her time from any funds during any part of the period of dual involvement.

§ 63.36 Fees to Federal employees.

The grantee shall not use funds from any sources to pay a fee to, or travel expenses of, employees of the Federal Government for lectures, attending program functions, or any other activities in connection with the grant.

§ 63.37 Leasing facilities.

In the case of a project involving the leasing of a facility, the grantee shall demonstrate that it will have the right to occupy, to operate, and, if necessary, to maintain and improve the leased facility during the proposed period of the project.

[FR Doc.75-637 Filed 1-7-75;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Parts 71, 73]

[Airspace Docket No. 74-SO-99]

TEMPORARY ALTERATION OF FEDERAL AIRWAY AND DESIGNATION OF TEMPORARY RESTRICTED AREAS

Supplemental Notice of Proposed Rulemaking

On November 20, 1974, a Notice of Proposed Rulemaking (NPRM) was published in the FEDERAL REGISTER (39 FR 40784) stating that the Federal Aviation Administration (FAA) was considering amendments to Parts 71 and 73 of the Federal Aviation Regulations that would designate temporary restricted areas in the vicinity of Onslow Beach, Camp Lejeune, N.C., to contain a military joint training exercise, AGATE PUNCH, scheduled from 8 a.m. G.m.t., April 14,

1975, to 11 p.m. G.m.t., April 26, 1975. Two of the restricted areas would contain airspace at or above 14,500 feet MSL, and they could therefore be included in the continental control area for the duration of their time of designation. During the period of the exercise, a portion of VOR Federal Airway, V-139, would also be reduced in width to three nautical miles on its east side.

This Supplemental notice of proposed rulemaking would alter the original Notice by changing the time of designation proposed for Restricted Areas R-5315A, B, C and D and by proposing that an additional Restricted Area, R-5315E, be designated for use during AGATE PUNCH.

Interested persons may participate in the proposed rulemaking by submitting such written data, views or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, P.O. Box 20636, Atlanta, Ga. 30320. All communications received on or before January 23, 1975, will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

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

This Supplemental NPRM would alter the original Notice by:

a. Changing the time of designation proposed for R-5315A, B, C and D from "Continuous, 8 a.m. G.m.t., April 14 to 11 p.m. G.m.t., April 26, 1975." to "Continuous, 8 a.m. G.m.t., April 15 to 11 p.m. G.m.t., April 27, 1975."

b. Including the following temporary restricted area with those proposed in the original Notice.

R-5315E Exercise Agate Punch Boundaries. A circular area with a three nautical mile radius centered at Lat. 34°33'25" N., Longitude 77°20'30" W., excluding that airspace within existing R-5306D.
Designated altitudes. Surface to 1,000 feet AGL.
Time of designation. Continuous, 8 a.m. G.m.t., April 15 to 11 p.m. G.m.t., April 27, 1975.
Controlling agency. Federal Aviation Administration, Washington ARTC Center.
Using agency. COMSECONDFLT, Norfolk, Va.

Changing the time of designation as noted above will correct it to the time period when the restricted areas are to be used for AGATE PUNCH. The proposed Restricted Area, R-5315E, like those described in the original Notice, would be required during "AGATE PUNCH" for safety to separate nonparticipating aircraft from the extensive air activity of the participating military forces. Supersonic flights will not be conducted in the temporary restricted area, nor will any ordnance be expended except on designated impact ranges contained in the R-5306 complex.

These amendments are proposed under the authority of sec. 307(a) of Federal Aviation Act of 1958 (49 U.S.C. 1348(a)) and sec. 6(c) of Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on January 2, 1975.

GORDON E. KEWER,
Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.75-663 Filed 1-7-75;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 180]

[FRL 316-3]

CERTAIN INERT INGREDIENTS IN PESTICIDE FORMULATIONS

Proposed Exemptions From Requirement of Tolerance

The Administrator of the Environmental Protection Agency has received requests to exempt certain additional inert (or occasionally active) ingredients in pesticide formulations from tolerance requirements under the provisions of section 408 of the Federal Food, Drug, and Cosmetic Act. Based on a review of the history of use and available information on the chemistry and toxicity of these substances, the Administrator finds that these substances are useful as adjuvants and when used in accordance with good agricultural practice will not result in a hazard to the public health.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(e), 68 Stat. 514; 21 U.S.C. 346a(e)), it is proposed that § 180.1001 be amended by (1) deleting the item "Wintergreen oil * * *" from paragraph (d) and (2) alphabetically inserting new items in paragraphs (c), (d), and (e), as follows:

§ 180.1001 Exemptions from the requirement of a tolerance.

* * * * *

(c) * * *

Inert ingredients	Limits	Uses
* * *	* * *	* * *
Carnauba wax		Coating agent.
* * *	* * *	* * *
Diacetyl tartaric acid esters of mono- and diglycerides of edible fatty acids.		Emulsifier.
* * *	* * *	* * *
Disodium zinc ethylenediamine tetraacetate dihydride.		Sequestrant.
* * *	* * *	* * *
Modified polyester resin derived from ethylene glycol, fumaric acid, and rosin.	For use on citrus only.	Resinous coating.
* * *	* * *	* * *
α-(p-Nonylphenyl)-ω-hydroxypoly (oxypropylene) block polymer with poly(oxyethylene); polyoxypropylene content of 20-60 moles; polyoxyethylene content of 30-80 moles; molecular weight 2,100-7,100.		Surfactants, related adjuvants of surfactants.
* * *	* * *	* * *
Pine lignin		Adsorbent.
* * *	* * *	* * *
Polymers derived from the following monomers: acrylic acid, sodium form; butyl acrylate; ethyl acrylate; methacrylic acid and its ammonium and potassium salts; and methyl methacrylate.		Surfactants, related adjuvants of surfactants.
* * *	* * *	* * *
Sodium dodecylphenoxybenzene disulfonate.		Surfactants, related adjuvants of surfactants.
* * *	* * *	* * *
Sulfurous acid		Preservative.
* * *	* * *	* * *
Wintergreen oil		Attractant.
* * *	* * *	* * *

(d) * * *

Inert ingredients	Limits	Uses
* * *	* * *	* * *
Glyceryl triacetate		Stabilizer.
* * *	* * *	* * *
Sodium caseinate		Suspending agent and binder.
Sodium citrate		Sequestrant.
* * *	* * *	* * *

(e) * * *

Inert ingredients	Limits	Uses
* * *	* * *	* * *
Diacetyl tartaric acid esters of mono- and diglycerides of edible fatty acids.		Emulsifier.
* * *	* * *	* * *
α-(p-Nonylphenyl)-ω-hydroxypoly(oxypropylene) block polymer with poly(oxyethylene); polyoxypropylene content of 20-60 moles; polyoxyethylene content of 30-80 moles; molecular weight 2,100-7,100.		Surfactants, related adjuvants of surfactants.
* * *	* * *	* * *
Pine lignin		Adsorbent.
* * *	* * *	* * *
Zinc stearate, conforming to Title 21, § 121.101 (d)(5).		Water repellent, desiccant, and coating agent.
* * *	* * *	* * *

Any person who has registered or submitted an application for the registration of a pesticide under the Federal Insecticide, Fungicide, and Rodenticide Act containing any of the ingredients listed herein may request, on or before February 7, 1975, that this proposal be referred to an advisory committee in ac-

cordance with section 408(e) of the Federal Food, Drug, and Cosmetic Act.

Interested persons are invited to submit written comments with reference to this notice to the Federal Register Section, Technical Services Division (WH-569), Office of Pesticide Programs, Environmental Protection Agency, Room 421 East Tower, 401 M Street, SW., Washington, D.C. 20460. Three copies of the comments should be submitted to facilitate the work of the Environmental Protection Agency and others interested in inspecting the documents. The comments must be received on or before February 7, 1975, and should bear a notation indicating the subject. All written comments filed pursuant to this notice will be available for public inspection in the Office of the Federal Register Section from 8:30 a.m. to 4 p.m., Monday through Friday.

Dated: December 23, 1974.

JOHN B. RITCH, Jr.,
Director,
Registration Division.

[FR Doc.75-401 Filed 1-7-75;8:45 am]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 240]

[Release No. 34-11158, S7-545]

TRANSACTIONS IN GOLD

Proposed Financial Responsibility Requirements for Broker-Dealers

The restrictions on the ownership of gold by United States citizens which have existed for over 40 years ended on December 31, 1974. It now appears that a number of broker-dealers may participate in marketing arrangements for gold and that such broker-dealers do not anticipate that all such arrangements will be registered under the Securities Act of 1933.[1] In view of the uncertainty as to the market for gold which will evolve and the risks inherent in its purchase, the Commission today announced a proposal to adopt Rule 15c3-5 [17 CFR 240.15c3-5] in order to assure that broker-dealers who effect transactions for the accounts of customers will not undertake imprudent financial risks when settling such transactions. In addition, proposed Rule 15c3-5 [17 CFR 240.15c3-5] will establish certain minimum standards for broker-dealers with respect to the custody and safekeeping of gold held for customers. The Rule would not apply to futures contracts (as defined) or shares of stock.

The Commission is concerned that, in the absence of appropriate financial responsibility requirements, broker-dealer transactions in gold for the account of investors could impair the financial integrity or capital position of the broker-dealer. The Commission's concern is based, in part, on the substantial volatility of the price of gold.

[1] See Securities Act Release No. 5552/December 26, 1974.

Rule 15c3-5 [17 CFR 240.15c3-5] has two basic focal points, namely, financial responsibility of the broker-dealer effecting transactions in gold and standards with regard to the custody and handling of gold held for customers. With respect to financial responsibility, no broker would be permitted to effect a transaction in gold for a customer or another broker-dealer unless the purchaser has equity (as defined) in his account equal to 25 percent of the purchase price of the gold at or prior to effecting the purchase. By precluding a broker-dealer from imprudent exposure during the period between effecting a purchase for a customer and settling for the purchase price with the customer, the Rule would seek to reduce the risk that a broker-dealer may fail if purchasing customers do not complete their obligations to the broker-dealer. The broker-dealer would also be precluded from effecting a sale of gold for a customer unless the broker-dealer has in his possession the gold sold or believes, on reasonable grounds, that the customer owns the gold or can make delivery thereof in good deliverable form.

With respect to the custody and handling provisions of the Rule, the broker-dealer would be required promptly to obtain and thereafter to maintain possession or control of fully paid gold carried for the account of any person. The broker-dealer would be required to take prompt steps to resolve any deficiency which may arise if the required gold is not in his possession or control. The Commission requests specific comments as to the appropriate time frames within which a broker-dealer should act to satisfy the Rule's possession or control requirements.

The Rule would apply to transactions effected in gold by a broker-dealer for any person including customers, other broker-dealers, officers, general and limited partners, and directors, among others, and to all transactions in bullion, coins, or any participations or interests therein, other than futures contracts or shares of stock.

The Rule would establish certain criteria with regard to the possession and control of gold by broker-dealers. Possession would be deemed to exist if the gold is held in the broker-dealer's custody or in a vault controlled by the broker-dealer, wherein the gold is physically set aside or allocated (including allocation by book entry) to the owners thereof, is held free of any lien or charge and is fully covered by appropriate insurance. Control would be deemed to exist if the broker-dealer holds warehouse receipts or other title documents issued by another registered broker-dealer, a bank (as defined in the Act), a clearing facility, or other subsidiary of a securities exchange, or the NASD, or a warehouse licensed by a recognized commodity exchange, provided that the title documents cover gold that is free of any claims or liens, except for minimum charges for warehousing or storage, and is protected by appropriate insurance. Also, the Rule would provide that appropriate self-regulatory organizations could designate as authorized custodians other entities (such as foreign banks and brokers) which have safeguards consistent with the Rule's objectives.

The books and records of a broker-dealer should clearly distinguish between gold held for customers and other persons and the gold owned by the broker-dealer. Gold held in safekeeping and trust for customers and others should be physically set aside or allocated to them; this may be accomplished by book entry by the broker-dealer or by any custodian utilized by him.

Broker-dealers are reminded that certain other provisions of rules under the Securities Exchange Act of 1934 are applicable to transactions effected in gold. For example, under the net capital rule, Rule 15c3-1 [17 CFR 240.15c3-1,] (i) deficits in customers' accounts, or other accounts doubtful of collection, would be deducted in computing net capital, (ii) a 30 percent deduction would be applicable to proprietary gold positions, and (iii) certain transactions might come within the definition of "contractual commitments" and consequently would give rise to a deduction. Also, liabilities incurred in connection with transactions in gold, unless specifically excluded by the definition, would be included in aggregate indebtedness. Similar provisions exist in the net capital rules of the various securities exchanges for broker-dealers who are members and consequently are exempt from the Commission's net capital rule.

Broker-dealers should also note that Rules 17a-3 [17 CFR 240.17a-3] and 4 [17 CFR 240.17a-4] would be applicable and appropriate records would be required to be maintained currently and preserved.

Broker-dealers are reminded that gold transactions are not to be effected in securities accounts and a separate special account is required to effect such transactions.[2]

Statutory authority. The Securities and Exchange Commission, acting pursuant to the provisions of the Securities Exchange Act of 1934, and particularly Sections 15(c)(3), 17(a) and 23(a) thereof, and finding such action necessary and appropriate in the public interest and for the protection of investors and also necessary for the execution of the functions vested in the Commission by the Act, proposes hereby to amend Part 240 of Chapter II of Title 17 of the Code of Federal Regulations by adopting Rule 15c3-5.

§ 240.15c3-5 Financial responsibility—Purchase and custody of gold.

(a)(1) No broker-dealer shall execute an order for the purchase of gold for the account of any customer or another broker-dealer if the account does not contain equity at, or before, the time the

[2] Regulation T of the Board of Governors of the Federal Reserve System, 12 CFR 220.4(e).

order is executed of not less than 25 percent of the current quoted market price of the gold purchased as of the close of business on the day immediately preceding the day on which the order is executed.

(2) A broker-dealer shall liquidate any account covered by (a)(1) above to the extent that payment in full for gold purchased in the account has not been made by the close of business on the second business day following the day on which the order is executed.

(b) No broker-dealer shall execute any order for the sale of gold for the account of any customer unless (1) the customer is long a like quantity of gold in an account carried by the broker-dealer or (2) the broker-dealer has reasonable grounds to believe, and does believe, that the customer is in fact the owner of a like quantity of gold and will be able to deliver the gold to the broker-dealer promptly in good deliverable form.

(c) A broker-dealer shall obtain promptly, and thereafter maintain, possession or control of all fully paid gold carried by the broker-dealer for the account of any customer.

(d) Certain definitions: (1) The term "gold" shall mean gold bullion and gold coins and any interest in gold bullion or gold coins except futures contracts or shares of stock.

(2) The term "customer" shall mean a customer, as defined in § 240.15c3-3(a)(1) under the Act, and any general or limited partner, subordinated lender, officer or director of the broker-dealer.

(3) The term "fully paid gold" shall mean gold carried for the account of any customer if fully paid for; *Provided*, the term "fully paid gold" shall not apply to gold for which a customer has not made full payment.

(4) Gold shall be "carried for the account of a customer" if: (i) Received by or on behalf of a broker-dealer for the account of a customer or carried long by a broker-dealer for the account of a customer, and shall include a custody or omnibus account carried for or on behalf of the customers of a broker-dealer; or (ii) sold to, or bought for, a customer by a broker-dealer.

(5) The term "designated examining authority" shall mean the examining authority of a broker-dealer designated pursuant to subsection 9(c) of the Securities Investor Protection Act of 1970.

(6) The term "equity" with respect to an account shall mean the total of the following items in the accounts: the sum of cash, the current quoted market price of gold and interests in gold, and the current quoted market price of property and interests in property in the account, less any indebtedness thereon.

(7) The term "futures contract" shall mean a standardized contract for future delivery traded on a contract market designated pursuant to the Commodity Exchange Act, as amended.

(e) Maintaining possession or control of gold. (1) Possession of gold shall be deemed to exist if the gold is held for customers in the custody of a broker-dealer free of any charge, lien or claim of any kind in favor of any party, is protected against insurable risks to the extent of its current quoted market price by insurance in favor of the broker-dealer or its customers, and is physically set aside for or allocated to (which may be done by book entry) individual customers of the broker-dealer.

(2) Control of gold shall be deemed to exist if a broker-dealer holds eligible warehouse receipts or other title documents covering gold which warehouse receipts or other title documents are physically set aside or allocated to (which may be done by a book entry by the broker-dealer) individual customers, free of any charge, lien or claim of any kind in favor of any party, except for nominal charges for warehousing or storage which shall be released as promptly as practicable but in no event less often than every 30 calendar days. Eligible warehouse receipts or other title documents mean warehouse receipts or other title documents covering gold issued by an authorized custodian: *Provided* (i) The gold is protected against insurable risks, to the extent of its current market price, by insurance for the benefit of the broker-dealer's customers, (ii) the gold is set aside physically or allocated to (which may be done by book entry on the books of the custodian) the broker-dealer's customers free of any charge, lien or claim of any kind in favor of any party, except for nominal charges for warehousing or storage which shall be released as promptly as practicable but in no event less often than every 30 calendar days, (iii), at least semiannually, the procedures for safeguarding gold and internal accounting control are reviewed, and gold deposits of the custodian are verified, by independent accountants or by appropriate Federal bank regulatory authorities and (iv) the custodian agrees to make, and does make, the results of the examination of the custodian by independent accountants or appropriate regulatory authorities available, upon request, to the broker-dealer, the broker-dealer's designated examining authority and the Commission. An authorized custodian means a registered broker-dealer, a bank (as defined in Section 3(a)(6) of the Act), a clearing facility or other subsidiary organization of a registered national securities exchange or registered national securities association, a warehouse licensed by a contract market designated pursuant to the Commodity Exchange Act, as amended, or any other person approved by the designated examining authority for the broker-dealer on its own motion, or upon application, as a satisfactory control location for gold. Each designated examining authority shall make and preserve and furnish to the Commission, at least concurrently with the effectiveness thereof, a record, including a summary of the justification therefor, of any approval of a custodian for gold and shall publish a list of all approved custodians.

(f) Each business day, a broker-dealer shall determine from his books or records, as of the close of the preceding business day, the quantity of fully paid gold in his possession or control and the quantity of fully paid gold required to be in his possession or control. If the broker-dealer's books or records indicate that, as of the close of business on the preceding business day, the broker-dealer has not obtained possession or control of all fully paid gold, the broker-dealer shall take prompt steps to resolve any deficiency in the amount of fully paid gold required to be in the broker-dealer's possession or control.

(Secs. 15(c)(3), 17(a), 23(a); 48 stat. 895, 897, 901; as amended 49 stat. 1379, 52 stat. 1075, 1076, 84 stat. 1653, 15 U.S.C. 78*o*, 78*q*, 78*w*)

In view of the lifting, on December 31, 1974, of the prohibitions on United States citizens owning or trading gold and the related uncertainties which it now appears will exist as marketing arrangements are initiated, the Commission has determined to provide a short comment period in order to avoid delay. Accordingly, all interested persons may submit comments to the Secretary, George A. Fitzsimmons, Securities and Exchange Commission, Washington, D.C. 20549, not later than January 15, 1975, and should refer to File No. S7-545. All comments received will be duly considered by the Commission and will be available for public inspection at the public reference room of the Commission, Washington, D.C.

to marketing arrangements and the possibility that undesirable practices may develop rapidly, the Commission wishes to call the attention of interested persons to the possibility that the Commission may find good cause, following receipt and review of comments, to adopt proposed § 240.15c3-5 or a revised version thereof effective on adoption (rather than 30 days after publication) or may find good cause to take other rulemaking action on an expedited basis.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

DECEMBER 31, 1974.

[FR Doc.75-778 Filed 1-7-75;8:45 am]

notices

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

DEPARTMENT OF THE TREASURY

Comptroller of the Currency

INSURED BANKS

Joint Call for Report of Condition

CROSS REFERENCE: For a document concerning the joint call for report of condition of insured banks, issued jointly by the Federal Deposit Insurance Corporation, Treasury/Comptroller of the Currency, and the Federal Reserve System, see FR Doc. 75-523, *infra*.

DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army

WINTER NAVIGATION BOARD ON GREAT LAKES-ST. LAWRENCE SEAWAY

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463) notice is hereby given of a meeting of the Winter Navigation Board to be held on 26 and 27 February 1975 at the Olds Plaza in Lansing, Michigan. The meeting will be in session from 1:30 p.m. to 5 p.m. on the first day and from 8 a.m. until noon on the second day.

The Winter Navigation Board is a multi-agency organization which includes representatives of Federal agencies and non-Federal public and private interests. It was established to direct the Great Lakes-St. Lawrence Seaway navigation season extension investigation being conducted pursuant to Public Laws 91-611 and 93-251.

The primary purpose of the meeting is to discuss the results of the Copeland Cut test ice boom activities being conducted this winter as part of the Demonstration Program in the St. Lawrence River. Other topics of discussion will include: a review of planned activities for Fiscal Year 1976 (the last full year of the currently authorized Demonstration Program); remaining unresolved winter navigation problem areas; a report on activities of the Legal Advisory Committee formed to report on legal responsibilities in the St. Lawrence River; results of the operational plan for the Little Rapids Cut reach of the St. Marys River developed to assist the residents of Sugar Island in maintaining access to mainland during the winter months; a status report on environmental studies being conducted this year concerning winter navigation; and a report on the coordination being maintained with foreign winter navigation efforts.

The meeting will be open to the public subject to the following limitations:

a. As the seating capacity of the meeting room is limited, it is desired that advided. This will assure adequate and appropriate arrangements for all attendpropriate arrangements for all attendants.

b. Written statements may be submitted prior to, or up to 10 days following the meeting, but oral participation by the public is precluded because of the time schedule.

Inquiries may be addressed to Mr. David Westheuser, U.S. Army Engineer District, Detroit, Corps of Engineers, P.O. Box 1027, Detroit, Michigan 48231, telephone 313 226-6769.

Dated: December 31, 1974.

By authority of the Secretary of the Army.

FRED R. ZIMMERMAN,
Lt. Colonel, U.S. Army,
Chief, Plans Office, TAGO.

[FR Doc.75-445 Filed 1-7-75;8:45 am]

ARMY COASTAL ENGINEERING RESEARCH BOARD

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463), notice is hereby given of a meeting of the US Army Coastal Engineering Research Board on 28-30 January 1975.

The meeting will be held at the Alamoana Hotel, Honolulu, Hawaii, from 0800 hours to 1145 hours on January 28, 1975, and from 0830 hours to 1200 hours on January 30, 1975.

The January 28 morning session will be devoted to technical Presentations on "Wave Setup and Attenuation on Shallow Reefs," "Sand Bar Formations at the Mouth of Streams in Hawaii," "Hilo Bay," "User Conflicts—Surf Parameters Study," "Artificial Surfing Reefs," and the "Kaneohe Bay Urban Water Resources Study." Time for public participation at the meeting has been scheduled at 1130 hours on January 28.

The January 28 afternoon session and the January 29 sessions will be devoted to field trips to Kaneohe Bay; Kahului Harbor, Maui; and Kaimu Beach, Hawaii. Members of the public desiring to attend must provide their own transportation.

The January 30 morning session will be devoted to discussions of coastal problems in the Pacific Ocean Division and to the 5 year Coastal Engineering research program of the Corps of Engineers. Public participation at the January 30 session is scheduled at 1100 hours.

The meeting will be open to the public subject to the following limitations:

1. Seating capacity of the meeting room limits public attendance to not more than 30 people. Advance notice of intent to attend is requested in order to assure adequate and appropriate arrangements.

2. Members of the public desiring to participate in the field trips must furnish their own transportation.

3. Oral participation by the public is limited to those times scheduled on the agenda; however, written statements may be submitted prior to, or up to 30 days following the meeting.

Inquiries may be addressed to Colonel James L. Trayers, Commander and Director, U.S. Army Coastal Engineering Research Center, Kingman Building, Fort Belvoir, Virginia 22060; telephone 202-325-7000.

Dated: December 30, 1974.

By authority of the Secretary of the Army.

FRED R. ZIMMERMAN,
Lt. Colonel, U.S. Army,
Chief, Plans Office, TAGO.

[FR Doc.75-448 Filed 1-7-75;8:45 am]

Office of the Secretary

DEFENSE SCIENCE BOARD ADVISORY COMMITTEE

Meetings

A special advisory committee to the Defense Science Board on "Export of U.S. Technology; Implications to U.S. Defense" will meet in closed session on 30 January 1975 at 1501 Page Mill Road, Palo Alto, California. The sub-committee meeting on this date will be concerned with Instrumentation.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Director of Defense Research and Engineering on overall research and engineering and to provide long range guidance in these areas to the Department of Defense. The special advisory committee will provide an assessment of the implications to U.S. defense of current and impending exports of U.S. technology to serve as a basis for determination of Defense policy.

In accordance with Pub. L. 92-463, section 10, paragraph (d), it has been determined that Defense Science Board meetings concern matters listed in section 552(b) of Title 5 of the United States Code, particularly subparagraph (1) thereof, and that the public interest requires such meetings to be closed insofar as the requirements of subsections

(a)(1) and (a)(3) of section 10, Pub. L. 92-463 are concerned.

Dated: January 3, 1975.

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

[FR Doc.75-505 Filed 1-7-75;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CA 977]

CALIFORNIA

Proposed Withdrawal and Reservation of Land; Correction

DECEMBER 31, 1974.

In FR Doc. 74-27885, appearing on page 41557, of the issue of Friday, November 29, 1974, the following corrections should be made:

(1) Paragraph one, fourth line, should read "withdrawal of six acres of national resource land."

(2) Paragraph one, last line, should read "78 Stat. 1089; 16 U.S.C. 532, 533."

(3) Paragraph two, first sentence, should read "The lands are national resource land and have been open to entry under the general mining laws, subject to valid existing rights."

WALTER F. HOLMES,
Chief, Branch of Lands and Minerals Operations.

[FR Doc.75-543 Filed 1-7-75;8:45 am]

Bonneville Power Administration

CONTRACTS MANAGER AND POWER MANAGEMENT

Redelegations of Authority

Redelegations of Authority published in the FEDERAL REGISTER on July 6, 1968 (33 FR 9784) and amended on September 13, 1968 (33 FR 12974), February 21, 1969 (34 FR 2508), August 9, 1969 (34 FR 12955), September 18, 1969 (34 FR 14534), May 1, 1971 (36 FR 8266), June 8, 1971 (36 FR 11047), July 24, 1971 (36 FR 13799), November 26, 1971 (36 FR 22689), May 6, 1972 (37 FR 9245), July 13, 1972 (37 FR 13721), November 3, 1972 (37 FR 23463), June 27, 1973 (38 FR 16922), August 29, 1973 (38 FR 23343), September 17, 1973 (38 FR 26011), and August 14, 1974 (39 FR 29205), are further amended by:

1. Subsection 10.4c is revised as follows:

10.4 *Delegated Authority—Limitation.*

* * * * *

c. The following categories of contracting authority are retained by the Administrator:

(1) Power contracts, except as provided in Section 10.13 of these redelegations;

(2) Sale and acquisition of electric utility system real properties;

(3) Contracting and claim settlement authority pursuant to section 2(f) of the Bonneville Project Act except as provided in Subsection 10.13b with regard to power contracts, and as provided in Subsection 10.16a with regard to all other contracts.

(200 DM 1, 200 DM 2, 25 FR 324)

2. Section 10.10 is revised as follows:

10.10 *Contracts Manager.*

Subject only to Section 10.4 above, the Contracts Manager is authorized to:

a. Execute contracts, amendments to contracts, and procurement transactions for materials, equipment, services, construction, and clearing (including the exchange or sale of personal property for replacement purposes) under the provisions of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.), and section 8 of the Bonneville Project Act (50 Stat. 733);

b. Authorize the publication of advertisements, notices, or proposals, pursuant to section 3828 of the Revised Statutes, 17 Stat. 308, 44 U.S.C. 324 (1970).

3. Section 10.11 is revised as follows:

10.11 *Construction and clearing contracts.*

a. The Construction and Services Manager and the Assistant to the Construction and Services Manager, Division of Engineering and Construction, may exercise the authority delegated to the Contracts Manager in Subsection 10.10a to execute contracts and amendments to contracts for construction or clearing.

b. The Chief, Branch of Construction, may exercise the authority of the Construction and Services Manager to authorize changes, extra work, or adjustments necessary because of changed conditions, and appropriate time extensions therefor, and settle suspension of work claims, for transactions which are within the scope of the original contract and which do not exceed $20,000.

c. The Head, Contract Administration Staff, Line Construction Section, and the Head, Contract Administration Unit, Substation Construction Section, may exercise the authority delegated to the Construction and Services Manager, Division of Engineering and Construction in administering all provisions of construction and clearing contracts, but shall not be empowered to (1) award, agree to, or execute any contract or modification thereto; (2) in any way obligate the payment of money by the Government; (3) make a final decision on any matter which would be subject to appeal under the disputes clause of the contract; or (4) terminate for any cause the contractor's right to proceed.

(205 DM 11.1, 39 FR 43630)

4. Section 10.12 is revised as follows:

10.12 *Materials, equipment, and other contracts.*

a. The Chief, Branch of Materials and Procurement may exercise the authority delegated to the Contracts Manager in Subsection 10.10a to:

(1) Execute contracts, amendments to contracts, and procurement transactions for materials, equipment, and services, including the exchange or sale of personal property for replacement purposes;

(2) Execute contracts and amendments to contracts for construction or clearing when the amount involved does not exceed the limitation on negotiation found in section 1-18.302 of the Federal Procurement Regulations.

(3) Authorize the publication of advertisements, notices, or proposals, pursuant to section 3828 of the Revised Statutes, 17 Stat. 308, 44 U.S.C. 324 (1970).

He may also execute contracts and amendments to contracts for the disposal of surplus property, except electric utility system real properties, for which the Administration is the authorized disposal agency under delegations heretofore or hereafter made pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, 63 Stat. 378, as amended, 40 U.S.C. 471 to 492 (1970).

b. The Head of the Procurement Section may exercise the authority delegated to the Chief, Branch of Materials and Procurement, when the amount involved does not exceed $200,000.

c. The Purchasing Agents each may exercise the authority described in Subsections 10.12a(1) and (3) when the amount involved does not exceed the small purchase limitation found in 41 U.S.C. 252(c)(3), and the authority described in Subsection 10.12a(2) on construction and clearing contracts.

d. The Head of the Quality Control Unit and his designees may exercise the authority of the Contracting Officers for materials and equipment contracts in administering the technical provisions of the contracts during manufacturing and production. This authority includes the functions of (1) acceptance or rejection of materials or equipment; (2) interpretation of technical specifications; (3) approval of tests; and (4) quality surveillance and review of factory operations.

e. The Head of the Receiving Inspection Unit and his designees may exercise the authority of the Contracting Officers for materials and equipment contracts in administering the technical provisions of the contracts at destination. This authority includes the (1) acceptance or rejection of materials or equipment; (2) approval of test results; and (3) determining corrections necessary to meet contract specifications or requirements.

f. The Head of the Contract Administration Unit and his designees may exercise the authority of the Contracting Officers for materials and equipment contracts in administering all functions of the contracts not redelegated under Subsections 10.12d and 10.12e, but may not (1) award, agree to, or execute any contract or modification thereto; (2) in any way obligate the payment of money by the Government; (3) make a final decision on any matter which would be subject to appeal under the disputes clause of the contract; or (4) terminate for any cause the contractor's right to proceed.

(205 DM 5.1; 205 DM 9.3; 205 DM 9.4; 205 DM 10; 28 FR 9884; 205 DM 11.1; 39 FR 43630; 365 DM 1)

5. Subsections 10.13d and e are revised as follows:

10.13 *Power management.*

* * * * *

d. The Head of the Rates and Statistics Section may approve, in writing, a purchaser's resale rate schedules and any additions or modifications thereof, pursuant to a power contract providing therefor.

e. The Head of the Requirements Section may approve load estimates of customers for use in resale rate determinations and service planning.

Dated: December 30, 1974.

CARL R. FOLEEN,
Deputy Administrator.

[FR Doc.75-542 Filed 1-7-75;8:45 am]

Office of Hearings and Appeals

[Docket No. M75-79]

ARMCO STEEL CORP.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c) (1970), Armco Steel Corporation has filed a petition to modify the application of 30 CFR 75.300 to its Robin Hood No. 8 Mine, Montcoal, West Virginia.

30 CFR 75.300 provides:

All coal mines shall be ventilated by mechanical ventilation equipment installed and operated in a manner approved by an authorized representative of the Secretary and such equipment shall be examined daily and a record shall be kept of such examination.

In support of its petition, Petitioner states:

(1) Petitioner contends that the method it uses to provide power to the subject mine fan is an alternative method of achieving the result of 30 CFR 75.300 which will at all times guarantee no less than the same measure of protection afforded the miners of such mine by such standard.

(2) The method which Petitioner now uses to provide power to the No. 2 Fan at its Robin Hood No. 8 Mine has been in use since that fan was installed in August of 1970. Electric power is delivered to the fan by means of a 350,000 C.M. cable reduced successively to No. 2 A.C. cable and No. 1 A.C. cable. The cable enters the mine through an underground bore hole and proceeds to the fan through the main haulage entry. The electric current providing power to the fan is confined within a self-contained circuit which is not susceptible to interference from power overloads or short circuits from any other power sources. The cable is provided with adequate overload devices and circuit breakers to insure the integrity of the circuit carrying power to the fan. The ventilation system used by Petitioner at its Robin Hood No. 8 Mine, including the subject mine fan installation, was approved by MESA pursuant to § 75.316 by letters dated June 11, 1974, and September 18, 1974, true copies of which are attached hereto and made a part hereof as Exhibits[1] "E" and "F," respectively, which letters are hereinafter referred to as "approval letter of June 11" and "approval letter of September 18," respectively. Moreover, the aforesaid power circuit was the subject of a Notice to Provide Safeguards issued to Petitioner by the Bureau of Mines on June 11, 1971, a true copy of which is attached hereto and made a part hereof as Exhibit "G." That Notice to Provide Safeguards was, however, abated by a Notice of Abatement or Extension issued to Petitioner by the Bureau of Mines on November 24, 1971, which stated that "charges and adjustments were made in the mine power system to provide an independent power circuit for the mine fan." A true copy of said Notice of Abatement or Extension is attached hereto and made a part hereof as Exhibit "H."

(3) Petitioner contends that the method previously and currently used to provide power to the No. 2 mine fan at its Robin Hood No. 8 Mine guarantees no less than the same measure of protection afforded the miners of such mine by §§ 75.300 and 75.300-2(c)(1). The conclusions reached by MESA in its approval letters of June 11 and September 18 and by the Bureau of Mines in the aforesaid Notice of Abatement or Extension, dated November 24, 1971, and the above-quoted interpretation of § 75.300-2(c)(1) contained in the Bureau of Mines Inspection Manual support these contentions.

(4) If this petition is granted, Petitioner will not be required to comply with the Notice of October 25 at its Robin Hood No. 8 Mine or to abate as directed by said Notice.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1975. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director, Office of Hearings and Appeals.

DECEMBER 30, 1974.

[FR Doc.75-466 Filed 1-7-75;8:45 am]

[Docket No. M 75-75]

ALABAMA BY-PRODUCTS CORP.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c) (1970), Alabama By-Products Corporation has filed a petition to modify the application of 30 CFR 75.1105 to its Segco No. 1 Mine, Walker County, Alabama.

30 CFR 75.1105 provides:

Underground transformer stations, battery-charging stations, substations, compressor stations, shops, and permanent pumps shall be housed in fireproof structures or areas. Air currents used to ventilate structures or areas enclosing electrical installations shall be coursed directly into the return. Other underground structures installed in a coal mine as the Secretary may prescribe shall be of fireproof construction.

In support of its petition, Petitioner states:

(1) At the above-captioned mine on October 23, 1973, Petitioner was issued a Notice of Violation of the Coal Mine Health and Safety Act due to the fact that "air used to ventilate underground transformer stations is not coursed directly into the return." A copy of the Notice[1] is attached. Petitioner has been using two basic types of underground high voltage (4,160 volts to 480 volts) transformers. One of these types is the "open type" epoxy covered air cooled power center transformer. The other type being of the sealed dry type, type DT-3, Mine Power Center, 3 phase, 60 cycle. Westinghouse manufactures transformers which are the subject of this petition.

(2) Petitioner has in operation twenty-six of these Westinghouse transformers at the above-captioned mine. This type of transformer was originally designed to supply the need for safe transformers for either indoor or outdoor applications. They were designed to be fireproof and explosion proof. The transformers are constructed with NEMA Class "H" materials and dry nitrogen under one-half P.S.I. pressure at 25°C is utilized for their cooling medium. The manufacturer recommends and stresses that these units should be well ventilated with a high air exchange over and around such units to permit operation of the transformers at a reasonable temperature. They further state that the ambient temperature should never exceed 40°C (104°F.) with an average over twenty-four hours not exceeding 30°C (86°F.). At any given load the temperature rise of the transformer will be a fixed number of degrees above the temperature of the surrounding air. The temperature of the transformer is the sum of the rise and the air temperature.

(3) *Alternate Method.* While these transformers would be completely fireproof and safe in any area of the mine, including the intake airway where they are permanently installed. A mine map[1] is attached showing the locations of these particular transformers. Our alternate method which we propose to use is to leave these transformers located in areas of intake air.

[1] All exhibits referred to in this notice will be available for inspection at the address noted in the final paragraph of the notice.

[1] All documents designated as attached to the petition will be available for inspection at the address indicated in the last paragraph of the notice.

(4) In the opinion of Petitioner, the alternate method of leaving the transformers on intake air will at all times guarantee the same measure of protection afforded the miners at the affected mine by the mandatory standard. There is no danger of fire, because the transformers are fireproof. In fact, the application of the mandatory standard will actually result in a diminution of safety. These transformers, being of the sealed type, normally run a fairly high temperature at normal loads and with normal air currents. By placing these transformers in locations to course the air across them directly into the return would, in most instances be impractical. In addition, it would divert air from far more critical areas.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1975. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director, Office of Hearings and Appeals.

DECEMBER 30, 1974.

[FR Doc.75-468 Filed 1-7-75;8:45 am]

[Docket No. M 75-76]

ISLAND CREEK COAL CO.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c), Island Creek Coal Company has filed a petition to modify the application of 30 CFR 75.1403(b) to its No. 9 Mine, Madisonville, Kentucky.

30 CFR 75.1403-8(b) provides:

> Track haulage roads should have a continuous clearance on one side of at least 24 inches from the farthest projection of normal traffic. Where it is necessary to change the side on which clearance is provided, 24 inches of clearance should be provided on both sides for a distance of not less than 100 feet and warning signs should be posted at such locations.

In support of its petition, Petitioner states:

(1) In three or four locations on the north motor road of Petitioner's mine, unusually unstable roof conditions exist. As an extra precaution against roof falls, steel beams and rails, rather than timbers, are used as roof supports in these areas. Additionally, passages are narrowed somewhat to reduce the amount of roof which must be supported.

(2) As a result of this narrowing, there are points along the track haulage road, primarily on curves, where the corners of supply cars do not clear the sides by the 24 inches required by § 75.1403-8(b) of the Regulations.

(3) The three or four locations where unstable roof conditions exist total approximately 100 feet in length and only at certain points is the required clearance not met.

(4) These locations seldom have men working in them and the supply motormen travel through these locations alone a majority of the time. Additionally, adequate shelter holes are provided along these locations.

(5) The roof in these three or four locations of unstable roof conditions is presently adequately supported. To widen these passages to achieve the required clearance at all points will require replacement of the steel supports along the length of these locations and will increase the amount of roof which must be supported.

(6) Petitioner proposes as an alternate safety measure to post red lighted warning signs at the points on the north motor road of Petitioner's mine where the required clearances cannot be met. Due to the infrequency of activity in these areas, the posting of such red lighted warning signs as an alternative method of achieving the result of Section 75.1403-8(b) of the Regulations will at all times guarantee no less than the same measure of protection afforded the miners in these areas of the mine by the mandatory safety standard. Additionally, the widening of these passages to comply with the standard will, by exposing more unstable roof, result in a diminution of safety to the miners passing through such areas of the mine.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1974. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director, Office of Hearings and Appeals.

DECEMBER 30, 1974.

[FR Doc.75-467 Filed 1-7-75;8:45 am]

[Docket No. M 75-68]

SKIDMORE COAL CO.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c) (1970), Skidmore Coal Company has filed a petition to modify the application of 30 CFR 77.1605(k) to its No. 7 Mine, Cranks, Kentucky.

30 CFR 77.1605(k) reads as follows:

> Berms or guards shall be provided on the outer banks of elevated roadways.

In support of its petition, Petitioner states:

In attempting to comply with 30 CFR 77.1605(k), the following hazards were observed which make the roads a greater hazard to travel.

1. Water drainage on the down slope, or berm side, creates a ditch which might throw vehicles into or over the berms. Also water freezing on the roads creates a hazard.

2. Snow cannot be removed from elevated haulage roads due to the berms.

3. Roads on a 2 to 1 out slope are being narrowed for passage of one vehicle because of the width and height of the berms.

4. Roads cannot be widened because the inner banks of the roads are of solid rock on the high wall side, and widening of the roads may cause landslides in some areas.

5. Because of the elevation of the roads and numerous switch backs, some roads are underneath each other, thus causing the berms to slide into the road beneath. This is causing a danger to vehicles traveling underneath, and is also stopping all drainage on roads.

6. Where guardrails are installed, the posts are not stable enough because there is not enough area to hold the posts.

7. Visibility of on-coming traffic is hampered by road berms, mainly on switch backs and curves.

The alternate method being proposed below will guarantee no less protection then the mandatory safety standard.

1. All loaded haulage vehicles will have the right-of-way on the high wall side of the roads regardless of their direction of travel.

2. Operators of haulage vehicles will be trained to safely handle haulage vehicles on haulage roads.

3. Roads will be maintained in a safe condition.

4. All haulage vehicles are to have:
(a) Original manufacturers' brakes;
(b) Engine or Jacobs brakes; and
(c) Emergency braking systems.

5. Roads will be maintained in as good condition as the unpaved secondary roads in the state of Kentucky in elevated areas.

The roads in question have been in existence since 1973. There has been no recorded accident of man or haulage vehicles on the roads in question.

Also, the majority of our road sides are lined with good sized trees which would help greatly in keeping a vehicle from going over the slope.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1975. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director, Office of Hearings and Appeals.

DECEMBER 30, 1974.

[FR Doc.75-469 Filed 1-7-75;8:45 am]

[Docket No. M 75-80]

WESTMORELAND COAL CO.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c) (1970), Westmoreland Coal Company has filed a petition to modify the application of 30 CFR 75.1405 to its Winding Gulf No. 4, McAlpin, and East Gulf Mines located in Raleigh County, West Virginia and its Maben Mine, Wyoming County, West Virginia.

30 CFR 75.1405 provides:

All haulage equipment acquired by an operator of a coal mine on or after March 30, 1971, shall be equipped with automatic couplers which couple by impact and uncouple without the necessity of persons going between the ends of such equipment. All haulage equipment without automatic couplers in use in a mine on March 30, 1970, shall also be so equipped within 4 years after March 30, 1970.

The alternate method which Petitioner proposes to establish in its Winding Gulf No. 4, McAlpin and East Gulf Mines is as follows:

1. All track haulage cars will be provided with a lever system permanently mounted on each end of the mine cars. The lever system on the pin end of the car will enable a worker to lower the pin to couple the cars or lift the pin from the car bumper sufficiently to disengage the cars. The lever can be latched in an "up" position until there is occasion to use the lever again to lower the pin coupling. The lever on the link end of the car will enable the worker to align the coupling link. The levers will extend toward both sides of the car and will be of such length as to obviate the worker placing himself between the mine cars to couple or uncouple. The link can be aligned by using a specially designed hand link aligner tool which shall be part of the equipment of all haulage crews. This is done without the employee positioning himself between the units. The hand link aligner will be mounted on the pin end of each mine car. The attachment hereto marked Exhibit A* and made a part hereof contains detailed design and specifications for the coupling levers, link aligners and proposed coupling linkage for the mine cars.

The coupling-uncoupling level, link aligner lever, and the hand link aligner tool described above have been designed and prototypes prepared. These designs and prototypes will be made available to Mining Enforcement and Safety Administration representatives for technical evaluation.

2. All workers who couple and uncouple mine cars will be trained and instructed in the proper operation and use of the coupling lever, link aligner lever, and the hand link aligner tool and their proper use will be mandatory requirements for coupling and uncoupling of all mine cars at this mine.

3. The aforesaid alternative system for coupling and uncoupling mine cars will at all times guarantee to the miners in these mines no less than the same measure of protection sought to be accomplished by automatic couplers; and will in fact, under the particular mining conditions and mining lay-outs at each mine, eliminate certain hazards which would be encountered if automatic couplers were mandated.

4. The petition is supported by a schematic diagram detailing the design of the coupling levers, link aligners and proposed coupling linkage for the mine cars.

With respect to its Maben No. 3 Mine, Petitioner proposes the following:

1. The track haulage cars at this mine are used to transport supplies underground. The cars are provided with a link and pin type coupling. All track haulage cars will be provided with a cable and lever system permanently mounted on the pin end and link end of each mine car. The lever system will enable a worker to lower the pin to couple the cars or lift the pin from the bumper sufficiently to disengage the cars. The cable will extend toward both sides of the car and will be of such length as to obviate the worker placing himself between the mine cars to couple or uncouple. The link end of the car will also be provided with a lever and cable system to align the link. This lever will also extend toward both sides of the car and will be of such length as to obviate the worker placing himself between the mine cars to position the link.

2. The coupling-uncoupling levers and link aligners described above have been designed and prototypes prepared. These designs and prototypes will be furnished and made available to Mining Enforcement and Safety Administration representatives for technical evaluation.

3. All workers who couple and uncouple mine cars will be trained and instructed in the proper operation and use of the coupling levers and link aligners and their proper use will be mandatory requirements for coupling and uncoupling of all mine cars at this mine.

4. The aforesaid alternative system for coupling and uncoupling mine cars will at all times guarantee to the miners in this mine no less than the same measure of protection sought to be accomplished by automatic couplers; and, in fact, under the particular mining conditions and mining lay-outs at this particular mine, will eliminate certain hazards which would be encountered if automatic couplers were mandated.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1975. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director, Office of Hearings and Appeals.

NOTE: All documents designated as attached to the petition will be available for inspection at the address indicated in the last paragraph of the notice.

DECEMBER 30, 1974.

[FR Doc.75-465 Filed 1-7-75;8:45 am]

[Docket No. M 75-82]

YOUNGSTOWN MINES CORP.

Petition for Modification of Application of Mandatory Safety Standard

Notice is hereby given that in accordance with the provisions of section 301(c) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 861(c) (1970), Youngstown Mines Corporation has filed a petition to modify the application of 30 CFR 75.1405 to its Dehue Mine, Logan County, West Virginia.

30 CFR 75.1405 provides:

All haulage equipment acquired by an operator of a coal mine on or after March 30, 1971, shall be equipped with automatic couplers which couple by impact and uncouple without the necessity of persons going between the ends of such equipment. All haulage equipment without automatic couplers in use in a mine on March 30, 1970, shall also be so equipped within 4 years after March 30, 1970.

In support of its petition, Petitioner states:

1. The coal seam being mined is the Number Two Gas Seam which averages about 48 inches in thickness. At the present time the mine produces about 2,000 tons of coal per day from five active working sections utilizing a two-production shift and one maintenance shift schedule.

2. Mining at the Dehue Mine is accomplished by continuous mining methods. The mined coal from each section is loaded onto conveyor belts which carry it, not to the main portal, but to a slope opening located at Dehue, where it is processed.

3. Men and supplies enter the mine at the main portal. Supplies are brought in by means of a track haulage system.

4. About 80 wooden bottom cars are used to transport supplies. These are end-dump cars which were formerly used to transport coal in the mine prior to installation of the belt haulage system. Typically, the supply cars are loaded in the supply yard and as many cars as are involved in the particular supply movement are coupled together and moved in tandem to the main portal by the yard motor (surface power unit). At the portal, the cars are coupled to a hoist which lowers them down a slope of about 130 feet leading to the mine below.

5. At the bottom of the mine, the cars are coupled to a supply motor (under-

ground power unit) which then delivers them to the appropriate areas within the mine. Cars are returned to the surface over essentially the same route.

6. Cars are coupled to the power units and to each other by means of pin and link couplers. Each car has a pin on one end and a receptacle link on the other. Coupling requires the insertion of the pin of one unit into the link of the other. Uncoupling merely requires removal of such pin.

7. Coupling and uncoupling operations only take place when units are at a complete standstill.

8. In its petition, Petitioner proposes utilization of mechanical couplers which are a product of recently developed technology. These will serve the purpose of automatic couplers equally well and will actually achieve a greater degree of safety.

9. Petitioner's alternate method for achieving the degree of safety required by § 75.1405 is as follows:

A. The end dump doors of all supply cars in use at the Dehue Mine will be fastened permanently closed. The pin end of each car will then be fitted with a coupling lever designed to permit employees to lift or drop the pin through a link of any other haulage unit without the necessity of positioning themselves between the units being coupled or uncoupled.

B. Furthermore, to insure that no employee would ever have to reach between units to adjust the alignment of the coupling units in relation to each other, the link end of each car will have installed a specially designed link aligning bar—a protection not afforded by automatic coupler system.

C. In conjunction with this proposed modification, Petitioner has submitted, as an attachment to its petition, detailed blueprints showing the exact nature and specifications of both the coupling lever and aligning bar as they will be installed on each car.

D. Upon conversion of the supply cars in accordance with the proposals hereinbefore described, use of the coupling lever and, as necessary, the aligning bar will be mandatory during all coupling and uncoupling operations. A notice to this mandatory safety rule shall be posted on the regular Company and Union bulletin boards at the mine.

E. Employees at the Dehue Mine who in the course of their employment will connect and disconnect supply haulage cars will be given complete instructions every six months concerning the proper operation and use of the coupling lever and aligning bar.

F. Employees absent from work during periods when instruction or reinstruction sessions are conducted will be given instructions within the first five work days after their return.

G. The Company will maintain a permanent record of the names of employees who in the course of their employment, connect and disconnect supply haulage cars, and such record will show the dates when each received instruction and reinstruction.

H. No later than 180 work days after the date of approval of this petition, the supply haulage cars in use at this mine will be outfitted as described above.

Persons interested in this petition may request a hearing on the petition or furnish comments on or before February 7, 1975. Such requests or comments must be filed with the Office of Hearings and Appeals, Hearings Division, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, Virginia 22203. Copies of the petition are available for inspection at that address.

JAMES R. RICHARDS,
Director,
Office of Hearings and Appeals.

DECEMBER 30, 1974.

[FR Doc.75-464 Filed 1-7-75;8:45 am]

Office of the Secretary

DAVID HAYWARD

Statement of Financial Interests

In accordance with the requirements of section 302(b) of Executive Order 10647, I am filing the following statement for publication in the FEDERAL REGISTER:

(1) Names of any corporations of which I am, or had been within 60 days preceding my appointment, on December 9, 1974, as Deputy Director, DEPA Area 1, Defense Electric Power Admin., an officer or director: None.

(2) Names of any corporations in which I own, or did own within 60 days preceding my appointment, any stocks, bonds, or other financial interests: New England Electric System.

(3) Names of any partnerships in which I am associated, or had been associated within 60 days preceding my appointment: None.

(4) Names of any other businesses which I own, or owned within 60 days preceding my appointment: None.

Dated: December 16, 1974.

DAVID HAYWARD,
Appointee.

[FR Doc.75-544 Filed 1-7-75;8:45 am]

DEPARTMENT OF AGRICULTURE

Forest Service

BLANCHARD SPRINGS CAVERNS PROJECT

Notice of Availability of Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a final environmental statement for Construction of Phases II and III of the Blanchard Springs Caverns Project, USDA-FS-R8-FES-ADM-75-6.

The environmental statement concerns construction and development of Tours B and C of the Blanchard Springs Caverns project with additional supporting facilities. The tours will consist of structured caverns trails with rest stops, a man-made entrance-exit to serve both tours, and indirect lighting to enhance and aid interpretation of cave features. Supportive facilities will include road construction and reconstruction, hiking trails, campground construction and sewage system expansion. The final environmental statement was transmitted to CEQ on December 27, 1974.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service
So. Agriculture Bldg., Room 3230
12th St. & Independence Ave., SW
Washington, D.C. 20250

USDA, Forest Service
1720 Peachtree Rd., NW., Room 804
Atlanta, Georgia 30309

USDA, Forest Service
Forest Supervisor
Ozark-St. Francis National Forest
Box 340
Russellville, Arkansas 73801

A limited number of single copies are available upon request to Larry D. Henson, Forest Supervisor, Ozark-St. Francis National Forest, Box 340, Russellville, Arkansas 73801.

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

THOMAS W. SEARS,
Acting Regional Environmental Coordinator.

[FR Doc.75-446 Filed 1-7-75;8:45 am]

KISATCHIE NATIONAL FOREST TIMBER MANAGEMENT PLAN

Notice of Availability of Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a final environmental statement for a Timber Management Plan, Kisatchie National Forest, Southern Region, USDA-FS-R8-FES-ADM-74-9.

The environmental statement concerns the implementation of a 10-year Timber Management Plan for the Kisatchie NF. The plan proposes even-aged forest management for general use with provisions for modified silvicultural systems for special purposes. In addition to commercial harvest and intermediate cuts, silvicultural treatments including site preparation measures, non-commercial thinning, release, planting and seeding are covered by the statement.

The final environmental statement was transmitted to CEQ on December 27, 1974.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service
So. Agriculture Bldg., Room 3230
12th St. & Independence Ave., SW
Washington, D.C. 20250

USDA, Forest Service
1720 Peachtree Rd., NW
Room 804
Atlanta, Georgia 30309

USDA, Forest Service
Forest Supervisor
Kisatchie National Forest
2500 Shreveport Highway
Pineville, Louisiana 71360

A limited number of single copies are available upon request to J. Lamar Beasley, Forest Supervisor, Kisatchie National Forest, 2500 Shreveport Highway, Pineville, Louisiana 71360.

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

THOMAS W. SEARS,
Acting Regional Environmental Coordinator.

DECEMBER 27, 1974.

[FR Doc.75-447 Filed 1-7-75;8:45 am]

OREGON DUNES NATIONAL RECREATION AREA ADVISORY COUNCIL

Notice of Meeting

The Oregon Dunes National Recreation Area Advisory Council will meet on Wednesday, February 5, 1975, at 10 a.m. in Reedsport, Oregon. The meeting will be held in the Conference Room of the National Recreation Area headquarters.

The purpose of the meeting is to review NRA planning to date and to review the public's input on Wilderness suitability and the proposed Management Plan. The Advisory Council will recommend a position on Wilderness and on the Management Plan to the Siuslaw National Forest.

The meeting will be open to the public. Persons who wish to attend should notify Marne Irwin, 855 Highway Avenue, Reedsport, Oregon 97467. The telephone number is 503-271-3611. Written statements may be filed with the committee before or after the meeting.

The committee has established the following rules for public participation. Any member of the public who wishes to speak must be recognized by the council chairman. The council chairman will decide the time when public participation will take place.

JERALD N. HUTCHINS,
Area Ranger.

DECEMBER 30, 1974.

[FR Doc.75-443 Filed 1-7-75;8:45 am]

TIMBER MANAGEMENT PLAN REVISIONS FOR MEDICINE BOW NATIONAL FOREST

Availability of Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a draft environmental statement for the Timber Management Plan Revisions for the Medicine Bow National Forest. The Forest Service report number is USDA-FS-R2-DES(Adm) FY-75-06.

The environmental statement concerns a proposal to revise the Timber Management Plan for the Medicine Bow National Forest in southeastern Wyoming. Such Plans are required to regulate the flow of timber products from National Forest lands.

This draft environmental statement was transmitted to CEQ on December 31, 1974.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service
So. Agricultural Bldg., Room 3230
12th St. & Independence Ave. SW
Washington, D.C. 20250

USDA, Forest Service
Medicine Bow National Forest
605 Skyline Drive
Laramie, Wyoming 82070

USDA, Forest Service
11177 West 8th Avenue
P.O. Box 25127
Denver, Colorado 80225

A limited number of single copies are available upon request to W. J. Lucas, Regional Forester, USDA Forest Service, 11177 West 8th Avenue, P.O. Box 25127, Denver, Colorado 80225.

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

Comments are invited from the public, and from State and local agencies which are authorized to develop and enforce environmental standards, and from Federal agencies having jurisdiction by law or special expertise with respect to any environmental impact involved for which comments have not been requested specifically.

Comments concerning the proposed action and requests for additional information should be addressed to W. J. Lucas, Regional Forester, USDA Forest Service, 11177 West 8th Avenue, P.O. Box 25127, Denver, Colorado 80225. Comments must be received by March 1, 1975 in order to be considered in the preparation of the final environmental statement.

CLAYTON B. PIERCE,
Director, Multiple Use and Environmental Quality Coordination.

DECEMBER 31, 1974.

[FR Doc.75-538 Filed 1-7-75;8:45 am]

Rural Electrification Administration

TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

Notice of Final Environmental Statement

Notice is hereby given that the Rural Electrification Administration has prepared a Final Environmental Statement in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969, in connection with a loan application for financing from Tri-State Generation and Transmission Association, Inc., 10520 Melody Drive, Northglenn, Colorado (Mailing Address: P.O. Box 29198, Denver, Colorado 80229). The statement covers a proposed generating station near Wray, Colorado, consisting of three 67 MW combustion turbine powered generating units, a later fourth combustion powered generating unit and appurtenant fuel storage facilities and transformation facilities.

Additional information may be secured on request, submitted to Mr. David H. Askegaard, Assistant Administrator—Electric, Rural Electrification Administration, U.S. Department of Agriculture, Washington, D.C. 20250. The Final Environmental Statement may be examined during regular business hours at the offices of REA in the South Agriculture Building, 12th Street and Independence Avenue SW., Washington, D.C., Room 4310, or at the borrower address indicated above.

Final REA action with respect to this matter (including any release of funds) may be taken after twenty (20) days, but only after REA has reached satisfactory conclusions with respect to its environmental effects and after procedural requirements set forth in the National Environmental Policy Act of 1969 have been met. This shorter period of twenty (20) days is due to the urgent need for power in the area involved and the fact that the nature of the installation results in minimum environmental impact.

Dated at Washington, D.C., this 31st day of December 1974.

DAVID H. ASKEGAARD,
Acting Administrator, Rural Electrification Administration.

[FR Doc.75-659 Filed 1-7-75;8:45 am]

Soil Conservation Service

WEST UPPER MAPLE RIVER WATERSHED PROJECT, MICH.

Availability of Draft Environmental Impact Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969; Part 1500 of the Council on Environmental Quality Guidelines (38 FR 20550, August 1, 1973); and Part 650.7 (e) of the Soil Conservation Service, U.S. Department of Agriculture, has prepared a draft environmental impact statement for the West Upper Maple River Watershed Project, Clinton and Gratiot Counties, Michigan, USDA-SCS-EIS-WS-(Adm)-75-1-(D)-MI.

The environmental impact statement concerns a plan for watershed protection, flood prevention, improved drainage, and public fish and wildlife development. The planned project includes conservation land treatment, supplemented by 2.9 miles of channel work, 9.5 miles of levees, 9.2 miles of collection channels, 2 pumping stations, and a fish and wildlife development. Channel work consists of 1.1 miles of channel snagging and 1.8 miles of channel snagging with suction dredging on a previously modified stream. The public fish and wildlife development will provide approximately 34,000 recreational visits annually.

A limited supply of copies is available at the following location to fill single copy requests:

Soil Conservation Service, USDA
1405 South Harrison Road
East Lansing, Michigan 48823

Copies of the draft environmental impact statement have been sent for comment to various federal, state, and local agencies as outlined in the Council on Environmental Quality Guidelines. Comments are also invited from others having knowledge of or special expertise on environmental impacts.

Comments concerning the proposed action or requests for additional information should be addressed to Arthur H. Cratty, State Conservationist, Soil Conservation Service, 1405 South Harrison Road, East Lansing, Michigan 48823.

Comments must be received on or before February 21, 1975 in order to be considered in the preparation of the final environmental impact statement.

(Catalog of Federal Domestic Assistance Program No. 10.904, National Archives Reference Services)

Dated: December 27, 1974.

EUGENE C. BUIE,
Acting Deputy Administrator for Water Resources, Soil Conservation Service.

[FR Doc.75-444 Filed 1-7-75;8:45 am]

OZAN CREEKS WATERSHED PROJECT, ARKANSAS

Availability of Draft Environmental Impact Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969; Part 1500 of the Council on Environmental Quality Guidelines (38 FR 20550, August 1, 1973); and Part 650.7 (e) of the Soil Conservation Service Guidelines (39 FR 19650, June 3, 1974); the Soil Conservation Service, U.S. Department of Agriculture, has prepared a draft environmental impact statement for the Ozan Creeks Watershed Project, Hempstead County, Arkansas, USDA-SCS-EIS-WS-(ADM)-75-1-(D)-AR.

The environmental impact statement concerns a plan for watershed protection and flood prevention. The planned works of improvement include conservation land treatment, supplemented by 22 floodwater retarding structures and land stabilization measures. The 22 floodwater retarding structures will be constructed on streams having ephemeral flow characteristics. Land stabilization measures will be installed on 250 acres of critically eroded land. The watershed is 57 percent agricultural cropland and grassland.

A limited supply of copies is available at the following location to fill single copy requests:

Soil Conservation Service, USDA, P.O. Box 2323, Little Rock, Arkansas 72203

Copies of the draft environmental impact statement have been sent for comment to various Federal, State, and local agencies as outlined in the Council on Environmental Quality Guidelines. Comments are also invited from others having knowledge of or special expertise on environmental impacts.

Comments concerning the proposed action or requests for additional information should be addressed to M. J. Spears, State Conservationist, Soil Conservation Service, Post Office Box 2323, Little Rock, Arkansas 72203.

Comments must be received on or before February 26, 1975, in order to be considered in the preparation of the final environmental impact statement.

(Catalog of Federal Domestic Assistance Program No. 10.904, National Archives Reference Services.)

Dated: January 2, 1975.

J. W. HAAS,
Acting, Deputy Administrator for Water Resources, Soil Conservation Service.

[FR Doc.75-540 Filed 1-7-75;8:45 am]

FREDONIA NATURAL RESOURCE CONSERVATION DISTRICT

Equipment Grant Eligibility Determination Notice

Notice of Equipment Grant Eligibility Determination Notice is hereby given, in accordance with 7 CFR 662.2 (c), of a determination that the Fredonia Natural Resource Conservation District, Fredonia, Arizona 86022, is eligible or a grant of the following items of equipment to carry out soil and water conservation work:

1—Imco Tractor
1—Power Unit
1—Scraper
1—Compressor
3—Fork Lift Trucks, rough terrain
1—Front End Loader
1—Water Truck
1—Welder
1—Diaphragm Pump

The grant is subject to the availability of the equipment from federal excess property sources and may be made after February 7, 1975.

CLIFFTON A. MAGUIRE,
Acting State Conservationist, Soil Conservation Service, Room 6029—Federal Building, Phoenix, Arizona 85025.

[FR Doc.75-539 Filed 1-7-75;8:45 am]

WATERFALL-GILFORD CREEK WATERSHED, OKLAHOMA

Negative Declaration

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969; part 1500.6(e) of the Council on Environmental Quality Guidelines (38 FR 20550) August 1, 1973; and part 650.8 (b)(3) of the Soil Conservation Service Guidelines (39 FR 19651) June 3, 1974; the Soil Conservation Service, U.S. Department of Agriculture, gives notice that an environmental impact statement is not being prepared for that portion of the Waterfall-Gilford Creek Watershed Project, McCurtain County, Oklahoma, described below.

The environmental assessment of the federal action indicates that this portion of the project will not create significant adverse local, regional, or national impacts on the environment and that no significant controversy is associated with the action. As a result of these findings, Mr. Hampton Burns, State Conservationist, Soil Conservation Service, USDA Building, Farm Road and Brumley Street, Stillwater, Oklahoma 74074, has determined that the preparation and review of an environmental impact statement is not needed for this action.

The project concerns a plan for watershed protection, flood prevention, irrigation, and drainage. The planned works included in this negative declaration covers only the remaining six single-purpose floodwater retarding structures and the remaining conservation land treatment. No other elements of the project will be installed until an environmental impact statement or negative declaration is filed with the Council on Environmental Quality.

The environmental assessment file is available for inspection during regular working hours at the following location:

Soil Conservation Service
USDA Building
Farm Road and Brumley Street
Stillwater, Oklahoma 74074

Requests for the negative declaration should be sent to the above address. No administrative action on implementation of the proposal will be taken until January 23, 1975.

(Catalog of Federal Domestic Assistance Program No. 10.904, National Archives Reference Services.)

Dated: December 31, 1974.

WILLIAM B. DAVEY,
Deputy Administrator for Water Resources, Soil Conservation Service.

[FR Doc.75-541 Filed 1-7-75;8:45 am]

Office of the Secretary

COMMODITY CREDIT CORPORATION ADVISORY BOARD

Establishment

Notice is hereby given that the Secretary of Agriculture will appoint an Advisory Board for the purpose of advising the Secretary relative to surveys of the general policies of the Commodity Credit Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price support programs. The Secretary has determined that establishment of this Board is in the public interest in connection with the duties imposed on the Department by law.

The Chairman of this committee will be the Sercetary of the Commodity Credit Corporation, U.S. Department of Agriculture, Washington, D.C. 20250.

This Board will report its recommendations directly to the Secretary of Agriculture. The Board will terminate two years from the date of its establishment.

This notice is given in compliance with Pub. L. 92-463. Views and comments of

interested persons must be received by the Assistant Secretary on or before January 20, 1975.

All written submissions made pursuant to this notice will be made available for public inspection at the Office of the Secretary, Commodity Credit Corporation during regular business hours (7 CFR 1.27(b)).

Dated January 3, 1975.

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

[FR Doc.75-658 Filed 1-7-75;8:45 am]

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

HADDOCK

Catch Restrictions

At the 24th Annual Meeting held in Halifax, Nova Scotia, Canada, June 4–14, 1974, and the Special Meeting held in Miami, Florida, from November 11–15, 1974, the International Commission for Northwest Atlantic Fisheries (ICNAF) recommended that member countries adopt certain conservation measures for 1975. The measures included a catch quota for haddock of 4,450 metric tons in Subarea 5 of the Convention Area. The complete particulars of this and other measures will be published in the FEDERAL REGISTER at the earliest possible date.

Until such time as the regulations are published in full, and to assure that stocks of haddock are exploited in a manner consistent with good conservation, a directed fishery for haddock in Subarea 5 of the Convention Area, defined in § 240.1(b)(5), Volume 50, Code of Federal Regulations, by persons and vessels subject to the jurisdiction of the United States, is prohibited. This prohibition shall take effect at 0001 hours on January 11, 1975.

Persons under the jurisdiction of the United States and operating in Subarea 5 for 10 days or more since leaving port or previously offloading haddock may possess haddock taken as an incidental catch in quantities not to exceed 10 percent by weight of all fish on board taken in Subarea 5. Persons operating in Subarea 5 for less than 10 days but for more than 48 hours, and who have not landed or offloaded haddock within 10 days of leaving port, may possess haddock taken as an incidental catch in quantities not to exceed 11,000 lbs. or 20 percent by weight of all fish on board taken in Subarea 5. Persons who have landed or offloaded haddock within 10 days of leaving port may possess haddock taken as an incidental catch in quantities not to exceed 5,500 lbs. or 15 percent by weight of all fish on board taken in Subarea 5.

This prohibition is issued under the authority contained in subsection (a) of section 7 of the Northwest Atlantic Fisheries Act of 1950 (64 Stat. 1069; 16 U.S.C. 986), as amended.

Issued at Washington, D.C., and dated January 3, 1975.

JACK W. GEHRINGER,
Acting Director.

[FR Doc.75-667 Filed 1-7-75;8:45 am]

YELLOWTAIL FLOUNDER

Catch Restrictions

At the 24th Annual Meeting held in Halifax, Nova Scotia, Canada, June 4–14, 1974, and at the Special Meeting held in Miami, Florida, November 11–15, 1974, the International Commission for Northwest Atlantic Fisheries (ICNAF) recommended that member countries adopt certain conservation measures for 1975. The measures included revised catch quotas on species presently under regulation. The complete particulars of these and other measures will be published in the FEDERAL REGISTER at the earliest possible date.

Until such time as the regulations are published in full, and to assure that stocks of yellowtail flounder are exploited in a manner consistent with good conservation, a directed fishery for yellowtail flounder in Subarea 5 West of 69°00'W. longitude, defined in § 240.1(b)(5), Volume 50, Code of Federal Regulations, and in adjacent waters regulated by the Commission to the west and south of Subarea 5 West of 69°00'W. longitude, by persons and vessels subject to the jurisdiction of the United States, is prohibited. This prohibition shall take effect at 0001 hours on January 11, 1975.

Persons under the jurisdiction of the United States and operating in either Subarea 5 or the adjacent waters as described above for 10 days or more since leaving port or previously offloading yellowtail flounder, may possess yellowtail flounder taken as an incidental catch in quantities not to exceed 10 percent by weight of all fish on board. Persons operating in either Subarea 5 or the adjacent waters as described above for less than 10 days but for more than 48 hours, and who have not landed or offloaded yellowtail flounder within 10 days of leaving port may possess yellowtail flounder taken as an incidental catch in quantities not to exceed 11,000 lbs. or 20 percent by weight of all fish on board. Persons who have landed or offloaded yellowtail flounder within 10 days of leaving port may possess yellowtail flounder taken as an incidental catch in quantities not to exceed 5,500 lbs. or 15 percent by weight of all fish taken.

This prohibition is issued under the authority contained in subsection (a) of Section 7 of the Northwest Atlantic Fisheries Act of 1950 (64 Stat. 1069; 16 U.S.C. 986), as amended.

Issued at Washington, D.C., and dated January 3, 1975.

JACK W. GEHRINGER,
Acting Director.

[FR Doc.75-666 Filed 1-7-75;8:45 am]

National Technical Information Service

GOVERNMENT-OWNED INVENTIONS

Notice of Availability for Licensing

The inventions listed below are owned by the U.S. Government and are available for licensing in accordance with the licensing policy of each Agency-sponsor.

Copies of patents are available from the Commissioner of Patents, Washington, D.C. 20231, at $.50 each. Requests for copies of patents must include the patent number.

Copies of patent applications, either paper copy (PC) or microfiche (MF), can be purchased from the National Technical Information Service (NTIS), Springfield, Virginia 22161, at the prices cited. Requests for copies of patent applications must include the PAT-APPL- number. Claims are deleted from patent application copies sold to the public to avoid premature disclosure in the event of an interference before the Patent Office. Claims and other technical data can usually be made available to serious prospective licensees by the agency which filed the case.

Requests for licensing information should be directed to the address cited below for each agency.

DOUGLAS J. CAMPION,
Patent Program Coordinator, National Technical Information Service.

U.S. ATOMIC ENERGY COMMISSION, Assistant General Counsel for Patents, Washington, D.C. 20545.

Patent 3,801,438: Toroidal Apparatus for Confining Plasma; filed 3 April 1970, Patented 2 April 1974; not available NTIS.

Patent 3,803,512: Hydrogen-Fluoride Chemical Laser Oscillator; filed 29 September 1972, Patented 9 April 1974; not available NTIS.

Patent 3,804,533: Rotor for Fluorometric Measurements in Fast Analyzer of Rotary; filed 29 November 1972, Patented 16 April 1974; not available NTIS.

Patent 3,808,128: Drilling Mud Composition for Shielding Underground Nuclear Explosive Devices; filed 11 May 1972, Patented 30 April 1974; not available NTIS.

Patent 3,815,761: Grip Accessory for Remote-Control Manipulator Tongs; filed 2 March 1973, Patented 11 June 1974; not available NTIS.

U.S. Department of Air Force, AF/JACP, Washington, D.C. 20314.

Patent 3,814,575: Combustion Device; filed 25 April 1973, Patented 4 June 1974; not available NTIS.

U.S. Department of Transportation, Patent Counsel, 400 7th St. SW., Washington, D.C. 20590.

Patent application 521,655: Pile Driver Hammer Lock; filed 7 November 1974; PC $3.25/MF $2.25.

U.S. Department of Health, Education and Welfare, National Institutes of Health, Bethesda, Md. 20014.

Patent application 503,744: An Automated System for the Determination of Bacterial Antibiotic Susceptibilities; filed 6 September 1974; PC $3.25/MF $2.25.

Patent application 506,744: Dual Frequency Acoustic Gas Composition Analyzer; filed 16 September 1974, PC $3.25/MF $2.25.

Patent application 507,991: Liquid Crystal Gas Analyzer; filed 20 September 1974; PC $3.25/MF $2.25.

U.S. Department of Navy, Assistant Chief for Patents, Office of Naval Research, Arlington, Va. 22217.

Patent 3,730,111: Apparatus for the In-Place Destruction of Filed Documents; filed 15 June 1972, Patented 1 May 1973; not available NTIS.

Patent 3,731,262: Time Mark-Numeral Generator System; filed 28 September 1967, Patented 1 May 1973; not available NTIS.

Patent 3,740,690: Electro-Optical Detector; filed 14 March 1972, Patented 19 June 1973; not available NTIS.

Patent 3,740,758: Gridding and Printout Device for Meteorological Data Receiver/Recorder; filed 1 September 1971, Patented 19 June 1973; not available NTIS.

Patent 3,741,353: Bi-Stable Brake; filed 4 October 1971, Patented 26 June 1973; not available NTIS.

Patent 3,742,540: Passive Sonar Array Mounting and Recovery Apparatus; filed 25 January 1972, Patented 3 July 1973; not available NTIS.

Patent 3,742,701: Propellant Injector Assembly; filed 16 June 1971, Patented 3 July 1973; not available NTIS.

Patent 3,742,811: Apparatus for Controlling the Fabrication of Electroexplosive Devices; filed 13 August 1970, Patented 3 July 1973; not available NTIS.

Patent 3,742,859: Explosive Charge; filed 2 April 1965, Patented 3 July 1973; not available NTIS.

Patent 3,742,885: Diver Operated Hand Control System for an Underwater Vehicle; filed 24 September 1971, Patented 3 July 1973; not available NTIS.

Patent 3,742,968: Differential Pressure Relief Valve; filed 22 March 1971, Patented 3 July 1973; not available NTIS.

Patent 3,743,184: Cylindrical Throat Nozzle with Movable Sonic Blades for Obtaining Dual Area Throat and Thrust Vector Control; filed 7 July 1972, Patented 3 July 1973; not available NTIS.

Patent 3,743,380: Polarized Light Source for Underwater Use; filed 31 January 1972, Patented 3 July 1973; not available NTIS.

Patent 3,743,383: High Power Beam Combiner; filed 23 March 1972, Patented 3 July 1973; not available NTIS.

Patent 3,743,796: Deep Sea Brushless Commutator; filed 29 November 1971, Patented 3 July 1973; not available NTIS.

Patent 3,743,835: Laser Image and Power Level Detector Having Thermographic Phosphor; filed 23 March 1972, Patented 3 July 1973; not available NTIS.

Patent 3,744,916: Optical Film Thickness Monitor; filed 8 June 1971, Patented 10 July 1973; not available NTIS.

Patent 3,744,927: Yieldable Blades for Propellers; filed 23 February 1971, Patented 10 July 1973; not available NTIS.

Patent 3,745,076: Propellant Composition with a Nitro Containing Cross-Linked Binder; filed 2 February 1966, Patented 10 July 1973; not available NTIS.

Patent 3,745,227: Sandwiched Eutectic Reaction Anticompromise Circuits; filed 10 December 1970, Patented 10 July 1973; not available NTIS.

Patent 3,745,571: Coherent Digital Multifunction Processor; filed 18 February 1972, Patented 10 July 1973; not available NTIS.

Patent 3,750,109: Multitrack Radar Display Console; filed 13 September 1971, Patented 31 July 1973; not available NTIS.

Patent 3,752,777: Polymers of 2-(Fluorophenyl)-Hexafluoro-2-Propyl Glycidyl Ether; filed 9 April 1971, Patented 14 August 1973; not available NTIS.

Patent 3,773,947: Process of Generating Nitrogen Using Metal Azide, Patented 20 November 1973; not available NTIS.

Patent 3,775,734: Echo-Range Equalizer Sonar System; filed 5 May 1971, Patented 27 November 1973; not available NTIS.

National Aeronautics and Space Administration, Assistant General Counsel for Patent Matters, Washington, D.C. 20546.

Patent application 501,012: Nonlinear Nonsingular Feedback Shift Registers; filed 27 August 1974; PC $3.75/MF $2.25.

[FR Doc.75-527 Filed 1-7-75;8:45 am]

GOVERNMENT-OWNED INVENTIONS

Notice of Availability for Licensing

The inventions listed below are owned by the U.S. Government and are available for licensing in accordance with the licensing policy of each Agency-sponsor.

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DOUGLAS J. CAMPION,
Patent Program Coordinator, National Technical Information Service.

DEPARTMENT OF THE ARMY, Chief, Patents Division, Office of Judge Advocate General, Pentagon, Washington, D.C. 20310.

Patent application 278,831: Synthesis, Purification and Use of the Ascorbate Sulfates; filed 8 August 1972, PC $3.75/MF $2.25.

U.S. Atomic Energy Commission, Assistant General Counsel for Patents, Washington, D.C. 20545.

Patent 3,785,994: Gas Mixture for Forming Protective Coatings on Graphite; filed 23 September 1960, Patented 15 January 1974; not available NTIS.

Patent 3,793,204: Thermal Insulation; filed 28 July 1972, Patented 19 February 1974; not available NTIS.

Patent 3,795,451: Rotor for Fast Analyzer of Rotary Cuvette Type; filed 24 April 1973, Patented 5 March 1974; not available NTIS.

Patent 3,796,545: Device for Preparing Elemental Carbon Enriched in Carbon-13; filed 23 February 1972, Patented 12 March 1974; not available NTIS.

U.S. Department of the Air Force, AF/JACP, Washington, D.C. 20314.

Patent application 483,736: Gun Support Tube Assembly; filed 27 June 1974, PC $3.25/MF $2.25.

Patent application 486,801: Cabinet Closure System; filed 9 July 1974, PC $3.25/MF $2.25.

Patent application 486,802: Eddy Sonic Stethoscope; filed 9 July 1974, PC $3.25/MF $2.25.

Patent application 486,803: Thermal Differential Compensator; filed 9 July 1974, PC $3.25/MF $2.25.

U.S. Department of Agriculture, Chief, Research Agreements and Patent Mgmt. Branch, General Services Division, Hyattsville, Md. 20782.

Patent application 104,781: Arthropod Maturation Inhibitors; filed 7 January 1971; PC $3.25/MF $2.25.

Patent application 431,762: Method for Reducing Heating and Brightness Loss in Pulp Chips with Aqueous Solutions of Sodium N-Methyldithiocarbamate; filed 8 January 1974; PC $3.25/MF $2.25.

National Aeronautics and Space Administration Assistant General Counsel for Patent Matters. NASA—Code GP-2, Washington, D.C. 20546.

Patent application 482,104: Ceramic Coating for Silica Insulation; filed 24 June 1974; PC $3.25/MF $2.25.

Patent application 482,953: Apparatus for Simulating Optical Transmission Links; filed 25 June 1974; PC $3.25/MF $2.25.

Patent application 483,858: Method and Apparatus for Tensile Testing of Metal Foil; filed 27 June 1974; PC $3.25/MF $2.25.

Patent application 487,852: Polyimides of Ether-Linked Aryl Tetracarboxylic Dianhydrides; filed 11 July 1974; PC $3.25/MF $2.25.

Patent application 489,009: Electrical Conductivity Cell and Method for Fabricating the Same; filed 16 July 1974; PC $3.25/MF $2.25.

Patent application 491,413: Real Time Liquid Crystal Image Converter; filed 24 July 1974; PC $3.25/MF $2.25.

Patent application 491,417: Auger Attachment Method for Insulation; filed 24 July 1974; PC $3.25/MF $2.25.

Patent application 495,021: High Voltage, High Current Schottky Barrier Solar Cell; filed 5 August 1974; PC $3.25/MF $2.25.

Patent application 495,022: Computer Interface System; filed 5 August 1974; PC $3.75/MF $2.25.

Patent application 496,779: Single Wing Supersonic Aircraft; filed 12 August 1974; PC $4.25/MF $2.25.

Patent 3,824,707: Apparatus for Applying Simulator G-Forces to an ARM of an Aircraft Simulator Pilot, Patented 23 July 1974; not available NTIS.

Patent 3,825,760: Flame Detector Operable in Presence of Proton Radiation, Patented 23 July 1974; not available NTIS.

Patent 3,826,726: Production of Pure Metals, Patented 30 July 1974; not available NTIS.

Patent 3,826,729: Sputtering Holes with Ion Beamlets, Patented 30 July 1974; not available NTIS.

Patent 3,827,288: Digital Servo Control of Random Sound Test Excitation, Patented 6 August 1974; not available NTIS.

Patent 3,827,807: Star Scanner, Patented 6 August 1974; not available NTIS.

Patent 3,828,137: Digital Communication System, Patented 6 August 1974; not available NTIS.

Patent 3,828,138: Coherent Receiver Employing Nonlinear Coherence Detection for Carrier Tracking, Patented 6 August 1974; not available NTIS.

Patent 3,828,524: Centrifugal Lyophobic Separator, Patented 13 August 1974; not available NTIS.

Patent 3,829,237: Variably Positioned Guide Vanes for Aerodynamic Choking, Patented 13 August 1974; not available NTIS.

[FR Doc.75-528 Filed 1-7-75;8:45 am]

GOVERNMENT-OWNED INVENTIONS

Notice of Availability for Licensing

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Copies of patent applications, either paper copy (PC) or microfiche (MF), can be purchased from the National Technical Information Service (NTIS), Springfield, Virginia 22161, at the prices cited. Requests for copies of patent applications must include the PAT-APPL- number. Claims are deleted from patent application copies sold to the public to avoid premature disclosure in the event of an interference before the Patent Office. Claims and other technical data can usually be made available to serious prospective licensees by the agency which filed the case.

Requsts for licensing information should be directed to the address cited below for each agency.

DOUGLAS J. CAMPION,
Patent Program Coordinator, National Technical Information Service.

U.S. Atomic Energy Commission, Assistant General Counsel for Patents, Washington, D.C. 20545.

Patent application 445,739: Imported Bearing Mounting for Telescoping Tubes; filed 25 February 1974; PC $3.25/MF $2.25.

Patent 3,777,348: High Current Cable Engagement Tool; filed 31 May 1972; patented 11 December 1973; not available NTIS.

Patent 3,795,597: Method of Producing an Ultra-Clean, Bright Surface on Titanium; filed 15 March 1973; patented 5 March 1974; not available NTIS.

U.S. Department of Health, Education, and Welfare, National Institutes of Health, Bethesda, Maryland 20014.

Patent application 498,109: Test for Occult Blood; filed 16 August 1974; PC $3.25/MF $2.25.

Patent application 498,187: Production of N5-Methyltetrahydromofolic Acid and Related Reduced Derivatives of Homofolic Acid; filed 16 August 1974; PC $3.25/MF $2.25.

Patent application 498,281: Protein Coated Electrode; filed 16 August 74, PC $3.25/MF $2.25.

Patent application 500,056: Composite Heart Valve Poppet; filed 23 August 1974; PC $3.25/MF $2.25.

Patent application 500,866: Rotor for Centrifugal Testing of Electrophoresis Gel; filed 27 August 1974, PC $3.25/MF $2.25.

National Aeronautics and Space Administration, Assistant General Counsel for Patent Matters, Washington, D.C. 20546.

Patent 3,826,448: Deployable Flexible Ventral Fins for Use as an Emergency Spin Recovery Device in Aircraft; patented 30 July 1974; not available NTIS.

Patent 3,829,237: Variably Positioned Guide Vanes for Aerodynamic Choking; patented 13 August 1974; not available NTIS.

[FR Doc.75-529 Filed 1-7-75;8:45 am]

GOVERNMENT-OWNED INVENTIONS

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Requests for licensing information should be directed to the address cited below for each agency.

DOUGLAS J. CAMPION,
Patent Program Coordinator, National Technical Information Service.

U.S. ATOMIC ENERGY COMMISSION, Assistant General Counsel for Patents, Washington, D.C. 20545.

Patent 3,783,285: Neutron-Flux Responsive Switch; filed 6 September 1972; patented 1 January 1974; not available NTIS.

Patent 3,783,300: Automatic Photomultiplier Tube Voltage Controller; filed 18 September 1972; patented 1 January 1974; not available NTIS.

Patent 3,783,680: Multipoint Vibration Monitoring System; filed 12 July 1972; patented 8 January 1974; not available NTIS.

Patent 3,784,909: Picosecond Beam Monitor; filed 23 January 1972; patented 8 January 1974; not available NTIS.

Patent 3,786,858: Method of Extracting Heat from Dry Geothermal Reservoirs; filed 27 March 1972; patented 22 January 1974; not available NTIS.

Patent 3,789,310: High Emission Cold Cathode; filed 14 September 1972; patented 29 January 1974; not available NTIS.

Patent 3,792,231: Miniature Multistation Photometer Rotor Temperature Control; filed 11 January 1973; patented 12 February 1974; not available NTIS.

Patent 3,794,174: Porous Metal Insulator Sandwich Membrane; filed 11 January 1972; patented 26 February 1974; not available NTIS.

Patent 3,795,420: Lift Coupling; filed 7 March 1973; patented 5 March 1974; not available NTIS.

Patent 3,796,673: Method of Producing Multicomponent Metal-Metal Oxide Single Crystals; filed 30 June 1972; patented 12 March 1974; not available NTIS.

Patent 3,798,459: Compact Dynamic Multistation Photometer Utilizing Disposable Curvette Rotor; filed 6 October 1972; patented 19 March 1974; not available NTIS.

Patent 3,798,962: Method for Predicting Movements of Structural Members Emplaced in the Earth; filed 19 April 1972; patented 26 March 1974; not available NTIS.

U.S. DEPARTMENT OF AIR FORCE, AF/JACP, Washington, D.C. 20314.

Patent application 495,472: Split-Ring Marx Generator Grading; filed 7 August 1974; PC $3.25/MF $2.25.

Patent application 468,329: Apparatus for Providing an Aerodynamic Window; filed 9 May 1974; PC $3.25/MF $2.25.

Patent application 468,608: Software Calibration of Analog Systems; filed 9 May 1974; PC $3.25/MF $2.25.

Patent application 469,194: Method and Apparatus for Pattern Analysis; filed 13 May 1974; PC $3.75/MF $2.25.

Patent application 471,930: Ramjet with Integrated Rocket Boost Motor; filed 21 May 1974; PC $3.25/MF $2.25.

Patent application 474,560: Aryl Ether Compounds and Their Synthesis; filed 30 May 1974; PC $3.25/MF $2.25.

Patent application 474,563: Continuity and Tone Test Set; filed 30 May 1974; PC $3.25/MF $2.25.

Patent application 474,564: Plug for Drive Shaft with Internal Drive Spline; filed 30 May 1974; PC $3.25/MF $2.25.

Patent application 476,178: Method and Apparatus for Measuring Linear Thermal Expansion of Polymeric Material; filed 4 June 1974; PC $3.25/MF $2.25.

Patent application 483,735: Thermally Stable Perfluoroalkylene Ether Bibenzoxazole Polymers; filed 27 June 1974; PC $3.25/MF $2.25.

Patent application 486,804: Spool for Wire Deployment; filed 9 July 1974; PC $3.25/MF $2.25.

Patent application 492,075: Method of Fabricating Ion Implanted ZnSe P-N Junction Devices; filed 26 July 1974; PC $3.25/MF $2.25.

Patent application 492,077: System Channel Distortion Weighting for Predetection Combiners; filed 26 July 1974; PC $3.25/MF $2.25.

Patent application 492,093: A Triangular Interferometric Light-Source Tracker; filed 26 July 1974; PC $3.25/MF $2.25.

Patent application 494,937: Method and Device for Evaluating Penetrants; filed 5 August 1974; PC $3.25/MF $2.25.

Patent application 495,452: Preparation of Polybenzimidazoles; filed 7 August 1974; PC $3.25/MF $2.25.

Patent application 495,471: Substituted Phenyl-Benzimidazo Compounds; filed 7 August 1974; PC $3.25/MF $2.25.

U.S. DEPARTMENT OF AGRICULTURE, Chief, Research Agreements and Patent Mgmt. Branch, Hyattsville, Maryland 20782.

Patent 3,761,584: Phenethyl Propionate and Eugenol. A Potent Attractant for the Japanese Beetle (Popillia japonica Newman); filed 9 December 1970; patented 25 September 1973; not available NTIS.

ENVIRONMENTAL PROTECTION AGENCY, Room W513, 401 M Street, S.W., Washington, D.C. 20460.

Patent 3,733,266: Waste Water Purification by BREAKPOINT Chlorination and Carbon Adsorption; filed 7 September 1971; patented 15 May 1973; not available NTIS.

Patent 3,806,436: Concentration of Electrolyte from Dilute Washings; filed 23 June 1972; patented 23 April 1974; not available NTIS.

Patent 3,814,658: Removal of Mercury from Mercury Cathode Sludge; filed 27 April 1973; patented 4 June 1974; not available NTIS.

Patent 3,823,693: Fluidized Bed Heat Exchanger; filed 16 January 1973; patented 16 July 1974; not available NTIS.

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, National Institutes of Health, Chief, Patent Branch, Bethesda, Maryland 20014.

Patent 3,835,140: Process for the Preparation of Dehydroberbinium Salts; filed 30 January 1973; patented 10 September 1974; not available NTIS.

U.S. DEPARTMENT OF INTERIOR, Branch of Patents, Washington, D.C. 20240.

Patent 3,637,823: Preparation of Caronic Acid from Delta-3-Carene; filed 20 October 1969; patented 25 January 1972; not available NTIS.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, Assistant General Counsel for Patent Matters, Washington, D.C. 20546.

Patent 3,829,237: Variably Positioned Guide Vanes for Aerodynamic Choking; patented 13 August 1974; not available NTIS.

[FR Doc.75-530 Filed 1-7-75;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Alcohol, Drug Abuse, and Mental Health Administration

ADVISORY COMMITTEES

Renewals

Pursuant to the Federal Advisory Committee Act of October 6, 1972 (Pub. L. 92-463, 86 Stat. 770-776), the Alcohol, Drug Abuse, and Mental Health Administration announces the renewal by the Secretary, Department of Health, Education, and Welfare, on December 26, 1974, with the concurrence of the Office of Management and Budget Committee Management Secretariat of the following advisory committees:

Designation: Alcohol Training Review Committee. Authority for this committee will expire November 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Clinical Program-Projects Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Continuing Education Training Review Committee. Authority for this committee will expire October 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Crime and Delinquency Review Committee. Authority for this committee will expire October 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Epidemiologic Studies Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Experimental Psychology Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Metropolitan Mental Health Problems Review Committee. Authority for this committee will expire October 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Neuropsychology Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Preclinical Psychopharmacology Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Social Problems Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Designation: Social Sciences Research Review Committee. Authority for this committee will expire September 30, 1976, unless the Secretary formally determines that continuance is in the public interest.

Dated: January 2, 1975.

JAMES D. ISBISTER,
Acting Administrator, Alcohol, Drug Abuse, and Mental Health Administration.

[FR Doc.75-517 Filed 1-7-75;8:45 am]

NATIONAL ADVISORY MENTAL HEALTH COUNCIL

Rechartering

Pursuant to the Federal Advisory Committee Act of October 6, 1972 (Pub. L. 92-463, 86 Stat. 770-76), the Alcohol, Drug Abuse, and Mental Health Administration announces the rechartering by the Secretary, Department of Health, Education, and Welfare, on December 24, 1974, of the National Advisory Mental Health Council in accordance with section 14(b)(2) of said Act.

Dated: January 2, 1975.

JAMES D. ISBISTER,
Acting Administrator, Alcohol, Drug Abuse, and Mental Health Administration.

[FR Doc.75-516 Filed 1-7-75;8:45 am]

Food and Drug Administration

[DESI 9366; Docket No. FDC-D-556; NDA No. 11-417]

DEANOL ACETAMIDOBENZOATE

Opportunity for Hearing on Proposal To Withdraw Approval of New Drug Application

The National Academy of Sciences-National Research Council, Drug Efficacy Study Group evaluated the effectiveness of the drug product described below, found the drug to be less-than-effective, and submitted its report to the Commissioner of Food and Drugs. Copies of that report have previously been made publicly available and are on display at the office of the Food and Drug Administration's Hearing Clerk. After reviewing the Academy's report and the available data and information, the Commissioner concluded that the drug is less-than-effective and published his conclusion in the FEDERAL REGISTER of May 15, 1970 (35 FR 7616) that the drug is possibly effective for its labeled indications. The drug is used to treat children with behavioral or learning problems. Clinical data submitted by the drug's sponsor failed to prove effectiveness and this notice proposes to withdraw its approval. Interested persons have until February 7, 1975, to request a hearing.

NDA 11-417; Deaner Tablets, containing deanol acetamidobenzoate equivalent to 25 milligrams or 100 milligrams deanol per tablet; Riker Laboratories, Inc., Subs. 3M, 19901 Nordhoff Street, Northridge, CA 91324.

Subsequent to the notice of May 15, 1970, Riker submitted reports of three studies testing the effectiveness of Deaner with children having behavior and/or learning problems. One study, #546-054, using as the basis of measurement parent questionnaires, school questionnaires, and psychological tests at selected times before, during, and after treatment with drug and placebo, failed to demonstrate a significant difference between drug effect and placebo effect. Study #546-055 compared the drug with placebo and a no-treatment control. This study lacks elements that are essential features of an adequate and well-controlled study, including assurance of a suitable method of selection of the subjects (21 CFR 314.111(a)(5)(ii)(*a*)(2)(*i*)), assignment of patients to control and active drug groups in a way that assures comparability of groups (21 CFR 314.111(a)(5)(ii)(*a*)(2)(*iii*)), and adequate specification of the methods used in the study, such as conditions of "blinding", scheduling of tests, time of drug administration (21 CFR 314.111(a)(5)(ii)(*a*)(3) and (*4*)). Although there were two psychological tests which showed significantly greater improvement with Deaner than with placebo, numerous other tests, as well as analysis of patient symptom reports, showed no difference. Although neurological improvement was also reported, no criteria for measuring this parameter were provided. Thus, the overall results of the study fail to demonstrate a significant drug effect. Neither of these two studies (#546-054 and #546-055) constitutes substantial evidence of effectiveness.

The third study, #546-056, compared Deaner with an active treatment control and a placebo. The study is deficient in that it fails to provide details as to conditions of blinding for the investigators and analysts, in addition to those described for the subjects and their parents. This is particularly important since the authors did all the screening and testing (21 CFR 314.11(a)(5)(ii)(*a*)(3) and (*4*)). Additionally, it is unfortunate that teacher ratings were not used in this study, as these would be especially useful in assessing improved learning potential or behavioral control. While providing some evidence of drug effect, this study, taken by itself and considering the ab-

sent details of blinding does not constitute substantial evidence of effectiveness.

Partial results of a fourth study, #546–057, were also submitted. This was to be a two-phase study, phase I being a twelve week, double-blind, placebo-controlled study involving fifty hyperkinetic children. Phase II would consist of a six month single-blind treatment follow-up of selected patients who successfully completed phase I. Summary data only were submitted for phase I and no data were received related to phase II. The data do not provide sufficient information on which to base a sound conclusion concerning effectiveness. For example, both the patient and teacher questionnaires were apparently refactored after they were completed; that is, specific questions were considered to relate to different broad aspects of behavior. The basis for the refactoring is unclear and in some instances quite difficult to understand, such as inclusion in the factor problems with peers of a question about frequency of complaint of headaches. In addition, the raw data justifying refactoring and the effect of refactoring on the raw data have not been provided.

On the basis of all of the data and information available to him, the Director of the Bureau of Drugs is unaware of any adequate and well-controlled clinical investigation, conducted by experts qualified by scientific training and experience, meeting the requirements of section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and 21 CFR 314.111(a)(5) demonstrating the effectiveness of the drug.

Other drugs included in the notice of May 15, 1970 are not affected by this notice.

Therefore, notice is given to the holder(s) of the new drug application(s) and to all other interested persons that the Director of the Bureau of Drugs proposes to issue an order under section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(e)), withdrawing approval of the new drug application(s) (or if indicated above, those parts of the application(s) providing for the drug product(s) listed above and all amendments and supplements thereto on the ground that new information before him with respect to the drug product(s), evaluated together with the evidence available to him at the time of approval of the application(s), shows there is a lack of substantial evidence that the drug product(s) will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling.

In addition to the holder(s) of the new drug application(s) specifically named above, this notice of opportunity for hearing applies to all persons who manufacture or distribute a drug product which is identical, related, or similar to a drug product named above, as defined in 21 CFR 310.6. It is the responsibility of every drug manufacturer or distributor to review this notice of opportunity for hearing to determine whether it covers any drug product he manufactures or distributes. Any person may request an opinion of the applicability of this notice to a specific drug product he manufactures or distributes that may be identical, related, or similar to a drug product named in this notice by writing to the Food and Drug Administration, Bureau of Drugs, Division of Drug Labeling Compliance (HFD–310), 5600 Fishers Lane, Rockville, MD 20852.

In addition to the ground(s) for the proposed withdrawal of approval stated above, this notice of opportunity for hearing encompasses all issues relating to the legal status of the drug products subject to it (including identical, related, or similar drug products as defined in § 310.6) e.g., any contention that any such product is not a new drug because it is generally recognized as safe and effective within the meaning of section 201(p) of the act or because it is exempt from part or all of the new drug provisions of the act pursuant to the exemption for products marketed prior to June 25, 1938, contained in section 201(p) of the act, or pursuant to section 107(c) of the Drug Amendments of 1962; or for any other reason.

In accordance with the provisions of section 505 of the act (21 U.S.C. 355) and the regulations promulgated thereunder (21 CFR 310, 314), the applicant(s) and all other persons subject to this notice pursuant to 21 CFR 310.6 are hereby given an opportunity for a hearing to show why approval of the new drug application(s) should not be withdrawn and an opportunity to raise, for administrative determination, all issues relating to the legal status of a drug product named above and of all identical, related, or similar drug products.

If an applicant or any other person subject to this notice pursuant to 21 CFR 310.6 elects to avail himself of the opportunity for a hearing, he shall file (1) on or before February 7, 1975, a written notice of appearance and request for hearing, and (2) on or before March 10, 1975, the data, information, and analyses on which he relies to justify a hearing, as specified in 21 CFR 314.200. Any other interested person may also submit comments on this notice. The procedures and requirements governing this notice of opportunity for hearing, a notice of appearance and request for hearing, a submission of data, information, and analyses to justify a hearing, other comments, and a grant or denial of hearing, are contained in 21 CFR 130.14 as published and discussed in detail in the FEDERAL REGISTER of March 13, 1974 (39 FR 9750), recodified as 21 CFR 314.200 on March 29, 1974 (39 FR 11680).

The failure of an applicant or any other person subject to this notice pursuant to 21 CFR 310.6 to file timely written appearance and request for hearing as required by 21 CFR 314.200 constitutes an election by such person not to avail himself of the opportunity for a hearing concerning the action proposed with respect to such drug product and a waiver of any contentions concerning the legal status of any such drug product. Any such drug product may not thereafter lawfully be marketed, and the Food and Drug Administration will initiate appropriate regulatory action to remove such drug products from the market. Any new drug product marketed without an approved NDA is subject to regulatory action at any time.

A request for a hearing may not rest upon mere allegations or denials, but must set forth specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. If it conclusively appears from the face of the data, information, and factual analyses in the request for the hearing that there is no genuine and substantial issue of fact which precludes the withdrawal of approval of the application, or when a request for hearing is not made in the required format or with the required analyses, the Commissioner will enter summary judgment against the person(s) who requests the hearing, making findings and conclusions, denying a hearing.

All submissions pursuant to this notice shall be filed in quintuplicate with the Hearing Clerk, Food and Drug Administration (HFC–20), Room 4–65, 5600 Fishers Lane, Rockville, MD 20852.

All submissions pursuant to this notice, except for data and information prohibited from public disclosure pursuant to 21 U.S.C. 331(j) or 18 U.S.C. 1905, may be seen in the office of the Hearing Clerk during regular business hours, Monday through Friday.

This notice is issued pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 505, 52 Stat. 1052–53, as amended; 21 U.S.C. 355), and under authority delegated to the Director of the Bureau of Drugs (21 CFR 2.121).

Dated: December 21, 1974.

J. RICHARD CROUT,
Director, Bureau of Drugs,
Food and Drug Administration.

[FR Doc.75-521 Filed 1-7-75;8:45 am]

[DESI 6002; NDA 12-485]

PYRVINIUM PAMOATE TABLETS

Follow-up Notice

In a notice (DESI 6002) which was published in the FEDERAL REGISTER of August 7, 1971 (36 FR 14662) pursuant to the evaluation of reports received from the National Academy of Sciences-National Research Council, Drug Efficacy Study Group, the Commissioner of Food and Drugs announced his conclusion that the drug product described below is probably effective, but that additional evidence is required to fully establish its effectiveness. The product is used in the treatment of certain intestinal infections. On the basis of the results of additional clinical studies performed by the sponsor of the product pursuant to that notice, the product is now regarded as effective and this notice announces that conclusion.

Povan Tablets containing pyrvinium pamoate; Parke, Davis and Co., Joseph Campau at the River, Detroit, MI 48232 (NDA 12-485).

Other drugs included in the notice of August 7, 1971 are not affected by this notice.

In addition to the holder(s) of the new drug application(s) specifically named above, this notice applies to all persons who manufacture or distribute a drug product, not the subject of an approved new drug application, which is identical, related, or similar to a drug product named above, as defined in 21 CFR 310.6. It is the responsibility of every drug manufacturer or distributor to review this notice to determine whether it covers any drug product he manufactures or distributes. Any person may request an opinion of the applicability of this notice to a specific drug product he manufactures or distributes that may be identical, related, or similar to a drug product named in this notice by writing to the Food and Drug Administration, Bureau of Drugs, Division of Drug Labeling Compliance (HFD–310), 5600 Fishers Lane, Rockville, MD 20852.

The notice of August 7, 1971 stated that while pyrvinium pamoate in suspension form was effective for the treatment of enterobiasis, the tablet form was probably effective for the same indication. Subsequent clinical studies by Parke, Davis established that this difference in efficacy was associated with the particle size of the drug. After reformulation of the Povan Tablet, the efficacy of the tablet was demonstrated to be comparable to the suspension.

A supplemental new drug application submitted by Parke, Davis for the reformulation of Povan Tablets was approved by the Food and Drug Administration on March 12, 1974.

Accordingly, the previous notice, insofar as it pertains to the drug pyrvinium pamoate tablets is revised to read as follows:

A. *Effectiveness classification.* The Food and Drug Administration has considered the Academy's reports, as well as other available evidence, and concludes that:

Pyrvinium pamoate in tablet form is effective for the treatment of enterobiasis.

B. *Conditions for approval and marketing.* The Food and Drug Administration is prepared to approve new drug applications and supplements to previously approved new drug applications under conditions described herein.

1. *Form of drug.* Pyrvinium pamoate is in tablet form suitable for oral administration.

2. *Labeling conditions.* a. The label bears the statement, "Caution: Federal law prohibits dispensing without prescription."

b. The drug is labeled to comply with all requirements of the Act and regulations, and the labeling bears adequate information for safe and effective use of the drug. The "Indication" is: for the treatment of enterobiasis.

3. *Marketing status.* Marketing of such drugs may be continued under the conditions described in the notice entitled *Conditions for Marketing New Drugs Evaluated in Drug Efficacy Study*, published in the FEDERAL REGISTER July 14, 1970 (35 FR 11273), as follows:

a. For holders of "deemed approved" new drug applications (i.e., an application which became effective on the basis of safety prior to October 10, 1962), the submission of a supplement for revised labeling and a supplement for updating information as described in paragraphs (a)(1)(i) and (iii) of the notice of July 14, 1970. The clinical data required may be discussed with the Division of Anti-Infective Drug Products (HFD–140), Bureau of Drugs.

b. For any person who does not hold an approved or effective new drug application, the submission of a full new drug application as described in paragraph (a)(3)(iii) of that notice. The clinical data required may be discussed with the Division of Anti-Infective Drug Products (HFD–140), Bureau of Drugs.

c. For any distributor of the drug, the use of labeling in accord with this announcement for any such drug shipped within the jurisdiction of the Act as described in paragraph (b) of that notice.

Communications forwarded in response to this announcement should be identified with the reference number DESI 6002, directed to the attention of the appropriate office listed below, and addressed to the Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20852:

Supplements (identify with NDA number): Documents and Records Section (HFD–106), Bureau of Drugs.

Original new drug applications: Documents and Records Section (HFD–106), Bureau of Drugs.

Requests for the Academy's report: Drug Efficacy Information Activity (HFD–8), Bureau of Drugs.

All other communications regarding this announcement: Drug Efficacy Study Implementation Project Manager (HFD–101), Bureau of Drugs.

This notice is issued pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 502, 505, 52 Stat. 1050–53, as amended; (21 U.S.C. 352, 355)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120).

Dated: December 31, 1974.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner for Compliance.

[FR Doc.75–520 Filed 1–7–75;8:45 am]

Health Resources Administration

UNITED STATES NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS

Notice of Establishment

Pursuant to the Federal Advisory Committee Act of October 6, 1972 (Public Law 92–463, 86 Stat. 770–776) the Health Resources Administration announces the establishment of the United States National Committee on Vital and Health Statistics on December 19, 1974, pursuant to Public Law 92–353.

Designation: United States National Committee on Vital and Health Statistics.

Purpose: The Committee will assist and advise the Secretary and Assistant Secretary for Health to delineate statistical problems bearing on health and health services which are of national or international interest; to stimulate studies of such problems by other organizations and agencies whenever possible or to make investigations of such problems through subcommittees; to determine, approve, and revise the terms, definitions, classifications, and guidelines for assessing health status and health services, their distribution and costs, for use (i) within the Department of Health, Education, and Welfare, (ii) by all programs administered or funded by the Secretary, including the Federal-State-local cooperative health statistics system referred to in subsection (e), of Section 306 and (iii) to the extent possible as determined by the head of the agency involved, by the Veterans' Administration, the Department of Defense, and other Federal agencies concerned with health and health services; with respect to the design of and approval of health statistical and health information systems concerned with the collection, processing, and tabulation of health statistics within the Department of Health, Education, and Welfare; to review and comment on findings and proposals developed by other organizations and agencies and to make recommendations for their adoption or implementation by local, State, National, or international agencies; to cooperate with national committees of other national agencies in the studies of problems of mutual interest; and to issue an annual report on the state of the Nation's health, its health services, their costs and distributions, and to make proposals for improvement of the Nation's health statistics and health information systems.

Authority for this committee will expire July 23, 1976, unless the Secretary formally determines that continuance is in the public interest.

Dated: January 2, 1975.

DANIEL F. WHITESIDE,
Associate Administrator for Operations and Management, Health Resources Administration.

[FR Doc.75–522 Filed 1–7–75;8:45 am]

Office of Education

INDIAN ELEMENTARY AND SECONDARY SCHOOL ASSISTANCE

Closing Date for Receipt of Application

Notice is hereby given that pursuant to the authority contained in section 303(b) of the Indian Elementary and Secondary School Assistance Act, Title III of P.L. 81–874, as added by Title IV, Part A of Public Law 92–318 (20 U.S.C. 241aa–241ff), and Title VI, Part C of Public Law 93–380, applications are being accepted from schools (located on or near a reservation) which are non-local educational agencies as well as local educational agencies which have been local educational agencies for less than three years. Section 303(b) enables the Commissioner to provide financial assistance to eligible local and non-local educational agencies for programs that meet the purpose of the Act. Such assistance

is to be provided in any fiscal year from sums not to exceed ten percent of the amount appropriated for this fiscal year for grants under section 303(a) of the Act.

Assistance under section 303(b) of the Act may be used for the purpose of developing and carrying out elementary and secondary school programs specially designed to meet the special educational needs of Indian students, and for meeting costs incurred in connection with the establishment of eligible local and nonlocal educational agencies. The final regulations, containing eligibility factors and criteria for the selection of applications under section 303(b) of the Act, were published at 39 FR 22424, June 24, 1974.

Awards under section 303(b) of the Act will be subject to the requirements of the Act and to appropriate provisions of 45 CFR Part 186, as indicated in § 186.33(b) of the regulations. Assistance under this program also is subject to applicable provisions in 45 CFR Part 100a. Criteria for the selection of applications are contained in 45 CFR 100a.26(b) and in § 186.33 of the regulations.

Applications must be received by the U.S. Office of Education Application Control Center on or before February 15, 1975.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Application Control Center, 400 Maryland Avenue SW., Washington, D.C. 20202, Attention: 13.551. An application sent by mail will be considered to be received on time by the Application Control Center if:

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

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

B. *Hand delivered applications.* An application to be hand delivered must be taken to the U.S. Office of Education Application Control Center, Room 5673, Regional Office Building Three, 7th and D Streets SW., Washington, D.C. Hand delivered applications will be accepted daily between the hours of 8 a.m. and 4 p.m. Washington, D.C. time except Saturdays, Sundays, or Federal holidays. Applications will not be accepted after 4 p.m. on the closing date.

C. *Program information and forms.* Information and application forms may be obtained from: Program Manager, Part A, U.S. Office of Education, Office of Indian Education, Room 3662, Regional Office Building #3, 400 Maryland Ave. SW., Washington, D.C. 20202.

D. *Applicable regulations.* The regulations applicable to this program include the Office of Education General Provisions Regulations, 45 CFR Part 100a, and 45 CFR 186, published in the FEDERAL REGISTER on June 24, 1974 at 39 FR 22424.

(Catalog of Federal Domestic Assistance Number 13.551; Indian Education—Grants to Non-LEA's (Part A))

(20 U.S.C. 241bb(b))

Dated: January 2, 1975.

DUANE J. MATTHEIS,
Acting U.S. Commissioner of Education.

[FR Doc.75-477 Filed 1-7-75;8:45 am]

NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

Notice of Public Meeting

Notice is hereby given, pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), that the next meeting of the National Advisory Council on Adult Education will be held on January 23-24, 1975, from 9 a.m. to 5 p.m., and on January 25, 1975, from 9 a.m. to 1 p.m., at the Statler Hilton Hotel, Sixteenth and K Streets NW., Washington, D.C.

The National Advisory Council on Adult Education is established under section 311 of the Adult Education Act (80 Stat. 1216.20 U.S.C. 1201). The Council is directed to:

Advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 306 and policies to eliminate duplication, and to effectuate the coordination of programs under this title and other programs offering adult education activities and services.

The Council shall review the administration and effectiveness of programs under this title, make recommendations with respect thereto, and make annual reports to the President of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to adult education activities and services). The President shall transmit each such report to the Congress together with his comments and recommendations.

The meeting of the Council shall be open to the public. The proposed agenda includes:

Oath of office for five new Council members.

Format for the Annual Report to the President.

Reports and meetings of Governmental Relations & Legislation Committee, Program Effectiveness Committee, Research & Studies Committee, and Executive Committee.

Adult Education Program and Administration review—section 311(d).

Adult Education clearinghouse.

1975 NACAE program thrusts.

Guidelines for adult education title of Pub. L. 93-380.

USOE Report by the Commissioner.

Records shall be kept of all Council proceedings (and shall be available for public inspection at the Office of the National Advisory Council on Adult Education located in Room 323, Pennsylvania Bldg., 425 13th Street NW, Washington, D.C. 20004).

Signed at Washington, D.C. on January 3, 1975.

GARY A. EYRE,
Executive Director, National Advisory Council on Adult Education.

[FR Doc.75-665 Filed 1-7-75;8:45 am]

National Institutes of Health

FORMS AND EVALUATION COMMITTEE, BREAST CANCER NETWORK PROJECT

Meeting

Notice is hereby given of the meeting of the Forms and Evaluation Committee of the Breast Cancer Network project, National Cancer Institute, February 3, 1975, Building 31, A Wing, Conference Room 3.

This meeting will be open to the public from 10 a.m. to 5 p.m. on February 3, 1975 to discuss the evaluation and forms details of the Breast Cancer Network project. Attendance by the public will be limited to space available.

For additional information, please contact: Roger H. Halterman, M.D., Blair Building, Room 6A07, Division of Cancer Control and Rehabilitation, National Cancer Institute, National Institutes of Health, Bethesda, Maryland 20014 (301) 427-7477.

Dated: January 2, 1975.

SUZANNE L. FREMEAU,
Committee Management Officer, NIH.

[FR Doc.75-512 Filed 1-7-75;8:45 am]

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

"Evaluation of Genetic Counseling" Workshop

The National Institute of General Medical Sciences will hold a workship on "Evaluation of Genetic Counseling" on February 28 and March 1, 1975. The purpose of the workshop is to prepare a position paper on the technical aspects of research in this area.

A number of research grant applications proposing research in this important area have been submitted to the NIH, but could not be funded because of methodological weaknesses discerned by initial review groups. This situation will be discussed, and recommendations made for improved studies. Invited participants include clinical geneticists, behavioral scientists, and representatives from a number of Federal and private agencies concerned with research on the delivery of better medical genetics services.

The meeting will be held (subsequent to a related 2-day conference sponsored by the National Institute of Child Health

and Human Development) at the Broadmore Hotel, Colorado Springs, Colorado. Attendance by the public will be limited to space available.

For further information, please contact Dr. Fred H. Bergmann, NIGMS, Westwood Building, Room 908, telephone 301, 496-7087.

Dated: January 2, 1975.

SUZANNE L. FREMEAU,
Committee Management Officer, NIH.

[FR Doc.75-513 Filed 1-7-75;8:45 am]

THIRD ANNUAL CARCINOGENESIS COLLABORATIVE CONFERENCE

Meeting

The Division of Cancer Cause and Prevention, National Cancer Institute, National Institutes of Health, is sponsoring the Third Annual Carcinogenesis Collaborative Conference on February 2-6, 1975. The Conference will be held at the Carlton House in Orlando, Florida from 8:30 am to 5 pm each day.

The purpose of the Conference is to present recent scientific data concerning a number of major areas of research in carcinogenesis. Abstracts describing the research supported by the NCI Carcinogenesis Program will be available.

Attendance by the public will be limited to space available.

For additional information please contact: Dr. Allen H. Heim, Landow Building, Room A306, National Cancer Institute, National Institutes of Health, Bethesda, Maryland 20014 (301) 496-1881.

Dated: January 2, 1975.

SUZANNE L. FREMEAU,
Committee Management Officer, NIH.

[FR Doc.75-510 Filed 1-7-75;8:45 am]

WORKING GROUP ON REIMBURSEMENT OF THE DIVISION OF CANCER CONTROL AND REHABILITATION ADVISORY COMMITTEE

Meeting

Notice is hereby given of the meeting of the Working Group on Reimbursement of the Cancer Control and Rehabilitation Advisory Committee, National Cancer Institute, February 11, 1975, Building 31, A Wing, Conference Room 3.

This meeting will be open to the public from 9 a.m. to adjournment on February 11 ,1975, to discuss potential alternative methods of funding ongoing cancer control projects. Attendance will be limited to space available.

For additional information, please contact: Dr. Veronica L. Conley, Blair Building, Room 7A01, Division of Cancer Control and Rehabilitation, National Cancer Institute, Bethesda, Maryland 20014 (301/427-7943).

Dated: January 2, 1975.

SUZANNE L. FREMEAU,
Committee Management Officer, NIH.

[FR Doc.75-511 Filed 1-7-75;8:45 am]

Office of the Secretary

Office of the Assistant Secretary for Planning and Evaluation

RESEARCH AND DEMONSTRATION GRANT APPLICATIONS FOR 1975 AND THEREAFTER

General Solicitation

Pursuant to section 232 of the Economic Opportunity Act (42 USC 2823), and section 1110 of the Social Security Act (42 USC 1310), the Assistant Secretary for Planning and Evaluation, (hereafter ASPE) is making a general solicitation for Research and Demonstration grant applications from eligible applicants.

This solicitation should be read in conjunction with the separate Notice of Policy Research Objectives and Priorities published in the FEDERAL REGISTER on Friday, September 27, 1974 (39 FR 34701). That document provides a description of the substantive program areas in which work and studies are conducted. The Notice of Proposed Rulemaking concerning General Grant Provisions for Planning and Evaluation Grants published in the FEDERAL REGISTER on January 8, 1975 (40 FR 1516) provides the rules and procedures by which applications made pursuant to this notice will be handled.

EFFECTIVE DATE AND DURATION

1. In order to avoid unnecessary delays in the preparation and receipt of applications, this notice is effective immediately and applications will be accepted under this notice prior to the final promulgation of the proposed General Grant Provisions cited in the preceding paragraph.

2. The General Grant Provisions, as finally published, may differ materially from the proposed provisions as a result of public comment and further analysis within the Department. Insofar as such changes would affect applications received prior to final promulgation, applicants will be provided a reasonable time to perfect said applications according to the final rules. However, to be considered for funding from Fiscal Year 1975 funds, applications should be received not later than April 15, 1975.

3. This solicitation is intended primarily for grant applications and awards to be made in FY 1975. However, all information herein will apply to and govern FY 1976 and succeeding fiscal years unless this solicitation is expressly superseded. Should this solicitation remain in effect for any succeeding fiscal year or portion thereof, it shall be applied as if issued in said fiscal year, subject only to those changes in specification of dates necessary to allow it to be read as applying to such year.

4. This solicitation shall not be construed as limiting or preventing the issuance of additional solicitations by the Department under these authorities in FY 1975, even though such additional solicitations would reduce the amount of funds available for awarding grants under this solicitation or might duplicate in part the substantive scope of this solicitation.

STATEMENT OF FUND AVAILABILITY

This section provides the public with the best available information as to probable availability of funds for new grant awards under the Policy Research program in FY 1975. Nothing below should be construed as committing the Policy Research program to the specific funding pattern outlined, or to specific project continuations.

While the Policy Research program does fund grants, and it is primarily pursuant to grant-making authority that this solicitation is prepared, the program obligates less than half of its funds through grants. In FY 1974 the Policy Research program obligated $29.7. Of this total $13.6 million was awarded through 46 individual grant awards.

While the use of grant authority is expected to be roughly comparable in FY 1974, the role of continuations is expected to be somewhat greater in FY 1975 than in FY 1974.

At this juncture, it is probable that there will be a small number of grants awarded pursuant to this solicitation. However, a reduction in the amount of funds available for policy research would place strict limits on the number of applications funded, and it is even possible that there will be no new grant awards in FY 1975.

Should the fiscal situation change so dramatically as to substantially increase or reduce the expected availability of funds for new awards in 1975 or subsequent years, this Notice will be amended.

CONSULTATION WITH HEW PRIOR TO FORMAL APPLICATION

1. In view of the limited funds available for new awards as described above, and in view of the stringent evaluation criteria listed in the notice of proposed rulemaking for the General Grant Provisions for Planning and Evaluation grants, potential applicants are encouraged to consult with officials within ASPE informally prior to undertaking the expense of preparing grant applications.

2. In engaging in such consultation, OASPE officials are authorized to provide candid opinions as to the probability of a potential application receiving an award based on merit, priority and availability of funds. Policy Research officials are not, however, authorized or able to provide binding assurances with respect to an application, since awards are authorized only after objective review of formal applications and approval by the Assistant Secretary.

3. In order to obtain informal advice, the Grants and Contracts Management Staff of ASPE may be contacted in writing or by phone as described at the end of this notice.

NON-COMPETING CONTINUATION APPLICATIONS

Applications for continuation of prior year grant awards will be considered for funding at the times agreed upon in the prior award.

Such applications are non-competing with respect to new applications, and are evaluated at the discretion of and in such manner as the ASPE may determine.

NEW APPLICATIONS

1. Applications for FY 1975 grant awards are hereby solicited. Applications will be accepted at any time of the year. Reviews of eligible applications will be performed about the last week of February and April for all eligible applications received by the fifteenth of February or April, respectively.

2. Applications will be judged as to eligibility, and if eligible as to priority for award, strictly according to the criteria set forth in section 63.6 of the Notice of Proposed Rulemaking, General Grant Provisions for Planning and Evaluation Grants. Priority will be given to applications which best meet, in the judgment of the ASPE, the objectives and priorities stated in the Notice of Policy Research Priorities and Objectives.

3. Once reviewed, eligible applications will be placed in one of the categories described in § 63.7 of the Notice of Proposed Rulemaking: General Grant Provisions for Planning and Evaluation Grants: Approval, Disapproval or Deferral.

4. Nothing in this solicitation should be construed as committing the ASPE to awarding any specified amount if, in the Assistant Secretary's judgment, availability of funds does not allow funding of otherwise qualified applications, due to the need to fund (or reserve funds for) non-competing continuations, contract research, in-house research, or possible budgetary or staffing restrictions which may be imposed on the conduct of Policy Research.

5. Questions concerning the above, requests for consultation, copies of application forms and applicable regulations, shall be obtained from or submitted to:

Grants Officer
Office of the Assistant Secretary for Planning and Evaluation
Department of Health, Education, and Welfare
330 Independence Avenue SW.
Washington, D.C. 20201

Dated: January 3, 1975.

WILLIAM A. MORRILL,
Assistant Secretary for Planning and Evaluation.

[FR Doc.75-638 Filed 1-7-75;8:45 am]

OFFICE OF THE REGIONAL DIRECTOR, REGION IV, ATLANTA, GA.

Statement of Organization, Functions, and Delegations of Authority

Part 1 of the Statement of Organization, Functions, and Delegations of Authority of the Department of Health, Education, and Welfare, Office of the Secretary is amended to delete Sections 1E (35 FR 13546, 8/25/70, and 1E8109 (39 FR 20713) 6/13/74. Section 1E80, Assistant Regional Director for Human Development (38 FR 17262) 6/29 73, is retained and redesignated 1R95. New Sections are added for the several regions. Section 1E84 reflects the official organization of the Office of the Regional Director, Region IV, whose headquarters is Atlanta, Georgia. The new Chapter reads as follows:

SECTION 1E84.00 *Mission.* The Regional Director represents the Secretary in his Region. Under his direction, the Office of the Regional Director provides leadership and coordination in various Department programs and activities within the Region and represents the Department in direct official dealings with States and other governmental units, representatives of the Congress, and the general public.

SEC. 1E84.10 *Organization.* The Office of the Regional Director, Region IV, is under the direction and control of the Regional Director who reports directly to the Secretary and Under Secretary, and consists of the following:

A. Regional Director.
B. Deputy Regional Director.
C. Executive Secretariat.
D. Office of the Regional Attorney.
E. Office of Equal Employment Opportunity.
F. Office of Long Term Care Standards Enforcement.
G. Office of the Assistant Regional Director for Public Affairs.
H. Office of the Assistant Regional Director for Planning and Evaluation.
I. Office of the Assistant Regional Director for Intergovernmental Affairs.
J. Office of the Assistant Regional Director for Financial Management.
K. Office of the Assistant Regional Director for Administration and Management.
L. Office of the Assistant Regional Director for Human Development.
M. Federal Regional Council Coordinator.

SEC. 1E84.20 *Functions*—A. *Regional Director (1E8401).* The functions of the Regional Director are:

1. Services as the Secretary's representative in direct official dealings with State and other governmental units, and evaluates Regional, State, and local activities related to the Department's programs.

2. Develops regional priorities which emphasize the Department goals and highlight areas of particular needs for opportunities in the region, so that efforts and resources may be brought to bear on them. Formulates regional plans for each priority and assures that regional agency heads achieve all their objectives in accordance with their plans. Conducts formalized planning conferences with regional representatives to assure a complete exchange of significant management information.

3. Exercises general coordination and supervision of personnel and activities in the region to ensure proper execution of policies, regulations, and instructions applicable to the Department as a whole. Recognizes interprogram disparities, exercises leadership to keep these disparities within constructive limits to assure effective, efficient, and responsive actions in the interest of total service to the public.

4. Assures that staff offices provide full support to agency operating programs.

5. Provides coordination of the activities of the principal representatives of the principal operating components who are stationed in or detailed to the region, including determination of regional program priorities and official communications with representatives of State or other Federal agencies.

6. Through coordination and supervision, exercises leadership in bringing about necessary awareness of the status of other programs of the Regional Office, and fosters cooperative relationships among program and staff representatives in seeing that plans are eeffctively made, operations are smoothly carried out, and performance is adequately evaluated.

7. Promotes general public understanding of the programs, policies, and objectives of the Department, and participates in the development and carrying out of a Regionwide information and public information program.

8. Establishes and maintains working relationships with Governors and key State and local officials; furnishes advice and assistance and strives to develop a mutually beneficial Federal-State-local partnership. Provides guidance to regional staff members on the priorities, emphases, and merits of various requirements based on expressions of need and analyses by governors, mayors, and other key officials.

9. Maintains working relationships with private agencies and institutions; develops ways in which their plans and programs and those of the Department can actively complement each other.

10. Develops continuing cooperative relationships with officials of the Federal agencies in the Region; through the medium of Regional Councils seeks ways in which interdepartmental delivery of program services can be made more effective.

11. In accordance with regulations and guidelines established at headquarters, administers the child development programs in the region, including the Head Start program. Makes certain Head Start grants and takes other grants actions, as required.

12. Through liaison, periodic conferences, and other means, takes action to coordinate and integrate activities which are not directly associated with the regional office with regional office activities.

13. Develops plans for emergency preparedness and directs all Department activities necessary to ensure continuity of essential functions within the Region in case of an emergency due to enemy action; maintains a written plan for regional emergency operations; maintains liaison with all Federal authorities engaged in mobilization planning; acts in cooperation with them in an emergency situation; directs on behalf of The Secretary all Department activities in the Region if communications with national headquarters are cut off.

14. Directs regional activities for assistance and alleviation of distress within the region resulting from natural dis-

asters, including major disasters under Public Law 865; takes all necessary and appropriate action in connection with disaster situations and reports thereon.

15. In accordance with regulations and guidelines established at headquarters, administers, through the Office of Long Term Care Standards Enforcement, activities as herein described relating to the approval and termination of agreements with skilled nursing facilities for the purpose of participation in either the Medicare (Title XVIII) or in both the Medicare and Medicaid (Title XIX) programs.

B. *Deputy Regional Director (1E8402).* The Deputy Regional Director, under the guidance and direction of the Regional Director, shares the responsibility for carrying out the Department's policies and for managing the overall administration of the Department's programs in the region. The Deputy provides direct support to the Regional Director in his role as the Secretary's representative and general manager of the region.

1. In the absence of the Regional Director, the Deputy Regional Director serves as Acting Regional Director. He promotes established policies with the full responsibility, and he administers all activities of the Regional Office.

2. The Deputy Regional Director assumes a major responsibility for establishing avenues of communication and coordination among all components of the Regional Office.

3. As occasion demands, the Deputy Regional Director performs many of the Regional Director's interdepartmental and intergovernmental responsibilities. In this capacity, he frequently relates to various community leaders and special interest groups.

4. The Deputy Regional Director assists the Regional Director in developing Regional policy. He reports significant internal and external developments which would be helpful to the Regional Director in the decision making process.

5. The Deputy Regional Director maintains contact with the operating agencies in order to bring sensitive issues or problems needing solutions to the Regional Director's attention.

6. The Deputy Regional Director maintains a close working relationship with the administrative assistants of Congressmen from the region, resolves sensitive issues and keeps the Regional Director briefed as to activities.

C. *Executive Secretariat (1E8405).* Monitors the decision-making process for the Regional Director and facilitates the internal processes of coordination and communication, as follows:

1. Screens Regional Director's correspondence and filters out those items which require immediate attention by the Regional Director and Regional Director's staff, as well as the assignment of time deadlines for Regional Director's action items. Takes appropriate action to clarify issues and instructions before a request for information is forwarded to the appropriate action office. Provides current and consolidated information or indicates where such information may be obtained for all policy issues and projects in the Region.

2. Operates a comprehensive system for tracking action items and ensure that the Regional Director has timely and quality input from all appropriate offices on which to base his decisions. Assures that all outgoing correspondence are quality products that represent the best possible presentation of the Regional Director's views; synthesizes detailed responses from various offices into a single document for outgoing correspondence going to the Secretary and other Headquarters units, and for Regional Director's decision memoranda.

3. Provides for feedback to the Regional Director on the impact of his decisions. By obtaining periodic status reports on selected key issues and projects, ensures proper compliance with past decisions, highlights problem areas for renewed Regional Director's attention, and develops an ever current supply of data for management conferences and for responding to incoming requests from the Secretary, various elected officials, and regional staff.

D. *Office of the Regional Attorney (1E8403).* The functions of the Office of the Regional Attorney are as follows:

1. Advises and counsels the Regional Director and operating program personnel on legal issues relating to their responsibilities within the region; on all matters within the competence of the legal profession the Regional Attorney is subject to the supervision of the General Counsel; on all other matters he is subject to the supervision of the Regional Director.

2. As requested by the Regional Director, assists in legal aspects of program development and of policy problem solution.

3. Provides professional legal services, such as preparation of legal instruments, memoranda, reports, and interpretive analyses.

4. Represents or counsels the Regional Director in negotiations to resolve actual and potential problems of a legal nature.

5. Provides appropriate legal assistance to state agencies and officials in connection with DHEW programs, as requested by the Regional Director.

6. As requested by the General Counsel, prepares for and conducts administrative hearings, aids the U.S. Attorney in preparation for and conduct of litigation, and performs such other duties as may be requested by the General Counsel.

7. Seeks to so order his time and workload priorities as to meet the needs of the Regional Office as determined by the Regional Director.

8. Subject to final approval by the Regional Director, selects, promotes, and takes all personnel actions with respect to his professional and clerical staff, in accordance with the personnel policies of the Office of the General Counsel.

E. *Office of Equal Employment Opportunity (1E8404).* Serves as the Regional Director's staff for the establishment and maintenance of a positive program of non-discrimination in Departmental employment in the Region. Has responsibility for the Regional HEW Federal Women's Program and the Regional Spanish-Surnamed Program. Monitors the OS EEO complaint system and issues proposed dispositions on all OS formal complaints. Prepares the Regional Annual Affirmative Action Plan.

F. *Office of Long Term Care Standards Enforcement (1E8471)* performs these functions as follows:

1. Provides recommendations to the Regional Director on administrative actions necessary to carry out those portions of titles XVIII and XIX of the Social Security Act related to the certification by State agencies of skilled nursing facilities (SNFs) for participation in the Medicare and Medicaid programs. Those activities, within the region, which pertain to Title XVIII and the Title XIX certification include: the issuance of Title XVIII time limited agreements; for homes participating under Title XVIII or under both Titles XVIII and XIX, the approval of corrective plans of action for deficiencies in SNFs which participate either as components of larger institutions or as free standing units; granting waivers of provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) or provisions, of Standard No. A117.1 of the American National Standards Institute, and waivers of certain other provisions of physical environment standards as they pertain to SNFs; public disclosure of State agency reports of deficiencies in SNF compliance with standards in accordance with section 1864(a) of the Social Security Act; approval of State fire codes in lieu of the Life Safety Code; and granting waivers, under specified circumstances, of the requirement that an SNF have on duty more than one registered nurse more than 40 hours per week.

2. Establish and maintain close working relationships with administrators of State health, welfare, and other departments involved under established agreements in the certification of and assistance to SNFs and ICFs. Perform evaluations of: State agency performance with respect to enforcing health and safety standards for SNFs and ICFs; and the State agencies' recommendations for waivers of provisions of the 1967 Life Safety Code with respect to SNFs and ICFs. Monitor States' Implementation of the ICF regulations.

3. Participate in the negotiations of budgets with State survey agencies for their services and review those portions of the State agency budget relative to SNF/ICF certification and the provision of state consultative services to SNFs and ICFs and recommend to the Social Security Administration (SSA), Regional Commissioner and to the Social and Rehabilitation Service (SRS), Regional Commissioner, amounts that should be approved for SNF and ICF certification and certification-related activities.

4. Participate with other appropriate Federal programs in evaluations of State agency certification operations which are designed to assess State survey agency

performance in program management, in applying established health, safety, and Life Safety Code standards and in evaluating quality of care (e.g., participates in SSA's comprehensive program reviews of State survey agency performance and in SRS's program reviews of the Title XIX single state agency).

5. Develop and implement procedures to assure the timely and effective conduct of the following: (a) State surveys of individual SNFs and ICFs, (b) Federal review and processing of State agency certifications and documentation pertaining to SNF compliance, (c) Federal decisions approving agreements, terminations or the granting of waivers to SNFs and (d) Federal direct validation surveys of selected SNF and ICF facilities.

6. Provide technical assistance for the professional training of State agency personnel on their duties in survey/certification and evaluation of the functional performance of SNFs and ICFs with respect to the quality of health care delivered.

7. Assist State agencies to develop their capabilities for the provision of specialized technical assistance to SNFs and ICFs on highly complex aspects of the survey requirements and on the development of acceptable plans of corrective action for overcoming deficiencies.

8. Assist States, provider organizations, and educational institutions in the stimulation, development, and implementation of training opportunities for SNF and ICF personnel in order to correct deficiencies and upgrade the quality of care offered, including mental health aspects of long term care.

9. Review complaints received by the Regional Directors concerning State agency and SNF/ICF activities and initiate appropriate action for investigation and resolution.

10. With SSA, SRS and the Public Health Service (PHS), as appropriate, provide information and interpretations concerning standards for the delivery of SNF and ICF services to media, consumer and provider groups, professional health associations, and other health and welfare groups.

11. Based on regional conditions and trends related to SNFs and ICFs, make recommendations to the Office of Nursing Home Affairs (ONHA) or through ONHA, to the headquarters components of SSA, PHS and SRS, as appropriate, on revisions to present program policies criteria, standards or procedures.

12. Provide data and reports to ONHA on SNF/ICF survey/certification activities on SNF and ICF health service utilization and on the impact of certification and assessment procedures on the delivery of SNF and ICF health service utilization and on the impact of certification and assessment procedures on the delivery of SNF and ICF health services. Provide reports to SSA, SRS, and PHS on the status of SNF and ICF facility compliance in the region.

13. Work with, and provide information as requested to, the Social Security Administration, on the following SNF related activities:

a. Utilization review processes of SNFs;

b. Change of provider status in the Medicare program (e.g., change of ownership, termination because of failure to provide proper financial information or because of requests for payment substantially in excess of costs or for improper or unnecessary services, or withdrawal from program);

c. Certification of SNFs as a "distinct part" of another facility; and

d. Requests for hearings on terminated SNFs participating in Medicare.

14. Work with, and provide information as requested to, the Social and Rehabilitation Service, on the following SNF and ICF related activities:

a. Utilization and periodic medical review procedures for SNFs;

b. Utilization and independent professional review procedures for ICFs;

c. Level of care determinations;

d. Recipient eligibility issues; and

e. Cost-sharing requirements.

15. Work with, and provide information as requested to, the Public Health Service on the following SNF and ICF related activities:

a. Health care standards development efforts of the Bureau of Quality Assurance;

b. Utilization review determinations under Professional Standards Review Organizations;

c. Provide improvement program initiatives of the Health Resources Administration;

d. Comprehensive health planning determinations under section 1122 of the Social Security Act; and

e. Other relevant SNF and ICF program activities conducted by the Health Resources Administration, Health Services Administration, Alcohol, Drug Abuse, and Mental Health Administration, National Institutes of Health, Center for Disease Control, and the Food and Drug Administration.

16. Coordinate with the Office of Human Development in the areas of their delegated responsibilities for, and concern with, the mentally retarded and aging.

17. Coordinate, under the Office for Civil Rights in monitoring the implementation of Title VI of the Civil Rights Act of 1964 with respect to SNFs and ICFs.

18. Coordinate, under the direction of the Regional Director, with regional personnel of the Office of Facilities Engineering and Property Management on matters relating to the interpretation and enforcement of provisions of the Life Safety Code.

19. Coordinate with the Department of Housing and Urban Development in implementation of Public Law 93-204.

G. *Office of the Assistant Regional Director for Public Affairs (1E8451).* The functions are as follows:

1. Serves as a principal advisor to the Regional Director in the formulation of policies, approaches, and procedures in the field of public information and in the formulation of approaches to major policy issues and has a broad range of responsibility in developing overall strategies and techniques for long range Public Affairs activities, in line with the Secretary's policy and the trend toward inter-agency coordination.

2. Provides briefing material and other intelligence for visits to the region by the President, Vice President, the Secretary, the Under Secretary, and other top officials, including Members of Congress.

3. Maintains close liaison with groups outside the Federal Government—national media, publication houses, constituent agencies in State and local government, major health/education/welfare organizations, Governor's offices, and Mayors of various cities.

4. Advises key officials of the Regional Office, including the Regional Director and agency representatives on public information, public reporting, and related aspects of program matters.

5. Serves as a central point of communication with the press, radio and TV news media, issuing all news materials originating within the Regional Office and amplifying, clarifying or explaining the impact and effect within the Region of national news issued by Departmental headquarters.

6. Is responsible for overall program supervision of the Regional Office's total public information program. Coordinates and exercises functional supervision over information services and all other activities of the Regional Office related to publications, public reports, and other informational and public affairs matters. Is responsible for the clearance of all information for public distribution before its release and certification as to the necessity for illustrations and related materials.

7. Prescribes procedures for planning, production, clearance, release, and distribution of all material prepared with the Region for release through Government channels.

8. Issues policies, standards, and procedures as may be necessary to carry out the public affairs functions and responsibilities of the Regional Office.

9. Serves as the initial denial authority for all regional documents requested under the Freedom of Information Act.

H. *Office of the Assistant Regional Director for Planning and Evaluation (1E8461).* [Reserved]

I. *Office of the Assistant Regional Director for Intergovernmental Affairs (1E8441).* [Reserved]

J. *Office of the Assistant Regional Director for Financial Management (1E8421).* 1. Provides financial management support to the Regional Director and Regional agency heads for decentralized programs and activities. Under policies and procedures established by the Office of the Assistant Secretary, Comptroller, supervises the performance of the following Financial Management functions: accounting and financial reporting, budget formulation and execution, and work with State and local gov-

ernment and HEW grantees to include indirect cost negotiation, single letter-of-credit implementation, technical assistance, and audit follow-up.

2. On behalf of the Regional Director, provides coordination and liaison with the HEW Audit Agency, the Treasury Department, the General Services Administration, and the General Accounting Office on Financial Management matters.

3. Is responsible for the financial administration and management of allotments or allowances which are issued to the Regional Director.

4. Performs Regional accounting and reporting activities: accounting, controlling, fiscal services, and reporting for all HEW activities for which the Regional Director is delegated the authority to provide such services.

5. Performs budget activities as follows: prepares the Regional budget for activities for which the Regional Director has delegated authority and assists other Regional staffs in developing their budgets; prepares consolidated Regional budget estimates and justifications and assists the Regional Director and Regional Agency Heads in advocating program budget priorities for centralized and decentralized programs based on Regional needs and characteristics; supervises budget execution in the Region including the recording and distribution of budget resources based on allocations, allotments and allowances for Regional activities; prepares recommended allowances and manpower allocations for activities delegated directly to the Regional Director; oversees the development of financial operating plans for other Regional activities, reviews these plans, and provides comments to the Regional Director and other Regional personnel; develops and implements a budget data system capable of monitoring financial operating plans and maintaining current information of fund availability for Regional programs; and receives Regional personnel ceiling allowances and monitors recruitment and employment against these allowances.

6. Carries on cost allocation and payment systems activities as follows: pursuant to delegations of authority from the Regional Director is responsible for indirect cost rate negotiations (including State and local cost allocation plans) based on cost policies and procedures established by the Division of Financial Management Standards and Procedures; provides financial management technical assistance to State and local Governments and to other HEW grantees and contractors; assists the Office of the Assistant Secretary, Comptroller to develop the single letter of credit system within the Region; and assists the Regional Director and Regional Agency Heads in assuring effective follow up of audit findings of major managerial significance as disclosed by reviews of grantees' management systems.

K. *Office of the Assistant Regional Director for Administration and Management (1E8411).* 1. Serves as the principal adviser to the Regional Director and directs or participates actively in all aspects of administrative management, including organization, procedures, management systems, delegations of authority, management surveys and studies, and paperwork management. Identifies needed administrative and programmatic linkages to assure coordinated HEW thrust.

2. Serves as the principal adviser to the Regional Director on all aspects of personnel management. Administers the regional program, including the classification of positions, the processing of appointments, and selected on-the-job training activities.

3. Reviews grants and contracts proposals for general adherence to program goals and management soundness and exercises regional sign-off authority as appropriate. Coordinates a response from various regional components to identified grant or contract deficiencies.

4. Provides the leadership in the establishment, maintenance, and effective use of management information and the system related thereto.

5. Administers the Regional Surplus Property Utilization program.

6. Establishes a system of effective property management, including the maintenance of item and financial property accounts.

7. Conducts periodic inspections of regional space and facilities to assure the application of optimum standards and practices related to physical and personnel safety and security.

8. Provides office services to all activities in and near the regional headquarters location, including mail pick-up and delivery; procurement, stocking, and distribution of common supplies; maintenance of the official regional files; printing and reproduction services, moving and storage services.

9. Assures the delivery of the total architectural/engineering services in support of HEW grant and loan and direct Federal construction programs and of HEW owned and utilized facilities.

L. *Office of the Assistant Regional Director for Human Development (1E8431).* The Assistant Regional Director for Human Development:

1. Serves under the direct line of authority of the Regional Director.

2. Serves as the representative of the Assistant Secretary for Human Development and the Regional Director in direct official dealings with other Federal agencies, State and local activities related to Human Development Programs, and reports progress and status to the Regional Director and the Assistant Secretary for Human Development.

3. Recommends program priorities and policy or procedural changes to the Assistant Secretary for Human Development through the Regional Director.

4. Works with other elements of the Regional Office to ensure that all areas of OHD program operations in the Region receive necessary assistance, including programmatic and administrative management assistance to perform their mission effectively and efficiently.

5. Maintains working relationships with other Federal agencies, State and local governments and institutions, and develops ways in which their plans and programs and those of the Department can actively complement each other.

6. Ensures intra-departmental coordination between the Office of Human Development, other elements of the Office of the Regional Director, and the operating agencies of the Department on Human Development matters; serves as the advocate for those interests represented in the Office of Human Development with the other elements of the Department.

M. *Federal Regional Council Coordinator (1E84011).* 1. The position of the Special Assistant to the Regional Director for Regional Council is located in the Office of the Regional Director. The incumbent reports directly to the Regional Director and serves as a member of an inter-agency professional staff and acts as the Regional Director's representative, directing and coordinating DHEW's participation in all activities of the Regional Council.

2. Responsible for identifying social action policies and programs in the Region which have significant impact on one or more Federal Departments, such as HUD, DOL, DHEW, OEO, EPA, and DOI. Collaborates with representatives of other Federal agencies and State and local governments in developing, planning and implementing joint program efforts aimed at successfully meeting and alleviating the social problems in question.

3. Assembles and monitors inter-agency task forces to perform selected tasks. Serves as liaison between the Council and DHEW Regional Office program staff and agencies. Advises the Regional Director on current status of projects and accomplishments.

SEC. 1E84.30 *Relationships to Agency Regional Staffs and Regional Audit and Regional Civil Rights Staff.* Agency regional staffs and Regional Civil Rights and Regional Audit staffs are under the line direction and control of their parent headquarters organizations. The regional staffs are subject to the general leadership and coordination of the Regional Director and receive administrative, financial, and other support services from him and his staff. The functional statements for these offices are to be found with the statements of their parent organizations.

SEC. 1E84.40 *Order of Succession.* In the absence or disability of the Regional Director, the Deputy Regional Director serves as acting Regional Director. In the event of the absence or disability of both the Regional Director and Deputy Regional Director and where there is a vacancy in both positions, the Secretary or Under Secretary will designate the acting Regional Director.

SEC. 1E84.50 *Delegations of Authority.*

The delegations of authority of the Regional Director are:

A. *Surplus Property Utilization.* 1. Regional Directors have been delegated certain authority which may not be redelegated as follows.

a. Real property. This delegation relates to the conveyance and utilization of surplus real property and related personal property for educational and public health purposes, pursuant to section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended. Each Regional Director, consistent with policies and procedures set forth in applicable regulations of the Department is authorized:

(1) To execute deeds, contracts of sale, and all instruments incident or corollary to the transfer of land and improvements thereon, or in modification of previous transfers with respect to land and improvement cost of property was less than $1 million;

(2) To execute all instruments of conveyance or in modification of previous transfers with respect to land and improvements thereon where the acquisition and improvement cost was $1 million or more and the Office of Surplus Property Utilization specifically authorizes closing the transaction by the Regional Office; and

(3) To execute all instruments of conveyance relating to the transfer of improvements located outside his jurisdiction and intended for removal to and use within his jurisdiction.

b. Personal property. To act or designate a member of his staff (other than the SPU Regional Representative) to act as reviewing officer to approve or disapprove determinations by the Regional Representative authorizing State Agencies to abandon or destroy surplus personal property having a line item acquisition cost of $1,000 or more.

2. Regional Directors have been delegated certain authority related to real property which they may redelegate in writing to the SPU Regional Representative as follows:

a. Consistent with policies and procedures set forth in applicable regulations of the Department, to perform or take the actions stated below, with respect to disposal and utilization of surplus real and related personal property.

(1) To request and accept assignments from Federal Agencies of:

(a) Improvements for removal and use away from the site;

(b) Improvements for removal to and use in another regional jurisdiction; and

(c) Land and improvements thereon where the acquisition and improvement cost of the property was less than $1 million.

(2) To make determinations incident to the disposal of assigned property described in a(1)(a) and a(1)(c) above;

(3) To issue and execute licenses and interim permits affecting assigned property described in a(1)(a) and a(1)(c) above;

(4) To execute instruments of transfer relative to property described in a(1)a above; except in those cases provided for in a(1)a(3);

(5) Except for execution of instruments of conveyance or in modification of previous transfers, to take all action with respect to land and improvements thereon where the acquisition and improvement cost was $1 million or more and the Office of Surplus Property Utilization specifically authorizes closing of the transaction by the Regional Director; and

(6) Incident to the exercise of the authority hereinbefore provided to receive remittances and performance guarantee deposits and bonds, to request refunds or payments, and to request forfeiture or release of performance bonds.

b. Consistent with the policies and procedures set forth in applicable regulations of the Department, with respect to the disposal of educational and public health purposes of surplus real property improvements and related personal property located outside his jurisdiction, but intended for removal to and use within his jurisdiction, to take actions set forth in a(2), a(3), and a(6) above.

c. Consistent with the policies and procedures set forth in applicable regulations of the Department, with respect to property within his jurisdiction previously conveyed for educational and public health purposes:

(1) To make determinations concerning the utilization and the enforcement of compliance with the terms and conditions of disposal of:

(a) Improvements for removal and use away from the site; and

(b) Land and any improvements thereon regardless of the acquisition and improvement cost;

(2) To accept voluntary reconveyances and to effect reverter of title to land and improvements located thereon, without regard to acquisition cost;

(3) To report to the General Services Administration revested properties excess to program requirements in accordance with applicable regulations;

(4) To execute instruments necessary to carry out, or incident to the exercise of, the authority delegated in this paragraph; and

(5) Incident to the exercise of the authority delegated in this paragraph, to receive remittances and performance guarantee deposits and bonds, to request refunds or payments, and to request forfeiture or release of performance bonds.

d. With respect to the States within the jurisdiction of his region, consistent with the policies and procedures of the Department, to enter into cooperative agreements, under section 203(n) of the Act, with State Agencies for Surplus Property.

3. Regional Directors may redelegate in writing the following authority related to personal property to the SPU Regional Representative; the latter may likewise redelegate in writing the authority to the Assistant Regional Representative. Regional Representative may also redelegate in writing to his allocator(s) the authority stipulated in a(1)(a), a(1)(b), and a(1)(e), insofar as a(1)(e) pertains to a(1)a and a(1)(b):

a. Consistent with policies set forth in applicable regulations and procedures of the Department.

(1) To perform or take the actions stated below with respect to the allocation for donation of surplus personal property located within his jurisdiction for educational, health, or civil defense purposes.

(a) To make determinations concerning the usability of and need for surplus personal property by educational or health institutions and civil defense organizations;

(b) To allocate surplus personal property and to take all actions necessary to accomplish donation, or transfer of property so allocated;

(c) To make determinations of eligibility of educational and public health donees to acquire donable property;

(d) To designate individuals recommended by State Agencies as State representatives for the purpose of inspecting and screening surplus personal property; and

(e) To execute all instruments, documents, and forms necessary to carry out, or incident to the exercise of, the foregoing authority.

(2) To allocate property within his jurisdiction and to take the actions set forth in (1)(b) above in connection with such out-of-region allocation.

(3) To take the actions set forth in (1)(b), (c) and (e) above in connection with any property that is available for transfer to his jurisdiction from another region.

(4) With respect to personal property located within his jurisdiction and in possession of State agencies for subsequent donation for education, public health, and civil defense purposes;

(a) To effect redistribution of usable and needed property to other State Agencies;

(b) To authorize and execute instruments necessary to carry out cannibalization, secondary utilization, and revision of acquisition cost of property;

(c) To recommend to GSA for disposal, property excess to the needs of State Agencies; and

(5) With respect to personal property located within his jurisdiction previously donated for educational and public health purposes;

(a) To make determinations and take actions appropriate thereto concerning the utilization of such property, including retransfer and the enforcement of compliance with terms and conditions which may have been imposed on and which are currently applicable to such property;

(b) To execute instruments necessary to carry out, or incident to the exercise of, the authority delegated in (a) above;

(c) To recommend to GSA for disposal, property excess to the needs of donees, except boats over 50 feet in length and aircraft;

(d) Incident to the exercise of the authority delegated in this paragraph, to

request refunds or payments; and

(e) To authorize and execute instruments necessary to carry out sales, abrogations, revision of the period of restriction, secondary utilization or cannibalization, revision of acquisition cost, trade-in of an item on a similar replacement, and destruction or abandonment of property in the custody of donees.

(6) With respect to the States within the jurisdiction of his region, to approve State plans of operation and amendments thereto submitted by State Agencies for surplus property: Provided, however, that disapproval of a State plan in whole or in part is concurred in by the Director, Office of Surplus Property Utilization.

(7) With respect to the States within the jurisdiction of his region, to enter into cooperatitve agreements, under section 203(n) of the Act, with State Agencies for surplus property of such States, either individually or collectively.

4. Regional Representatives have been delegated certain authority related to personal property directly by the Director of the Office of Surplus Property Utilization; the authority may be redelegated in writing to the Assistant Regional Representative;

a. Consistent with policies set forth in applicable regulations and procedures of the Department.

(1) To authorize destruction or abandonment by a determination in writing that the property has no commercial value, subject, however, to approval of such determination in the case of property having a line item acquisition cost of $1,000 or more, by a reviewing officer before authorization to destroy or abandon is given to the State Agency.

B. *Human Development.* 1. Regional Directors have been delegated the certain authorities by the Assistant Secretary for Human Development as follows:

a. Under the general policies and in such form as prescribed by the Director, Office of Child Development (and approved by the Assistant Secretary for Human Development) and in conformity to the allocations and financial guidelines of the Director, Office of Child Development to make grants under section 222(a)(1) of the Economic Opportunity Act of 1964 (Project Head Start), except insofar as such grants are for programs which primarily serve migrants or Indians living on Federal reservations. This authority may be redelegated.

b. Under the general policies and in such form as prescribed by the Assistant Secretary for Human Development and in conformance with the allocations and financial guidelines issued by him, Regional Directors are authorized to make grants or contracts under the authority of Title I of the Juvenile Delinquency Prevention Act. The Regional Director is authorized to redelegate this authority only to the Assistant Regional Director for Human Development without the concurrence of the Assistant Secretary for Human Development.

c. To make, amend, suspend, and cancel the grants and contracts authorized in "a." and "b." above and to issue audit disallowances as well as to receive appeals on and make final decisions on such disallowances.

C. Long Term Care Standards Enforcement. 1. Regional Directors have been delegated the following authorities under Title XVIII of the Social Security Act, as amended, which pertain to skilled nursing facility standards enforcement and which may be redelegated only to the Director, Office of Long Term Care Standards Enforcement:

a. To approve or disapprove certifications made by State Agencies under the provisions of section 1864(a), that a health care institution is or is not a skilled nursing facility as defined in section 1861(j);

b. To enter into agreements with skilled nursing facilities as provided in section 1866(a), including authority to determine the term of such agreements;

c. To terminate agreements, under the provisions of section 1866(b)(2)(B), with skilled nursing facilities where such facilities no longer substantially meet the requirements of section 1861(j);

d. To waive, for such periods as are deemed appropriate, specific provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) as provided in section 1861(j)(13);

e. To determine, in accordance with section 1861(j)(13), that the Life Safety Code of the National Fire Protection Association (21st edition, 1967) is not applicable in a State because a fire and safety code, imposed by State law, adequately protects patients in skilled nursing facilities;

f. To waive the requirement that a skilled nursing facility engage the services of a registered professional nurse for more than 40 hours a week as provided in section 1861(j)(15);

g. To waive in accordance with 20 CFR 405.1134(c), for such periods as are deemed appropriate, specific provisions of American National Standards Institute Standard No. A117.1, American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped;

h. To waive, based on regulations, 20 CFR 405.1134(e), requirements relating to the number of beds per room and the minimum size for rooms in skilled nursing facilities; and

i. To determine, under the provisions of section 1864(a), that State Agency survey reports (including reports of followup reviews), and statements of deficiencies based upon official survey reports, relating to the certification of skilled nursing facilities for compliance with the applicable provisions of section 1861 are final and official. This includes the authority to: (1) Assure that references to internal tolerance rules and practices are excluded from such reports or deficiency statements; (2) determine that such reports and deficiency statements have not identified individual patients, physicians, other practitioners, or individuals; (3) determine that involved skilled nursing facilities have been afforded a reasonable opportunity to offer comments; and (4) make final and official reports and deficiency statements available to the public in readily accessible form and place, along with any pertinent written statements submitted by skilled nursing facilities.

2. Regional Directors have been delegated the following authorities under Title XIX of the Social Security Act, as amended, which pertain to nursing facility standards enforcement and which may be redelegated only to the Director, Office of Long Term Care Standards Enforcement:

a. Authority under the provisions of Section 1910(b) to notify the State agency administering the Title XIX State plan of the approval or disapproval of any institution which has applied for certification under Title XVIII, and the term of such approval.

b. Authority to waive, for Title XIX skilled nursing facilities for such periods as are deemed appropriate, specific provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) as provided in section 1861(j)(13) of the Social Security Act.

c. Authority to waive for Title XIX skilled nursing facilities the requirement that a skilled nursing facility engage the services of a registered professional nurse for more than 40 hours a week as provided in section 1861(j)(15) of the Social Security Act.

d. Authority vested in the Secretary under section 1905(c) of the Social Security Act to certify intermediate care facilities located on Indian reservations.

e. Authority vested in the Secretary under section 1905(b) of the Social Security Act to certify skilled nursing facilities located on Indian reservations.

Dated: December 31, 1974.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.75-642 Filed 1-7-75;8:45 am]

OFFICE OF THE REGIONAL DIRECTOR, REGION VIII, DENVER, COLO.

Statement of Organization, Functions, and Delegations of Authority

Part 1 of the Statement of Organization, Functions, and Delegations of Authority of the Department of Health, Education, and Welfare, Office of the Secretary is amended to delete Sections 1E (35 FR 13546), 8/25/70, and 1E8109 (39 FR 20713) 6/13/74. Section 1E80, Assistant Regional Director for Human Development (38 FR 17262) 6/29/73, is retained and redesignated 1R95. New Sections are added for the several regions. Section 1E88.10 reflects the official organization of the Office of the Regional Director, Region VIII, whose headquarters is Denver, Colorado. The new Chapter reads as follows:

SECTION 1E88.00 *Mission.* The Regional Director represents the Secretary

in his Region. Under his direction, the Office of the Regional Director provides leadership and coordination in various Department programs and activities within the Region and represents the Department in direct official dealings with State and other governmental units, representatives of the Congress, and the general public.

SEC. 1E88.10 *Organization.* The Office of the Regional Director, Region VIII, is under the direction and control of the Regional Director who reports directly to the Secretary and Under Secretary, and consists of the following:

Regional Director.
Deputy Regional Director.
Office of the Regional Attorney.
Office of Equal Employment Opportunity.
Executive Secretariat.
Office for Civil Rights.
Office of Audit.
Office of ARD for Public Affairs.
Office of ARD for Planning and Evaluation.
Office of ARD for Intergovernmental Affairs.
Office of ARD for Financial Management.
Office of ARD for Administration and Management.
Office for ARD for Human Development.
Office of Long Term Care Standards Enforcement.

SEC. 1E88.20 *Functions.* A. *Regional Director (1E8801).* The functions of the Regional Director are:

1. Serves as the Secretary's representative in direct official dealings with State and other governmental units, and evaluates Regional, State, and local activities related to the Department's programs.

2. Develops regional priorities which emphasize the Department goals and highlights areas of particular needs or opportunities in the Region, so that efforts and resources may be brought to bear on them. Formulates Regional plans for each priority and assures that Regional agency heads achieve all their objectives in accordance with their plans. Conducts formalized planning conferences with Regional representatives to assure a complete exchange of significant management information.

3. Exercises general coordination and supervision of personnel and activities in the Region to ensure proper execution of policies, regulations, and instructions applicable to the Department as a whole. Recognizes interprogram disparities, exercises leadership to keep these disparities within constructive limits to assure effective, efficient, and responsive actions in the interest of total service to the public.

4. Assures that staff offices provide full support to agency operating programs.

5. Provides coordination of the activities of the principal representatives of the principal operating components who are stationed in or detailed to the Region, including determination of Regional program priorities and official communications with representatives of State or other Federal agencies.

6. Through coordination and supervision, exercises leadership in bringing about necessary awareness of the status of other programs of the Regional Office, and fosters cooperative relationships among program and staff representatives in seeing that plans are effectively made, operations are smoothly carried out, and performance is adequately evaluated.

7. Promotes general public understanding of the programs, policies, and objectives of the Department, and participates in the development and carrying out of a Regionwide information and public information program.

8. Establishes and maintains working relationships with Governors and key State and local officials; furnishes advice and assistance and strives to develop a mutually beneficial Federal-State-local partnership. Provides guidance to regional staff members on the priorities, emphasis, and merits of various requirements based on expressions of need and analyses by Governors, Mayors, and other key officials.

9. Maintains working relationships with private agencies and institutions, develops ways in which their plans and programs and those of the Department can actively complement each other.

10. Develops continuing cooperative relationships with officials of the Federal agencies in the Region; through the medium of Regional Councils seeks ways in which interdepartmental delivery of program services can be made more effective.

11. In accordance with regulations and guidelines established at headquarters, administers the child development programs in the Region, including the Head Start program. Makes certain Head Start grants and takes other grants actions, as required.

12. Through liaison, periodic conferences, and other means, takes action to coordinate and integrate activities which are not directly associated with the Regional office with Regional office activities.

13. Develops plans for emergency preparedness and directs all Department activities necessary to ensure continuity of essential functions within the Region in case of an emergency due to enemy action; maintains a written plan for Regional emergency operations; maintains liaison with all Federal authorities engaged in mobilization planning; acts in cooperation with them in an emergency situation; directs on behalf of Secretary all Department activities in the Region if communications with national headquarters are cut off.

14. Directs Regional activities for assistance and alleviation of distress within the Region resulting from natural disasters; maintains a plan for regional response to natural disasters, including emergencies and major disasters under the Disaster Relief Act of 1974, Public Law 93-288; takes all necessary and appropriate action in connection with disaster situations and reports thereon.

15. In accordance with regulations and guidelines established at headquarters, administers, through the Office of Long Term Care Standards Enforcement, activities as herein described relating to the approval and termination of agreements with skilled nursing facilities for the purpose of participation in either the Medicare (Title XVIII) or in both the Medicare and Medicaid (Title XIX) programs.

B. *Deputy Regional Director (1E8802).* Serves as Acting Regional Director in the absence or disability of the Regional Director or in the event of a vacancy in the Office of Regional Director. The Deputy Regional Director performs other duties and functions at the request of the Regional Director.

C. *Executive Secretariat (1E8805).* Monitors the decision-making process for the Regional Director and facilitates the internal processes of coordination and communication, as follows:

a. Screens Regional Director's correspondence and filters out those items which require immediate attention by the Regional Director and Regional Director's staff, as well as the assignment of time deadlines for Regional Director's action items. Takes appropriate action to clarify issues and instructions before a request for information is forwarded to the appropriate action office. Provides current and consolidated information or indicates where such information may be obtained for all policy issues and projects in the Region.

b. Operates a comprehensive system for tracking action items and ensures that the Regional Director has timely and quality input from all appropriate offices on which to base his decisions. Assures that all outgoing correspondence are quality products that represent the best possible presentation of the Regional Director's views; synthesizes detailed responses from various offices into a single document for outgoing correspondence going to the Secretary and other Headquarters units, and for Regional Director's decision memoranda.

c. Provides for feedback to the Regional Director on the impact of his decisions. By obtaining periodic status reports on selected key issues and projects, ensures proper compliance with past decisions, highlights problem areas for renewed Regional Director's attention, and develops an ever current supply of data for management conferences and for responding to incoming requests from the Secretary, various elected officials, and Regional staff.

D. *Office of the Regional Attorney (1E8803).* The functions of the Office of the Regional Attorney are as follows:

1. Advises and counsels the Regional Director and operating program personnel on legal issues relating to their responsibilities with the Region. On all matters within the competence of the legal profession the Regional Attorney is subject to the supervision of the General Counsel; on all other matters he is subject to the supervision of the Regional Director.

2. As requested by the Regional Director, assists in legal aspects of program

development and of policy problem solution;

3. Provides professional legal services, such as preparation of legal instruments, memoranda, reports, and interpretive analyses;

4. Represents or counsels the Regional Director in negotiations to resolve actual and potential problems of a legal nature;

5. Provides appropriate legal assistance to State agencies and officials in connection with DHEW programs, as requested by the Regional Director;

6. As requested by the General Counsel, prepares for and conducts administrative hearings, aids the U.S. attorney in preparation for and conduct of litigation, and performs such other duties as may be requested by the General Counsel;

7. Seeks to so order his time and workload priorities as to meet the needs of the Regional Office as determined by the Regional Director;

8. Subject to final approval by the Regional Director, selects, promotes, and takes all personnel actions with respect to his professional and clerical staff, in accordance with the personnel policies of the Office of the General Counsel.

E. *Office of Equal Employment Opportunity (1E8804)*. Serves as the Regional Director's staff for the establishment and maintenance of a positive program of non-discrimination in Departmental employment in the Region. Has responsibility for the Regional HEW Federal Women's Program and the Regional Spanish-Surnamed Program. Monitors the OS EEO complaint system and issues proposed dispositions on all OS formal complaints. Prepares the Regional Annual Affirmative Action Plan.

F. *Office of Long Term Care Standards Enforcement (1E8871)*. Performs these functions as follows:

1. Provides recommendations to the Regional Director on administrative actions necessary to carry out those portions of Titles XVIII and XIX of the Social Security Act related to the certification by State agencies of skilled nursing facilities (SNFs) for participation in the Medicare and Medicaid programs. Those activities, within the Region, which pertain to Title XVIII and Title XIX certification include: the Issuance of Title XVIII time limited agreements; for homes participating under Titles XVIII and XIX, the approval of corrective plans of action for deficiencies in SNFs which participate either as components of larger institutions or as free standing units; granting waivers of provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) or provisions of Standard No. A117.1 of the American National Standards Institute, and waivers of certain other provisions of physical environment standards as they pertain to SNFs; public disclosure of State agency reports of deficiencies in SNF compliance with standards in accordance with section 1864(a) of the Social Security Act; approval of State fire codes in lieu of the Life Safety Code; and granting waivers, under specified circumstances, of the requirement that an SNF have on duty more than one registered nurse more than 40 hours per week.

2. Establish and maintain close working relationships with administrators of State health, welfare, and other departments involved under established agreements in the certification of and assistance to SNFs and ICFs. Perform evaluations of: State agency performance with respect to enforcing health and safety standards for SNFs and ICFs; and the State agencies' recommendations for waivers of provisions of the 1967 Life Safety Code with respect to SNFs and ICFs. Monitor States' Implementation of the ICF regulations.

3. Participate in the negotiations of budgets with State survey agencies for their services and review those portions of the State agency budget relative to SNF/ICF certification and the provision of State consultative services to SNFs and ICFs and recommend to the Social Security Administration (SSA), Regional Commissioner and to the Social and Rehabilitation Service (SRS), Regional Commissioner, amounts that should be approved for SNF and ICF certification and certification-related activities.

4. Participate with other appropriate Federal programs in evaluations of State agency certification operations which are designed to assess State survey agency performance in program management; in applying established health, safety, and Life Safety Code standards and in evaluating quality of care (e.g., participates in SSA's comprehensive program reviews of State survey agency performance and in SRS's program reviews of the Title XIX single State agency).

5. Develop and implement procedures to assure the timely and effective conduct of the following: (a) State surveys of individual SNFs and ICFs, (b) Federal review and processing of State agency certifications and documentation pertaining to SNF compliance, (c) Federal decisions approving agreements, terminations or the granting of waivers to SNFs and (d) Federal direct validation surveys of selected SNF and ICF facilities.

6. Provide technical assistance for the professional training of State agency personnel on their duties in survey/certification and evaluation of the functional performance of SNFs and ICFs with respect to the quality of health care delivered.

7. Assist State agencies to develop their capabilities for the provision of specialized technical assistance to SNFs and ICFs on highly complex aspects of the survey requirements and on the development of acceptable plans of corrective action for overcoming deficiencies.

8. Assist States, provider organizations, and educational institutions in the stimulation, development, and implementation of training opportunities for SNF and ICF personnel in order to correct deficiencies and upgrade the quality of care offered, including mental health aspects of long term care.

9. Review complaints received by the Regional Directors concerning State agency and SNF/ICF activities and initiate appropriate action for investigation and resolution.

10. With SSA, SRS and the Public Health Service (PHS), as appropriate, provide information and interpretations concerning standards for the delivery of SNF and ICF services to media, consumer and provider groups, professional health associations, and other health and welfare groups.

11. Based on Regional conditions and trends related to SNFs and ICFs, make recommendations to the Office of Nursing Home Affairs (ONHA) or through ONHA, to the Headquarters components of SSA, PHS and SRS, as appropriate, on revisions to present program policies criteria, standards or procedures.

12. Provide data and reports to ONHA on SNF/ICF survey/certification activities on SNF and ICF health service utilization and on the impact of certification and assessment procedures on the delivery of SNF and ICF health service utilization and on the impact of certification and assessment procedures on the delivery of SNF and ICF health services. Provide reports to SSA, SRS, and PHS on the status of SNF and ICF facility compliance in the Region.

13. Work with and provide information as requested to, the Social Security Administration, on the following SNF related activities:

a. Utilization review processes of SNFs;

b. Change or provider status in the Medicare program (e.g., change of ownership, termination because of failure to provide proper financial information or because of requests for payment substantially in excess of costs or for improper or unnecessary services, or withdrawal from program);

c. Certification of SNFs as a "distinct part" of another facility; and

d. Requests for hearings on terminated SNFs participating in Medicare.

14. Work with, and provide information as requested to, the Social and Rehabilitation Service, on the following SNF and ICF related activities:

a. Utilization and periodic medical review procedures for SNFs;

b. Utilization and independent professional review procedures for ICFs;

c. Level of care determinations;

d. Recipient eligibility issues; and

e. Cost-sharing requirements.

15. Work with, and provide information as requested to, the Public Health Service on the following SNF and ICF related activities:

a. Health care standards development efforts of the Bureau of Quality Assurance;

b. Utilization review determination under Professional Standards Review Organizations;

c. Provider improvement program initiatives of the Health Resources Administration;

d. Comprehensive health planning determinations under section 1122 of the Social Security Act; and

e. Other relevant SNF and ICF program activities conducted by the Health

Resources Administration, Health Services Administration, Alcohol, Drug Abuse, and Mental Health Administration, National Institutes of Health, Center for Disease Control, and the Food and Drug Administration.

16. Coordinate with the Office of Human Development in the areas of their delegated responsibilities for, and concern with, the mentally retarded and aging.

17. Coordinate, under the Office for Civil Rights in monitoring the implementation of Title VI of the Civil Rights Act of 1964 with respect to SNFs and ICFs.

18. Coordinate, under the direction of the Regional Director, with Regional personnel of the Office of Facilities Engineering and Property Management on matters relating to the interpretation and enforcement of provisions of the Life Safety Code.

19. Coordinate with the Department of Housing and Urban Development in implementation of Public Law 93-204.

G. *Office of the Assistant Regional Director for Public Affairs. (1E8851).* 1. Serves as a principal advisor to the Regional Director in the formulation of policies, approaches, and procedures in the field of public information and in the formulation of approaches to major policy issues and has a broad range of responsibility in developing overall strategies and techniques for long range Public Affairs activities, in line with the Secretary's policy and the trend toward inter-agency coordination and Departmental control.

2. Provide briefing material and other intelligence for visits to the Region by the President, Vice President, the Secretary, the Under Secretary, and other top officials, including members of Congress.

3. Maintain close liaison with groups outside the Federal government—national media, publication houses, constituent agencies in State and local government, major health/education/welfare organizations, Governor's offices, and Mayors of various cities.

4. Advises key officials of the Regional Office, including the Regional Director and agency representatives on public information, public reporting, and related aspects of program matters.

5. Serves as a central point of communication with the press, radio and TV news media, issuing all news materials originating within the Regional Office and amplifying, clarifying or explaining the impact and effect within the Region of national news issued by Departmental headquarters.

6. Is responsible for overall program supervision of the Regional Office's total public information program. Coordinates and exercises functional supervision over information services and all other activities of the Regional Office related to publications, public reports, and other informational and public affairs matters. Is responsible for the clearance of all information for public distribution before its release and certification as to the necessity for illustrations and related materials.

7. Prescribes procedures for planning, production, clearance, release, and distribution of all material prepared within the Region for release through Government channels.

8. Issues policies, standards, and procedures as may be necessary to carry out the public affairs functions and responsibilities of the Regional Office.

9. Serves as the initial denial authority for all Regional documents requested under the Freedom of Information Act.

H. *Office of the Assistant Regional Director for Planning and Evaluation. (1E8861).* [Reserved]

I. *Office of the Assistant Regional Director for Intergovernmental Affairs. (1E8841).* [Reserved]

J. *Office of the Assistant Regional Director for Financial Management. (1E8821).* 1. Provides financial management support to the Regional Director and Regional agency heads for decentralized programs and activities. Under policies and procedures established by the Office of the Assistant Secretary, Comptroller, supervises the performance of the following financial management functions: accounting and financial reporting, budget formulation and execution, and work with State and local government and HEW grantees to include indirect cost negotiation, single letter-of-credit implementation, technical assistance, and audit followup.

2. On behalf of the Regional Director, provides coordination and liaison with the HEW Audit Agency, the Treasury Department, the General Services Administration, and the General Accounting Office on financial management matters.

3. Is responsible for the financial administration and management of allotments or allowances which are issued to the Regional Director.

4. Performs Regional accounting and reporting activities: accounting, controlling, fiscal services, and reporting for all HEW activities for which the Regional Director is delegated the authority to provide such services.

5. Performs budget activities as follows: prepares the Regional budget for activities for which the Regional Director has delegated authority and assists other Regional staffs in developing their budgets; prepares consolidated Regional budget estimates and justifications and assists the Regional Director and Regional agency Leads in advocating program budget priorities for centralized and decentralized programs based on Regional needs and characteristics; supervises budget execution in the Region including the recording and distribution of budget resources based on allocations, allotments and allowances for Regional activities; prepares recommended allowances and manpower allocations for activities delegated directly to the Regional Director; oversees the development of financial operating plans for other regional activities, reviews these plans, and provides comments to the Regional Director and other Regional personnel; develops and implements a budget data system capable of monitoring financial operating plans and maintaining current information of fund availability for Regional programs; and receives Regional personnel ceiling allowances and monitors recruitment and employment against these allowances.

6. Carries on cost allocation and payment systems activities as follows: pursuant to delegations of authority from the Regional Director is responsible for indirect cost rate negotiations (including State and local cost allocation plans) based on cost policies and procedures established by the Division of Financial Management Standards and Procedures; provides financial management technical assistance to State and local governments and to other HEW grantees and contractors; assists the Office of the Assistant Secretary, Comptroller to develop the single letter of credit system within the Region; and assists the Regional Director and Regional agency heads in assuring effective followup of audit findings of major managerial significance as disclosed by reviews of grantees' management systems.

K. *Office of the Assistant Regional Director for Administration and Management. (1E8811).* 1. Serves as the principal adviser to the Regional Director on and directs or participates actively in all aspects of administrative management, including organization, procedures, management systems, delegations of authority, management surveys and studies, and paperwork management.

2. Serves as the principal adviser to the Regional Director on all aspects of personnel management. Administers the Regional program, including the classification of positions, the processing of appointments, and selected on-the-job training activities.

3. Provides the leadership in the establishment, maintenance, and effective use of management information and the system related thereto.

4. Administers the Regional Surplus Property Utilization program.

5. Establishes a system of effective property management, including the maintenance of item and financial property accounts.

6. Conducts periodic inspections of Regional space and facilities to assure the application of optimum standards and practices related to physical and personnel safety and security.

7. Provides office services to all activities in and near the Regional Headquarters location, including mail pick-up and delivery; procurement, stocking, and distribution of common supplies; maintenance of the official Regional files; printing and reproduction services, moving and storage services.

8. Assures the delivery of total architectural/engineering services in support of HEW grant and loan and direct Federal construction programs and of HEW owned and utilized facilities.

L. *Office of the Assistant Regional Director for Human Development (1E8831).* (See Chapter 1R95, HEW *Organization Manual* (38 FR 17262 6/29/73) (formerly numbered as 1E80).)

SEC. 1E88.30 *Relationships to Agency Regional Staffs and Regional Audit and*

Regional Civil Rights Staff. Agency Regional staffs and Regional Civil Rights and Regional Audit staffs are under the line direction and control of their parent headquarters organizations. The Regional staffs are subject to the general leadership and coordination of the Regional Director and receive administrative, financial, and other support services from him and his staff. The functional statements for these offices are to be found with the statements of their parent organizations.

SEC. 1E88.40 *Order of Succession.* In the absence or disability of the Regional Director, the Deputy Regional Director serves as acting Regional Director. In the event of the absence or disability of both the Regional Director and Deputy Regional Director and where there is a vacancy in both positions, the Secretary or Under Secretary will designate the acting Regional Director.

SEC. 1E88.50 *Delegation of Authority.* The delegations of authority of the Regional Director are:

A. *Surplus Property Utilization.* 1. Regiinal Directors have been delegated certain authority which may not be redelegated as follows:

a. *Real property.* This delegation relates to the conveyance and utilization of surplus real property and related peronal property for educational and public health purposes, pursuant to section 203 (k) of the Federal Property and Administrative Services Act of 1949, as amended. Each Regional Director, consistent with policies and procedures set forth in applicable regulations of the Department is authorized:

(1) To execute deed, contracts of sale, and all instruments incident or corollary to the transfer of land and improvements thereon, or in modification of previous transfers with respect to land and improvement cost of property was less than $1 million;

(2) To execute all instruments of conveyance or in modification of previous transfers with respect to land and improvements thereon where the acquisition and improvement cost was $1 million or more and the Office of Surplus Property Utilization specifically authorizes closing the transaction by the Regional Office; and

(3) To execute all instruments of conveyance relating to the transfer of improvements located outside his jurisdiction and intended for removal to and use within his jurisdiction.

b. *Personal property.* To act or designate a member of his staff (other than the SPU Regional Representative) to act as reviewing officer to approve or disapprove determinations by the Regional Representative authorizing State Agencies to abandon or destroy surplus personal property having a line item acquisition cost of $1,000 or more.

2. Regional Directors have been delegated certain authority related to real property which they may redelegate in writing to the SPU Regional Representative as follows:

a. Consistent with policies and procedures set forth in applicable regulations of the Department, to perform or take the actions stated below, with respect to disposal and utilization of surplus real and related personal property.

(1) To request and accept assignments from Federal agencies of:

(a) Improvements for removal and use away from the site;

(b) Improvements for removal to and use in another regional jurisdiction; and

(c) Land and improvements thereon where the acquisition and improvement cost of the property was less than $1 million.

(2) To make determinations incident to the disposal of assigned property described in a(1)(a) and a(1)(c) above;

(3) To issue and execute licenses and interim permits affecting assigned property described in a(1)(a) and a(1)(c) above;

(4) To execute instruments of transfer relative to property described in a(1)(a) above; except in those cases provided for in A1a(3).

(5) Except for execution of instruments of conveyance or in modification of previous transfers, to take all action with respect to land and improvements thereon where the acquisition and improvement cost was $1 million or more and the Office of Surplus Property Utilization specifically authorizes closing of the transaction by the Regional Director; and

(6) Incident to the exercise of the authority hereinbefore provided to receive remittances and performance guarantee deposits and bonds, to request refunds or payments, and to request forfeiture or release of performance bonds.

b. Consistent with the policies and procedures set forth in applicable regulations of the Department, with respect to the disposal of educational and public health purposes of surplus real property improvements and related personal property located outside his jurisdiction, but intended for removal to and use within his jurisdiction, to take actions set forth in a(2), a(3), and a(6) above.

c. Consistent with the policies and procedures set forth in applicable regulations of the Department, with respect to property within his jurisdiction previously conveyed for educational and public health purposes:

(1) To make determinations concerning the utilization and the enforcement of compliance with the terms and conditions of disposal of:

(a) Improvements for removal and use away from the site; and

(b) Land and any improvements thereon regardless of the acquisition and improvement cost;

(2) To accept voluntary reconveyances and to effect reverter of title to land and improvements located thereon, without regard to acquisition cost;

(3) To report to the General Services Administration revested properties excess to program requirements in accordance with applicable regulations;

(4) To execute instruments necessary to carry out, or incident to the exercise of, the authority delegated in this paragraph; and

(5) Incident to the exercise of the authority delegated in this paragraph, to receive remittances and performance guarantee deposits and bonds, to request refunds or payments, and to request forfeiture or release of performance bonds.

d. With respect to the States within the jurisdiction of his Region, consistent with the policies and procedures of the Department, to enter into cooperative agreements, under Section 203(n) of the Act, with State Agencies for Surplus Property.

3. Regional Directors may redelegate in writing the following authority related to personal property to the SPU Regional Representative; the latter may likewise redelegate in writing the authority to the Assistant Regional Representative. Regional Representative may also redelegate in writing to his allocator(s) the authority stipulated in a(1)(a), a(1)(b), and a(1)(e), insofar as a(1)(e) pertains to a(1)(a) and a(1)(b).

a. Consistent with policies set forth in applicable regulations and procedures of the Department:

(1) To perform or take the actions stated below with respect to the allocation for donation of surplus personal property located within his jurisdiction for educational, health, or civil defense purposes.

(a) To make determinations concerning the usability of and need for surplus personal property by educational or health institutions and civil defense organizations;

(b) To allocate surplus personal property and to take all actions necessary to accomplish donation, or transfer of property so allocated;

(c) To make determinations of eligibility of educational and public health donees to acquire donable property;

(d) To designate individuals recommended by State agencies as State representatives for the purpose of inspecting and screening surplus personal property; and

(e) To execute all instruments, documents, and forms necessary to carry out, or incident to the exercise of, the foregoing authority.

(2) To allocate property within his jurisdiction to any other regional jurisdiction and to take the actions set forth in (1)(b) above in connection with such out-of-region allocation.

(3) To take the actions set forth in (1)(b)(c) and (e) above in connection with any property that is available for transfer to his jurisdiction from another region.

(4) With respect to personal property located within his jurisdiction and in possession of State agencies for subsecquent donation for educational, public health and civil defense purposes:

(a) To effect redistribution of usable and needed property to other State agencies;

(b) To authorize and execute instruments necessary to carry out cannibalization, secondary utilization, and revision of acquisition cost of property;

(c) To recommend to GSA for disposal, property excess to the needs of State agencies; and

(5) With respect to personal property located within his jurisdiction previously donated for educational and public health purposes:

(a) To make determinations and take actions appropriate thereto concerning the utilization of such property, including retransfer and the enforcement of compliance with terms and conditions which may have been imposed on and which are currently applicable to such property;

(b) To execute instruments necessary to carry out, or incident to the exercise of, the authority delegated in (a) above;

(c) To recommend to GSA for disposal, property excess to the needs of donees except boats over 50 feet in length and aircraft;

(d) Incident to the exercise of the authority delegated in this paragraph, to request refunds or payments; and

(e) To authorize and execute instruments necessary to carry out sales, abrogations, revision of the period of restriction, secondary utilization or cannibalization, revision of acquisition cost, trade-in of an item on a similar replacement, and destruction or abandonment of property in the custody of donees.

(6) With respect to the States within the jurisdiction of his Region, to approve State plans of operation and amendments thereto submitted by State agencies for surplus property: *Provided, however,* That disapproval of a State plan in whole or in part is concurred in by the Director, Office of Surplus Property Utilization.

(7) With respect to the States within the jurisdiction of his Region, to enter into cooperative agreements, under section 203(n) of the Act with State agencies for surplus property of such States either individually or collectively.

4. Regional Representatives have been delegated certain authority related to personal directly by the Director of the Office of Surplus Property Utilization; the authority may be redelegated in writing to the Assistant Regional Representative;

a. Consistent with policies set forth in applicable regulations and procedures of the Department.

(1) To authorize destruction or abandonment by a determination in writing that the property has no commercial value, subject, however, to approval of such determination in the case of property having a line item acquisition cost of $1,000 or more, by a reviewing officer before authorization to destroy or abandon is given to the State agency.

B. *Human Development.* 1. Regional Directors have been delegated the certain authorities by the Assistant Secretary for Human Development as follows:

a. Under the general policies and in such form as prescribed by the Director, Office of Child Development (and approved by the Assistant Secretary for Human Development) and in conformity to the allocations and financial guidelines of the Director, Office of Child Development, to make grants under section 222(a)(1) of the Economic Opportunity Act of 1964 (Project Head Start), except insofar as such grants are for programs which primarily serve migrants or Indians living on Federal reservations. This authority may be redelegated.

b. Under the general policies and in such form as prescribed by the Assistant Secretary for Human Development and in conformance with the allocations and financial guidelines issued by him, Regional Directors are authorized to make grants or contracts under the authority of Title I of the Juvenile Delinquency Prevention Act. The Regional Director is authorized to redelegate this authority only to the Assistant Regional Director for Human Development without the concurrence of the Assistant Secretary for Human Development.

c. To make, amend, suspend, and cancel the grants and contracts authorized in "a." and "b." above and to issue audit disallowances as well as to receive appeals on and make final decisions on such disallowances.

SEC. 1E8.50 *C. Long Term Care Standard Enforcement.* 1. Regional Directors have been delegated the following authorities under Title XVIII of the Social Security Act, as amended, which pertain to skilled nursing facility standards enforcement and which may be redelegated only to the Director, Office of Long Term Care Standards Enforcement:

a. To approve or disapprove certifications made by State agencies under the provisions of Section 1864(a), that a health care institution is or is not a skilled nursing facility as defined in Section 1861(j);

b. To enter into agreements with skilled nursing facilities as provided in Section 1866(a), including authority to determine the term of such agreements;

c. To terminate agreements, under the provisions of Section 1866(b)(2)(B), with skilled nursing facilities where such facilities no longer substantially meet the requirements of Section 1861(j);

d. To waive, for such periods as are deemed appropriate, specific provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) as provided in Section 1861(j)(13);

e. To determine, in accordance with Section 1861(j)(13), that the Life Safety Code of the National Fire Protection Association (21st edition, 1967) is not applicable in a State because a fire and safety code, imposed by State law, adequately protects patients in skilled nursing facilities;

f. To waive the requirement that a skilled nursing facility engage the services of a registered professional nurse for more than 40 hours a week as provided in section 1861(j)(15);

g. To waive in accordance with 20 CFR 405.1134(c), for such periods as are deemed appropriate, specific provisions of American National Standards Institute Standard No. A117.1, American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped;

h. To waive, based on regulations, 20 CFR 405.1134(e), requirements relating to the number of beds per room and the minimum size for rooms in skilled nursing facilities; and

i. To determine, under the provisions of section 1864(a), that State agency survey reports (including reports of followup reviews), and statements of deficiencies based upon official survey reports, relating to the certification of skilled nursing facilities for compliance with the applicable provisions of section 1861 are final and official. This includes the authority to: (1) Assure that reference to internal tolerance rules and practices are excluded from such reports or deficiency statements; (2) determine that such reports and deficiency statements have not identified individual patients, physicians, other practioners, or individuals; (3) determine that involved skilled nursing facilities have been afforded a reasonable opportunity to offer comments; and (4) make final and official reports and deficiency statements available to the public in readily accessible form and place, along with any pertinent written statements submitted by skilled nursing facilities.

2. Regional Directors have been delegated the following authorities under Title XIX of the Social Security Act, as amended, which pertain to nursing facility standards enforcement and which may be redelegated only to the Director, Office of Long Term Care Standards Enforcement:

a. Authority under the provision of section 1910(b) to notify the State agency administering the Title XIX State plan of the approval or disapproval of any institution which has applied for certification under Title XVIII, and the term of such approval.

b. Authority to waive, for Title XIX skilled nursing facilities for such periods as are deemed appropriate, specific provisions of the Life Safety Code of the National Fire Protection Association (21st edition, 1967) as provided in section 1861(j)(13) of the Social Security Act.

c. Authority to waive for Title XIX skilled nursing facilities the requirement that a skilled nursing facility engage the services of a registered professional nurse for more than 40 hours a week as provided in section 1861(j)(15) of the Social Security Act.

d. Authority vested in the Secretary under section 1905(c) of the Social Security Act to certify intermediate care facilities located on Indian reservations.

e. Authority vested in the Secretary under Section 1905(h) of the Social Security Act to certify skilled nursing facilities located on Indian reservations.

Dated: December 31, 1974.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.75-641 Filed 1-7-75;8:45 am]

SECRETARY'S ADVISORY COMMITTEE ON POPULATION AFFAIRS

Meeting

The Advisory Committee on Population Affairs, established to advise the Secretary regarding all significant aspects of family planning and population research activities coming under the purview of the Department of Health, Education, and Welfare is scheduled to hold a meeting on February 5, 1975. The meeting will be held in Room 5169 of the Department's north building located at 330 Independence Ave. SW., Washington, D.C. The meeting is scheduled to convene at 9 a.m. and adjourn at 5 p.m.

The Committee will discuss the World Population Plan of Action which was adopted at the World Population Conference in Bucharest, August 19–30, 1974.

The meeting is open for public observation.

Dated: January 3, 1975.

LOUIS M. HELLMAN,
Chairman and Executive Secretary.

[FR Doc.75-639 Filed 1-7-75;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Interstate Land Sales Registration

[Docket Nos. N-75-258; 74-140]

WILDWOOD RESORT CITY

Hearing

Notice is hereby given that:

1. Wildwood Association, a partnership consisting of Charles Kelley, Vernon Hicks, Gus Becker and Guy Dalrymple, its officers and agents, hereinafter referred to as "Respondent," being subject to the provisions of the Interstate Land Sales Full Disclosure Act (Pub. Law 90-448) (15 U.S.C. 1701 et seq.), received a Notice of Proceedings and Opportunity for Hearing dated November 14, 1974, which was sent to the developer pursuant to 15 U.S.C. 1706(d) and 24 CFR 1710.45 (b)(1) informing the developer of information obtained by the Office of Interstate Land Sales Registration showing that a change had occurred which affected material facts in the Developer's Statement of Record for Wildwood Resort City, Village Mills, Texas, and the failure of the Developer to amend the pertinent sections of the Statement of Record and Property Report.

2. The Respondent filed an answer November 27, 1974, in answer to the allegations of the Notice of Proceedings and Opportunity for a Hearing.

3. In said Answer the Respondent requested a hearing on the allegations contained in the Notice of Proceedings and Opportunity for a Hearing.

4. Therefore, pursuant to the provisions of 15 U.S.C. 1706(d) and 24 CFR 1720.160(b), It is hereby ordered that a public hearing for the purpose of taking evidence on the questions set forth in the Notice of Proceedings and Opportunity for Hearing will be held before Administrative Law Judge Lewis F. Parker, in Room 7233, Department of HUD Building, 451 7th Street SW., Washington, D.C. on January 24, 1975 at 10 a.m.

The following time and procedure is applicable to such hearing:

All affidavits and a list of all witnesses are requested to be filed with the Hearing Clerk, HUD Building, Room 10150, Washington, D.C. 20410 on or before January 17, 1975.

5. The Respondent is hereby notified that failure to appear at the above scheduled hearing shall be deemed a default and the proceeding shall be determined against Respondent, the allegations of which shall be deemed to be true, and an order Suspending the Statement of Record, herein identified, shall be issued pursuant to 24 CF 1710.45(b)(1).

This Notice shall be served upon the Respondent forthwith pursuant to 24 CFR 1720.440.

Dated: January 2, 1975.

By the Secretary.

LEWIS F. PARKER,
Administrative Law Judge.

[FR Doc.75-631 Filed 1-7-75;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

CITIZENS ADVISORY COMMITTEE ON AVIATION

Notice of Establishment

Notice is hereby given that the Citizens Advisory Committee on Aviation is being established. The Office of Information Services is the sponsor of the Committee which consists of a group of 27 citizens, selected on the basis of, but not limited to, their outstanding reputations in civil aviation, business, the professions, and in civic or public life. The Committee will advise the Administrator and members of his staff on a wide variety of FAA program activities, make specific recommendations on civil aviation problems, and appraise the effectiveness of the FAA from the viewpoint of airspace users and citizen-consumers.

The Secretary of Transportation has determined that the formation and use of the Citizens Advisory Committee on Aviation are necessary in the public interest in connection with the performance of duties imposed on the Federal Aviation Administration by law. Meetings of the Committee will be open to the public.

Issued in Washington, D.C. on December 31, 1974.

L. J. CHURCHVILLE,
Assistant Administrator, Information Services, AIS-1.

[FR Doc.75-664 Filed 1-7-75;8:45 am]

Office of the Secretary

CITIZENS' ADVISORY COMMITTEE ON TRANSPORTATION QUALITY

Committee Renewal

Notice is hereby given that the Citizens' Advisory Committee on Transportation Quality is being renewed effective January 5, 1975. The Secretary of Transportation has determined that renewal of this Committee is in the public interest in connection with the performance of duties imposed on the Department of Transportation by law.

This notice is given pursuant to section 9(a)(2) of the Federal Advisory Committee Act.

Issued in Washington, D.C., on January 2, 1975.

BENJAMIN O. DAVIS, JR.,
Assistant Secretary for Environment, Safety, and Consumer Affairs.

[FR Doc.75-607 Filed 1-7-75;8:45 am]

ATOMIC ENERGY COMMISSION

[Docket No. 50-267]

PUBLIC SERVICE COMPANY OF COLORADO

Notice of Proposed Issuance of Amendment to Facility Operating License

The Atomic Energy Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR-34 issued to the Public Service Company of Colorado for operation of the Fort St. Vrain Nuclear Generating Station, located in Weld County, Colorado.

The amendment would revise the provisions in the Technical Specifications relating to the limiting condition of operation for the plant protective system instrumentation, Specification LCO 4.4.1, Table 4.4-3, Item 9, in accordance with the licensee's application for amendment, dated October 23, 1974. The requested revision will effectively reduce the gas circulation flow available for emergency core cooling by approximately thirty percent.

Prior to issuance of the proposed license amendment, the Commission will have made the findings required by the Atomic Energy Act of 1954, as amended, and the Commission's regulations.

On or before February 7, 1975, any person whose interest may be affected by the proceeding may file a request for a hearing in the form of a petition for leave to intervene with respect to the issuance of the amendment to the subject facility operating license. Petitions for leave to intervene must be filed under oath or affirmation in accordance with the provisions of § 2.714 of 10 CFR Part 2 of the Commission's regulations. A petition for leave to intervene must set forth the interest of the petitioner in the proceeding, how that interest may be affected by the results of the proceeding, and the petitioner's contentions with respect to the proposed licensing action. Such petitions must be filed in accordance with the provisions of this FEDERAL REGISTER Notice and § 2.714, and must be filed with the Secretary of the Commission, U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Docketing and Service Section, by February 7, 1975. A copy of the petition and/or request for a hearing should be sent

to the Chief Hearing Counsel, Office of the General Counsel, Regulation, U.S. Atomic Energy Commission, Washington, D.C. 20545 and to Bryant O'Donnell, Esq., Lee, Bryans, Kelly and Stansfield, 990 Public Service Company Building, Denver, Colorado 80202, attorney for the licensee.

A petition for leave to intervene must be accompanied by a supporting affidavit which identifies the specific aspect or aspects of the proceeding as to which intervention is desired and specifies with particularity the facts on which the petitioner relies as to both his interest and his contentions with regard to each aspect on which intervention is requested. Petitions stating contentions relating only to matters outside the Commission's jurisdiction will be denied.

All petitions will be acted upon by the Commission or licensing board designated by the Chairman of the Atomic Safety and Licensing Board Panel. Timely petitions will be considered to determine whether a hearing should be noticed or another appropriate order issued regarding the disposition of the petitions.

In the event that a hearing is held and a person is permitted to intervene, he becomes a party to the proceeding and has a right to participate fully in the conduct of the hearing. For example, he may present evidence and examine and cross-examine witnesses.

For further details with respect to this action, see the application for amendment dated October 23, 1974, which is available for public inspection at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. and at the Greeley Public Library, City Complex Building, Greeley, Colorado 80631. As they become available, the Commission's related Safety Evaluation, license amendment and attachment may be inspected at the above locations. A copy of the license amendment and attachment and the Safety Evaluation, when available, may be obtained upon request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Reactor Projects, Directorate of Licensing—Regulation.

Dated at Bethesda, Maryland, this 2d day of January 1975.

For the Atomic Energy Commission.

ROBERT A. CLARK,
Chief, Gas Cooled Reactors Branch, Directorate of Licensing.

[FR Doc.75-408 Filed 1-7-75;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS — SUBCOMMITTEE ON BYRON/BRAIDWOOD STATIONS

Meeting

In accordance with the purposes of sections 29 and 182b. of the Atomic Energy Act (42 U.S.C. 2039, 2232b.), the Advisory Committee on Reactor Safeguards' Subcommittee on Byron/Braidwood Stations will hold a meeting on January 23, 1975 in the Charles Lindbergh Room of the O'Hare Hilton Hotel, O'Hare International Airport, Chicago, Illinois. The purpose of this meeting will be to develop information for consideration by the ACRS in its review of the application of Commonwealth Edison Company for permits to construct two nuclear power plants at each of the sites. The Byron site is located in Ogle County about 17 miles from Rockford, Illinois. The Braidwood site is in Will County about 50 miles southwest of Chicago, Illinois.

The following constitutes that portion of the Subcommittee's agenda for the above meeting which will be open to the public:

Thursday, January 23, 1975, 9 a.m. until the conclusion of business. The Subcommittee will hear presentations by representatives of the Regulatory Staff and Commonwealth Edison Company and will hold discussions with these groups pertinent to its review of the application of Commonwealth Edison Company for permits to construct the Byron Station, Units 1 & 2 and Braidwood Station, Units 1 & 2.

In connection with the above agenda item, the Subcommittee will hold Executive Sessions, not open to the public, at 8:30 a.m. and at the end of the day to consider matters relating to the above application. These sessions will involve an exchange of opinions and discussion of preliminary views and recommendations of Subcommittee Members and internal deliberations for the purpose of formulating recommendations to the ACRS.

In addition to the Executive Sessions, the Subcommittee may hold closed sessions with representatives of the Regulatory Staff and Applicant for the purpose of discussing privileged information concerning plant physical security and other matters related to plant design, construction and operation, if necessary.

I have determined, in accordance with subsection 10(d) of Public Law 92-463, that the above-noted Executive Sessions will consist of an exchange of opinions and formulation of recommendations, the discussion of which, if written, would fall within exemption (5) of 5 U.S.C. 552(b) and that a closed session may be held, if necessary, to discuss certain documents and information which are privileged and fall within exemption (4) of 5 U.S.C. 552(b). Further, any non-exempt material that will be discussed during the above closed sessions will be inextricably intertwined with exempt material, and no further separation of this material is considered practical. It is essential to close such portions of the meeting to protect the free interchange of internal views, to avoid undue interference with agency or Subcommittee operation, and to avoid public disclosure of proprietary information.

Practical considerations may dictate alterations in the above agenda or schedule.

The Chairman of the Subcommittee is empowered to conduct the meeting in a manner that in his judgment will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda item may do so by mailing 25 copies thereof, postmarked no later than January 16, 1975 to the Executive Secretary, Advisory Committee on Reactor Safeguards, U.S. Atomic Energy Commission, Washington, D.C. 20545. Such comments shall be based upon the Preliminary Safety Analysis Report for this facility and related documents on file and available for public inspection at the Atomic Energy Commission's Public Document Room, 1717 H Street NW., Washington, D.C. 20545; at the Byron Public Library, Third and Washington Streets, Byron, Illinois 61010 and at the Wilmington Township Public Library, 201 South Kankakee Street, Wilmington, Illinois 60481.

(b) Those persons submitting a written statement in accordance with paragraph (a) above may request an opportunity to make oral statements concerning the written statement. Such requests shall accompany the written statement and shall set forth reasons justifying the need for such oral statement and its usefulness to the Subcommittee. To the extent that the time available for the meeting permits, the Subcommittee will receive oral statements during a period of no more than 30 minutes at an appropriate time, chosen by the Chairman of the Subcommittee, between the hours of 1:30 p.m. and 3:30 p.m. on January 23, 1975.

(c) Requests for the opportunity to make oral statements shall be ruled on by the Chairman of the Subcommittee who is empowered to apportion the time available among those selected by him to make oral statements.

(d) Information as to whether the meeting has been cancelled or rescheduled and in regard to the Chairman's ruling on requests for the opportunity to present oral statements, and the time allotted, can be obtained by a prepaid telephone call on January 21, 1975 to the Advisory Committee on Reactor Safeguards (telephone 202-634-1413) between 8:30 a.m. and 5:15 p.m., Eastern Time.

(e) Questions may be propounded only by members of the Subcommittee and its consultants.

(f) Seating for the public will be available on a first-come, first-served basis.

(g) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(h) Persons desiring to attend portions of the meeting where proprietary information is to be discussed may do so by providing to the Executive Secretary, Advisory Committee on Reactor Safeguards, 1717 H Street NW., Washington, D.C. 20545, 7 days prior to the meeting, a copy of an executed agreement with the owner of the proprietary information to safeguard this material.

(i) A copy of the transcript of the open portion of the meeting will be available for inspection on or after January 27, 1975 at the Atomic Energy Commission's Public Document Room, 1717 H Street NW., Washington, D.C. 20545 and within approximately nine days at the Byron Public Library, Third and Washington Streets, Byron, Illinois 61010 and the Wilmington Township Public Library, 201 South Kankakee Street, Wilmington, Illinois 60481. Copies of the transcript may be reproduced in the Public Document Room or may be obtained from Ace Federal Reporters, Inc., 415 Second Street NE., Washington, D.C. 20002 (telephone: 202-547-6222) upon payment of appropriate charges.

(j) On request, copies of the Minutes of the meeting will be made available for inspection at the Atomic Energy Commission's Public Document Room, 1717 H Street NW., Washington, D.C. 20545 after April 23, 1975. Copies may be obtained upon payment of appropriate charges.

ROBERT A. KOHLER,
Acting Advisory Committee Management Officer.

[FR Doc.75-820 Filed 1-7-75;10:25 am]

CIVIL AERONAUTICS BOARD

[Docket No. 26907]

LONG-HAUL MOTOR/RAILROAD CARRIER AIR FREIGHT FORWARDER AUTHORITY CASE

Reassignment of Proceeding

This proceeding is hereby reassigned from Administrative Law Judge Hyman Goldberg to Administrative Law Judge E. Robert Seaver. Future communications should be addressed to Judge Seaver.

Dated at Washington, D.C., January 2, 1975.

[SEAL] ROBERT L. PARK,
Chief Administrative Law Judge.

[FR Doc.75-652 Filed 1-7-75;8:45 am]

[Docket 27037; Order 75-1-3]

OZARK AIR LINES, INC.

Order Setting Application for Hearing

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 2d day of January, 1975.

By application filed on September 20, 1974, Ozark Air Lines, Inc. (Ozark) has requested amendment of its certificate of public convenience and necessity for Route 107 so as to delete Clinton, Iowa therefrom. By petition filed on the same date, Ozark requests that such amendment be accomplished by show cause procedures and that Ozark be granted a temporary suspension of service at Clinton pending final Board decision on its deletion application.

In support of its petition for deletion by show cause procedures and temporary suspension, Ozark alleges, *inter alia*, that service at Clinton has been adequate, convenient and reliable; that despite increasing levels of service by Ozark at Clinton since 1969, the number of enplanements has been consistently in the neighborhood of four passengers per departure; that Clinton is not isolated in that it has access to more extensive air services at the Quad Cities airport, located 43 miles away; that the availability and use of services at the Quad Cities airport is probably the cause for the decline in traffic at Clinton; that continuation of service by Ozark will involve an estimated total subsidy need of $172,078 or $15.00 per passenger in 1974 using Subpart K costs; and that this subsidy need is higher than per-passenger subsidy costs for other cities whose air services have recently been deleted or hyphenated.[1]

The City of Clinton, Iowa and the Clinton Municipal Airport Commission have jointly filed an answer in opposition to Ozark's petition for temporary suspension and deletion by show cause procedures. The civic parties allege that Clinton has a strong commercial and industrial economic base and deserves good air transportation; that the city could use significantly better service if Ozark would provide it; that Clinton's low enplanements are a result of Ozark's poor scheduling and failure to provide useful service to the west; that the road to the Quad Cities airport is a winding, slow-traveling two-lane road; that Ozark's forecast of annual subsidy need is unreasonable since it is based on the unreasonable assumptions that Clinton cannot support a well-rounded service pattern and that Ozark will continue to downgrade its service to the point where people cannot reasonably be expected to use it; and that Ozark has failed to comply with CAB regulations in its pleading.

Upon consideration of the pleadings and all the relevant facts, we have decided to deny Ozark's petition for temporary suspension and deletion by show cause procedures, and to set for hearing Ozark's application for deletion of Clinton. In view of the conflicting contentions of the parties, we believe that temporary suspension and deletion by show cause procedures would be inappropriate, and that the disputed facts and issues can best be resolved in a full evidentiary hearing, at which all interested parties are fully represented.[2]

The issues to be considered at the hearing should include the following questions: (a) whether Ozark's authority to serve Clinton should be suspended or deleted; (b) whether the long-term potential for traffic generation favors suspension for a temporary period rather than deletion; (c) whether the potential exists for a commuter air carrier replacement service to Clinton's principal communities of interest and, if so, whether any suspension should be conditioned upon the provision of such a replacement service; (d) whether Ozark has downgraded service at Clinton so as to strengthen its case for deletion or suspension; (e) whether the suspension or deletion of Ozark's service at Clinton would affect Ozark's ability to adequately and economically provide service to downline points; and (f) whether the applicant should be required to provide or guarantee free, reduced-rate, or full-fare limousine service linking Clinton to the national air transportation system at a nearby point.

Accordingly, it is ordered that: 1. The application of Ozark Air Lines, Inc. in Docket 27037 for deletion of Clinton, Iowa be and it hereby is set for hearing before an Administrative Law Judge of the Board at a time and place to be hereafter designated;

2. The petition of Ozark Air Lines, Inc. for temporary suspension and deletion by show cause procedures be and it hereby is denied;

3. A copy of this order shall be served upon Ozark Air Lines, Inc.; Mayor, City of Clinton, Iowa; Airport Manager, Clinton Municipal Airport; Mayor, City of Moline, Illinois; Airport Manager, Quad Cities Airport; Mayor, City of Chicago, Illinois; Mayor, City of Dubuque, Iowa; Mayor, City of Des Moines, Iowa; Governor, State of Iowa; Director, Iowa Aeronautics Commission; and the Postmaster General; and

4. Motions or petitions seeking modification or reconsideration of this order shall be filed no later than 28 days after the date of adoption of this order and answers to such pleadings shall be filed no later than 10 days thereafter.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

[FR Doc.75-653 Filed 1-7-75;8:45 am]

[1] Ozark cites, *inter alia*, Orders 72-4-97, 73-8-120, 72-4-96, 73-8-125, 72-6-33, 71-1-56 and 74-4-119.

[2] Our preliminary analysis leads us to conclude that any decision which the Board may reach in this proceeding would not constitute a major Federal action significantly affecting the environment within the meaning of the National Environmental Policy Act of 1969. See Orders 74-7-35, July 8, 1974, pp. 10-11 and 74-11-19, Nov. 4, 1974, note 22. Our conclusion does not foreclose the presentation of evidence by interested persons directed to this issue.

FEDERAL DEPOSIT INSURANCE CORPORATION

INSURED BANKS

Joint Call for Report of Condition

Pursuant to the provisions of section 7(a)(3) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1817(a)(3)), each insured bank is required to make a Report of Condition as of the close of business December 31, 1974, to the appropriate agency designated herein, within ten days after notice that such report shall be made: *Provided*, That if such reporting date is a nonbusiness day for any bank, the preceding business day shall be its reporting date.

Each national bank and each bank in the District of Columbia shall make its original Report of Condition on Office of the Comptroller Form, Call No. 492 [1], and shall send the same to the Comptroller of the Currency and shall send a signed and attested copy thereof to the Federal Deposit Insurance Corporation. Each insured State bank which is a member of the Federal Reserve System, except a bank in the District of Columbia, shall make its original Report of Condition on Federal Reserve Form 105—Call No. 214 [1] and shall send the same to the Federal Reserve Bank of the District wherein the bank is located and shall send a signed and attested copy thereof to the Federal Deposit Insurance Corporation. Each insured State bank not a member of the Federal Reserve System, except a bank in the District of Columbia and a mutual savings bank, shall make its original Report of Condition and one copy thereof on FDIC Form 64—Call No. 110 [1] and shall send the same to the Federal Deposit Insurance Corporation.

The original Report of Condition required to be furnished hereunder to the Comptroller of the Currency and the copy thereof required to be furnished to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for Preparation of Consolidated Reports of Condition by National Banking Associations," dated November 1972.[1] The original Report of Condition required to be furnished hereunder to the Federal Reserve Bank of the District wherein the bank is located and the copy thereof required to be furnished to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for the Preparation of Reports of Condition by State Member Banks of the Federal Reserve System," dated January 1973 [1] and any amendments thereto. The original Report of Condition and the copy thereof required to be furnished hereunder to the Federal Deposit Insurance Corporation shall be prepared in accordance with "Instructions for the Preparation of Report of Condition on Form 64 by Insured State Banks Not Members of the Federal Reserve System," dated December 1970, and any amendments thereto.[1]

Each insured mutual savings bank not a member of the Federal Reserve System shall make its original Report of Condition and one copy thereof on FDIC Form 64 (Savings),[2] prepared in accordance with "Instructions for the Preparation of Report of Condition on Form 64 (Savings) and Report of Income on Form 73 (Savings) by Insured Mutual Savings Banks," dated December 1971, and any amendments thereto,[1] and shall send the same to the Federal Deposit Insurance Corporation.

FRANK WILLE,
Chairman, Federal Deposit Insurance Corporation.

JAMES E. SMITH,
Comptroller of the Currency.

GEORGE W. MITCHELL,
Vice Chairman, Board of Governors of the Federal Reserve System.

[FR Doc.75-523 Filed 1-7-75;8:45 am]

INSURED MUTUAL SAVINGS BANKS NOT MEMBERS OF THE FEDERAL RESERVE SYSTEM

Call for Annual Report of Income

Pursuant to the provisions of section 7(a) of the Federal Deposit Insurance Act each insured mutual savings bank not a member of the Federal Reserve System is required to make a Report of Income for the calendar year 1974 on FDIC Form 73 (Savings) [1] to the Federal Deposit Insurance Corporation within 30 days after December 31, 1974. Said Report of Income shall be prepared in accordance with "Instructions for the preparation of Report of Condition on Form 64 (Savings) and Report of Income on Form 73 (Savings)," dated December 1971 and any amendments thereto:[1]

FEDERAL DEPOSIT INSURANCE CORPORATION.
[SEAL] ALAN R. MILLER,
Executive Secretary.

[FR Doc.75-524 Filed 1-7-75;8:45 am]

INSURED STATE BANKS NOT MEMBERS OF THE FEDERAL RESERVE SYSTEM EXCEPT BANKS IN THE DISTRICT OF COLUMBIA AND MUTUAL SAVINGS BANKS

Call for Annual Report of Income

Pursuant to the provisions of section 7(a) of the Federal Deposit Insurance Act each insured State bank not a member of the Federal Reserve System, except a bank in the District of Columbia and a mutual savings bank, is required to make a Report of Income for the calendar year 1974 on FDIC Form 73 [2] to the Federal Deposit Insurance Corporation within 30 days after December 31, 1974. Said Report of Income shall be prepared in accordance with "Instructions for the preparation of Report of Income on Form 73," dated December 1970 and any amendments thereto.[1]

FEDERAL DEPOSIT INSURANCE CORPORATION,
[SEAL] ALAN R. MILLER,
Executive Secretary.

[FR Doc.75-525 Filed 1-7-75;8:45 am]

[1] Filed as part of original document.

[2] Filed with the Office of the Federal Register as part of FR Doc. 75-523.

FEDERAL MARITIME COMMISSION

MARYLAND PORT ADMINISTRATION AND GENERAL LATEX AND CHEMICAL CORP.

Agreement Filed

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street NW., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California, and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, on or before January 28, 1975. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Mr. Eldered N. Bell, Jr.
Director of Transportation
Maryland Port Administration
19 South Charles Street
Baltimore, Maryland 21201

Agreement No. T-3030, between the Maryland Port Administration (Port) and General Latex & Chemical Corp. (General) provides for the 3-year sublease to General (with renewal options) of building space located on Pier 6, Locust Point, Baltimore, Maryland. The leased premises will be used by General for the purpose of handling, storing and processing rubber, liquid latex and other products and for such other uses incidental thereto. As compensation, General shall pay Port rental equivalent to

[1] Filed with the Office of the Federal Register as part of FR Doc. 75-523.

an annual figure of 6,500 plus all charges for utilities.

By Order of the Federal Maritime Commission.

Dated: January 2, 1975.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.75-628 Filed 1-7-75;8:45 am]

NEW YORK FREIGHT BUREAU (HONG KONG)

Agreement Filed

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street, NW., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, on or before January 20, 1975. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Charles F. Warren, Esq.
1100 Connecticut Avenue, NW.
Washington, D.C. 20036

Agreement No. 5700-21 is an application on behalf of the member lines of the New York Freight Bureau (Hong Kong) to extend the presently approved intermodal authority, as set forth in Article 6 of the conference agreement, for a period of eighteen months beyond January 23, 1975. The presently approved intermodal authority expires July 22, 1975. Under the extended authority applied for, it is provided that if the conference does not exercise the intermodal tariff publishing authority granted within the first twelve (12) months of the said extended period, the member lines may publish their own intermodal tariffs. However, should the conference file its own intermodal tariff after the elapse of said twelve month period and the member lines do likewise, the conference tariff would supersede the member lines' intermodal tariffs only to the extent that origins, destinations and tariff commodity descriptions are the same.

By Order of the Federal Maritime Commission.

Dated: January 2, 1975.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.75-629 Filed 1-7-75;8:45 am]

SOUTH ATLANTIC NORTH EUROPE RATE AGREEMENT

Modification of Agreement

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street, NW., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California, and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, on or before January 28, 1975. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Howard A. Levy, Esquire
Suite 727
17 Battery Place
New York, New York 10004

Agreement No. 9984-5, among the member lines of the above-named rate agreement, extends the geographic scope of the basic agreement to interior points in Europe, the United Kingdom, the Republic of Ireland and the United States served via the respective port ranges now covered.

Dated January 3, 1975.

By Order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.75-630 Filed 1-7-75;8:45 am]

FEDERAL POWER COMMISSION

[Docket No. E-9101]

APPALACHIAN POWER CO.

Order Amending Prior Order

DECEMBER 30, 1974.

On December 6, 1974, the Commission issued an order in the above-designated docket entitled "Order Accepting For Filing And Suspending, Subject to Refund, Unsigned Service Agreement, Consolidating Proceedings, Providing For Hearing, Establishing Procedure, and Granting Intervention." Ordering Paragraph (F) of that order reads as follows:

(F) On or before March 4, 1975, APCO shall file its prepared testimony and exhibits. The Commission staff shall file its prepared testimony and exhibits on or before March 18, 1975. Any intervenor evidence shall be filed on or before April 1, 1975. APCO shall file its rebuttal evidence on or before April 15, 1975.

Because the subject of the hearing is that of the propriety of the terms and conditions of service proposed by APCO and objected to by its customer VPI, we find that it would be in the public interest if both APCO's and VPI's testimony exhibits were filed prior to the date of staff service. This would enable our Staff to investigate and evaluate the position of both APCO and VPI before presenting its evidentiary position. Consequently, we hereby amend the procedural dates provided in our prior order by substituting the following schedule in an amended ordering paragraph (F). Amended ordering paragraph (F) shall read as follows:

(F) On or before March 4, 1975, VPI shall file its prepared testimony and exhibits. APCO shall file its prepared testimony and exhibits on or before March 18, 1975. The Commission staff shall file its prepared testimony and exhibits on or before April 1, 1975. Any rebuttal evidence shall be filed on or before April 15, 1975.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the Federal Power Act that the Commission amend its December 6, 1974 order issued in Docket No. E-9101, to revise the procedural schedule established for the service of testimony and exhibits.

The Commission orders: For the reason discussed above the procedural schedule established in our order of December 6, 1974, in Docket No. E-9101, for the filing of evidence by Staff and the parties is hereby amended as hereinbefore provided.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.75-478 Filed 1-7-75;8:45 am]

[Docket No. E-8978]

BONNEVILLE POWER ADMINISTRATION

Order Confirming and Approving Rates and Charges for an Interim Period and Providing for a Hearing

DECEMBER 19, 1974.

This order directs an administrative hearing before the Federal Power Commission in order to assist the Commission in the discharge of its statutory duties and responsibilities under the Bonneville Project Act, 50 Stat. 731, as amended, 59 Stat. 546, and the Flood Control Act of 1944, 58 Stat. 887, 890, with respect to the confirmation and approval of rate schedules which have been proposed by the Secretary of the Interior acting upon behalf of the Bonneville Power Administration (BPA). By Commission order issued October 29, 1965, 30 FR 14056, the Commission had occasion previously to order public hearings into BPA rate proposals, in that case pursuant to oral argument before the Commission. The Commission's discussion is reported in Opinion No. 482 issued December 14, 1965, 34 FPC 1462.

The factual circumstances now before this Commission warrant our directing a hearing pursuant to § 1.20 of the Commission's rules of practice and procedure, 18 CFR 1.20. The factors which prompt us to reach this conclusion are set forth infra.

BPA proposes an approval period of up to 5 years for its proposed rates and charges, namely from December 20, 1974, to December 20, 1979. This order grants approval of those rates for an interim period to December 20, 1975, or for such shorter period within which the Commission may take final action herein, but all upon condition that BPA agree to refund or credit to its customers such portions of the proposed rates and charges as may result from Commission disapproval in any final action of the Commission confirming and approving rates and charges for BPA.

The BPA submittal comprises seven new rate schedules proposed to supersede existing rate schedules in their entirety, including:

1. Schedule EC–6: A firm power demand-energy rate for resale or direct consumption by all customer classes except industrial, incorporating different seasonal rates for both capacity and energy, and reflecting (1) an additional charge for transformation and substation facilities provided by BPA, and (2) a $0.10 per kilowatt-hour charge for the unauthorized take of energy. Basic Schedule EC–6 charges from April 1 to August 31 specify $0.93 per kilowatt of billing demand per month and 1 mill per kilowatt-hour, increasing to $1.05 per kilowatt of billing demand per month and 1.9 mills per kilowatt-hour from September 1 through March 31. Facility charges range from $0.06 to $0.20 per kilowatt of monthly billing demand for each delivery point wherein BPA provides facilities pursuant to specified service arrangements. Reduced demand charges for at-site delivery of power are also conditionally provided.

2. Schedule EC–7: A firm power demand-energy rate priced at a level 25 percent greater than anticipated costs for thermal generated power during the early 1980's, available to meet customer's unanticipated load growth and short-term seasonal purchases. Schedule EC–7 seasonal pricing for capacity and energy specifies basic charges of $1.65 per kilowatt of billing demand per month and 10 mills per kilowatt-hour from September 1 to March 31, and $1.40 per kilowatt of billing demand per month and 5 mills per kilowatt-hour from April 1 through August 31. Additional charges for transformation and substation facilities provided by BPA range from $0.06 to $0.20 per kilowatt of monthly billing demand for each point of delivery wherein BPA provides facilities pursuant to specific service arrangements. Schedule EC–7 includes a charge of $0.10 per kilowatt-hour for the unauthorized take of energy.

3. Schedule F–6: A firm capacity rate without energy, available to utilities with their own resources for purchase on either an annual or seasonal basis for $12 per kilowatt-year of contract demand or $6.50 per kilowatt season of contract demand from June 1 through October 31. Schedule F–6 reflects an additional charge for transformation and substation facilities supplied by BPA.

4. Schedule H–5: A nonfirm energy rate available within and without the Pacific Northwest for thermal displacement, reservoir filling, and emergency use. Seasonal charges specify 3.5 mills per kilowatt-hour from September 1 through March 31, and 3 mills per kilowatt-hour for the period April 1 through August 31.

5. Schedule J–1: A firm energy rate available to utilities for thermal plant startup and reservoir filling. It is also available for testing and experimental purposes. The charge is 4 mills per kilowatt-hour.

6. Schedule IF–1: A demand-energy rate for industrial firm power available to direct service industrial customers and industrial customers of BPA customers on a flow-through basis with uniform charges for capacity and energy throughout the year. The rate provides for limited curtailment options by customers, and BPA restrictions for lack of water, force mejeure, forced outages, plant installation delays, operation at less than full capacity of new resources, and need to maintain system stability. Exercise of BPA restrictions carries capacity charge credits for reduced availability. A charge of $0.10 per kilowatt-hour for the unauthorized take of energy is assessed. Customer requested increases where authorized are billed at the same rate as industrial firm power. The charge is $1.20 per kilowatt of billing demand and 1.525 mills per kilowatt-hour.

7. Schedule MF–1: A demand-energy rate for firm or modified firm power available to existing direct service customers and industrial customers of BPA customers on a flow-through basis. No adjustment will be made for reduced availability of firm or modified power but such an adjustment will be made for authorized power increases. Charges specify $1.20 per kilowatt of billing demand per month and 1.525 mills per kilowatt-hour for firm power, $1.15 per kilowatt per month and 1.525 mills per kilowatt-hour for modified firm power, and $0.10 per kilowatt-hour for the unauthorized take of energy.

BPA additionally requests Commission approval for the continued application of special contractual rates and rate schedule provisions as previously approved (1) in Docket No. E–8033, providing a special rate of three mills per kilowatt-hour to be paid by the Bureau of Reclamation for exchange energy delivered to its Mead Substation in Nevada by the City of Los Angeles, California, or by Southern California Edison Company in lieu of obligations to deliver exchange energy to BPA[1], and (2) in that portion of Docket No. E–7242 modifying § 8.1 of the current General Rate Schedule Provisions[2] (§ 7.1 of the proposed General Rate Schedule Provisions) applicable to contracts[3] for the sale of power and energy over the Pacific Northwest-Pacific Southwest Intertie, so as to change the method of measuring the grace period for the payment of bills, negate additional and further charges for late payment of bills under specified conditions, and delete BPA's right to cancel a power sales contract due to the delinquent payment of a power bill. BPA accordingly proposes to (1) measure the grace period for paying bills from the date when the wholesale power bill is received by the purchaser, rather than from the date of the bill itself, (2) negate the additional charge and the further charge to be added for each succeeding day after the grace period expires until the bill is paid in full, if payment thereof is delayed by inadvertence, or to any portion of the bill which is disputed in good faith, and (3) delete BPA's contractural right to cancel a power sales contract upon 30 days' notice whenever a power bill or portion thereof remains unpaid following the expiration of the grace period.

In support of the BPA request, Interior submits a repayment study and rev-

[1] As previously approved by Commission order issued May 15, 1973.

[2] As initially approved by letter from the Secretary of the Commission dated May 29, 1968, and reconfirmed and approved by Commission order issued December 5, 1969, in Docket No. E–7508, for the five year period ending December 20, 1974.

[3] Proposed modifications apply to sales contracts between BPA and the following: City of Los Angeles, No. 14–03–51286; City of Burbank, No. 14–03–53291; City of Glendale, No. 14–03–53296; City of Pasadena, No. 14–03–53298; City of Sacramento, No. 14–03–57359; State of California, No. 14–03–57359; Pacific Gas and Electric Company, No. 14–03–54132; San Diego Gas & Electric Company, No. 14–03–55347; and Southern California Edison Company, No. 14–03–54125.

enue forecast prepared for fiscal year 1973, as a part of its general rate increase proposal averaging 27 percent, based upon estimated increased costs of power and the indication that existing rate levels will not generate sufficient revenue to meet repayment requirements. The study concludes that the approximately $320 million in additional revenues to be produced by the proposed rate schedules over the five-year period 1975 through 1979, together with revenues from wheeling and incidental revenues, such as collections for headwater benefits, will suffice to meet the current repayment criteria. A copy of the Final Environmental Impact Statement upon the proposed rate increase, filed by BPA with the Council of Environmental Quality, was also provided for the Commission's information.

Written notice of the BPA filing was issued September 9, 1974, and published September 17, 1974 (39 FR 33405), requesting the tender of written comments or suggestions on or before October 18, 1974. Fourteen [4] interested parties submitted comments and suggestions relating to five general areas of concern: (1) Elimination of the R–2 railroad rate schedule, (2) increase in the capacity and nonfirm energy rates to the Pacific Southwest, (3) increase in rates to Seattle City Light, (4) issues raised by the Natural Resources Defense Council, and (5) extension of the review period. Copies of all comments received were forwarded to Interior for its review and reply, and Interior accordingly responded by letter dated November 14, 1974.

1. The BPA proposed discontinuance of the existing R–2 Rate Schedule (Firm Power for Electric Railroad Use) prompted a number of protests contending that its removal acts to discourage contemplated adoption of a mass transit system plan in the Portland-Vancouver area using electric trolleys or light rail transportation. BPA's response however asserts that elimination of the never-used R–2 Rate Schedule has negligible impact upon electrified mass transit system establishment because (1) BPA lacks additional firm power to serve any new or additional preference customers if such service works to increase BPA's overall firm energy load, and (2) specific R–2 Rate Schedule provisions pertain to mainline railroad operation over mass transit system use since the R–2 schedule was originally intended for railroad traction purposes. BPA also pledges its full cooperation in developing an appropriate firm power service rate for mass transit use should future firm power supplies improve.

2. Two Pacific Southwest utilities express concern that the proposed rates for nonfirm energy (H–5) and capacity (F–6) affect them unfairly.

The Southern California Edison Company (SCE) contends that the proposed H–5 rate for nonfirm energy (3.5 mills per kwh in winter and 3 mills per kwh in summer) reflects a price increase of 75 percent in winter and 50 percent in summer over the rate charged for surplus energy under the present S–1 rate (2 mills per kwh). SCE states that these percentage increases are not concordant with BPA's stated intention of holding individual increases to a range of 25 to 30 percent. SCE also claims that the disproportionate increase in the rate charged for surplus hydro energy will impact almost entirely on customers outside the Pacific Northwest. Comments submitted by the Pacific Gas and Electric Company (PG&E) upon the proposed H–5 rate concur with the SCE criticism.

Interior explains in response that the S–1 rate of 2 mills per kwh was instituted in 1965 to help implement the Pacific Northwest-Pacific Southwest Intertie by providing the Pacific Southwest utilities with sufficient incentive to build an equitable share thereof. The incremental cost of energy in California has since however risen from 3 to 15 mills per kwh, and BPA no longer perceives any equity in offering the Southwest utilities such a concessionary rate ensuring a sharing of the benefits of the intertie. BPA additionally notes that in relation to current Northwest nonfirm energy rates of 2.5 mills per kwh, the proposed H–5 rates result in an average increase comparable to those of all other rates.

PG&E, which has contracted to purchase capacity during summer months, also contends that the increase in the rate for such capacity under the proposed F–6 rate schedule ($6.50 per kw per season of 5 months, June through October) over the existing F–5 rate ($5 per kw per 5-month season, May through September) is not justified.

PG&E protests that when purchasing summer peaking capacity under Rate Schedule F–6, it places no peak demands whatever on BPA during winter months; therefore, it should not be required to share to the same extent as Northwest firm power customers the increased costs necessary to satisfy heavy Pacific Northwest winter power demands.

Interior states that the firm capacity rates under proposed Schedule F–6 will rise 33 percent for the contract year and 30 percent for the contract season, increases which compare closely to the overall 27 percent general rate increase. The $6.50 summer seasonal charge although reflecting, in part, the fact that BPA shifts its hydroelectric generator maintenance schedule to a less favorable time to supply such capacity, remains extremely low compared to alternative costs of capacity faced by Pacific Southwest Utilities.

3. The City of Seattle-Department of Lighting (Seattle) protests that BPA's proposed rate schedules are not based upon costs of service, complaining further that the percentage rate increase to Seattle falls among the highest applicable to any BPA public agency customer. Seattle also objects to two specific provisions within its proposed EC–6 rate which apply only to computed demand customers instead of all BPA customers: (1) application of a ratchet of 60 percent on the highest computed demand of the previous 11 months, and (2) imposition of a minimum annual bill of $10.80 per kilowatt of the highest computed demand for the operating year (July through June). Since both the cities of Seattle and Tacoma have undertaken costly programs developing hydroelectric and storage facilities, thereby necessitating the purchase of only high load factor blocks of power from BPA, government investment needed to serve the cities' load has been accordingly reduced. Seattle asserts that the rate level should reflect this considerable reduction in government investment and the City of Tacoma concurs with the position espoused by Seattle.

BPA however contends that its proposed rates are indeed based upon the cost of service to the extent prescribed in applicable legislation, noting that its "postage stamp" principle of pricing for all customers accords with the legislative history of the Bonneville Project Act. BPA observes that Seattle's suggested assignment of costs would prove unsuitable for the Federal Columbia River Power System since identification of specific facilities with specific loads becomes difficult when power is delivered over a large and geographically diverse transmission grid.

BPA agrees with Seattle's claim that its percentage rate increase is disproportionately high *if* Seattle expects to operate its system in the future as it has in the past, scheduling BPA energy deliveries at full contract demand level because there is no incremental cost for energy scheduled up to the contract demand pursuant to the current C–5 demand-only rate schedule. BPA proposes elimination of such a rate because the present and future tight power situation, and the costs of new thermal energy and recent large additions in storage, demand that all incremental energy be priced to discourage wasteful practices.

Interior notes that imposition of the minimum charge assailed by Seattle is intended to assure BPA sufficient revenue to recoup facilities costs wherein a customer makes use of BPA facilities upon a limited basis. The minimum bill charge applies only to peak-deficient systems, and will have no effect upon Seattle's purchase of large blocks of energy from BPA. The proposed 60 percent ratchet for computed demand customers protects BPA efforts to meet the computed demand and energy requirements of Seattle and similar customers in critical water conditions by assuring customer purchases of at least a mini-

[4] Timely comments were received from the City of Portland, the Citizens for Immediate Adoption of Trolley Buses, Pacific Gas and Electric Company, the Martin-Marietta Aluminum Company, the Southern California Edison Company, the City of Seattle-Department of Lighting, Berk Moss, Tri-County Metropolitan District, and Congressman Al Ullman; late comments were filed by the Natural Resources Defense Council, Inc., the Multomah County Commissioners, the Oregon Environmental Council, the City of Tacoma, and R. Marrimer Orum.

mum amount of capacity and energy so that BPA is not forced to spill energy held for them.

4. The National Resources Defense Council, Incorporated, (NRDC) filed comments inviting the Commission to review NRDC's comments on BPA's Draft Environmental Impact Statement which were included in the Final Environmental Impact Statement that was furnished to the Commission with BPA's rate filing. NRDC asserts that the proposed wholesale rate increases are controversial and will significantly affect the quality of the human environment.

NRDC specifically asks the Commission to scrutinize the exceptionally low interest rates assigned to some of the Federal investments and BPA's practice of paying off the higher interest rate investments first, which combine to subsidize consumption of electricity in the Pacific Northwest.

NRDC also requests Commission consideration of the practicality and desirability of peakload pricing.

Responding to the NRDC request for review of BPA's low interest rates and amortization policies, Interior points out that BPA's investment policies are consistent with the intent of Congress as well as previous Commission approvals of BPA rates. The 50 year amortization period applied by BPA to generating projects falls considerably short of the expected useful life of these facilities, in part offsetting NRDC charges of overly low interest rate design.

Noting that peakload pricing consideration is more appropriate for retail than wholesale rate determination, BPA concludes that daily peakload pricing schemes tend to shift energy consumption and effect a second high demand period at night, thereby thwarting BPA's practice of using the low nighttime demand period to refill ponds drawn down to meet daytime peakloads. The proposed summer-winter differential of the EC–6 Schedule is clearly a form of peakload pricing at the wholesale level which better suits a hydro system, with higher capacity charges in the winter months reflecting greater capacity costs at the time of system peakloads.

5. The Martin-Marietta Aluminum Company (Marietta) asked for additional time to comment upon the proposed rate schedules because negotiations for new contracts to implement those schedules had not been completed. Marietta stated that it would be inappropriate for the Commission to terminate the time for commenting on the rate schedules while negotiations were still being carried on and had not yet reached a definitive stage.

Interior states that, under BPA's proposed rate schedules applicable to industrial customers, Marietta may avail itself of either Schedule MF–1, which applies to customers choosing to retain existing contracts for modified firm power, or Schedule IF–1, pertaining to customers who elect new contracts for industrial firm power. The MF–1 rate results in a higher cost of power having a greater availability than that offered by the IF–1 rate, and the customer is left with the option of choosing the appropriate grade of power and rate schedule.

Our review of the foregoing warrants our action in directing this hearing in order that we may determine that BPA's proposed rate increase is justified in that it provides consumers with the benefits of power at the lowest possible price consistent with good business practices as well as protecting the interests of the United States in amortizing its investment in the projects within a reasonable time.

The Commission finds: (1) The proposed rate filing of BPA constitutes a major revision of previously filed rates, as well as a major rate increase. BPA includes within its filing rate levels and rate designs which have not in all instances been previously reviewed by the Commission, including but not limited to the following proposed changes:

(a) The proposed rate schedules, while producing a 27 percent increase in BPA revenues, hold the individual increases to most of BPA's customers to a range of 25 to 35 percent.

(b) Proposed rate Schedule EC–6 combines present Schedules C–5 and E–5 into one firm power rate for all utility customers. Presently, preference customers with their own generation facilities generally purchase firm power under the C–5 schedule that charges on the basis of demand only, with no limit on the amount of energy associated therewith. The new EC–6 rate schedule has a charge for both capacity and energy.

(c) Two of the proposed rate schedules are specifically for the large industrial customers that are now served under the C–5 rate schedule. One (MF–1) is designed for those industrial customers who choose to retain their present power sales contracts and obtain the same grade of power as currently provided, at a higher rate increase. The other (IF–1) is designed for those industrial customers who sign new contracts for a new and lower grade of power, which is subject to various restrictions. In the event of such restrictions, purchasers will receive an annual credit which depends on the annual percentage availability.

(d) The proposed rate Schedule H–5 for nonfirm energy supersedes former rate Schedules H–4 and S–1. The new schedule will be applicable to sales of nonfirm energy both within and outside of the Pacific Northwest.

(e) The proposed rate schedules for firm power and for nonfirm energy have higher charges for the winter period than for the summer period. These seasonal rate differentials are related to the costs of supplying capacity and energy during the system peak period (winter) as compared to the off peak period (summer).

(f) The proposed rate schedules for sales of firm power and firm capacity to utility customers include a separate charge to recover costs associated with transformation and other substantial facilities provided by BPA.

(g) Existing promotional features such as the irrigation discount and the developmental discount have been eliminated.

(h) One of the proposed schedules (EC–7) has been established to provide for firm power purchases of unanticipated load growth reserves and short-term contractual uses as well as for occasional use when no contract is in force. Charges in this rate schedule are based upon the anticipated costs of new thermal generation.

In the absence of a hearing the Commission is unable to discharge its responsibilities under the Bonneville Project and Flood Control Acts of determining that the rates would provide consumers with the benefits of power at the lowest possible price consistent with good business practices as well as protecting the interests of the United States in amortizing its investments in the projects within a reasonable time. It is therefore, necessary and appropriate to order a hearing as herein directed.

(2) It is appropriate for the purposes of the Bonneville Act and section 5 of the Flood Control Act of 1944 that BPA's Rate Schedules EC–6, EC–7, F–6, H–5, J–1, IF–1, and MF–1 and their general rate provisions, as well as the modification of § 7.1 of the proposed general rate schedule provisions in Docket No. E–7242, and application of the special 3 mill exchange energy charge in Docket No. E–8033, be confirmed and approved for a period ending not later than December 20, 1975, or such shorter period within which the Commission may take final action herein, but all upon the condition that BPA agrees to refund or credit to its customers such portions of the proposed rates and charges as may result from Commission disapproval in any action of the Commission finally confirming and approving rates and charges for BPA.

The Commission orders: (A) A public hearing shall be convened in the above entitled proceeding to be commenced with a prehearing conference to be conducted before an Administrative Law Judge in a hearing room of the Commission, 825 North Capitol Street NE, Washington, D.C. 20426 at 10 a.m. e.s.t., January 28, 1975, and in accordance with the Commission's rules of practice and procedure.

(B) Any party seeking to intervene in the above entitled matter shall file a petition or notice in accordance with Section 1.8 of the Commission's rules of practice and procedure on or before January 15, 1975.

(C) BPA's proposed wholesale rate schedules EC–6, EC–7, F–6, H–5, J–1, IF–1, and M–1, and their general rate schedule provisions, as well as the two special applications of BPA's rate schedule provisions in Docket Nos. E–7242 and E–8033, are confirmed and approved for a period beginning December 20, 1974, and ending not later than December 20, 1975, or such shorter period within which the Commission may take final

action herein, but all upon the condition that BPA agrees to refund or credit to its customers such portions of the proposed rates and charges as may result from Commission disapproval in any action of the Commission finally confirming and approving rates and charges for BPA.

(D) On or before December 31, 1974, BPA shall cause the Commission to be notified of their acceptance of the refund or credit provision of paragraph (C) supra, and in the event of the failure of BPA to so advise the Commission, the proposed rates and charges of BPA shall not be deemed approved for the interim period.

(E) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-502 Filed 1-7-75;8:45 am]

[Docket No. RP72-122]

COLORADO INTERSTATE GAS CO.

Order Clarifying Order

DECEMBER 23, 1974.

On August 15, 1974, Colorado Interstate Gas Company (CIG) tendered for filing Seventh Revised Sheet Nos. 5, 6 and 66, reflecting increases in gas purchase costs pursuant to the PGA provisions of CIG's tariff. By order issued September 26, 1974, in this docket and Docket No. RP74-77, these tariff sheets were accepted for filing but suspended for one day, until October 2, 1974, as this proposed PGA increase was based in part on small producer and emergency purchases at rates in excess of those established in Opinion No. 699.[1] However, we also permitted CIG to file revised sheets,[2] not reflecting any purchased gas costs for small producer and emergency purchases at rates in excess of the rates established in Opinion No. 699, to be effective on October 1, 1974, during the one day suspension period for CIG's unrevised PGA rate increase filing.

On November 22, 1974, CIG petitioned for clarification of the order issued September 26, 1974, to the effect the refund obligation, imposed therein upon the PGA rate increase, was limited to that portion of the PGA rate increase which reflects small producer and emergency gas purchases at rates in excess of the national rate established in Opinion No. 699.[3] In support of its request CIG cites two orders issued on October 16, 1974,[4] wherein we limited the refund obligation imposed upon various PGA rate increase filings in the same manner as suggested by CIG in its petition.

Our order of September 26, 1974, and CIG's tender of revised tariff sheets pursuant to it have accomplished a result functionally equivalent to that achieved by issuance of the two orders cited by CIG. However, to avoid any possibility of misunderstanding or confusion, we will clarify our prior order as requested. CIG was permitted to file revised tariff sheets reflecting increases in gas purchase costs other than those attributable to small producer and emergency purchases at rates in excess of the national rate established in Opinion No. 699 because we concluded that the revised rate filing would fully comply with our rulemaking in Docket No. R-406; and therefore, that portion of CIG's PGA rate filing of August 15, 1974, which does so comply should not be subject to refund.

The Commission finds: Good cause exists to clarify the order of September 26, 1974 in Dockets Nos. RP72-122 and RP74-77, in so far as it pertains to Docket No. RP72-122, pursuant to the Commission's authority under section 19(a) of the Natural Gas Act to set aside or modify, in whole or part, any finding or order made or issued by the Commission.

The Commission orders: (A) The order of September 26, 1974, in this docket, is clarified as hereinafter ordered.

(B) The refund obligation of CIG, under the suspension of CIG's Seventh Revised Sheet Nos. 5, 6 and 66 in CIG's FPC Gas Tariff, Second Revised Volume No. 1, ordered on September 26, 1974, is hereby limited to that portion of the small producer and emergency rates reflected in CIG's Seventh Revised Sheet Nos. 5, 6 and 66 in excess of the national rate established in Opinion No. 699 which is not found just and reasonable.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-486 Filed 1-7-75;8:45 am]

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[1] In the order of September 26, 1974, we also accepted for filing First Substitute Sixth Revised Sheet Nos. 5 and 6 and permitted them, together with Sixth Revised Sheet No. 66, to become effective on October 1, 1974, subject to refund, pending hearing and decision. These sheets reflect a basic rate increase which is the subject of the proceedings in Docket No. RP74-77. The clarifying order that we are issuing herein does not touch the Docket No. RP74-77 proceeding or the tariff sheets which are the subject of that proceeding.

[2] On October 10, 1974, CIG filed Second Substitute Sixth Revised Sheet Nos. 5 and 6, and First Substitute Sixth Revised Sheet No. 66, pursuant to the order of September 26, 1974. By letter of November 7, 1974, these sheets were accepted for filing effective October 1, 1974.

[3] We will consider CIG's petition as an Application for Reconsideration pursuant to section 19(a) of the Natural Gas Act.

[4] Order issued October 16, 1974, in Docket No. RP71-125, *Natural Gas Pipeline Company of America;* ordered issued October 16, 1974, in Dockets Nos. RP72-155, *et al., El Paso Natural Gas Company, et al.*

[Docket No. RP74-77]

COLORADO INTERSTATE GAS CO.

Notice of Conference

DECEMBER 27, 1974.

Take notice that on Wednesday, January 15, 1975, a conference of all interested parties in the above-referenced docket will be convened at 10 a.m. in a room at the offices of the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426.

The conference will be held pursuant to § 1.18 (Conferences, Offers of Settlement) of the Commission's rules of practice and procedure (18 CFR 1.18). Customers and other interested persons will be permitted to attend, but if such persons have not previously been permitted to intervene by order of the Commission, such attendance at the conference will not be deemed to authorize such intervention as a party in the proceedings.

In accordance with the provisions of § 1.18 of the Rules, all parties will be expected to come fully prepared to discuss the merits of all issues concerning the lawfulness of Colorado Interstate Gas Company's proposed tariff changes, any procedural matters preparatory to a full evidentiary hearing, or to make commitments with respect to such issues and any offers of settlement or stipulations discussed at the conference. Failure to attend the conference shall constitute a waiver of all objections to stipulations and agreements reached by the parties in attendance at the conference.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-487 Filed 1-7-75;8:45 am]

[Docket No. E-9171]

CONNECTICUT LIGHT AND POWER CO.

Purchase Agreement

DECEMBER 27, 1974.

Take notice that on December 12, 1974, The Connecticut Light and Power Company (CL&P) tendered for filing a proposed Purchase Agreement with respect to Northfield Mountain, dated September 1, 1974 between (1) CL&P, The Hartford Electric Light Company (HELCO) and Western Massachusetts Electric Company (WMECO), and (2) City of Holyoke Gas and Electric Department (HG&E).

CL&P states that the Purchase Agreement provides for a sale to HG&E of a specified percentage of capacity and related pondage of the Northfield Mountain Pumped Storage Hydro-Electric Project (License Project No. 2485) during the period from October 28, 1974 to October 31, 1978, together with related transmission service.

CL&P states that a complete review and redetermination of the carrying charges for the Northfield Mountain Project has just been completed in order

to accurately determine the capacity costs. CL&P states that this review and redetermination delayed execution of the agreement until a date which prevented the filing of such rate schedule more than thirty days prior to the proposed effective date.

CL&P therefore requests that, in order to permit HG&E to receive urgently needed capacity, the Commission, pursuant to § 35.11 of its regulations, waive the thirty-day notice period and permit the rate schedule filed to become effective October 28, 1974.

CL&P states that the capacity charge for the proposed service was developed on a cost-of-service basis; the first year weekly transmission charge is equal to one fifty-second of the estimated annual average unit cost of transmission service on the systems of the Northeast Utilities Companies multiplied by the number of kilowatts of winter capability which HG&E is entitled to receive. Following the first twelve month period, the determination of the annual average cost of transmission service on the system of the Northeast Utilities companies will be in accordance with § 13.9 (Determination of Amount of PTF Costs) of the NEPOOL Agreement and based on the uniform rules which shall be fixed by the NEPOOL Management Committee from time to time.

CL&P requests an effective date of October 28, 1974 for the HG&E agreement.

HELCO and WMECO have filed certificates of concurrence in this docket.

CL&P states that copies of this rate schedule have been mailed or delivered to CL&P, Hartford, Connecticut, HELCO, Hartford, Connecticut, WMECO, Springfield, Massachusetts and HG&E, Holyoke, Massachusetts.

CL&P further states that the filing is in accordance with Part 35 of the Commission's regulations.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedures (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 3, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-488 Filed 1-7-75;8:45 am]

[Docket No. E-9109]

CONSUMERS POWER CO.

Notice of Rate Change

DECEMBER 26, 1974.

Take notice that on November 13, 1974 the Consumers Power Company tendered for filing various changes in the data supporting the Electric Coordination Agreement between Consumers Power Company and the Detroit Edison Company. The effect of the capacity charge revisions proposed in the filing will be to increase capacity charges paid by Consumers Power Company to the Detroit Edison Company by approximately 5.8%.

Consumers Power Company requests that the Commission waive its notice requirements contained in § 35.3 of the Commission's regulations and permit the above revisions to become effective on October 28, 1974.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 13, 1975, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-489 Filed 1-7-75;8:45 am]

[Docket No. RP75-41-1]

EAST TENNESSEE NATURAL GAS CO.

Order Granting Temporary Relief, Setting Formal Hearing and Establishing Procedures

DECEMBER 30, 1974.

On December 18, 1974, the Natural Gas Utility District of Hawkins County, Tennessee (NGUD) filed herein a petition for temporary extraordinary relief, pursuant to § 1.7 of the Commission's rules of practice and procedure and § 2.78 of the Commission's rules and regulations, requesting relief from the curtailment imposed by its sole supplier of natural gas, East Tennessee Natural Gas Company (East Tennessee). NGUD requests 1,500 Mcf per day for the period January 1, 1975, to March 31, 1975.

NGUD serves Hawkins County, Tennessee, which consists of approximately 1,300 residential and commercial customers and seven industrial customers. The 1,500 Mcf per day requested herein is, according to NGUD, required for firm industrial service only, and is needed to continue operations at the following industries, Hollister Mills, Inc., Kingsport Press, Inc., International Playing Card and Label Company, and Aladdin Plastics, Inc. All four industries are involved in paper manufacturing or printing operations wherein natural gas is utilized in direct fired dryers for which NGUD contends that use of alternate fuel is not possible. NGUD states additionally that all industrial customers are utilizing alternate fuel to offset their interruptible requirements and wherever possible for the firm requirements but that the relief requested is necessary if the industries are to operate on a five-day basis.

We shall authorize and direct East Tennessee to deliver to NGUD the relief requested (1,500 Mcf per day for the January 1, 1975, through March 31, 1975, period); *Provided, however,* That East Tennessee shall not be required to deliver the aforementioned volumes of natural gas on any given day if to do so would impair residential and commercial service [1] to other customers of East Tennessee. We shall also order a formal hearing be held on the issues raised by NGUD's filing. At said hearing the record should contain evidence documenting the end use of the volumes of gas requested herein, the feasibility of conversion to alternate fuels, the availability of alternate fuel, and conservation steps taken by NGUD. Since the Commission does not at this time have any indication of the extent of the curtailment on the East Tennessee system, and therefore has no way of knowing whether East Tennessee can in fact provide the relief ordred herein, East Tennessee is to file testimony and evidence documenting the extent of curtailment presently existing on its system and the estimated level of curtailment for the next three years.

The Commission finds: (1) That a formal hearing is necessary and proper in the instant proceeding and that the procedures hereinafter established are required for the hearing.

(2) That East Tennessee Natural Gas Company should be authorized and directed to deliver to the Natural Gas Utility District of Hawkins County, Tennessee, 1,500 Mcf per day for period January 1, 1975, to March 31, 1975: *Provided, however,* That East Tennessee shall not be required to deliver the 1,500 Mcf on any given day, if to do so would impair residential or commercial service to other customers of East Tennessee.

The Commission orders: (A) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for this purpose [see Delegation of Authority, 18 CFR 3.5(d)] shall preside at the hearing in these proceedings pursuant to the Commission's Rules of Practice and Procedure.

(B) Pursuant to the authority of the Natural Gas Act, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act, a public hearing shall be held on January 28, 1975, at 10 a.m. (e.s.t.) in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE. Washington, D.C. 20426.

(C) NGUD and East Tennessee are hereby ordered and required to file their testimony and exhibits in response to, but not limited to the issues set out above on all parties, including Commission Staff on or before January 17, 1975.

(D) East Tennessee Natural Gas Company is hereby ordered to deliver to

[1] As set forth in East Tennessee's FPC Gas Tariff, Sixth Revised Volume No. 1; Second Revised Sheet Nos. 71 and 72.

NGUD 1,500 Mcf per day for the period January 1, 1975, to March 31, 1975: *Provided, however,* That East Tennessee shall not be required to deliver the 1,500 Mcf, if on any given day, to do so would impair residential or commercial service to other customers of East Tennessee. Such relief is subject to a payback as the Commission may require upon review of the evidentiary record.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-490 Filed 1-7-75;8:45 am]

[Docket Nos. RP73-104, etc.]

EL PASO NATURAL GAS CO.

Proposed Changes in Rates and Charges and Motion for Phasing of Rate of Return Issue and Consolidation

DECEMBER 30, 1974.

Take notice that on December 16, 1974, El Paso Natural Gas Company (El Paso) tendered for filing (i) a notice of a change in rates for its interstate pipeline system containing the following revised tariff sheets; [1]

Original Volume No. 1

Fifteenth Revised Sheet No. 3-B
Second Revised Sheet No. 63-C.3

Third Revised Volume No. 2

Fifth Revised Sheet No. 1-D
Second Revised Sheet No. 1-M.3

Original Volume No. 2A

Seventh Revised Sheet No. 1-C
Second Revised Sheet No. 1-D
Second Revised Sheet No. 7-MM.3

and (ii) a motion to phase (as Phase I) and to consolidate the issue of rate of return, as presented by the instant notice, with the issue of rate of return in Docket Nos. RP73-104 and RP74-57 and to have expeditious hearings and a prompt decision on the consolidated rate of return issue. A copy of such motion is appended to the Statement of the Nature, the Reasons and the Basis accompanying the notice of change in rates.

The tendered revised tariff sheets provide for a change in rates to apply to El Paso's interstate natural gas operations. The proposed effective date is January 16, 1975. El Paso states that its current jurisdictional rates which became effective, subject to refund, on December 2, 1974, at Docket No. RP74-57, are deficient by some $69,672,087 annually, based upon sales volumes set forth in the statements accompanying its instant notice. El Paso states that the increase in rates necessary to recover this deficiency is an overall increase of 7.21¢ per Mcf, except for rates under Rate Schedule X-1, and the rates keyed thereto, wherein the proposed increase is 5.40¢ per Mcf, and except for certain special minor rate changes.

El Paso further states that the principal reasons for the proposed change in rates for which notice is given are declining gas supply and increases in virtually all items of cost, such as labor, capital, materials and supplies, special overriding royalties and taxes. El Paso states that the increased rates proposed provide for an overall rate of return on invested capital of 9.80 percent.

El Paso requests waiver of § 154.63(e)(2)(i) of the Commission's regulations in order to include within its rates the effect of an increase in special overriding royalty costs which will occur on June 1, 1975, one (1) day beyond the end of the test period upon which the instant notice is based. According to El Paso, such increase will be incurred by it as the result of the issuance on December 4, 1974, by the Commission of Opinion No. 699-H at Docket No. R-389-B. If waiver is not granted as requested by El Paso, El Paso requests that alternative tariff sheets, filed therewith, which exclude the effect of the June 1, 1975, increase in special overriding royalty costs, be made effective on January 16, 1975, in lieu of their respective tendered counterparts.

El Paso states further that copies of the filing and motion on the rate of return issue have been served upon all of El Paso's affected customers and interested state regulatory commissions.

Any person desiring to be heard or to protest said notice or motion on the rate of return issue should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 6, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken in this proceeding. Any person wishing to become a party must file a petition to intervene. El Paso's proposed tariff sheets, rate filing and motion on the rate of return issue are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-491 Filed 1-7-75;8:45 am]

[Docket No. CP75-20, CI75-116]

FLORIDA GAS TRANSMISSION CO., ETC.

Order Consolidating Proceedings, Providing for Hearing and Establishing Procedures, and Noticing Application

DECEMBER 23, 1974.

On July 27, 1974, Florida Gas Transmission Corporation (Florida) filed, pursuant to § 1.6(a) of our rules of practice and procedure, a complaint against Skelly Oil Company (Skelly) and Petroleum Management, Inc. (PMI), owners [1] and operators of natural gas wells in the East Aransas Pass Field, Aransas County, Texas. Florida alleges that PMI and Skelly have failed to comply with the terms of a certificate of public convenience and necessity authorizing sales of gas to Florida, but have instead sold said gas to other buyers without first obtaining the right to abandon the sale to Florida.

Complainant states that gas from the reservoirs noted above was dedicated to it under a 20-year contract dated June 28, 1956, as amended, between Coastal Transmission Corporation (predecessor of Florida) and Atlantic Refining Company, now Atlantic Richfield Company (predecessor in interest of PMI). A certificate of public convenience and necessity was issued to Atlantic Refining in Docket No. G-11041. PMI received its authorization to sell the gas to Florida by Commission order issued on January 12, 1970, in Docket No. CI68-957.

The complaint states that PMI and Skelly ceased delivering gas to Florida from the East Aransas Pass Field in December 1972 or January 1973, and that they have continued to produce and sell gas from those reservoirs without obtaining approval of abandonment as provided by section 7(b) of the Natural Gas Act.

PMI filed an answer to the complaint on August 19, 1974. PMI admits to being the operator of the wells in question. In its answer PMI further states: The production of the wells declined from 291,397 Mcf in 1972, to 251,801 Mcf in 1973, and is projected to fall to 180,500 Mcf in 1974. Florida, being aware of the declining production, elected not to install the compression facilities which are now required to physically introduce the low pressure gas from the wells into Florida's pipeline system. PMI further states that under its contract with Florida, either party has the option to install compression equipment, but neither party is obligated to do so. Both parties have apparently elected not to install compression facilities.

PMI states that production from the Kring, Darby and Atlantic Fee Gas Units has ceased due to depletion of reserves and as a result the leases for said units have lapsed. Accordingly, PMI requests abandonment authority as to these three leases. As to the other three leases, there are currently five producing wells. As to four of these wells,[2] PMI states that it sought a commitment from Florida Gas in the fall of 1971 by letter dated October 13, 1971, as to whether Florida Gas intended to exercise its option to compress the available low pressure gas (300-500 Mcf) at 50 psig and purchase such low pressure gas under the subject contract, and if Florida Gas was not going to exercise its option to compress that all such gas be released from the contract. PMI states that to date it has not received any response from Florida Gas. PMI states that in light of the Texas Railroad Commission's refusal to permit PMI to continue flaring the gas, it disposed of such gas by sale to Lo-Vaca Gathering Company, an intrastate

[1] Alternative revised tariff sheets were also filed, as more fully discussed *infra*.

[1] The wells in question are owned by Skelly, Clinton Oil Company, Estate of J. R. Howe, deceased, and Total Oil and Gas, Ltd.

[2] Barber Gas Unit Well No. 2, Heist Gas Unit Well No. 2, Conn Brown Oil Unit No. 1, and the Heist Gas Unit Well No. 1.

pipeline purchaser, on an oral, day-to-day basis in order to prevent the lapsing and termination of the leases involved due to lack of production.

As for the fifth active well,[3] PMI states that Florida was compressing the gas, but elected during the middle of 1973 to remove its compression facilities, and ceased purchasing gas from PMI. PMI has been selling this gas to Lo-Vaca Gathering Company on a day-to-day basis for sale in intrastate commerce.

PMI claims that in light of all of the above, Florida "as of this late date has abandoned all rights that it might have heretofore had to purchase gas dedicated under the terms of such Gas Purchase Contract of June 29, 1956 * * *." Moreover PMI stated that had it not been able to dispose of the gas by selling it to Lo-Vaca, all of the leases involved would have long since lapsed and terminated as a matter of law and that said Gas Purchase Contract would have likewise expired.

On September 4, 1974, Florida filed a letter motion requesting that it be allowed by the Commission to withdraw its complaint against Skelly. Florida stated that it had been advised by Skelly that Skelly had no knowledge that PMI had made sales to parties other than Florida without having received abandonment authority from the Commission.

Skelly filed its answer to Florida's complaint on September 13, 1974, out of time (due date was August 30, 1974). Skelly states that it knew that PMI was making sales to Lo-Vaca on a day-to-day basis, but believed that there as no action being taken inconsistent with Florida's rights under the contract since it understood that PMI was willing to resume deliveries to Florida immediately upon installation by Florida of the necessary compression facilities. Skelly requested that the Commission grant permission to Florida to withdraw its complaint against Skelly. Notice was given by the Commission on November 27, 1974, that withdrawal of the complaint was allowed.

On August 19, 1974, PMI filed on its own behalf and on behalf of the four leasehold owners (see footnote [3]) an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon the sale of natural gas from the East Aransas Pass Field wells referred to above to Florida. PMI's application was filed in Docket No. CI68–957. It was noticed in that docket, but has not been noticed in Docket No. CI75–116, the new docket created to deal with this abandonment proceeding. This order shall give public notice of the application in Docket No. CI75–116 and a new period for filing interventions shall be allowed.

PMI states that production from the Kring, Darby, and Atlantic Fee Gas Units has ceased due to depletion of reserves and as a result the leases for said units have lapsed. Accordingly, PMI requests permission and approval to abandon the sale of gas to Florida from these units.

PMI further requests that inasmuch as Florida has made no effort in over 12 months to meet its obligations under the June 29, 1956 contract, and inasmuch as Florida has elected not to compress and purchase the gas available from those wells still producing it (see footnotes [4] and [5]), that PMI be permitted to abandon sales made to Florida from those wells too.

Notice of Florida's complaint was given on August 8, 1974, with protests and petitions to intervene due by August 30, 1974. None were received.

Notice of PMI's application was issued in Docket No. CI68–957 on September 12, 1974, with protests and petitions to intervene due by October 7, 1974. Florida filed a petition to intervene in Docket No. CI68–957. This order shall operate as notice to the public that PMI's application shall be considered in Docket No. CI75–116.

Any person desiring to be heard or to make protest with reference to said application should on or before December 27, 1974 file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to a proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and is available for public inspection.

Florida need not file a new petition to intervene in this proceeding; it will be treated as a party.

The proceeding initiated by Florida's complaint in Docket No. CP75–20 shall be consolidated, for purposes of hearing and decision, with the proceeding initiated by PMI's application in Docket No. CI75–116 inasmuch as both proceedings involve common questions of law and fact.

The Commission finds: (1) Good cause exists to consolidate the proceedings in Docket Nos. CP75–20 and CI75–116 for the purposes of hearing and decision.

(2) Good cause exists to set the proceedings in this consolidated docket for hearing and to establish the procedures for that hearing as hereinafter ordered.

The Commission orders: (A) The proceedings in Docket Nos. CP75–20 and CI75–116 are hereby consolidated for the purposes of hearing and decision.

(B) Pursuant to the authority of the Natural Gas Act, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act, a public hearing shall be held on January 23, 1975, at 10:00 a.m. in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, concerning Florida's complaint and PMI's application.

(C) On or before January 3, 1975, petitioners and all parties shall serve with the Commission and upon all parties to the proceeding including, Commission Staff, their direct testimony and exhibits in support of their positions.

(D) An Administrative Law Judge to be designated by the Chief Administrative Law Judge for this purpose, shall preside at the hearing in this proceeding and shall prescribe relevant procedural matters not herein provided.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-492 Filed 1-7-75;8:45 am]

[3] Barber Gas Unit Well No. 1.

[Docket Nos. CP70–22, etc.]

MICHIGAN WISCONSIN PIPE LINE CO.

Order Granting Petition To Amend Import Authorization, Accepting Proposed Rate Increase

DECEMBER 27, 1974.

On October 16, 1974, Michigan Wisconsin Pipe Line Company, (Mich-Wis) tendered for filing a petition to amend its import authorization to permit it to continue the importation of natural gas from Canada at an increased price. Mich-Wis' filing is predicated on the fact that the Canadian government has ordered that all existing export licenses be amended to establish a border price of $1.00 per Mcf effective January 1, 1975. This is an increase of approximately 37.63¢ per Mcf over the presently effective rate. Based upon Mich-Wis' purchases from TransCanada Gas Pipeline, Ltd. (TransCanada) of 50,000 Mcf per day, the annualized increase experienced by the Company's customers would be $6.9 million.

Notice of Mich-Wis' petition to amend its import authorization was issued on October 23, 1974, with protests and petitions to intervene due on or before November 18, 1974. Six customers[1] and the Wisconsin Public Service Commission have filed petitions to intervene. No petitioner expressed opposition to Mich-Wis' petition.

Examination of Mich-Wis' filing indicates that the company has no available alternative supply of natural gas to replace the volumes imported from Canada. Upon review, we find that continuation of importation under the increased price would be consistent with the public interest, subject, however, to the condition that any further increase in the price Mich-Wis is required to pay will require further amendment to its import authorization.

In addition to its petition to amend its import authorization, Mich-Wis, on November 15, 1974, tendered for filing revised tariff sheets[2] which would result in a rate increase of 5.8¢ per Mcf, or $51.5 million annually. The company's

[1] Michigan Consolidated Gas Company, North Central Public Service Corporation, Wisconsin Gas Company, Wisconsin-Michigan Power Corporation, Wisconsin Natural Gas Company, and Wisconsin Public Service Corporation.

[2] Eighth Revised Sheet No. 27P, to FPC Gas Tariff, Second Revised Volume No. 1.

proposed rate increase consists of a $48.6 million PGA rate increase; a $1.3 million advance payment increase, and a $1.6 million R&D increase.

About $46.9 million of Mich-Wis' proposed increase results from increases imposed upon Canadian exports of gas since the company purchases from TransCanada, as set forth above, and purchases from other importers of Canadian gas, Midwestern and Great Lakes. The remainder of the increase tracks the higher of alternate rate increases filed by Northern Natural Gas Company (Northern) at Docket Nos. RP71-107, et al.

That portion of Mich-Wis' increase related to advance payments has been computed pursuant to Article IV of the settlement agreement which this Commission has approved at Docket No. RP73-102. A review of the filing indicates that six [2] of the advance payments which the company proposes to include in its rate base have not been shown to be reasonable and appropriate under Order Nos. 465 and 499 in that they may be in excess of the costs of exploration, development and production incurred by the producers within a reasonable time from the date these advances are to be included in Mich-Wis' rate base. Article IV of Mich-Wis' settlement agreement in Docket No. RP73-102 provides that advances challenged by the Commission may not be suspended but may be made effective, subject to refund, and set for hearing. Accordingly, we shall permit Mich-Wis to include these advances in its rate base, subject to refund, and order a hearing to determine the lawfulness, reasonableness, and appropriateness of the inclusion of the six additional advance payments in Mich-Wis' rate base.

That portion of Mich-Wis' increase which is designed to track the rate impact of items 1 through 8 in alleged R&D costs as set forth in Appendix B has not been shown to be reasonable and appropriate under Order No. 483. Items 9, 10 and 11 reflect costs which have been accepted pursuant to the settlement in Docket No. RP73-102, which we have previously approved. The settlement agreement at Docket No. RP73-102 provides for refunds and a hearing without suspension in dealing with the tracking of R&D expenditures. Therefore, we shall permit the company to increase its rates to reflect the R&D expenditures set forth in items 1 through 8, subject to refund, and order that the lawfulness, reasonableness and appropriateness of including these costs be examined in the hearing to be ordered in this proceeding.

Notice of Mich-Wis' November 15, 1974, filing was issued with protests and petition to intervene due on or before December 23, 1974.

The Commission finds: (1) Mich-Wis' authorization for the importation of natural gas from TransCanada should be amended to permit Mich-Wis to continue to import natural gas at a price of $1.00 per Mcf, effective January 1, 1975, as hereinafter ordered and conditioned, as such importation has been shown to be consistent with the public interest.

(2) It is necessary and proper in the public interest that Mich-Wis' proposed rate increase should be accepted for filing and permitted to become effective, subject to refund, on January 1, 1975, as hereinafter ordered and conditioned.

(3) Good cause exists to permit the intervention of the above-mentioned petitioners at Docket No. CP70-22.

The Commission orders: (A) Pursuant to the authority of the Natural Gas Act, particularly section 3 thereof, Mich-Wis' import authorization for imports of natural gas from TransCanada is hereby amended to permit Mich-Wis' to continue to import natural gas at the price of $1.00 per Mcf, effective January 1, 1975, as hereinafter ordered and conditioned.

(B) Any price Mich-Wis' is required to pay TransCanada in excess of $1.00 per Mcf shall require further amendment to Mich-Wis' import authorizations.

(C) The above mentioned petitioners to intervene are hereby permitted to intervene at Docket No. CP70-22, subject to the rules and regulations of the Commission: *Provided, however,* That the participation of such intervenors shall be limited to matters affecting the rights and interests specifically set forth in the respective petitions to intervene: *And provided, further,* That the admission of such intervenors shall not be construed as recognition that they or any of them might be aggrieved because of any order or orders issued by the Commission in this proceeding.

(D) Mich-Wis' filing of November 15, 1974 is hereby accepted for filing and permitted to become effective January 1, 1975: *Provided, however,* That Mich-Wis' shall file within 15 days of the issuance of this order such substitute tariff sheet as may be necessary to reflect the Commission's disposition of Northern Natural's rate increase at Docket No. RP71-107.

(E) That portion of Mich-Wis' proposed rate change which reflects inclusion of the six advance payments and the costs related to the eight R&D items identified at Appendixes A and B respectively will be permitted to become effecitve January 1, 1975, subject to refund pending a determination of the lawfulness of their inclusion in Mich-Wis' rate base.

(F) Pursuant to the authority of the Natural Gas Act, particularly section 4 thereof, and the Commission's rules and regulations (18 CFR Chapter I), a hearing shall be held on April 29, 1975, at 10 a.m., e.d.t., in a hearing room of the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, concerning the lawfulness and appropriateness of the inclusion of the six aforementioned advance payments and R&D costs in Mich-Wis' rates.

(G) On or before February 11, 1975, Mich-Wis shall file its direct testimony and exhibits. On or before March 25, 1975, the Commission Staff shall file its prepared testimony and exhibits. Any intervenor testimony and exhibits shall be filed on or before April 8, 1975, and any rebuttal testimony and exhibits shall be filed on or before April 22, 1975.

(H) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for that purpose (See Delegation of Authority, 18 CFR 3.5(d)), shall preside at the hearing in this proceeding, shall prescribe relevant procedural matters not herein provided, and shall control this proceeding in accordance with the policies expressed in § 2.59 of the Commission's rules of practice and procedure.

(I) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[2] See Appendix A.

APPENDIX A.—*Michigan Wisconsin Pipe Line Company; Advance Payment Contracts Set for Hearing*

Producer	Agreement date	Estimated balance, Jan. 1, 1975
National Cooperative Refinery Association	July 1, 1974	$50,000
J. B. Singer, *et al*	Aug. 1, 1974	87,812
Mesa Petroleum Co	Oct. 3, 1974	8,516,000
Cities Service Oil Co	Oct. 9, 1974	2,320,000
American Natural Gas Production Co	Oct. 18, 1974	540,000
Atlantic Richfield Co.[1]	Dec. 27, 1973	[2] 13,809,875

[1] Order No. 465.
[2] Includes $1,802,000 of supplemental advances under contract set for hearing by Commission Order issued Aug. 12, 1974.

APPENDIX B

MICHIGAN WISCONSIN PIPELINE COMPANY

STATEMENT OF ANTICIPATED SCOPE AND OBJECTIVE OF THE R & D PROJECTS AND AMOUNTS EXPENDED IN THE 12 MONTHS ENDED SEPTEMBER 30, 1974

1. *Massive Hydraulic Fracture Experiment.* The scope of this experiment conducted by C. E. R. Geonuclear for 15 participating companies is to compare the efficiency of hydraulic fracturing with nuclear stimulation as a means of releasing natural gas from the tight sands of the Piceance Basin of Western Colorado. The testing area is in the general vicinity of the Rio Blanco Project nuclear stimulation well	46,000
2. *Development of a Slagging Gasifier.* The scope of this project, conducted by British Gas Corporation for the benefit of 13 participants, is the development and evaluation of the high pressure slagging gasifier as an alternative to existing coal gasification techniques	27,059
3. *Assessment of Environmental Impact of Pipeline Facilities on Louisiana Coastal Marshes and Wetlands.* A research project conducted by Battelle Laboratories for 10 participating companies to perform a technical eval-	

uation of the environmental factors in the Louisiana coastal area and the environmental research programs necessary to provide data for the assessment of the potential environmental impact of various pipeline activities 10,000

4. *Electromagnetic Measurement of Wall Thickness of Steel Pipe Casings.* The purpose of this project undertaken by Battelle Memorial Institute for three pipeline sponsors is to evaluate the electromagnetic technique for use in measuring steel pipe casing wall thickness 9,400

5. *Sasolburg, South Africa Lignite Test.* This project was a test to research the feasibility of gasifying North Dakota lignite on a large scale basis in a Lurgi coal gasification plant 776,427

6. *Screening and Drying Tests on Lignite.* Research and testing of various materials screening and drying systems to determine suitability of such systems for the preparation of North Dakota lignite for a gasification process 4,770

7. *Environmental Evaluation of Coal Gasification Project.* The scope of this project, conducted by Woodward-Envicon, Inc., is to provide an analysis of the existing environment, an evaluation of potential impacts and mitigating measures as applied to the operation of a gasification plant in North Dakota and to assess the probable environmental impact of a coal gasification project on the ecology, meteorology, hydrology and geology on the surrounding area 532,517

8. *Meteorological and Climatological Assessment.* The purpose of this assessment is to accurately measure parameters of wind speed and direction, temperature and relative humidity. The data collected will help define the microclimate of the local area and will be used in wind, atmospheric stability, and effluent dispersion analyses 38,986

9. *AGA Pipeline Research.* The AGA Pipeline Research Committee undertakes various research and development projects to make the transmission of gas more efficient, safe and environmentally acceptable 90,641

10. *TARGET Program.* The Team to Advance Research for Gas Energy Transformation, Inc. is investigating the development of a fuel cell suitable for use in the gas industry 150,000

11. *AGA Coal Gasification.* This project, a joint industry-government effort, is directed toward research and development of plants to produce synthetic natural gas from coal 280,200

Total 1,966,000

[FR Doc.75-493 Filed 1-7-75;8:45 am]

[Docket Nos. RP74-75, etc.]

NORTHERN NATURAL GAS CO.

Order Denying Motion To Enlarge and Setting Procedural Dates

DECEMBER 30, 1974.

On June 4, 1974, Northern Natural Gas Company (Northern) filed a motion to enlarge the reserved issue[1] of cost-of-service treatment for post October 7, 1969 leases in the Hugoton-Anadarko Area, and to postpone procedural dates.

Procedurally, in various orders, the Commission severed the Hugoton-Anadarko cost issue from another reserved issue (conjunctive billing), but on May 20, 1974, consolidated it for trial with a matter concerning a Northern advance payments tracking filing, which was redocketed as Docket No. RP74-75, and set for hearing by March 22, 1974.

Moreover, the issue of cost-of-service treatment of proposed additional Hugoton-Anadarko Area expenditures, was raised in Northern's current rate increase filing on April 11, 1974, in Docket No. RP74-80 and was, on May 20, 1974, severed from that case and consolidated for trial in the instant proceeding.

All procedural dates have been suspended for the time being. Northern has submitted what purports to be its direct evidence on the issue both as originally conceived and as enlarged. It is apparent that Northern is concentrating its entire presentation on just two points, essentially as follows:

(1) that the Federal Power Commission's independent producer pricing policies have not resulted in high enough prices to provide incentives to explore, drill for and produce new gas reseryes in the Hugoton-Anadarko Area, or elsewhere, and

(2) that intensified competition with intrastate buyers of natural gas has forced the prices of new gas reserves even higher and has precluded Northern from purchasing needed new gas supplies for its system.

Northern's evidentiary submittals pursuant to the January 4, 1974, order setting for hearing the question of cost-of-service treatment of its past and proposed Hugoton-Anadarko E & D expenditures are not adequately responsive (even less so with respect to its desire to enlarge the scope of the hearing) to the gravamen of the issue which the Commission declared was necessary to be supported more fully upon a hearing record, viz., the "special circumstances" needed to be demonstrated in order to justify an exception to the area pricing rule for production from post 10-7-69 leases laid down in Opinion 568.[2]

Northern, in the Motion to Enlarge Issue, also seeks a modification of its obligation, undertaken pursuant to the stipulation in Docket No. RP70-43, to spend (and augment, to the extent discovered oil and gas reserves generate additions) its $30 million E & D fund in the Permian and Rocky Mountain areas. The modification would permit Northern to segregate its expenditures for acquisition of undeveloped leases in these areas from any other fund expenditures for the purpose of receiving rate base and cost-of-service treatment thereon after the $30 million obligation has been met. Without such segregation and permission to include the lease acquisition expenditures in rate base for cost-of-service purposes, the production that might be developed subsequently from such leases would be subject to Northern's present commitment to price production delivered into its system from the Permian and Rocky Mountain areas, which results from its E & D fund expenditures, at area rates. Northern's proposal contravenes the agreement made in settlement of the earlier rate case.

The Commission orders: (A) Northern's motion to enlarge the reserved issue of cost-of-service treatment for post October 7, 1969, leases in the Hugoton-Anadarko area is denied.

(B) The following procedural dates for service of evidence and trial of the case are established:

Staff direct case—January 17, 1975
Intervenors evidence—January 31, 1975
Northern rebuttal—February 14, 1975
Convene hearing—February 4, 1975

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-494 Filed 1-7-75;8:45 am]

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[1] The issue of cost-of-service treatment for the post October 7, 1969, leases was reserved by the Commission in its order of January 4, 1974, accepting a rate settlement filed in Docket Nos. RP71-107 (Phase II) and Docket No. RP72-127.

[2] In Opinion 568, Pipeline Production Area Rate Proceeding, Phase I, issued October 7, 1969, the Commission indicated with some particularity the kind of evidentiary presentation that would be needed to warrant an exception to the policy of area rate treatment of gas production from post October 7, 1969 leases, which the opinion promulgated. The Commission said, at mimeo p. 8, footnote 9: "Particular pipelines, of course, could experience higher than average costs if, for example, they made a practice of purchasing more developed and hence more expensive leases. While there could be circumstances where more costly operations were required by public convenience and necessity . . . the area rate pricing technique quite appropriately places the burden for demonstrating the special circumstances for imposing the extra cost of such operations upon the pipeline. The present cost-of-service methodology, on the contrary, tends to put a premium upon high cost operations (and upon indifference to cost considerations) in view of the extreme difficulty of the agency meeting the standard required to disallow expenditures as improvident."

[Docket No. CP75-85]

NORTHWEST PIPELINE CORP.

Findings and Order After Statutory Hearing

DECEMBER 13, 1974.

On September 17, 1974, Northwest Pipeline Corporation (Northwest) filed in Docket No. CP75-85, an application pursuant to section 7 of the Natural Gas Act for permission and approval to abandon in part deliveries of natural gas to Utah Gas Service Company (Utah Gas) at a point near Vernal, Utah, and for a certificate of public convenience and necessity authorizing the sale and delivery of said volumes to Utah Gas to meet the firm requirements of Rio Algom Corporation (Rio Algom), a customer of Utah Gas, and to Wyoming Industrial Gas Company (Wyoming), an affiliate of Utah Gas.

Northwest requests permission to reduce contract demand delivery to Utah Gas at Vernal by 794 Mcf per day. Of this volume, Northwest proposes to add 215 Mcf to the volume it is authorized to deliver to Wyoming at Kemmerer, Wyoming, and to sell and deliver 579 Mcf to a firm basis to Utah Gas for redelivery to Rio Algom at the Rio Algom delivery point.

The Commission noticed the application on September 25, 1974. On October 17, 1974, Utah Gas and Wyoming each filed a petition with the Commission for leave to intervene. The petitions filed by Utah Gas and Wyoming support Northwest's application.

On November 18, 1974, Northwest filed an application in Docket No. CP75-85 pursuant to section 7 of the Natural Gas Act for temporary permission and approval to partially abandon the sale and delivery of natural gas to Utah and for a temporary certificate of public convenience and necessity authorizing the sale and delivery of additional volumes of natural gas to Wyoming. Northwest requests that, pending final disposition to its application in Docket No. CP75-85, it be given temporary permission and approval to abandon the sale to Utah Gas of 215 Mcf of natural gas per day at the Vernal delivery point and a temporary certificate of public convenience and necessity authorizing Northwest to increase by 215 Mcf the contract demand which it is currently authorized to sell and deliver to Wyoming at the Kemmerer, Wyoming, delivery point.

Northwest states in its September 17, 1974, application that the proposed reduction and reallocation of gas sales and deliveries have been made possible by Utah Gas' contracting for additional supplies of gas in the Altamount-Bluebell field in Duchesne County, Utah, which together with Northwest's authorized volumes, results in Utah Gas having a supply of gas at Vernal in excess of Vernal's requirements. No additional facilities are proposed, nor does Northwest propose to change its total sales volumes to existing customers.

With respect to Northwest's proposed abandonment of 215 Mcf to Utah Gas at Vernal and proposed certification of sale and delivery of 215 Mcf to Wyoming, the volume is an excess supply of gas to Utah Gas and would provide Wyoming additional volumes of gas that would be utilized to satisfy only its priority 1 and 2 customers rather than the possible satisfaction of a lesser priority requirements of Utah Gas. Northwest cannot supply this additional volume of gas needed for the 1975 heating season for Wyoming's high priority customers without a corresponding reduction to its other customers. The proposal by Northwest is the only means whereby it can increase the volumes of gas to Wyoming under Northwest's Rate Schedule ODL-1.

With respect to Northwest's further request to abandon 579 Mcf per day to Utah Gas at Vernal and to sell and deliver 579 Mcf per day to Utah Gas on a firm basis at the Rio Algom delivery point, Northwest states that Rio Algom currently receives interruptible service of 957 Mcf per day as provided in the service agreement between Utah Gas and Northwest dated August 1, 1972. Northwest further states that as a result of curtailment in its supply of gas, it sells no gas to interruptible customers during the heating season; that Utah Gas currently provides the requirements of Rio Algom, a processor of uranium ore, by means of an exchange authorized by the Commission whereby Northwest receives from Utah Gas volumes of natural gas in the vicinity of Vernal for purchase and exchange at the Rio Algom delivery point for sale to Rio Algom by Utah Gas; and that to the extent sufficient exchange volumes are not available, Utah Gas intends to purchase volumes from Northwest to supply Rio Algom after the termination of the exchange agreement on May 1, 1977 and during the interim should sufficient exchange gas not be available.

Northwest states that Rio Algom requires a firm peak day quantity of 579 Mcf for use in its mining and processing operation. About 5 percent of this volume is required for plant protection. The remaining 95 percent of usage depends on the season. In winter, approximately half is used for space heating, and the other half is used to generate steam used in drying uranium ore. In the summer all 95 percent is used in drying operations. Utah Gas indicates that propane and oil could be used as alternate fuels, but because of the present energy crisis, their availability is uncertain on a regular basis. Additionally, Utah Gas states that the continued operation of this facility is important to the nation's nuclear energy program and to the economic survival of the surrounding area. The approval of the Rio Algom portion of the application would in effect upgrade interruptible service to a firm commitment by Northwest and transfer priority 1 service at Vernal over to plant protection and industrial usage at Rio Algom with summer usage of 95 percent of the commitment for steam generation and winter usage of 47.5 percent for this purpose.

Based on the above the Commission believes that a hearing should be held on the Rio Algom portion of the application to consider, among other things the availability and economic feasibility of switching to alternate fuels; the relative importance of the Rio Algom facility to the nation's nuclear energy program; and the possibility of continuing the now-operating Utah Gas-Northwest exchange agreement beyond its May 1, 1977 termination date for supplying Utah Gas' own gas to Rio Algom.

At a hearing held on December 6, 1974, the Commission on its own motion received and made a part of the record in this proceeding all the documents including the application and exhibits thereto, submitted in support of the authorization sought for Northwest's abandonment of 215 Mcf to Utah Gas and certificate authorization of 215 Mcf for sale and delivery to Wyoming, and upon consideration of the record:

The Commission finds: (1) Applicant, Northwest Pipeline Corporation, is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission in its order of September 21, 1973, in Docket No. CP73-331 (50 FPC 825).

(2) The 215 Mcf per day service to Utah Gas to be abandoned, as hereinbefore described, is subject to the requirements of subsection (b) of section 7 of the Natural Gas Act.

(3) The proposed abandonment of 215 Mcf of service by Applicant to Utah Gas is permitted by the public convenience and necessity and approval thereof should be granted as hereinafter ordered.

(4) The proposed sale and delivery of 215 Mcf natural gas per day to Wyoming as hereinbefore described will be made in interstate commerce subject to the jurisdiction of the Commission, and such sale and operation by Applicant of any facilities subject to the jurisdiction of the Commission necessary therefor are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(5) Applicant is able and willing properly to do the acts and to perform the service proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules, and regulations of the Commission thereunder.

(6) The sale and delivery of 215 Mcf of natural gas by Applicant to Wyoming are required by the public convenience and necessity and a certificate therefor should be issued as hereinafter ordered and conditioned.

(7) It is necessary and appropriate that the Rio Algom firm service proposed in Docket No. CP75-85 be set for formal hearing as hereinbefore described.

(8) Participation by the above mentioned intervenors may be in the public interest.

The Commission orders: (A) Permission for and approval of the abandonment of service by Applicant, as hereinbefore described and as more fully described in the application in this proceeding, are granted.

(B) Applicant shall notify the Commission of the abandonment within ten days thereof.

(C) A certificate of public convenience and necessity is issued authorizing Applicant to sell and deliver natural gas to Wyoming as hereinbefore described and as more fully described in the application.

(D) The certificate issued by paragraph (C) above and the rights granted thereunder are conditioned upon Applicant's compliance with all applicable Commission regulations under the Natural Gas Act.

(E) A formal hearing shall be convened in the proceeding in Docket No. CP75–85 as hereinbefore described, in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426 on January 21, 1975 at 10:00 a.m. (e.s.t.). The Presiding Administrative Law Judge for the purpose—see Delegation of Authority, 19 CFR 3.5(d)—shall preside at the hearing in this proceeding and shall prescribe relevant procedural matters not herein provided.

(F) The direct case of Northwest Pipeline Corporation and the testimony of all supporting intervenors as to all issues raised by the September 17, 1974, filing by Northwest in Docket No. CP75–85 as well as all issues referred to in the order shall be filed on all parties of record, including the Commission staff on or before January 7, 1975.

(G) The above-mentioned intervenors are permitted to intervene in this proceeding subject to the rules and regulations of the Commission: *Provided, however,* That participation of such intervenors shall be limited to matters directly affecting asserted rights and interests as specifically set forth in the petitions to intervene, and shall not be construed as recognition by the Commission that they might be aggrieved because of any order of the Commission entered in this proceeding.

By the Commission.

[SEAL] MARY B. KIDD, *Acting Secretary.*

[FR Doc.75–495 Filed 1–7–75;8:45 am]

[Docket Nos. RP72–115, PGA75–1]

OKLAHOMA NATURAL GAS GATHERING CO.

Order Accepting for Filing and Suspending Proposed PGA Rate Change

DECEMBER 31, 1974.

On November 18, 1974, Oklahoma Natural Gas Gathering Company (Oklahoma) tendered for filing a purchased gas cost adjustment (PGA) increase[1] pursuant to its PGA clause which would reflect an increase in its current cost of gas purchased from its producer suppliers and a revenue surcharge to recover the balance in its Unrecovered Purchase Gas Cost Account. The proposed PGA increase reflects a 2.90¢ per Mcf increase in the average cost of gas amounting to $446,687 and includes a surcharge of 6.74¢ per Mcf to recover a $483,431 balance in the Unrecovered Purchase Gas Cost Account as of September 30, 1974. The proposed effective date is January 1, 1975.

Oklahoma's November 18, 1974, filing was noticed with comments, protests and petitions to intervene due on or before December 13, 1974. To date, no comments, protests or petitions to intervene have been received by this Commission.

Our review of Oklahoma's November 18, 1974, filing indicates that it is based in part upon small independent producer purchases at rates in excess of the rate levels established by Opinion No. 699–H.[2] Therefore, the proposed rates have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or otherwise unlawful. Accordingly, we shall accept Oklahoma's November 18, 1974, filing, suspend it for one day to become effective January 2, 1975, subject to refund. With regard to the question of small producer purchases, we note that the Supreme Court has recently remanded the small independent producer rulemaking in order for the Commission to enunciate the standards in determining the justness and reasonableness of the prices for small producer purchases.[3] We believe, therefore, that it would be premature to establish a hearing schedule in this docket at this time.

Further review of Oklahoma's November 18, 1974, filing indicates that the claimed increased costs other than those costs associated with that portion of the small producer purchases in excess of the rate levels prescribed in Opinion No. 699–H are fully justified and comply with the standards set forth in Docket No. R–406. Accordingly, Oklahoma may file a substitute tariff sheet to become effective January 1, 1975, reflecting increased costs other than that portion of those increased costs associated with small producer purchases in excess of the rate levels prescribed in Opinion No. 699–H referred to in this order.

The Commission finds: It is necessary and appropriate in the public interest and to aid in the enforcement of the Natural Gas Act that:

(1) The proposed filing submitted by Oklahoma on November 18, 1974, be accepted for filing, suspended and permitted to become effective January 2, 1975, subject to refund.

(2) The claimed increased costs other than those increased costs associated with that portion of small producer purchases in excess of the rate levels prescribed in Opinion No. 699–H have been reviewed and found fully justified and in compliance with the standards set forth in Docket No. R–406.

The Commission orders: (A) Oklahoma's Fifth Revised Sheet No. PGA–1 to its FPC Gas Tariff, Original Volume No. 1 is hereby accepted for filing suspended and permitted to become effective January 2, 1975, subject to refund, pending further Commission order in this docket.

(B) Waiver of the Commission's notice requirements is hereby granted.

(C) Within 15 days of the issuance hereof Oklahoma may file to become effective January 1, 1975, a substitute tariff sheet reflecting that portion of Oklahoma's rates as filed November 18, 1974, which reflect increased costs other than those increased costs associated with that portion of small producer purchases which are in excess of the rate levels prescribed in Opinion No. 699–H.

(D) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75–496 Filed 1–7–75;8:45 am]

[1] Fifth Revised Sheet No. PGA–1 to Oklahoma's FPC Gas Tariff, Original Volume No. 1.

[2] Opinion No. 699–H, Docket No. R–389–B, issued December 4, 1974.

[3] *Federal Power Commission* v. *Texaco, Inc., et al.*, Docket Nos. 72–1490 and 72–1491, Opinion issued June 10, 1974.

[Docket No. RP71–11 and PGA75–2]

TENNESSEE NATURAL GAS LINES, INC.

Notice of Proposed Rate Changes Under Tariff Rate Adjustment Provisions

DECEMBER 27, 1974.

Take notice that on December 10, 1974, Tennessee Natural Gas Lines, Inc. (Tennessee Natural) tendered for filing alternative proposed changes to First Revised Volume No. 1 of its FPC Gas Tariff to be effective on January 1, 1975, consisting of the following revised tariff sheets:

Ninth Revised Sheet No. PGA–1
Fourth Revised Sheet No. PGA–2 and, alternatively,
Substitute Ninth Revised Sheet No. PGA–1
Substitute Fourth Revised Sheet No. PGA–2

Tennessee Natural states that the sole purpose of the sheets tendered for filing is to track, alternatively, the PGA rate filings of its sole supplier, Tennessee Gas Pipeline Company (Tennessee), made on November 15, 1974, and proposed by Tennessee to be effective January 1, 1975.

Tennessee Natural proposes that the appropriate set of tariff sheets tendered for filing (depending upon which PGA filing by Tennessee is allowed to become effective) become effective on January 1, 1975 and requests waiver of all necessary notice requirements in order to allow such sheets to become effective on such date.

Tennessee Natural states that copies of the filing have been mailed to all of its jurisdictional customers and affected State regulatory commissions.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make

protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-497 Filed 1-7-75;8:45 am]

[Docket Nos. RP72-98 etc.]

TEXAS EASTERN TRANSMISSION CORP.

Order Conditionally Accepting for Filing and Suspending Proposed PGA Rate Change

DECEMBER 31, 1974.

On November 18, 1974, Texas Eastern Transmission Corporation (TETCO) tendered for filing alternate purchased gas cost adjustment (PGA) increases[1] pursuant to its PGA clause which would reflect an increase in its current cost of gas purchased from its pipeline and producer suppliers and a revenue surcharge to recover the balance in its Unrecovered Purchase Gas Cost Account. TETCO's November 18, 1974, filing includes a surcharge to recover a $6,209,415 balance in its deferred purchased gas account as of August 31, 1974, and a surcharge to recover a $2,432,141 balance in the demand charge adjustment account as of September 30, 1974. One of TETCO's increases[2] tracks United Gas Pipe Line Company's (United) alternate increase which assumes Commission's approval of United's proposed National Rate Surcharge in Docket No. RP75-22. TETCO's alternate increase[3] tracks United's alternate increase which assumes Commission denial of United's request for a National Rate Surcharge. TETCO's November 18, 1974 filing requests an effective date of January 1, 1975.

TETCO's November 18, 1974 filing was noticed November 26, 1974, with comments, protests and petitions to intervene due on or before December 18, 1974. No comments, protests or petitions to intervene have been received by this Commission.

On November 29, 1974, this Commission in Docket No. RP75-22, denied United's petition for special relief wherein United presented its proposed National Rate Surcharge. Accordingly, we shall reject that portion of TETCO's November 18, 1974, filing[4] which assumes approval of United's proposed National Rate Surcharge.

As to TETCO's alternate PGA proposal,[5] our review indicates that it is based in part upon small independent producer and emergency purchases at rates in excess of the rate levels established by Opinion No. 699-H. Therefore, the proposed rates have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or otherwise unlawful. Accordingly, we shall accept TETCO's alternate tariff sheets for filing, suspend the sheets for one day to become effective January 2, 1975, subject to refund. Our acceptance is conditioned upon TETCO modifying its alternate sheets to eliminate all producer rate changes which do not become effective by January 1, 1975.

With regard to the question of small producer purchases, we note that the Supreme Court has recently remanded the small independent producer rulemaking in order for the Commission to enunciate the standards in determining the justness and reasonableness of the prices for small producer purchases.[6] Furthermore, as to emergency purchases, we note that the standards the Commission must use in determining the justness and reasonableness of the prices for emergency purchases is presently the subject of court action.[7] We believe, therefore, that it would be premature to establish a hearing schedule in this docket at this time.

Further review of TETCO's alternate tariff sheets, filed November 18, 1974, indicates that the claimed increased costs other than those costs associated with that portion of the small producer and emergency purchases in excess of the rate levels prescribed in Opinion No. 699-H[8] are fully justified and comply with the standards set forth in Docket No. R-406. Accordingly, TETCO may file substitute tariff sheets to become effective January 1, 1975, reflecting increased costs other than that portion of those increased costs associated with small producer and emergency purchases in excess of the rate levels prescribed in Opinion No. 699-H referred to in this order.

The Commission finds: It is necessary and appropriate in the public interest and to aid in the enforcement of the Natural Gas Act that:

(1) TETCO's proposed Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1, filed November 18, 1974, be rejected for filing.

(2) TETCO's proposed Alternate Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1, filed November 18, 1974, be accepted for filing, suspended and permitted to become effective December 2, 1974, subject to refund and to the condition that TETCO modify its alternate tariff sheets to eliminate all producer rate changes which do not become effective by January 1, 1975.

(3) The claimed increased costs other than those increased costs associated with that portion of small producer and emergency purchases in excess of the rate levels prescribed in Opinion No. 699-H have been reviewed and found fully justified and in compliance with the standards set forth in Docket No. R-406.

The Commission orders (A) TETCO's proposed Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1, filed November 18, 1974, are hereby rejected for filing.

(B) TETCO's proposed Alternate Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1, filed November 18, 1974, are hereby accepted for filing, suspended and permitted to become effective January 2, 1975, subject to refund, pending further Commission order in this docket. This acceptance is conditioned upon TETCO modifying its alternate tariff sheets to eliminate all producer rate changes which do not become effective by January 1, 1975.

(C) Waiver of the Commission's notice requirements is hereby granted.

(D) Within 15 days of the issuance hereof TETCO may file to become effective January 1, 1975, substitute tariff sheets reflecting that portion of TETCO's rates as filed November 18, 1974, which reflect increased costs other than those increased costs associated with that portion of small producer and emergency purchases which are in excess of the rate levels prescribed in Opinion No. 699-H.

(E) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.75-498 Filed 1-7-75;8:45 am]

[Docket No. RP74-41 and PGA75-3A]

TEXAS EASTERN TRANSMISSION CORP.

Proposed Changes in FPC Gas Tariff

DECEMBER 27, 1974.

Take notice that Texas Eastern Transmission Corporation (TETCO) on December 23, 1974, tendered for filing proposed changes in its FPC Gas Tariff, Fourth Revised Volume No. 1, the following sheets:

Substitute Alternate Fifth Revised Sheet No. 14
Substitute Alternate Fifth Revised Sheet No. 14A
Substitute Alternate Fifth Revised Sheet No. 14B
Substitute Alternate Fifth Revised Sheet No. 14C
Substitute Alternate Fifth Revised Sheet No. 14D

TETCO states that these sheets are being filed pursuant to the purchased gas cost adjustment provision contained in section 23 of the General Terms and

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[1] TETCO filed the following tariff revisions to its FPC Gas Tariff, Fourth Revised Volume No. 1:

Fifth Revised Sheet No. 14
Fifth Revised Sheet No. 14A
Fifth Revised Sheet No. 14B
Fifth Revised Sheet No. 14C
Fifth Revised Sheet No. 14D
Alternate Fifth Revised Sheet No. 14
Alternate Fifth Revised Sheet No. 14A
Alternate Fifth Revised Sheet No. 14B
Alternate Fifth Revised Sheet No. 14C
Alternate Fifth Revised Sheet No. 14D

[2] Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1.

[3] Alternate Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1.

[4] Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1.

[5] Alternate Fifth Revised Sheet Nos. 14, 14A through 14D to Fourth Revised Volume No. 1.

[6] *Federal Power Commission* v. *Texaco, Inc., et al.*, Docket Nos. 72-1490 and 72-1491, Opinion issued June 10, 1974.

[7] *Consumer Federation of America* v. *F.P.C.*, CADC, Docket No. 73-2009, petition filed September 21, 1973.

[8] Opinion No. 699-H, Docket No. R-389-B, issued December 4, 1975.

Conditions of TETCO's FPC Gas Tariff, Fourth Revised Volume No. 1 and that the change in TETCO's rates proposed by this filing reflects a change in the cost of gas purchased from two of Eastern's pipeline suppliers, United Gas Pipe Line Company and Southern Natural Gas Company.

In addition, TETCO states that the change in rates proposed by this filing includes a surcharge as provided for in the Commission's Opinion No. 699-G at Docket No. R389-B and that this surcharge is designed to recover over the first six months of 1975 an amount computed by using the actual amount of unrecovered purchased gas costs included in TETCO's deferred account plus an estimated amount to provide for the recovery of all Opinion 699 producer increases incurred up to the effective date of the instant filing.

The proposed effective date of the above tariff sheets is January 1, 1975. Copies of the filing were served upon the company's jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 15, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.75-499; Filed 1-7-75;8:45 am]

[Docket No. RP75-16-4]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Order Providing for Hearing and Establishing Procedures

DECEMBER 27, 1974.

On November 5, 1974, New Jersey Zinc Company (NJZ) filed a petition for temporary and permanent extraordinary relief from the curtailment provisions of Transcontinental Gas Pipe Line Corporation (Transco) through its distributor, Union Gas Company (Union), which is a subsidiary of Penn Fuel Gas, Inc. (Penn Fuel). Specifically, NJZ requests that the Commission issue an order directing Transco to deliver to Union sufficient volumes of natural gas to guarantee NJZ 9,688 Mcf per day for a period estimated at six months. On November 6, 1974, Penn Fuel filed a motion in support of NJZ's petition for extraordinary relief on behalf of its distributor subsidiary, Union.

NJZ claims that the requested gas volumes are required to supply its Palmerton, Pennsylvania plant with feedstock, process, and plant protection gas, for which no feasible alternate feedstock or energy source is available. NJZ states that its Palmerton plant accounts for 11 percent of the United States' current slab zinc production, supplying two-thirds of current domestic production of zinc dust and one-third of current domestic production of zinc oxide. In addition, NJZ states that it also produces 2,800 tons per month of anhydrous ammonia, which is ultimately distributed to fertilizer makers, pharmaceutical industries, and to various industries for use as a process fuel. NJZ concludes that it is suffering irreparable injury by virtue of the fact that, as of November 1, 1974, it was being curtailed 30 percent, thus losing: (a) all ammonia production; (b) significant zinc production; and (c) sustaining physical damage to its refractories and refining equipment.

By telegram issued November 13, 1974, the Secretary of the Commission informed NJZ that its petition for extraordinary relief filed November 5, 1974, did not contain the minimal information required by § 2.78 (a)(ii)(a-e)(i) of the Commission's rules as amended by Order No. 467-C. The response was received on November 22, 1974, but it provided no insight on the issue of flexibility. Penn Fuel, for its subsidiary Union, states that Union has no system flexibility or alternate source of gas with which to supply NJZ, but does not provide any details to support its contention, which is required by § 2.78(a)(ii)(k).

Accordingly, we are constrained to deny interim relief to Penn Fuel for NJZ. However, we shall order that Penn Fuel's petition for extraordinary relief be set for hearing promptly and that the expeditious schedule prescribed herein be followed without deviation.

Pursuant to the notice of the instant petition, issued November 15, 1974 (39 FR 40992), petitions for leave to intervene have been filed by Piedmont Natural Gas Company, Inc., Farmers Chemical Association, Inc., The Philadelphia Electric Company, Consolidated Edison Company of New York, Inc., Long Island Lighting Company, and Owens-Corning Fiberglas Corporation. A petition for leave to intervene and a protest to the grant of interim relief was filed by Transcontinental Gas Pipe Line Corporation. Petitions for leave to intervene and requests for hearing were filed by General Motors Corporation and the Brick Institute of America, Columbia Gas Transmission Corporation, and Philadelphia Gas Works.

The Commission finds: (1) Good cause exists to set for formal hearing the application for extraordinary relief.

(2) Based on the facts presented on the petition, extraordinary relief, pendente lite should be denied.

(3) Participation of the above-named petitioners may be in the public interest.

The Commission orders: (A) The application for extraordinary relief filed in Docket No. RP75-16-4 is hereby set for hearing.

(B) Pursuant to the authority contained in and subject to the authority conferred upon the Federal Power Commission by the Natural Gas Act, particularly sections 4, 5, 15, and 16, and the Commission's rules and regulations under that Act, a public hearing shall be held commencing January 13, 1975, at 10 a.m. at a hearing room of the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, concerning whether extraordinary relief should be granted on a permanent basis.

(C) Petitioner, Penn Fuel, and any supporting parties shall file their testimony and evidence at the Commission on January 6, 1975, and serve on all parties including Staff Counsel on that date. The deficiencies cited in this order should be cured in the testimony and evidence submitted by Penn Fuel. In addition, Petitioner for relief should be prepared at the hearing to:

(a) Demonstrate compliance with § 2.78(a)(ii) of the Commission's General Policy and Interpretations, adopted by Order No. 467-C issued April 4, 1974 (mimeo pp. 5-6).

(b) Show the Penn Fuel and New Jersey Public Service Commission priority categories in which the customer for whom relief is sought are placed.

(c) Show, for Penn Fuel, the disposition of volumes received from Transco, for September, October, and November 1974, by FPC priorities, and by customer for each of the FPC categories in which the customer for whom relief is sought are placed. Estimate, to the extent feasible, similar data for the period following actual data through May 1975. Include, separately identified, disposition of volumes not sold, e.g. storage injection volumes and company use and unaccounted for volumes.

(d) Submit pertinent Transco curtailment tariff sheets in effect pendente lite at the time of the application herein and thereafter, to date of hearing. Submit similar sheets which show entitlements of Penn Fuel.

(e) End use data and information for the firm industrial customers whose requirements are no greater than 300 Mcf per day.

Participants will be expected to explain the effect on Penn Fuel's claim for relief in Docket No. RP75-16-4 of (1) the Court of Appeals for the District of Columbia circuit order issued November 26, 1974, and (2) the provisions of the Interim Settlement Agreement now in effect on the Transco system.

(D) Rebuttal testimony shall be filed at the Commission on January 13, 1975, and served on all parties at the hearing on that day.

(E) Extraordinary relief pendente lite is hereby denied.

(F) The above-named petitioners are hereby permitted to become interveners in this proceeding subject to the rules and regulations of the Commission: *Provided, however,* That the participation of such interveners shall be limited to matters affecting asserted rights and interests as specifically set forth in the

petitions to intervene: *And provided, further*, That the admission of such interveners shall not be construed as recognition by the Commission that they might be aggrieved because of any order of the Commission entered in this proceeding.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-500 Filed 1-7-75;8:45 am]

[Docket Nos. RP73-35 and PGA75-1]

TRUNKLINE GAS CO.

Notice of Proposed Changes in FPC Gas Tariff

DECEMBER 30, 1974.

Take notice that on December 13, 1974, Trunkline Gas Company (Trunkline) tendered for filing Eleventh Revised Sheet No. 3-A to its FPC Gas Tariff, Original Volume No. 1. Trunkline submits that the filing is in accordance with the provisions of section 18 of the General Terms and Conditions of its FPC Gas Tariff, Original Volume No. 1, and reflects increases in the current cost of gas and recovery of amounts in the deferred purchased gas cost account. An effective date of February 1, 1975, is proposed.

The company states that it has, as a part of its deferred purchased gas cost account increase, included an estimated amount computed to provide for the recovery of all Opinion No. 699 producer increases, prior to those prescribed in Opinion No. 699-H, incurred up to the proposed February 1, 1975 effective date. Trunkline states such amount is included pursuant to Opinion No. 699-G in FPC Docket No. R-389-B.

Trunkline additionally tendered for filing alternate Eleventh Revised Sheet No. 3-A and requested that, in the event the Commission suspends that portion of its PGA filing which is based in part on small producer and emergency purchases at rates above the level in Opinion No. 699, the Commission accept the alternate sheet for filing and permit it to become effective February 1, 1975, and to remain in effect during the suspension period.

Trunkline states that copies of its filing have been served on all jurisdictional customers and applicable state regulatory agencies.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 6, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-501 Filed 1-7-75;8:45 am]

[Docket Nos. RP72-41, etc.]

WESTERN TRANSMISSION CORP.

Proposed Change in Rates Under Purchased Gas Cost Adjustment Clause

DECEMBER 30, 1974.

Take notice that Western Transmission Corporation (Western), on December 13, 1974, tendered for filing proposed changes in its FPC Gas Tariff, Original Volume No. 1. The proposed changes would increase the monthly charges for purchased gas to Colorado Interstate Gas Company, Western's sole jurisdictional customer, pursuant to the provisions of Section 18 of Western's FPC Gas Tariff, Original Volume No. 1.

Western's filing is proposed to become effective on December 15, 1974, the date on which Western will commence initial purchases from American Quasar Petroleum Company and May Petroleum Company, both of which are small producers. With regard to this proposed effective date, Western requests waiver of the provisions of § 154.22 of the Commission's Regulations to permit the Company to begin charging the higher rate on December 15, 1974.

Copies of this filing have been served upon Colorado Interstate Gas Company and other interested persons, including public bodies, Western asserts.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before January 7, 1975. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-503 Filed 1-7-75;8:45 am]

[Docket No. RI75-73]

YALE OIL ASSOCIATION, INC.

Petition for Special Relief

DECEMBER 18, 1974.

Take notice that on December 9, 1974, Yale Oil Association, Inc. (Petitioner), 2309 First National Center, Oklahoma City, Oklahoma 73102, filed a petition for special relief in Docket No. RI75-73, under Order No. 481, and § 2.76 of the Commission's General Policy and Interpretations, seeking a rate above the applicable area ceiling. Petitioner seeks a price of 43 cents per Mcf for the sale of gas to Cities Service Gas Company under its FPC Gas Rate Schedule No. 1 from its Chelin Unit located in the North Lovedale Field, Harper County, Oklahoma. The petition is based upon the installation of a plunger lift. Petitioner states that with the additional equipment he will be able to produce and sell in interstate commerce estimated additional recoverable reserves of approximately 325,000 Mcf over the next 10 years.

Any person desiring to be heard or to make any protest with reference to said petition should on or before January 8, 1975, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any party wishing to become a party to a proceeding, or to participate as a party in any hearing therein, must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB, *Secretary.*

[FR Doc.75-504 Filed 1-7-75;8:45 am]

FEDERAL RESERVE SYSTEM

ALLIED BANCSHARES, INC.

Order Approving Acquisition of Bank

Allied Bancshares, Inc., Houston, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)), to acquire 100 per cent of the voting shares (less directors' qualifying shares), of the successor by merger to Union State Bank of Beaumont, Beaumont, Texas ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of the shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the tenth largest banking organization and bank holding company in Texas, controls 9 banks with aggregate deposits of approximately $692 million, representing about 1.8 per cent of total

commercial bank deposits in Texas.[1] Acquisition of Bank ($8.6 million in deposits) would have no appreciable effect upon the concentration of banking resources in Texas.

Bank ranks 18th out of 22 banking organizations in the Beaumont banking market (Beaumont-Port Arthur-Orange SMSA) and controls 1 per cent of total market deposits.[2] Applicant is the fourth largest banking organization operating in the relevant market, with its banking subsidiary in Port Arthur (17.5 miles from Beaumont) controlling 10.2 per cent of total market deposits. The largest banking organization in the market has 24 per cent of total market deposits and the second largest has 20 per cent of such deposits. Upon consummation of the proposal, Applicant would control 11.2 per cent of market deposits and rank as the third largest banking organization in the market. Applicant's closest existing subsidiary bank is located 17.5 miles from Bank. Neither of these banks derives a significant amount of business from the service area of the other. A proposed *de novo* bank of Applicant will be located 10 miles from Bank. However, the prospects of competition developing in the future between Applicant's existing and proposed subsidiaries and Bank is unlikely in view of the number of competitors in the market and Texas' prohibitive branching law. Furthermore, barriers to entry into the market would not be increased for numerous other banks remain as potential entry points. Accordingly, on the basis of the record, the Board concludes that consummation of the proposed acquisition would not have significant adverse effects on competition in any relevant area.

The financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are regarded as generally satisfactory and consistent with approval, especially in light of Applicant's plan to add equity capital to certain of its banking subsidiaries. Affiliation with Applicant should enable Bank to expand and improve banking services presently being offered. Accordingly, the Board regards considerations relating to the convenience and needs of the community to be served as being consistent with approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order, or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Dallas pursuant to delegated authority.

By order of the Board of Governors,[3] effective December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-457 Filed 1-7-75;8:45 am]

[1] All banking data are as of June 30, 1974, and reflect bank holding company formations and acquisitions approved through November 30, 1974.

[2] The Beaumont-Port Arthur-Orange SMSA is comprised of Jefferson, Orange and Hardin counties.

AMERIBANC, INC.

Order Denying Merger of Bank Holding Companies

Ameribanc, Inc., St. Joseph, Missouri ("Ameribanc"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with First American Bancshares, Inc., St. Joseph, Missouri ("First American"), under the charter and title of Ameribanc, Inc.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Ameribanc controls three banks with aggregate deposits of about $133.5 million, representing almost one per cent of the deposits of commercial banks in Missouri, and is the 14th largest banking organization in the State.[1] First American controls five banks with aggregate deposits of $25.6 million, representing 0.2 per cent of the total commercial bank deposits in the State, and is the 75th largest banking organization in Missouri. Consummation of the proposed merger would increase Ameribanc's share of total State deposits to slightly more than one per cent and its rank in the State would remain unchanged.

Ameribanc and First American are each regional bank holding companies serving portions of northwestern Missouri. Three of the five banks controlled by First American are located, respectively, in the Kansas City banking market (Bank of Edgerton), the Plattsburg banking market (First National Bank of Plattsburg), and the Maryville banking market (First American Bank of Skidmore), banking markets where Ameribanc presently has no banking subsidiaries. Accordingly, the proposed merger would have no adverse effects on existing competition with respect to those markets. Nor does it appear from the facts of record that potential competition would be adversely affected therein.

However, with respect to First American's other subsidiary banks, the Board believes the proposed merger would have adverse effects on competition in the St. Joseph banking market.[2] Ameribanc, with two banks (American National Bank and Belt National Bank of St. Joseph), is the largest of fourteen banking organizations in the market with aggregate deposits of $125.5 million, representing about 33.2 per cent of the commercial bank deposits. First American, with two banks (First National Bank of Stewartsville and First American Bank of Union Star), is the seventh largest organization in the market, controlling about 2.3 per cent of the deposits. Ameribanc and the second largest banking organization in the market already control 65.7 per cent of the deposits in the market. Upon consummation of the proposed merger, Ameribanc would control four banks in the market and increase its share of deposits to 35.5 per cent. Ameribanc and the second largest banking organization would then control 68 per cent of the market deposits. In view of the present level of concentration of banking resources in the St. Joseph banking market, the Board is unable to conclude that approval of the subject application would foster a more competitive banking structure. In fact, consummation of the proposal would increase the already high level of concentration and thus result in the market becoming less competitive. Accordingly, these considerations indicate that consummation of the proposal would have adverse effects on competition within the St. Joseph banking market.

In addition to the above considerations, consummation of the proposed merger would result in the elimination of the possibility that First American would develop into a more effective competitor in the St. Joseph market. The amount of existing competition that would be eliminated between it and Ameribanc is mitigated to some extent by the fact that there is some common ownership and management of the two organizations.[3] However, this relationship between the two organizations has existed for only a relatively short period (less than three years), and denial of this proposal would preserve the possibility that a dissolution of the relationship would occur in the future, thus resulting

[3] Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland, Wallich and Coldwell. Absent and not voting: Chairman Burns and Governor Bucher.

[1] Banking data are as of December 31, 1973, and reflect holding company formations and acquisitions approved through October 31, 1974. On December 11, 1974, the Board approved an application by Ameribanc to acquire the First National Bank of Tarkio, Tarkio, Missouri (deposits of $9.8 million).

[2] The St. Joseph banking market is approximated by Buchanan County (less Rush and Bloomington townships), Andrew County, and western De Kalb County, all in Missouri, and northern Doniphan County in Kansas.

[3] The chairman of the board of First American owns directly and indirectly 72 percent of the stock of that organization. He is also chairman of the board of Ameribanc and his direct and indirect interests amount to 12.3 percent of American's stock with an option to purchase an additional 7 percent.

in increased competition in the St. Joseph market. This latter consideration is important because so few other independent banks remain available in the Missouri portion of the St. Joseph market for possible acquisition by out-of-area banking organizations.

On the basis of the foregoing and the facts of record, the Board concludes that consummation of the proposal so far as it relates to First American's subsidiaries competing outside the St. Joseph market would raise no adverse effects on competition requiring denial of the application. However, in the St. Joseph market, the proposal would result in adverse competitive effects by increasing the concentration of banking resources in that market and eliminating the possibility of competition developing in the future. Such considerations require denial of the application unless they are outweighed by other considerations reflected in the record.

The financial condition, managerial resources and future prospects of Ameribanc, First American and their respective subsidiary banks are considered to be satisfactory. Therefore, banking factors are consistent with approval of the application but provide no significant support for such action.

Ameribanc proposes to make trust services available to subsidiary banks of First American and to assist them in farm loans and farm management. Furthermore, Ameribanc states that the proposed affiliation would enable First American's subsidiary banks to have larger effective lending limits and will facilitate management succession in the future. While these improved services lend some weight toward approval, the Board does not consider these convenience and needs considerations sufficient to outweigh the anticompetitive effects of the proposed merger hereinbefore described. Accordingly, it is the Board's judgment that approval of the proposed merger would not be in the public interest and that the application should be denied.

On the basis of the record, the application is denied for the reasons summarized above.

By order of the Board of Governors,[4] effective December 31, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-458 Filed 1-7-75;8:45 am]

CROCKER NATIONAL CORP.

Order Approving De Novo Joint Venture, Western Bradford Trust Company

Crocker National Corporation, San Francisco, California, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(1) of the Board's Regulation Y, to engage in a joint venture with Bradford Computer & Systems, Inc., New York, New York ("Bradford"). The joint venture would be carried out through Western Bradford Trust Company, San Francisco, California ("Company") which would engage *de novo* in data processing and record-keeping services associated with corporate agency and corporate trust functions. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(4)&(8)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 FR 32192). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant controls one bank with aggregate deposits of $6.7 billion, representing approximately 9.5 per cent of the total deposits in commercial banks in California, and is the fourth largest commercial banking organization in the State.[1] Applicant, through its banking subsidiary, Crocker National Bank, San Francisco, California ("Bank") performs a full range of internal bank-related data processing and other computer services authorized for national banks pursuant to a ruling of the Comptroller of the Currency (12 CFR 7.3500).

Bradford and its subsidiaries are engaged in the design, development, implementation and operation of computer and machine-based clerical systems, and will grant Company a non-exclusive license to various computer software systems. Bradford is currently a co-venturer engaged in transfer agent activities with two New York City banks and one Pittsburgh bank.

Company will act as a fiduciary stock transfer agent by performing clerical, computer data processing and record-keeping services to support the corporate agency and shareholder transfer services offered by the trust department of Bank and will itself offer these services to other area banking and corporate customers. Company's activities will include establishing and maintaining shareholder and bondholder accounts, processing and recording the issuance, cancellation, redemption and transfer of securities, recording securities purchases and other recordings and analysis of various transactions in shareholders' and bondholders' accounts. Company's main office will be located in San Francisco with a branch office to be located in Los Angeles. Applicant and Bradford would each acquire 50 per cent of the common shares of Company.

Bank will continue to perform its customary fiduciary corporate agency functions including those of transfer agent, paying agent, and indenture trustee. The internal administrative details, however, will be assumed by Company. In recent years, Bank has experienced steadily increasing operational deficits in its corporate agency services. Since Bradford offers its services on a non-exclusive basis so that other California banks have access to Bradford's systems, the proposal will not preclude competition between Bank and Bradford. Company, as a joint venture between Bank and Bradford, may reasonably be expected to constitute a viable competitive alternative to the large New York banks which currently dominate corporate trust services provided by bank-related organizations. The Board concludes that consummation of the proposed acquisition would have no significant adverse effects on existing or potential competition in any relevant market.

The Board finds that the proposed joint venture would result in public benefits in terms of increased and improved services. The formation of the joint venture will enable Bank to provide more efficient shareholder accounting services at a reduced cost to its customers. In addition, Company will be able to offer new services such as dividend retirement plans and systematic withdrawal plans which would enable Bank to service mutual funds.

There is no evidence in the record in this case indicating that consummation of the present proposal to engage in a joint venture would result in an undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8), that consummation of this proposal can reasonably be expected to result in benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulation, and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco, pursuant to authority hereby delegated to it.

By order of the Board of Governors,[2] effective December 31, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-460 Filed 1-7-75;8:45 am]

[4] Voting for this action: Governors Sheehan, Bucher, Holland, Wallich, and Coldwell. Absent and not voting: Chairman Burns and Governor Mitchell.

[1] All banking data are as of December 31, 1973, and reflect holding company formations and acquisitions through October 1, 1974.

[2] Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland and Wallich. Absent and not voting: Chairman Burns and Governors Bucher and Coldwell.

DEPOSIT GUARANTY CORP.

Order Approving Application To Engage in the Activity of Providing Management Consulting Advice to Nonaffiliated Banks

Deposit Guaranty Corp., Jackson, Mississippi, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to engage *de novo*, through a wholly-owned subsidiary, DGC Services Company, Jackson, Mississippi ("DGC"), in the activity of providing management consulting advice on a fee basis to nonaffiliated banks with respect to auditing, financial planning, bank operations and marketing research, mergers, acquisitions and advertising. Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(12)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 FR 28188). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Applicant, the largest banking organization in Mississippi, controls one bank with aggregate deposits of approximately $646 million, representing about 13 percent of the total deposits in commercial banks in the State.[1] Applicant also controls several nonbanking subsidiaries including companies that engage in providing management and investment advisory services for Applicant and its subsidiaries and mortgage banking.

Under this proposal, Applicant proposes to expand the activities of DGC to include management consulting advice to nonaffiliated banks located in Mississippi, Louisiana, Tennessee, and Alabama. DGC would provide to client banks, on an explicit fee basis, management consulting advice with respect to auditing, financial planning, bank operations and marketing research, mergers, acquisitions, and advertising. It appears that no adverse effects on competition would result from DGC offering bank management consulting advice. While Bank provides some management consulting advice to nonaffiliated banks as a correspondent banking service, such advice is limited in scope and is not offered on an explicit fee basis. Therefore, no significant existing or potential competition would be eliminated upon approval of this application. Moreover, it is expected that Applicant's *de novo* entry into this industry should have a procompetitive effect by increasing the number of firms offering this specialized consulting advice. Furthermore, by making this advice available on an explicit fee basis rather than as a correspondent banking service, client banks will now be able to allocate their funds more efficiently.

There is no evidence in the record indicating that consummation of the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of § 4(c)(8) of the Act, that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta.

By order of the Board of Governors,[2] effective December 27, 1974.

GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.75-453 Filed 1-7-75;8:45 am]

[1] All banking data are as of December 31, 1973, and reflect bank holding company formations and acquisitions approved through November 30, 1974.

[2] Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland, and Wallich. Absent and not voting: Chairman Burns and Governors Bucher and Coldwell.

FARMERS ENTERPRISES, INC.

Order Approving Formation of Bank Holding Company and Retention of a General Insurance Agency

Farmers Enterprises, Inc., Albert, Kansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 84.2 percent of the voting shares of The Farmers State Bank, Albert, Kansas ("Bank").

At the same time, Applicant has applied for the Board's approval pursuant to section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y to continue to engage in the activities of a general insurance agency in a community with a population of less than 5,000 persons. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)(iii)(a)).

Notice of receipt of these applications, affording an opportunity for interested persons to submit comments and views, has been given in accordance with sections 3 and 4 of the Act (39 FR 32794 (1947)). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in the light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c) and the considerations specified in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant presently conducts general insurance agency activities in Albert, Kansas, a community of approximately 200 persons. Bank, with deposits of about $7.4 million,[1] is the only bank in Albert, Kansas, and is the eighth largest of 9 banks in the relevant banking market,[2] controlling approximately 5.5 percent of the total deposits in commercial banks in the market. Since the proposal represents a restructuring of the ownership of Bank from individuals to a corporation owned by the same individuals and Applicant has no present subsidiaries, consummation of the proposal would have no significantly adverse effects on completion in any relevant area.

The financial and management resources and future prospects of Applicant, which are dependent upon those of Bank and the insurance agency operations, are considered generally satisfactory and consistent with approval. The debt that will be assumed by Applicant as a result of this proposal appears to be serviceable from the income to be derived from Bank and Applicant's insurance activities without having an adverse effect on the financial condition of either Applicant or Bank. Accordingly, banking factors are regarded as being consistent with approval of the applications. Consummation of the transaction would have no immediate effect on the area's banking convenience and needs; however, such considerations are consistent with approval of the application to acquire Bank. It is the Board's judgment that consummation of the transaction would be in the public interest and that the application to acquire Bank should be approved.

Applicant, the only insurance agency in Albert, conducts its general insurance agency business from the premises of Bank. The continued availability of these services through Applicant would assure the residents of the Albert area of a convenient source of insurance agency services, which factor the Board regards as being in the public interest. There is no evidence in the record indicating that consummation of the subject proposal would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest.

Based on its foregoing and other considerations reflected in the record, the Board has determined that the considerations affecting the competitive factors under section 3(c) of the Act and the balance of public interest factors the

[1] All data are as of June 30, 1974.

[2] The relevant banking market is approximated by Barton County with some portions of surrounding counties also included.

Board must consider under section 4(c)(8) both favor approval of Applicant's proposals.

Accordingly, the applications are approved for the reasons summarized above. The acquisition of Bank shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority. The determination as to Applicant's insurance activities is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modifications or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors,* December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-456 Filed 1-7-75;8:45 am]

FIFTH THIRD BANCORP

Formation of Bank Holding Company

Fifth Third Bancorp, Cincinnati, Ohio, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 100 per cent (less directors' qualifying shares) of the voting shares of the successor by merger to The Fifth Third Bank, Cincinnati, Ohio. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Cleveland. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received not later than January 27, 1975.

Board of Governors of the Federal Reserve System, December 31, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-459 Filed 1-7-75;8:45 am]

*Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland, Wallich and Coldwell. Absent and not voting: Chairman Burns and Governor Bucher.

MIDLANTIC BANKS, INC.

Proposed Acquisition of Great Eastern Leasing Corporation

Midlantic Banks, Inc., West Orange, New Jersey, has applied pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire through its subsidiary, Midlantic Commercial Co., voting shares of Great Eastern Leasing Co., New York, New York. Notice of the application was published on December 9, 1974 in The New York Times a newspaper circulated in New York, New York.

Applicant states that the proposed subsidiary would engage in the activities of leasing personal property in a full pay out basis and financing of equipment under conditional sales contracts. Applicant states that such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of New York.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than January 29, 1975.

Board of Governors of the Federal Reserve System, December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-455 Filed 1-7-75;8:45 am]

MOAMCO CORP.

Order Granting Determination Under Bank Holding Company Act

In the matter of the request by MoAmCo Corporation, Minneapolis, Minnesota ("MoAmCo"), for a determination pursuant to section 2(g)(3) of the Bank Holding Company Act of 1956, as amended.

MoAmCo, a bank holding company within the meaning of section 2(a) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. 1841(a)) ("Act"), by virtue of its ownership of in excess of 96 per cent of the issued and outstanding voting shares of Americana State Bank, Edina, Minnesota ("Bank"), seeks to terminate said status as a bank holding company and has requested a Board determination, pursuant to section 2(g)(3) of the Act (12 U.S.C. 1841(g)(3)), that MoAmCo is not in fact capable of controlling or exerting a controlling influence directly or indirectly, over management and policies of Bank through David A. Erickson ("Erickson"), notwithstanding the indebtedness incurred by Erickson to MoAmCo in connection with his purchase on October 31, 1973, from MoAmCo of all of its shares of Bank. Except for the present indebtedness incurred in the sale of Bank's stock, Erickson has no present or past relationship with MoAmCo.

Under the provisions of section 2(g)(3) of the Act (12 U.S.C. 1841(g)(3)), shares transferred after January 1, 1966, by any bank holding company to a transferee that is indebted to the transferor or has one or more officers, directors, trustees, or beneficiaries in common with or subject to control by the transferor, are deemed to be indirectly owned or controlled by the transferor unless the Board of Governors of the Federal Reserve System, after opportunity for hearing, determines that the transferor is not in fact capable of controlling the transferee.

MoAmCo has submitted to the Board documentary evidence to support its contention that MoAmCo does not in fact control or exert a controlling influence directly or indirectly over the management or policies of Bank.

Notice of an opportunity for hearing with respect to MoAmCo's request for a determination under section 2(g)(3) was published in the FEDERAL REGISTER on July 10, 1974 (39 FR 25366). The time provided for requesting a hearing expired on July 25, 1974. No such request has been received by the Board, nor has any evidence been received to show that MoAmCo is in fact capable of controlling or exerting a controlling influence, directly or indirectly, over the management or policies of Bank.

It is hereby determined that MoAmCo is not in fact capable of controlling or exerting a controlling influence, directly or indirectly, over the management or policies of Bank. This determination is based upon the evidence of record in this matter, including (1) a certified copy of a resolution passed by the Board of Directors of MoAmCo on February 13, 1974 to the effect that MoAmCo does not now and will not in the future control or attempt to control, or exert or attempt to exert, a controlling influence over Bank through the indebtedness to it of Erickson, and that there will be no common directorships between MoAmCo and Bank; (2) an affidavit of January 27, 1974 by Mr. Erickson stating, in essence,

that he is not acting pursuant to any agreement or understanding with or under any instructions from MoAmCo, that he will not be reporting to MoAmCo the actions taken at directors' meeting of Bank and that he is not and will not be subject to control by MoAmCo; (3) a certified copy of a resolution passed by the Board of Directors of Bank on February 12, 1974, to the effect that MoAmCo does not control or exert a controlling influence, directly or indirectly, over the management or policies of Bank and that the sale of Bank's shares to Erickson effected a relinquishment of all control of Bank by MoAmCo; and (4) an affidavit of October 24, 1974 by Mr. E. J. Abdo, acting secretary of MoAmCo, stating, in essence, that in the event of a foreclosure by MoAmCo against Erickson, MoAmCo will (1) report such foreclosure to the Board; (2) make an immediate application to the Board to retain shares acquired as a result of any such foreclosure; and (3) sell such shares within one year of the foreclosure.

Accordingly, it is ordered, That the request of MoAmCo for a determination pursuant to section 2(g)(3) be and hereby is granted. Any material change in the facts or circumstances relied upon by the Board in making this determination or any material breach of any of the commitments upon which the Board based its decision could result in the Board reconsidering the determination made herein.

By order of the Board of Governors, acting through its General Counsel, pursuant to delegated authority (12 CFR 265.2(b)), effective December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc.75-454 Filed 1-7-75;8:45 am]

OSKALOOSA BANCSHARES, INC.

Order Approving Formation of Bank Holding Company and Acquisition of a General Insurance Agency

Oskaloosa Bancshares, Inc., Oskaloosa, Kansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 81.5 per cent or more of the voting shares of The State Bank of Oskaloosa, Oskaloosa, Kansas ("Bank"). Applicant has also applied, pursuant to section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire the Curtis Patrick Agency, Oskaloosa, Kansas ("Agency"), a company that engages in the activities of a general insurance agency in a community with a population not exceeding 5,000 persons. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)(iii)).

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with sections 3 and 4 of the Act (39 FR 34118). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in section 3(c) of the Act, and the considerations specified in section 4(c)(8) of the Act.

Applicant is a recently organized corporation formed for the purposes of becoming a bank holding company through the purchase of Bank's stock and of operating as a general insurance agency. Bank (deposits of $5.6 million),[1] the only bank in Oskaloosa, controls approximately 21 percent of total deposits in commercial banks in the relevant banking market,[2] and is the second largest of the five banking organizations in the market. Since the proposal represents merely a restructuring of the present ownership of Bank and Agency and Applicant has no present subsidiaries, consummation of the proposal would have no adverse effects on existing or potential competition. Therefore, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition, managerial resources, and future prospects of Bank are regarded as satisfactory and consistent with approval of the application. The management of Applicant is satisfactory, and Applicant's financial condition and future prospects, which are dependent upon profitable operations by both Bank and Agency, appear favorable. Although Applicant will incur debt in connection with the proposal, its projected income from Bank and the insurance agency activities should provide sufficient revenue to service the debt without impairing the financial condition of Bank. Consummation of the transaction would have no immediate effect on the area's banking convenience and needs; however, some expansion of services may result in the future under the more flexible corporate structure of the holding company. Considerations relating to the convenience and needs of the community to be served, therefore, are regarded as being consistent with approval of the application. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application to acquire Bank should be approved.

Agency is a general insurance agency and conducts its business currently from the premises of Bank in Oskaloosa. Applicant proposes to engage in these insurance agency activities, pursuant to § 225.4(a)(9)(iii) of Regulation Y, as a result of its acquisition of Agency. Approval of this proposal would enable Applicant to continue to offer Bank's customers a convenient source of insurance services, which factor the Board regards as being in the public interest. Furthermore, it does not appear that Applicant's acquisition of Agency would have any significant effect on existing or future competition, and there is no evidence in the record indicating that consummation of the proposal would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects on the public interest.

Based on the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8), that consummation of the proposal with respect to Agency can reasonably be expected to produce benefits to the public that outweigh possible adverse effects and the application to acquire Agency should be approved.

Accordingly, the applications are approved for the reasons summarized above. The acquisition of Bank shall not be made before the thirtieth calendar day following the effective date of this Order. The acquisition of Bank and Agency shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority. The determination as to Applicant's insurance activities is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors,[3] effective December 27, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.75-452 Filed 1-7-75;8:45 am]

[1] Banking data are as of December 31, 1973.

[2] The relevant banking market is approximated by the northern three-fourths of Jefferson County.

SOUTH CAROLINA NATIONAL CORP.

Order Approving Acquisition of Nonbank Assets

In the matter of the applications of South Carolina National Corporation for approval of its acquisition of the assets of World Finance Corporation of Gainesville, National Credit Plan Corp., Martin Finance Corp. of Atlanta, and Martin Finance Corp. of Marietta.

South Carolina National Corporation (Applicant), Columbia, South Carolina, a bank holding company within the meaning of the Bank Holding Company Act, by two separate applications has applied for the approval of the Board of Governors of the Federal Reserve System under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, of its proposed acquisition of all of the assets of World Finance Corporation of Gainesville (World), Gainesville,

[3] Voting for this action: Vice Chairman Mitchell, Governors Sheehan, Holland, and Wallich. Absent and not voting: Chairman Burns, Governors Bucher and Coldwell.

Georgia; National Credit Plan Corp. (National), Hawkinsville, Georgia; Martin Finance Corp. of Atlanta (Martin of Atlanta), Lithea, Georgia; and Martin Finance Corp. of Marietta (Martin of Marietta), Marietta, Georgia. The assets of these companies are to be acquired by Applicant indirectly through First Provident Financial Corporation of Georgia, Inc., a wholly-owned subsidiary of Applicant's direct subsidiary, Provident Financial Corporation.

Applicant has caused appropriate notices of its proposals to be published in newspapers of general circulation in the areas to be served and the Board of Governors has duly published a notice of the applications, affording opportunity for interested persons to submit comments and views, at 39 FR 226. The time for filing comments and views has expired. The Reserve Bank has considered the applications and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Each of the four companies to be acquired under Applicant's proposals is engaged in consumer finance activities and each acts as agent or broker in the sale of credit life, credit accident and health and casualty insurance in connection with their extensions of credit. Applicant proposes to expand these present activities to include second mortgage financing. Such activities have generally been determined to be closely related to banking (12 CFR 225.4(a)(1) and (9)).

Applicant is the largest banking organization in South Carolina through its control of South Carolina National Bank, Charleston, South Carolina. This bank, as of December 31, 1973, had aggregate deposits of approximately $787.8 million which represented 21.1 percent of the total bank deposits in the state as of that date. Provident Financial Corporation, one of Applicant's two directly held nonbank subsidiaries, provides 36 cities in North and South Carolina with consumer finance and second mortgage services. With the exception of its subsidiary, Premium Acceptance Company, Atlanta, a licensed insurance premium lender, neither it nor Applicant conducts any business in the relevant geographic market.

World (a wholly-owned subsidiary of World Acceptance Corporation), National, Martin of Atlanta and Martin of Marietta (wholly-owned subsidiaries of Georgia Investors Credit Corporation) are licensed small loan lenders in the state of Georgia operating a single office each. Their relevant market areas are respectively concentrated within a ten mile radius surrounding such offices. None derives business from the service areas of Applicant's present subsidiaries. In addition, World does not compete with the other three companies to be acquired. Consummation of the proposed acquisitions, therefore, would not result in the elimination of any present competition. Potential competition should not be significally affected by approval since it appears unlikely that Applicant would enter the relevant markets on a *de novo* basis.

There is no evidence in the record indicating that consummation of the proposed transactions would result in any undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices, or other adverse effects on the public interest.

Applicant's greater access to financial resources may assure World, National, Martin of Atlanta and Martin of Marietta of more ready access to funds, enable them to become more effective competitors, offer expanded services and thereby increase public convenience in each market. Based on the foregoing and other considerations reflected in the record, the Reserve Bank has determined in accordance with the provisions of section 4(c)(8) that consummation of the proposals can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the applications are hereby approved by the Reserve Bank under Section 265.2(f)(31) of the Board's Rules Regarding Delegation of Authority. This determination is subject to the conditions set forth in Section 225.4(c) of Regulation Y (12 CFR 225.4(c)) and to the authority of the Board of Governors to require such modification or termination of the activities of a holding company of any of its subsidiaries as the Board may find necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transactions shall be made not later than three months after the effective date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond.

By order of the Federal Reserve Bank of Richmond acting pursuant to authority delegated by the Board of Governors of the Federal Reserve System, effective December 26, 1974.

ROBERT P. BLACK,
President.

[FR Doc.75-514 Filed 1-7-75;8:45 am]

SOUTHWEST HOLDING CO.

Formation of Bank Holding Company

The Southwest Holding Company, Topeka, Kansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 80 per cent or more of the voting shares of Southwest State Bank, Topeka, Kansas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 27, 1975.

Board of Governors of the Federal Reserve System, December 27, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.75-450 Filed 1-7-75;8:45 am]

UNION TRUST BANCORP

Order Approving Acquisition of Atlantic Management Corporation and Atlantic-Phoenix Insurance Company

Union Trust Bancorp, Baltimore, Maryland, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR 225.4(b)(2)), to acquire all of the voting shares of Atlantic Management Corporation, Silver Spring, Maryland ("Atlantic"). Atlantic is a company that engages in the activities of making, acquiring, and servicing loans and other extensions of credit, and acting as agent with respect to (1) the sale of credit life and credit accident and health insurance directly related to its extensions of credit, and (2) the sale of level term credit life and single premium payment disability insurance sold as a convenience to borrowers at the time credit is extended to such borrowers.[1] Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1), (3) and (9)).

Applicant has also applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Atlantic-Phoenix Life Insurance Company, Phoenix, Arizona (APLIC). Upon acquisition, Applicant states that APLIC would act as reinsurer of credit life and credit accident and health insurance in connection with extensions of credit by Applicant's subsidiaries. This activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(10)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 FR 34606). The time for filing comments and views has expired, and the

[1] Under the existing provisions of Regulation Y (12 CFR 225.4(a)(9)(ii)(c)) and the Board's *Published Interpretations* (12 CFR 225.128), a bank holding company and its subsidiaries may sell "convenience" insurance only to the extent that the amount of premium income derived from such "convenience" insurance sales is less than 5 percent of the aggregate insurance income of the holding company system sold pursuant to § 225.4(a)(9)(ii). However, the Board currently has pending a proposed amendment to § 225.4(a)(9)(ii)(c) which would limit the amount of "convenience" insurance sold by an insurance-selling subsidiary office to less than 5 percent of that office's total insurance premium income.

Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant, the fifth largest banking organization in Maryland, controls one bank with total deposits of approximately $666 million, representing about 8.8 per cent of the total deposits in commercial banks in the State.[2] Applicant also controls two nonbanking subsidiaries which engage in making loans secured by second mortgages on residential real estate and in leasing equipment and other personal property.

Atlantic (total net receivables of approximately $15 million)[3] is a consumer finance company which, through subsidiaries, operates a total of 50 offices in nine southeastern States.[4] None of Applicant's nonbanking subsidiaries are engaged in making personal loans, which is the relevant product market for purposes of analyzing the anticompetitive effects of the proposed transaction.[5] Any anticompetitive effects of the proposed acquisition would be limited to an area approximated by the Washington, D.C. SMSA,[6] in which Applicant's subsidiary bank operates seven branch offices and Atlantic operates six offices. Within this market, Applicant and Atlantic compete with 77 commercial banks with 622 branch offices, more than 175 consumer finance companies, and more than 240 credit unions. As of December 31, 1973, Applicant's subsidiary bank held approximately 0.8 per cent, and Atlantic held approximately 0.4 per cent, respectively, of the estimated total personal loans outstanding in the market. Therefore, in view of the market shares involved and the number of other competitors in the market, it appears that consummation of the proposal would not have any significant adverse effects on competition in any relevant area.

Furthermore, there is no evidence in the record indicating that consummation of this proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects upon the public interest. Applicant has stated that, upon acquisition, it will inject an additional $2 million of capital into Atlantic. It is also contemplated that Atlantic would be permitted to retain is earnings for a period of time to improve its capital position. In addition, approval of the proposal would provide Atlantic with access to greater capital funds through Applicant, thus enabling Atlantic to establish new offices and compete more vigorously in its present markets.

In conjunction with the above, Applicant also proposes to acquire APLIC, a company which is presently inactive. After its acquisition, Applicant proposes that APLIC will engage in the activity of reinsuring credit life and credit accident and health insurance directly related to extensions of credit by Applicant's credit granting subsidiaries. Credit life and credit accident and health insurance is generally made available by banks and other lenders and such insurance is designed to assure repayment of a loan in the event of death or disability of the borrower. Since Applicant essentially proposes to engage *de novo* in this activity, consummation of the proposal would not have any adverse effects on existing or potential competition in any relevant market.

Applicant has stated that following approval of its proposal, APLIC would offer credit insurance at rates below the maximum rates permitted under State law and would provide increased policy coverage to its credit insurance customers. In particular, APLIC would offer credit life insurance at a premium rate of $.65 per $100 or 7.1 per cent below the rate presently being charged by Atlantic. In addition, APLIC would expand accident and health policy coverage by increasing the current maximum age limitation from age 65 to age 70 and by eliminating numerous exclusions from coverage, thereby increasing policy benefits by an actuarially estimated 15 per cent without increasing premium rates. The Board regards Applicant's proposed premium rates and increase in policy coverage as procompetitive and in the public interest.

Based on the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8), that consummation of these proposals can reasonably be expected to result in benefits to the public that outweigh possible adverse effects. Accordingly, both applications are hereby approved. These determinations are subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder or to prevent evasion thereof. These transactions shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond.

By order of the Board of Governors,[7] effective December 27, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.75-451 Filed 1-7-75;8:45 am]

[2] Unless otherwise noted, all banking data are as of December 31, 1973 and reflect holding company formations and acquisitions approved through November 30, 1974.

[3] Total net receivables are as of June 30, 1974.

[4] Atlantic's offices are located in the States of Alabama, Florida, Georgia, Maryland, North Carolina, South Carolina, Tennessee, Virginia and West Virginia.

[5] Although Atlantic and Applicant's subsidiary, Union Home Loan Corporation, Baltimore, Maryland ("Home"), both engage in making second mortgage loans, Atlantic is not licensed to engage in such activities in Maryland where Home has three offices; and Home does not engage in such activities in any of the areas where Atlantic does engage in making second mortgage loans.

[6] The Washington, D.C. SMSA consists of Charles, Montgomery and Prince Georges Counties, Maryland; Washington, D.C.; and the cities of Alexandria, Fairfax and Falls Church, and Arlington, Fairfax, Loudoun and Prince William Counties in Virginia.

[7] Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland and Wallich. Absent and not voting: Chairman Burns and Governors Bucher and Coldwell.

INSURED BANKS

Joint Call for Report of Condition

CROSS REFERENCE: For a document concerning the joint call for report of condition of insured banks, issued jointly by the Federal Deposit Insurance Corporation, Treasury/Comptroller of the Currency, and the Federal Reserve System, see FR Doc.75-523, *supra*.

GENERAL SERVICES ADMINISTRATION

[FPMR Temporary Reg. E-34, Supplement 1]

ADPE AND DATA COMMUNICATIONS SYSTEMS REQUESTS

Privacy and Budgetary Certification

1. *Purpose.* This supplement adds to FPMR Temporary Regulation E-34 a reference to FPMR 101-32.203. This reference expands the regulation to ensure that agency requests to ADP sharing exchanges include a privacy and budgetary certification.

2. *Effective date.* This regulation is effective January 8, 1975.

3. *Expiration date.* This regulation expires March 31, 1975, unless sooner revised or superseded.

4. *Explanation.* Paragraphs 1 and 8 of FPMR Temporary Regulation E-34 are amended to include a reference to FPMR 101-32.203.

Dated: December 30, 1974.

DWIGHT A. INK,
Acting Administrator of General Services.

[FR Doc.75-462 Filed 1-7-75;8:45 am]

REGIONAL PUBLIC ADVISORY PANEL ON ARCHITECTURAL AND ENGINEERING SERVICES

Notice of Meeting

DECEMBER 26, 1974.

Pursuant to Public Law 92-463, notice is hereby given of a meeting of the Regional Public Advisory Panel on Architectural and Engineering Services Region 5, January 21, 1975, from 9:30 a.m. to 3:30 p.m., 35th Floor, Federal Office Building, 230 South Dearborn St., Chicago, Illinois. The meeting will be concerned with the review of the conceptual design for the Federal Building, Carbondale, Illinois. Frank and open critical

analysis of the proposed design is essential to insure that the design approach produces the best possible design solution. Accordingly, pursuant to a determination that it will be concerned with a matter listed in 5 U.S.C. 552(b) and (5) the meeting will not be open to the public.

FRANK RESNIK,
Regional Administrator.

[FR Doc.75-461 Filed 1-7-75; 8:45 am]

COMMISSION ON GOVERNMENT PROCUREMENT RECOMMENDATIONS

Notice of Executive Branch Position

Notice is hereby given of the executive branch position with respect to Commission on Government Procurement Recommendations A-2, A-3, A-4, A-5, A-6, A-8, A-9, G-1, G-2, G-4, G-5, G-6, G-9, G-10, and G-12.

I. *Recommendations A-2 thru 6, 8 and 9:* The following seven COGP recommendations have been accepted by the executive branch. Executive and Legislative branch actions are continuing to implement these recommendations through the legislative process.

A-2: "Enact legislation to eliminate inconsistencies in the two primary procurement statutes by consolidating the two statutes and thus provide a common statutory basis for procurement policies and procedures applicable to all executive agencies. Retain in the statutory base those provisions necessary to establish fundamental procurement policies and procedures. Provide in the statutory base for an Office of Federal Procurement Policy in the executive branch to implement basic procurement policies.

A-3: (a) Require the use of formal advertising when the number of sources, existence of adequate specifications, and other conditions justify its use.

(b) Authorize the use of competitive negotiation methods of contracting as an acceptable and efficient alternative to formal advertising.

(c) Require that the procurement file disclose the reasons for using competitive methods other than formal advertising in procurements over $10,000, or such other figure as may be established for small purchase procedures.

(d) Repeal statutory provisions inconsistent with the above.

A-4: Adjust the statutory provision on solicitations and discussions in competitive procurements other than formal advertising in the following manner.

(a) Extend the provision to all agencies.

(b) Provide for soliciting a competitive rather than a "maximum" number of sources, for the public announcement of procurements, and for honoring the reasonable requests of other sources to compete.

(c) Promulgate Government-wide regulations to facilitate the use of discussions in fixed-price competitions when necessary for a common understanding of the product specifications.

(d) Require that evaluation criteria, including judgment factors to be weighed by the head of an agency when he is responsible for contractor selection, and their relative importance, be set forth in competitive solicitations involving contracts which are not expected to be awarded primarily on the basis of the lowest cost.

A-5: When competitive procedures that do not involve formal advertising are utilized, establish that agencies shall, upon request of an unsuccessful proposer, effectively communicate the reasons for selecting a proposal other than his own.

A-6: Authorize sole-source procurements in those situations where formal advertising or other competitive procedures cannot be utilized, subject to appropriate documentation; and, in such classes of procurements as determined by the Office of Federal Procurement Policy, subject to the determination being approved at such level above the head of the procuring activity as is specified in agency regulations.

A-8: Authorize all executive agencies to enter into multi-year contracts with annual appropriations. Such contracts shall be based on clearly specified firm requirements and shall not exceed a five-year duration unless authorized by another statute.

A-9: Repeal the current statutory requirement that the contractor provide the procuring agency with advance notification of cost-plus-a-fixed-free subcontracts and subcontracts over $25,000 or five percent of the prime contract cost.

II. *Recommendation G-1:* "Make clear to the contractor the authority and identity of the contracting officer, and other designated officials, to act in connection with each contract." The executive branch has accepted this recommendation with the stipulation that the term "other designated officials" means such persons as the Contracting Officer's Representative or the Administrative Contracting Officer. Recommendation G-1 will be implemented via a Government-wide issuance.

III. *Recommendation G-2:* "Provide for an informal conference to review contracting officer decisions adverse to the contractor." The executive branch has rejected this recommendation because it contravenes the concept of independent decision-making by the contracting officer and undermines his authority. Generally, a contracting officer consults with his technical staff, legal counsel and other members of the contracting officer's team with the objective of settling a dispute without litigation. This system has proven to be effective and should continue. The recommendation is also contrary to COGP Recommendation A-13 which states: "Clarify the role of the contracting officer as the focal point for making or obtaining a final decision on procurement. Allow the contracting officer wide latitude for the exercise of business judgment in representing the Government's interest."

IV. *Recommendation G-4:* "Establish a regional small claims boards system to resolve disputes involving $25,000 or less." The executive branch has rejected this recommendation. Since the COGP report was published, several Boards of Contract Appeals have successfully instituted accelerated procedures for handling contract claims. In addition, the number of cases involving claimed amounts of $25,000 or less is inadequate to justify costs associated with such a system. Many appeals involving a stated claim of $25,000 or less are handled without a hearing and hearings are often held outside Washington, D.C. at a location mutually agreeable to the contractor and the Government.

V. *Recommendation G-5:* "Empower contracting agencies to settle and pay, and administrative forums to decide, all claims or disputes arising under or growing out of or in connection with the administration or performance of contracts entered into by the United States." The executive branch has accepted this recommendation. This recommendation is being referred to the Armed Services Procurement Regulation (ASPR) Committee and Federal Procurement Regulations (FPR) Staff for implementation. Private sector views will be solicited via ASPR/FPR channels.

VI. *Recommendation G-6:* "Allow contractors direct access to the Court of Claims and district courts." This recommendation was rejected to emphasize use of available administrative forums before proceeding to the courts for relief. Rejection of this recommendation, however, is not intended to preclude contractors from proceeding to the courts after they have exhausted available administrative remedies.

VII. *Recommendation G-9:* "Modify the present court remand practice to allow the reviewing court to take additional evidence and make a final disposition of the case." The executive branch rejected this recommendation because it was concluded that it would prolong litigation and frustrate the administrative process. No time or expenses would be saved by this recommendation but it may result in the piecemeal presentation of claims and delay the full submission of all facts necessary to fair and objective decisions by contracting officers and boards of contract appeals. This recommendation also contravenes the generally accepted principle of administrative law that courts should not assume the areas of expertise of administrative agencies, as in this case the Boards of Contract Appeals.

VIII. *Recommendation G-10:* "Increase the monetary jurisdictional limit of the district courts to $100,000." The executive branch rejected this recommendation because it would overload district court dockets and produce less reliance on the Court of Claims as the primary forum of Government contract litigation.

IX. *Recommendation G-12:* "Pay all court judgments on contract claims from agency appropriations if feasible." This recommendation has been rejected. The executive branch position is that the net-

work of agency claims reviews is adequate and impartial enough to avoid payment of a claim merely to protect an agency's appropriated funds.

Dated at Washington, D.C. on December 30, 1974.

JOHN L. JORDAN,
Acting Associate Administrator for Federal Management Policy.

[FR Doc.75-463 Filed 1-7-75;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

CLEARANCE OF REPORTS

List of Requests

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on 01/03/75 (44 U.S.C. 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number(s), if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

The symbol (x) identifies proposals which appear to raise no significant issues, and are to be approved after brief notice thru this release.

Further information about the items on this daily list may be obtained from the Clearance Office, Office of Management and Budget, Washington, D.C. 20503 (202-395-4529), or from the reviewer listed.

NEW FORMS

FEDERAL RESERVE SYSTEM

Quarterly Survey of Bank Accommodation to FAC Statement on Lending Policies, FR 977, quarterly, large commercial banks, Hulett, D.T., 395-4730.

ENVIRONMENTAL PROTECTION AGENCY

Evaluative Survey of Water Quality Training Institute Attendees, single-time, Civic Association leaders, Natural Resources Division, 395-6827.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service: Nutritional Assessment of Meals in Schools, FNS-1044, FNS-1045, FNS-1046, FNS-1047, single-time, School lunch managers in 104 schools, Human Resources Division, 395-6827.

Commodity Exchange Authority: Application for Registration as Commodity Trading Advisor and Pool Operators—Commodity Futures Trading Commission, CFTC 5-R, CFTC 6-R, annually, sellers of advice in commodity trading, Lowry, R.L., 395-3772.

Statistical Reporting Service: Special Milk Program Survey, single-time, schools, Human Resources Division, 395-3532.

DEPARTMENT OF DEFENSE

Department of the Army (excl. Office of Civil Defense): Location of Shelter Stocks (Food) by County, single-time, State and Local Civil Defense Directors, Lowry, R.L., 395-3772.

DEPARTMENT OF LABOR

Manpower Administration: Instruments for the Study of the Attitudes, Perceptions and Expectations of Users and Non-Users of the Employment Service, MT-273, single-time, employees and job seekers in FY 1974 and employers, Strasser, A., 395-3880.

DEPARTMENT OF THE TREASURY

Departmental and Other:
Quarterly Report of Assets, Liabilities, and Positions in Specified Currencies of Foreign Branches and Subsidiaries of U.S. Firms, FC-4, quarterly, Nonbanking business concerns and nonprofit inst., Hulett, D.T., 395-4730.
Quarterly Report of Assets, Liabilities, and Positions in Specified Foreign Currencies of Firms in the U.S., FC-3A, quarterly, nonbanking business concerns and nonprofit institutions, Hulett, D.T., 395-4730.

NEW FORMS

Monthly Report of Assets, Liabilities, and Positions in Specified Foreign Currencies of Firms In The U.S., FC-3, Monthly, Nonbanking Business Concerns and nonprofit Inst., Hulett, D.T., 395-4730.

REVISIONS

ACTION

An Evaluation of University Year for Action, Single-Time, Educational Institutions and Community Agencies, Lowry, R.L., 395-3772.

DEPARTMENT OF AGRICULTURE

Commodity Exchange Authority:
Commodity Exchange Authority Regulations, on occasion, Commodity Trading Advisors and Pool Operators, Lowry, R.L., 395-3772.
Stocks of Grain in Exchanged-Approved and Federally Licensed Warehouses, CEA-38, weekly, Grain Elevators, Lowry, R.L., 395-3772.

DEPARTMENT OF LABOR

Occupational Safety and Health Administration: Annual Report, OSHA 115, annually, Ellett, C.A., 395-6172.

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.75-787 Filed 1-7-75;8:45 am]

SECURITIES AND EXCHANGE COMMISSION

[File No. 500-1]

CANADIAN JAVELIN, LTD.

Suspension of Trading

JANUARY 2, 1975.

The common stock of Canadian Javelin, Ltd. being traded on the American Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of Canadian Javelin, Ltd. being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to sections 19(a)(4) and 15(c)(5) of the Securities Exchange Act of 1934, trading in such securities on the above mentioned exchange and otherwise than on a national securities exchange is suspended, for the period from January 3, 1975 through January 12, 1975.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-533 Filed 1-7-75;8:45 am]

[File No. 500-1]

WINNER INDUSTRIES, INC.

Suspension of Trading

JANUARY 2, 1975.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Winner Industries, Inc. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, trading in such securities otherwise than on a national securities exchange is suspended, for the period from January 3, 1975 through January 12, 1975.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-534 Filed 1-7-75;8:45 am]

[812-3721]

FEDERAL STREET FUND, INC.

Application for Order; Correction

DECEMBER 31, 1974.

This is to correct an error made in Release No. 8600, issued December 3, 1974, In the Matter of Federal Street Fund, Inc., 225 Franklin Street, Boston, Massachusetts 02110 (812-3721) (39 FR 43131, Dec. 10, 1974). Said release stated that the application noticed therein had been filed on July 22, 1974, when in fact such application was filed on November 11, 1974. Therefore, all concerned are advised that the correct date of the filing of application No. 812-3721, In the Matter of Federal Street Fund, Inc. (Release No. 8600) is November 11, 1974.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-536 Filed 1-7-75;8:45 am]

[70-5598]

LOUISIANA POWER & LIGHT CO. AND MIDDLE SOUTH UTILITIES, INC.

Proposed Transactions Related To Change of State of Incorporation

JANUARY 2, 1975.

Notice is hereby given that Middle South Utilities, Inc., 280 Park Avenue, New York, New York 10017 ("Middle South"), a registered holding company, and its public-utility subsidiary, Louisiana Power & Light Company, 142 Delaronde Street, New Orleans, Louisiana

70174, a Florida corporation ("Florida Corporation"), have filed an application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 7, 9(a), 10, 12, 12(c), and 12(f) of the Act and rules 42 and 43 promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the application-declaration, which is summarized below, for a complete statement of the proposed transactions.

The Florida Corporation is engaged in the business of generating, transmitting, distributing, and selling electricity in various parishes in the State of Louisiana. All of its physical properties are located in the State of Louisiana, and it operates only in the State of Louisiana. The Florida Corporation proposes to change its state of incorporation or corporate domicile from Florida to Louisiana by merging into Louisiana Power & Light Company, a Louisiana corporation ("Louisiana Corporation"), which the Florida Corporation recently caused to be organized and incorporated under the laws of the State of Louisiana for that purpose and which will be the surviving and continuing corporation resulting from the merger. The Louisiana Corporation does not presently own any physical properties and is not presently engaged in any business. Upon the proposed merger becoming effective, the separate existence of the Florida Corporation will cease, and the Louisiana Corporation will succeed to all property, assets, franchises, and other rights of the Florida Corporation and will be subject to and responsible and liable for all its restrictions, duties, liabilities, obligations, and indebtedness (including that of its first mortgage bonds); and will own and operate the electric utility properties of the Florida Corporation and continue without interruption the operation of its public-utility business.

The charter and by-laws of the two companies are stated to be the same in all material respects, except that the charter of the Louisiana Corporation authorizes more common stock than that of the Florida Corporation, namely 100,000,000 shares as opposed to 36,000,000 shares. The Boards of Directors of the two companies are identical, and, with one exception, so are the officers. The authorized capital stock of the Florida Corporation consists of 36,000,000 shares of common stock, without nominal or par value, of which 28,317,500 shares are presently issued and outstanding, and 1,055,000 shares of preferred stock, having a par value of $100 per share, of which 805,000 shares are presently issued and outstanding and are divided into 10 series, having various dividend rates. All of the outstanding common stock of the Florida Corporation is held by Middle South; all of its outstanding preferred stock is held publicly.

The Florida Corporation also has outstanding at this time $466,900,000 of its first mortgage bonds, consisting of 18 different series having various interest rates and maturity dates, issued under its Mortgage and Deed of Trust, dated as of April 1, 1944 ("Mortgage"), with The Chase National Bank, as supplemented.

The merger is subject to the approval of not less than a majority of the outstanding shares of stock of the Florida Corporation entitled to vote and of not less than two-thirds (⅔) of the outstanding shares of stock of the Louisiana Corporation entitled to vote. The Louisiana Corporation understands that the three holders of all of its presently outstanding stock (10 shares of $100 par value common stock), who are the three incorporators of the Louisiana Corporation and who are not affiliates or associates of the Louisiana Corporation (except that they presently and temporarily hold its outstanding stock) or of any company in the Middle South System, intend to vote unanimously in favor of the merger. All voting rights of the Florida Corporation are vested solely in its common stock, all of the outstanding shares of which are held by Middle South which intends to vote in favor of the merger. The preferred stock of the Florida Corporation has no voting rights.

On the effective date of the proposed merger, (a) the presently outstanding 10 shares of $100 par value common stock of the Louisiana Corporation will be retired and not thereafter reissued; (b) each share of the common stock, without nominal or par value, of the Florida Corporation will be converted into and become one share of the common stock, without nominal or par value, of the Louisiana Corporation; and (c) each share of the preferred stock, $100 par value, of the Florida Corporation will be converted into and become one share of the preferred stock, $100 par value, of the Louisiana Corporation of a series having the same designation, dividend rate, and redemption prices. As regards outstanding common stock and both authorized and outstanding preferred stock, the Louisiana Corporation will, therefore, upon the merger becoming effective, have the same capital structure as the Florida Corporation presently has.

Following the merger, the Louisiana Corporation proposes to execute with and deliver to the Trustees under the Mortgage, as required and/or contemplated thereby, and to record a further supplemental indenture to the Mortgage, whereby the Louisiana Corporation, as successor by merger to the Florida Corporation, assumes and agrees to pay the principal of and interest on the bonds issued under the Mortgage, as supplemented, in accordance with the provisions of said bonds, of the coupons appertaining thereto, and of the Mortgage, as supplemented, and agrees to perform and fulfill all the covenants and conditions of the Mortgage, as supplemented, to be kept or performed by the Florida Corporation.

It is stated that no special and separable fees, commissions, or expenses are anticipated in connection with the participation of Middle South in the proposed transactions and that fees, commissions, and expenses in connection with the participation of the Florida Corporation and the Louisiana Corporation in the proposed transactions are estimated at $26,000, including legal fees of $12,500. It is further stated that the Louisiana Public Service Commission has jurisdiction with respect to certain aspects of the proposed merger and that no other State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than January 27, 1975, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at the above-stated addresses, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive any notices or orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-535 Filed 1-7-75;8:45 am]

[File No. 500-1]

ROYAL PROPERTIES INC.

Suspension of Trading

JANUARY 2, 1975.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Royal Properties Incorporated being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

Therefore, pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, trading in such securities other-

wise than on a national securities exchange is suspended, for the period from January 3, 1975 through January 12, 1975.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.75-532 Filed 1-7-75;8:45 am]

DEPARTMENT OF LABOR

Office of Federal Contract Compliance

REVISED PHILADELPHIA PLAN

Extension of Time

Pursuant to orders dated June 27, 1969, and September 23, 1969, the Department of Labor established the Revised Philadelphia Plan. The Revised Philadelphia Plan, as amended, is intended to implement the provisions of Executive Order 11246, as amended, and the rules and regulations issued pursuant thereto, requiring a program of equal employment opportunity by Federal and federally assisted construction contractors in the Philadelphia area, including Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania. During the past year, the Department of Labor has endeavored to encourage the development of a voluntary hometown plan which would cover all of the construction trades in the Philadelphia area. Despite these efforts, it appears that a viable hometown plan is not forthcoming. Therefore, in order to ensure positive efforts toward the elimination of underutilization of minorities in the Philadelphia area construction industry, it is deemed appropriate to extend the Revised Philadelphia Plan, as amended, for an additional six months through June 30, 1975. During this time, the Department of Labor intends to conduct fact-finding hearings for the purpose of determining the extent of continuing underutilization of minorities in the Philadelphia area construction industry and the action which should be taken to ensure equal employment opportunity. Based upon the findings of these hearings, the Department expects to promulgate a more comprehensive plan unless responsible parties representing labor, management, the minority community, and local government come forth with a viable hometown plan.

Thus, Appendix A of the Revised Philadelphia Plan, issued February 26, 1974, must be included in all invitations or other solicitations for bids on federally-involved construction contracts for projects, the estimated total cost of which exceeds $500,000, in the Philadelphia area until June 30, 1975. Appendix A is available for inspection in the OFCC Regional Office at Gateway Building, Room 15434, 3535 Market Street, Philadelphia, Pennsylvania 19104 or, the Office of the Director, OFCC, Room 5108, Main Labor Building, Washington, D.C. 20210. All invitations or other solicitations should be revised to reflect this extension through a revised Appendix.

Signed this 26th day of December 1974.

PETER J. BRENNAN,
Secretary of Labor.

BERNARD E. DELURY,
Assistant Secretary for Employment Standards.

PHILIP J. DAVIS,
Director, Office of Federal Contract Compliance.

[FR Doc.75-526 Filed 1-7-75;8:45 am]

ACTION

NATIONAL VOLUNTARY SERVICE ADVISORY COUNCIL

Cancellation of Meeting

The National Voluntary Service Advisory Council meeting scheduled for January 9 and 10, 1975, at ACTION headquarters, 806 Connecticut Avenue NW., Washington, D.C. has been postponed. It will be rescheduled at a later date.

The meeting was postponed because a conflict of dates had arisen for several members and the Chairman of the Council wished to have the entire Council present for the meeting.

JOHN F. BURGESS,
Committee Management Officer.

[FR Doc.75-884 Filed 1-7-75;12:09 pm]

INTERSTATE COMMERCE COMMISSION

[Notice No. 667]

ASSIGNMENT OF HEARINGS

JANUARY 3, 1975.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

MC 119777 Sub 295, Ligon Specialized Hauler, Inc., now being assigned February 4, 1975, at the Offices of the Interstate Commerce Commission, Washington, D.C.

MC-F-12127, Indiana Refrigerator Lines, Inc.—Control—D & W Refrigerated LTL Service, Inc., now being assigned February 5, 1975, at the Offices of the Interstate Commerce Commission, Washington, D.C.

MC 139508, Air Brook Limousine, Inc., now assigned, January 28, 1975, at Newark, New Jersey, will be held in Room 730, Tax Court, Federal Building, 970 Broad Street.

MC 61592 Sub 320, Jenkins Truck Line, Inc., now being assigned February 19, 1975 (1 day), at Chicago, Ill., in a hearing room to be later designated.

MC 107515 Sub 892, Refrigerated Transport Co., Inc., now being assigned continued hearing February 20, 1975 (2 days), at Chicago, Ill., in a hearing room to be later designated.

MC 124170 Subs 38 & 41, Frostways, Inc., now being assigned February 24, 1975 (1 week), at Chicago, Ill., in a hearing room to be later designated.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-643 Filed 1-7-75;8:45 am]

[Notice No. 668]

ASSIGNMENT OF HEARINGS

JANUARY 3, 1975.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

Correction

MC 29120 Sub 177, All-American, Inc., now assigned January 20, 1975, at St. Paul, Minn., is cancelled and application dismissed, instead of Denver, Colo.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-644 Filed 1-7-75;8:45 am]

[Notice No. 211]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

JANUARY 8, 1975.

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's Special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before January 28, 1975. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters re-

lied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC–75517. By order of December 18, 1974, the Motor Carrier Board approved the transfer to Eagle Transfer Corporation, New York, N.Y., of the operating rights in Certificate No. MC 69953 issued March 22, 1941, to Matthew's Express & Van Co., Inc., New York, N.Y., authorizing the transportation of household goods as defined by the Commission between New York, N.Y., on the one hand, and, on the other, points in Connecticut, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, and the District of Columbia. Arthur J. Piken, One Lefrak City Plaza, Flushing, N.Y. 11368, and I. Silvan Galpern, 261 Broadway, New York, N.Y. 10007, attorneys for applicants.

No. MC–FC–75532. By order of December 19, 1974, the Motor Carrier Board approved the transfer to Parent Cartage Limited, Windsor, Ontario, Canada, of the operating rights in Certificate No. MC 96563 issued May 11, 1973, to Canadian American Transfer Limited, Windsor, Ontario, Canada, authorizing the transportation of general commodities, except those of unusual value, loose commodities in bulk, and commodities in bulk, in tank vehicles, between points in Detroit, Mich., on the one hand, and, on the other, all ports of entry in Detroit located on the U.S.-Canada Boundary Line. Frank J. Kerwin, Jr., 22725 Mack Avenue, P.O. Box 96, St. Clair Shores, Mich. 48080, attorney for applicants.

No. MC–FC–75538. By order of December 19, 1974, the Motor Carrier Board approved the transfer to Anthony P. Sparacino and Ralph Sparacino, a partnership, doing business as Sparacino Brothers, Scranton, Pa., of the operating rights in Certificate No. MC 136104 issued May 1, 1972, to Thomas J. Cerep, doing business as Richie Moving & Storage Co., Scranton, Pa., authorizing the transportation of household goods, between Ashland, Pa., and points within 25 miles thereof, on the one hand, and, on the other, points in Pennsylvania, Ohio, West Virginia, Virginia, New York, New Jersey, Maryland, Delaware, and the District of Columbia. Kenneth R. Davis, 999 Union Street, Taylor, Pa. 18517, registered practitioner for applicants.

No. MC–FC–75562. By order of December 19, 1974, the Motor Carrier Board approved the transfer to Tusk Transportation, Inc., Montgomery, N.Y., of the operating rights in Permit No. MC 109864 and Certificates No. MC 88905, MC 88905 (Sub-No. 7), MC 88905 (Sub-No. 14), MC 88905 (Sub-No. 17) and MC 88905 (Sub-No. 18) issued December 12, 1955, July 23, 1956, December 22, 1955, November 15, 1956, February 28, 1963, and August 17, 1965, respectively to Carl R. Van Dyke, doing business as C. R. Van Dyke, Montgomery, N.Y., authorizing the transportation of various commodities from and to specified points and areas in Pennsylvania, New Jersey, New York, Connecticut, and Massachusetts. Arthur J. Piken, One Lefrank Plaza, Flushing, N.Y., 11368, attorney for applicants.

No. MC–FC–75564. By order of December 19, 1974, the Motor Carrier Board approved the transfer to Florida Master Movers, Inc., Jacksonville, Fla., of the operating rights in Certificate No. MC 136975 issued May 22, 1973, to Gray Moving Service, Inc., Jacksonville, Fla., authorizing the transportation of used household goods between points in a described area of Georgia and Florida, subject to certain restrictions. Sol H. Proctor, 1107 Blackstone Bldg., Jacksonville, Fla., 32202, attorney for applicants.

No. MC–FC–75592. By order of December 19, 1974, the Motor Carrier Board approved the transfer to Hiltgen Truck Line, Inc., Greenleaf, Kans., of the operating rights in Certificates No. MC 74544 and MC 74544 (Sub-No. 1), issued August 2, 1966, and May 8, 1969, respectively, to Merle D. Hubbard, doing business as Hubbard Truck Lines, Waterville, Kans., authorizing the transportation of various commodities from, to and between specified points and areas in Kansas, Nebraska, and Missouri. Dennis A. Dietz, Box 81, Greenleaf, Kans., 66943, attorney for applicants.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-645 Filed 1-7-75;8:45 am]

[Notice No. 171]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

DECEMBER 31, 1974.

The following are notices of filing of application, except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application, for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC–67 (49 CFR Part 1131), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protests must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six (6) copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in field office to which protests are to be transmitted.

No. MC 3252 (Sub-No. 91TA), filed December 16, 1974. Applicant: MERRILL TRANSPORT CO., 1037 Forest Avenue, Portland, Maine 04104. Applicant's representative: Francis E. Barrett, Jr., 10 Industrial Park Road, Hingham, Mass. 02043. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, from Portsmouth, N.H., to points in Windsor and Orange Counties, Vt., Essex and Middlesex Counties, Mass., and those in that part of Maine on and south of a line beginning at the Maine-New Hampshire State line and extending along U.S. Highway 202, to Alfred, Maine, thence along Maine Highway 111 to Biddeford, Maine, thence along Maine Highway 208 to Biddeford Pool, Maine, for 180 days. Supporting shipper: Mobil Oil Corporation, 150 East 42nd Street, New York, N.Y. 10017. Send protests to: Donald G. Weiler, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 307, 76 Pearl Street, Portland, Maine 04112.

No. MC 13095 (Sub-No. 11TA), filed December 18, 1974. Applicant: WUNNICKE TRANSFER LINES, INC., 101 S. Buchanan Street, Boscobel, Wis. 53805. Applicant's representative: Glen L. Gissing, 8 South Madison Street, Evansville, Wis. 53536. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Materials and supplies* used or useful in the manufacture and distribution of cheese and (2) *Cheese and cheese foods*, (1) from points in Wisconsin, to Mission, S. Dak., and (2) from Mission, S. Dak., to points in Wisconsin, for 180 days. Supporting shipper: Borden, Inc., 180 East Broad Street, Columbus, Ohio 43215. Send protests to: Barney L. Hardin, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 139 W. Wilson St., Room 202, Madison, Wis. 53703.

No. MC 29120 (Sub-No. 188TA), filed December 19, 1974. Applicant: ALL-AMERICAN, INC., 900 West Delaware (P.O. Box 769), Sioux Falls, S. Dak. 57104. Applicant's representative. R. H. Jinks (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Sioux Falls, S. Dak., and Spearfish, S. Dak., serving no intermediate points: From Sioux Falls over Interstate Highway 90 to Spearfish, and return over the same route, as an alternate route for operating convenience only, for 180 days. Supporting shipper: No supporting shippers.

NOTE.—Application supported by applicant's affidavit based on economics and safety of operation, through the saving of fuel and man-hours by elimination of circuitous gateways.

Send protests to: District Supervisor J. L. Hammond, Interstate Commerce Commission, Bureau of Operations, Room 369, Federal Building, Pierre, S. Dak. 57501.

NOTE.—Applicant intends to tack and/or interline with any other carrier with authority held in MC 29120.

No. MC 64932 (Sub-No. 542TA), filed December 19, 1974. Applicant: ROGERS CARTAGE CO., a Corporation, 10735 S. Cicero Avenue, Oak Lawn, Ill. 60453. Applicant's representative: William F. Farrell (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Alumina, hydrated*, in bulk, in tank vehicles, from the plantsite of American Cyanamid Company at Michigan City, Ind., to the plantsite of American Cyanamid Company at Azusa, Calif., for 180 days. Supporting shipper: John J. Donofrio, Assistant Division Traffic Manager, Division Traffic Department, American Cyanamid Company, Bound Brook, N.J. 08805. Send protests to: Robert G. Anderson, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Everett McKinley Dirksen Bldg., 219 S. Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 82063 (Sub-No. 53TA), filed December 23, 1974. Applicant: KLIPSCH HAULING CO., a Corporation, 119 E. Loughborough, St. Louis, Mo. 63111. Applicant's representative: Ernest A. Brooks II, 1301 Ambassador Building, St. Louis, Mo. 63101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Hydrofluosilicic acid*, in bulk, in rubber-lined tank vehicles, from Montpelier, Iowa, to points in Illinois, Missouri, Indiana, Ohio, Wisconsin, Michigan, Minnesota, Nebraska, Iowa, and South Dakota, for 180 days. Supporting shippers: Chemtech Industries, Inc., 9901 Clayton Road, St. Louis, Mo. 63124, and Occidental Chemical Company, P.O. Box 1185, Houston, Tex. 77001. Send protests to: District Supervisor J. P. Werthmann, Interstate Commerce Commission, Bureau of Operations, Room 1465, 210 N. 12th Street, St. Louis, Mo. 63101.

No. MC 103051 (Sub-No. 332TA) filed December 18, 1974. Applicant: FLEET TRANSPORT COMPANY, INC., 934—44th Avenue, North, Nashville, Tenn. 37209. Applicant's representative: William G. North (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lard*, in bulk, in tank vehicles, from West Point, Miss., to Tampa, Fla., for 180 days. Supporting shipper: Bryan Packing Company, Box 1177, West Point, Miss. 39773. Send protests to: Joe J. Tate, District Supervisor, Interstate Commerce Commission, Bureau of Operations, A-422 U.S. Court House, Nashville, Tenn. 37203.

No. MC 107496 (Sub-No. 979TA), filed December 19, 1974. Applicant: RUAN TRANSPORT CORPORATION, Third and Keosauqua Way, Des Moines, Iowa 50309. Applicant's representative: E. Check (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid fertilizer*, in bulk, from Elkhorn and Dousman, Wis., to points in Michigan, for 180 days. Supporting shipper: M & H Supply Ltd., Route 3, Box 479, Whitewater, Wis. 53190. Send protests to: Herbert W. Allen, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 875 Federal Building, Des Moines, Iowa 50309.

No. MC 108449 (Sub-No. 380TA), filed December 16, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquified ethylene*, in bulk, in tank vehicles, from Morris, Ill., to El Dorado, Ark., for 180 days. Supporting shipper: Northern Petrochemical Company, 2350 East Devon Avenue, Des Plaines, Ill. 60018. Send protests to: Raymond T. Jones, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 414, Federal Building & U.S. Courthouse, 110 S. 4th Street, Minneapolis, Minn. 55401.

No. MC 118978 (Sub-No. 8TA), filed December 19, 1974. Applicant: MERCURY PRODUCE EXPRESS, LTD., 2201 Rosser Street, Burnaby, British Columbia, Canada. Applicant's representative: Jack R. Davis, 1100 IBM Building, Seattle, Wash. 98101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paper*, from ports of entry on the United States-Canada boundary line at or near Blaine, Wash., to Spokane, Wash.; Pocatello, Lewiston, Boise, and Twin Falls, Idaho; Ogden and Salt Lake City, Utah; and points in Clark County, Nev., for 180 days. Supporting shipper: Western Newsprint Limited, P.O. Box 80235, Burnaby, B.C., Canada V5H 3x5. Send protests to: L. D. Boone, Transportation Specialist, Bureau of Operations, Interstate Commerce Commission, 858 Federal Building, 915 Second Avenue, Seattle, Wash. 98174.

NOTE.—Applicant will tack with MC 118978 (Sub-No. 5).

No. MC 123075 (Sub-No. 26TA), filed December 18, 1974. Applicant: SHUPE & YOST, INC., North U.S. 85 Bypass, Greeley, Colo. 80631. Applicant's representative: Stuart L. Poelman, 700 Continental Bank Bldg., Salt Lake City, Utah 84101. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Salt and salt products*, (1) from the plant site of the American Salt Company, Solar Division, in Tooele County, Utah, to points in North Dakota and those points in Nebraska and South Dakota east of U.S. Highway 83, with no transportation for compensation on return except as otherwise authorized, under a continuing contract with American Salt Company, Solar Division, Salt Lake City, Utah; and (2) from the plant site of the Hardy Salt Company, at or near Lake Point, Utah, to points in North Dakota and those points in Nebraska and South Dakota east of U.S. Highway 83, under a continuing contract with Hardy Salt Company of St. Louis, Mo., for 180 days. Supporting shippers: Hardy Salt Company, P.O. Drawer 449, St. Louis, Mo., and American Salt Company, Solar Division, 3142 Broadway, Kansas City, Mo. 64111. Send protests to: Roger L. Buchanan, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 2022 Federal Building, 1961 Stourt Street, Denver, Colo. 80202.

No. MC 123255 (Sub-No. 44TA), filed December 16, 1974. Applicant: B & L MOTOR FREIGHT, INC., 140 Everett Avenue, Newark, Ohio 43055. Applicant's representative: C. F. Schnee, Jr. (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass*, from the plantsite and warehouse facilities of Guardian Industries Corp., at or near Upper Sandusky, Ohio, to Washington, D.C.; Atlanta, Ga.; Wichita, Kans.; Boston, Mass.; New York, N.Y.; Memphis, Tenn.; Dallas, Tex.; Kenosha, Wis.; and Milwaukee, Wis.; and points in their commercial zones, for 180 days. Supporting shipper: Guardian Industries Corp., 14600 Romine Road, Carleton, Mich. 48117. Send protests to: Frank L. Calvary, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 220 Federal Building & U.S. Courthouse, 85 Marconi Boulevard, Columbus, Ohio 43215.

No. MC 124328 (Sub-No. 71TA), filed December 19, 1974. Applicant: BRINK'S, INCORPORATED, 234 E. 24th Street, Chicago, Ill. 60616. Applicant's representative: Chandler L. van Orman, 704 Southern Building, 15th & H Streets NW., Washington, D.C. 20005. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Silver*, from Laredo, Tex., to Newark, N.J., and New York, N.Y., for 180 days. Supporting shipper: J. Aron & Company, Inc., 160 Water Street, New York, N.Y. 10038. Send protests to: District Supervisor Richard K. Shullaw, Interstate Commerce Commission, Bureau of Operations, Everett McKinley Dirksen Building, 219 S. Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 124328 (Sub-No. 72TA), filed December 17, 1974. Applicant: BRINK'S, INCORPORATED, 234 E. 24th Street, Chicago, Ill. 60616. Applicant's representative: John G. O'Keefe, O'Hare Plaza, Suite 650, 5725 E. River Road, Chicago, Ill. 60631. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Gasoline coupons*, between points in the United States (except Alaska and Hawaii), for 180 days. Supporting shipper: General Services Administration, Crystal Mall, Building No. 4, Washington, D.C. 20406. Send protests to: District Supervisor Richard K. Shullaw, Interstate Commerce Commission, Bureau of Operations, Everett McKinley Dirksen Building, 219 S. Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 139681 (Sub-No. 2TA), filed December 18, 1974. Applicant: ROETTELE TRUCKING, INC., 14503 Eastbrook, Bellflower, Calif. 90706. Appli-

cant's representative: Lon Roettele (same address as applicant). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Steel pipe and pipe fittings and iron and steel plates or sheets* and (2) *Structural steel shapes or forms*, (1) from Los Angeles and Los Angeles Harbor Commercial Zones, to points in Washington, Utah, Oregon, and Nevada and (2) between Bellflower, Calif., and Houston or Lubbock, Tex.; Boise, Pocotello, or Twin Falls, Idaho; Ogden, Provo, or Salt Lake City, Utah; Denver, Colo.; Portland, Oreg.; and Seattle, Wash., for 180 days. Supporting shippers: Lakewood Pipe Service Co., Inc., 9060 Rosecrans Avenue, Bellflower, Calif. 90106, and Aggressive Erectors & Bridgemen, Inc., 403 Meadowbrook Lane, Inglewood, Calif. 90302. Send protests to: Philip Yallowitz, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 300 North Los Angeles Street, Room 7708, Los Angeles, Calif. 90012.

No. MC 140373 (Sub-No. 1TA), filed December 17, 1974. Applicant: COOK TRUCKING SERVICE, INC., 305 South Harbor Boulevard, Fullerton, Calif. 92632. Applicant's representative: Donald Murchison, 9454 Wilshire Boulevard, Suite 400, Beverly Hills, Calif. 90212. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Liquid sugar and syrups*, in bulk, from Santa Ana, Calif., to points in Clark, Nevada, and Maricopa Counties, Ariz., for 180 days. Supporting shipper: Holly Sugar Corporation, P.O. Box 1052, Colorado Springs, Colo. 80901. Send protests to: District Supervisor Philip Yallowitz, Interstate Commerce Commission, Bureau of Operations, 300 North Los Angeles Street, Room 7708, Los Angeles, Calif. 90012.

No. MC 140439 (Sub-No. 1TA), filed December 19, 1974. Applicant: WALTER E. WIGGINS, 725 Gresham Avenue SE., Atlanta, Ga. 30316. Applicant's representative: Walter E. Wiggins (same address as applicant). Authority sought to operate as a *common carrier* by motor vehicle, over irregular routes, transporting: *Agricultural lime*, from Jefferson City, Tenn., to points in Georgia, for 180 days. Supporting shipper: Farmers Mutual Exchange, P.O. Box 516, Rochell, Ga. 31079. Send protests to: William L. Scroggs, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1252 W. Peachtree St. NW., Room 546, Atlanta, Ga. 30309.

No. MC 140465 (Sub-No. 1 TA), filed December 13, 1974. Applicant: DAHLONEGA EQUIPMENT AND SUPPLY CO., INC., P.O. Box 68, Murrayville, Ga. 30564. Applicant's representative: J. Douglas Stewart, P.O. Box 430, Gainesville, Ga. 30501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Molded wood pulp egg case or egg carrier filler flats in drop frame moving van type trailers*, from Macon, Ga., to Griffith, Ind., for 180 days. Supporting shipper: Packaging Corporation of America, 1603 Orrington Avenue, Evanston, Ill. 60264. Send protests to: William L. Scroggs, Distict Supervisor, Interstate Commerce Commission, Bureau of Operations, 1252 West Peachtree Street, N.W., Room 546, Atlanta, Ga. 30309.

No. MC 140474 (Sub-No. 1TA), filed December 19, 1974. Applicant: C. E. JOHNSON, 704 North First Street, Osborne, Kans. 67473. Applicant's representative: Clyde N. Christey, 641 Harrison Street, Topeka, Kans. 66603. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Iron and steel articles, parts and materials* to be used in the manufacture of agricultural machinery, from Fort Morgan, Colo.; Chicago, Freeport, Fulton, Galesburg, Plainfield, and Quincy, Ill.; Elkhart, Ind.; Boone and Marshalltown, Iowa; Maple Plains, Minn.; Kansas City and St. Louis, Mo.; Grand Island and Valmont, Nebr.; Fargo, N. Dak.; Fort Worth, Tex.; and Milwaukee, Wis., to the plant and/or warehouse facilities of Osborne Manufacturing Co., Inc., at or near Osborne, Kans., and the plant and/or warehouse facilities of Gilmore-Tatge Mfg. Co., Inc., at or near Clay Center, Kans. and (2) *Agricultural machinery and parts*, from the plant and/or warehouse facilities of Osborne Manufacturing Co., Inc., at or near Osborne, Kans., and the plant and/or warehouse facilities of Gilmore-Tatge Mfg. Co., Inc., at or near Clay Center, Kans., to points in Alabama, Arkansas, Colorado, Connecticut, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming, under contract with Osborne Manufacturing Co., Inc., and Gilmore-Tatge Mfg. Co., Inc., for 180 days. Supporting shippers: Osborne Manufacturing Co., Inc., Sixth and Sherman, Clay Center, Kans. 67432, and Gilmore-Tatge Mfg. Co., Inc., Sixth and Sherman, Clay Center, Kans. 67432. Send protests to: Thomas P. O'Hara, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 234 Federal Building, Topeka, Kans. 66603.

No. MC 140476 (Sub-No. 1TA), filed December 24, 1974. Applicant: JAMES BLYTHE AND JULIAN BLYTHE, doing business as BLYTHE COMPANY, P.O. Box 6711, North Augusta, S.C. 29841. Applicant's representative: Virgil H. Smith, Suite 12, 1587 Phoenix Blvd., Atlanta, Ga. 30349. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Agricultural lime*, in bulk, in dump trucks, from points in Jefferson County, Tenn., to points in Burke County, Ga., for 180 days. Supporting shippers: Quinton Rogers (Farmer), Box 426, Waynesboro, Ga. 30830, and Jack Rogers (Farmer), Route One, Box 285, Waynesboro, Ga. 30830. Send protests to: E. E. Strotheid, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 302, 1400 Building, 1400 Pickens Street, Columbia, S.C. 29201.

No. MC 140481TA, filed December 11, 1974. Applicant: A.M.S. MOTOR SERVICE, INC., 132 W. 154th Street, South Holland, Ill. 60473. Applicant's representative: Irving Stillerman, 29 S. LaSalle Street, Chicago, Ill. 60603. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting, *Brick and concrete block*, from the plantsites and warehouse sites of Illinois Brick Company, Division of Old Fort Industries, Inc., located in the Chicago, Ill. Commercial Zone, to points in Wisconsin, Michigan, and Indiana, for 180 days. Supporting shipper: John Gorman, Treasurer, Illinois Brick Company, Division of Old Fort Industries, Inc., 228 N. LaSalle Street, Chicago, Ill. 60601. Send protests to: Robert G. Anderson, District Supervisor, Interstate Commerce Commission, Everett McKinley Dirksen Building, 219 S. Dearborn Street, Room 1086, Chicago, Ill. 60604.

No. MC 140482TA, filed December 16, 1974. Applicant: FRED LUKE AND JOAN E. LUKE, doing business as F & J ENTERPRISES, 3425 East Gettysburg Avenue, Fresno, Calif. 93726. Applicant's representative: William H. Kessler, 638 Divisadero Street, Fresno, Calif. 93721. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Food, food products, and related articles*, from points in New York County, N.Y. and points in Bergen County, N.J., to points in Los Angeles, Orange, Fresno, Alameda, San Francisco, San Mateo, and Santa Clara Counties, Calif., for 180 days. Supporting shippers: A. Sahadi & Co., 200 Carol Place, Moonachie, N.J. 07074 and Tarazi Brothers Importing Co., 4910 Santa Monica Boulevard, Los Angeles, Calif. 90029. Send protests to: District Supervisor Claud W. Reeves, Interstate Commerce Commission, Bureau of Operations, 450 Golden Gate Avenue, Box 36004, San Francisco, Calif. 94102.

No. MC 140483TA, filed December 16, 1974. Applicant: STANLEY ASHTON, R.R. 1, Brome, Quebec, Canada. Applicant's representative: J. P. Bermette, 250 Napoleon-Provost Street, Repentigny, Quebec, Canada J6A-1H5. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Railway ties*, from the ports of entry on the International Boundary line between the United States and Canada located at or near Champlain, N.Y.; Rouses Point, N.Y.; and Highgate Springs, Vt., to Morrisville, Vt., and points in Massachusetts, New Jersey, and New York, restricted to traffic having an immediate prior movement in foreign commerce originating in the Province of Quebec, Canada, for 180 days. Supporting shipper: Acton Trading Inc., Actonvale, Bagot County, Quebec, Canada. Send protests to: Paul D. Collins, District Supervisor, Interstate Commerce Commission, Bureau of

Operations, P.O. Box 548, Montpelier, Vt. 05602.

No. MC 140484TA, filed December 17, 1974. Applicant: LESTER COGGINS TRUCKING, INC., 2671 E. Edison Avenue, P.O. Box 69, Fort Myers, Fla. 33901. Applicant's representative: Lester A. Coggins (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Agricultural and horticultural commodities*, and *materials and supplies* used in the growing, shipping or marketing of agricultural or horticultural commodities, between points in Florida, California, Pennsylvania, Michigan and Ohio, on the one hand, and, on the other, points in Alabama, Georgia, Kentucky, Mississippi, Ohio, New Hampshire, Arizona, California, Pennsylvania, and Michigan, for 180 days. Supporting shipper: Yoder Bros., Inc., P.O. Box 230, Barberton, Ohio 44203 and Florida Flower Association, Inc., P.O. Box 1569, Fort Myers, Fla. 33902. Send protests to: District Supervisor Joseph B. Teichert, Interstate Commerce Commission, Bureau of Operations, Palm Coast II Building, Suite 208, 5255 NW. 87th Avenue, Miami, Fla. 33178.

No. MC 140485TA, filed December 18, 1974. Applicant: BOB COATES, Star Route, Wiley, Colo. 81092. Applicant's representative: Bob Coates (same address as applicant). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Alfalfa meal, alfalfa pellets and range cubes, cottonseed meal, cottonseed cake, mixed grain cake and pellets, beet pulp pellets, protein blocks*, from points in Colorado, to points in Kansas, Oklahoma, Texas, and New Mexico, on the one hand, and, on the other, points in Kansas, Oklahoma, Texas, and New Mexico, to points in Colorado, for 180 days. Supporting shipper: Colorado Feeds Inc., Star Route, Wiley, Colo. 81092. Send protests to: District Supervisor Herbert C. Ruoff, Interstate Commerce Commission, Bureau of Operations, 2022 Federal Building, Denver, Colo. 80202.

No. MC 140486TA, filed December 18, 1974. Applicant: PARAMUS TAXI CO., INC., P.O. Box 302, Garden State Plaza, Paramus, N.J. 07652. Applicant's representative: Anthony Anzalone, 25 East Salem Street, Hackensack, N.J. 07601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Computer data, accounting data, medical data*, in form of envelopes or small packages weighing less than 50 pounds, with or without passengers in taxicabs, between points in Bergen and Passaic Counties, N.J., on the one hand, and, on the other, points in New York, N.Y.; Nassau and Suffolk Counties, N.Y., for 180 days. Supporting shippers: There are approximately 10 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: District Supervisor Joel Morrows, Interstate Commerce Commission, Bureau of Operations, 9 Clinton St., Newark, N.J. 07102.

No. MC 140487TA, filed December 18, 1974. Applicant: YELLOWSTONE TRUCKING, INC., North 9 Post Street, Room 425 Peyton Bldg., Spokane, Wash. 99210. Applicant's representative: Jack R. Davis, 1100 IBM Building, Seattle, Wash. 98101. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Building and construction materials*, (a) from points in Washington, Idaho, and Montana, to points in Ohio, Nebraska, Oklahoma, Colorado, Iowa, Indiana, Missouri, Illinois, Kansas, Wyoming, North Dakota, and South Dakota and (b) between points in Minnesota, Illinois, Iowa, South Dakota, Ohio, Nebraska, Kansas, Oklahoma, Colorado, Indiana, Missouri, Wyoming, and North Dakota, on the one hand, and, on the other, points in Minnesota, Illinois, Iowa, South Dakota, Ohio, Nebraska, Kansas, Oklahoma, Colorado, Indiana, Missouri, Wyoming, and North Dakota, under contract with Tri-States Lumber Sales Company, Inc.; (2) *Lumber, particleboard and plywood*, (a) from points in Washington, Oregon, Idaho, Montana, to points in Oregon, Washington, Idaho, Montana, Wyoming, Colorado, Utah, Oklahoma, Kansas, Nebraska, North Dakota, Minnesota, Iowa, Missouri, Kansas, Wisconsin, Illinois, Indiana, Ohio, and Michigan, and points on the International Boundary line between the United States and Canada in Washington, Idaho, and Montana and (b) between points in South Dakota, Minnesota, and Iowa; (3) *Wrapping paper*, from points in Illinois, to points in Washington, Idaho, and Montana; (4) *steel strapping and accessories*, from points in Indiana and Illinois, to points in Washington, Idaho, and Montana; (5) *Salt* in sacks, blocks or in bulk, from points in Utah, North Dakota, and Kansas, to points in Washington, Idaho, and Montana; and (6) *Liquid resin*, from points in Montana, to points in Idaho, under contract with Pack River Tree Farm Products, a division of The Pack River Company, for 180 days. Supporting shippers: Pack River Tree Farm Products, a division of The Pack River Company, P.O. Box 1452, Spokane, Wash. 99210 and Tri-States Lumber Sales Company, Inc., P.O. Box 1452, Spokane, Wash. 99210. Send protests to: L. D. Boone, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 858 Federal Building, 915 Second Avenue, Seattle, Wash. 98174.

No. MC 140488TA, filed December 18, 1974. Applicant: RUSSELL R. JARMUSCH, doing business as, CALIFORNIA CONTRACT CARRIERS, 5110 District Blvd., Maywood, Calif. 90270. Applicant's representative: Russell R. Jarmusch (same address as applicant). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Bookcases, book or record cabinets or tables, fibreboard or wood combined* from Wright City, Mo., to the J. S. Permaneer Company Warehouses and facilities located in Los Angeles, Calif. Commercial Zone and Los Angeles Harbor Commercial Zone, for 180 days. Supporting shipper: Permaneer Corporation, 201 Progress Parkway, Maryland Heights, Mo. 63043. Send protests to: Walter W. Strakosch, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 7708 Federal Building, 300 North Los Angeles St., Los Angeles, Calif. 90012.

No. MC 140889TA, filed December 19, 1974. Applicant: J. M. F. CO., INC., Highland Drive, St. Maries, Idaho 83861. Applicant's representative: Jack A. Buell (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: (1) *Lowboy hauling of heavy equipment* and (2) *Lumber and wood by-products*, within the following counties of Northern Idaho: between points in Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, Nez Perce, and Lewis, to include travel on highways that may extend into adjoining states, for 180 days. Supporting shipper: Potlatch Corporation, P.O. Box 1016, Lewiston, Idaho 83501. Send protests to: L. D. Boone, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 858 Federal Building, 915 Second Avenue, Seattle, Wash. 98174.

No. MC 140490TA, filed December 23, 1974. Applicant: ROY L. JOHNSON, doing business as, LITTLE EGYPT TRUCKING CO., Route #5, Marion, Ill. 62959. Applicant's representative: Robert T. Lawley, 300 Reisch Building, Springfield, Ill. 62701. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Fiber glass canoes and fishing boats*, from the plantsite of American Fiber-Lite, Inc., near Marion, Ill., to points in the United States (except Alaska and Hawaii), for the account of American Fiber-Lite, Inc., for 180 days. Supporting shipper: Robert M. Owen, Vice President, American Fiber-Lite, Inc., P.O. Box 67, Marion, Ill. 62959. Send protests to: Harold C. Jolliff, District Supervisor, Interstate Commerce Commission, Bureau of Operations, P.O. Box 2418, Springfield, Ill. 62705.

No. MC 140491TA, filed December 24, 1974. Applicant: LEON PRESTON BARKER, doing business as BARKER TRUCKING, Shoemaker Drive, Statesville, N.C. 28677. Applicant's representative: W. C. Mauldin, 417 Old Post Road, Cherryville, N.C. 28021. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, from Statesville, N.C., to points in the United States (except Alaska and Hawaii), for 180 days. Supporting shipper: Blackwelder Furniture, Inc., U.S. Highway 21, Statesville, N.C. 28677. Send protests to: Frank H. Wait, Jr., District Supervisor, Interstate Commerce Commission, Bureau of Op-

erations, 800 Briar Creek Road-Room CC516, Mart Office Building, Charlotte, N.C. 28205.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-646 Filed 1-7-75;8:45 am]

[Notice No. 1]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

JANUARY 3, 1975.

The following letter-notices of proposals (except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application), to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission under the Commission's Revised Deviation Rules-Motor Carriers of Property, 1969 (49 CFR 1042.4(c)(11)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 1042.4(c)(11)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 1042.4(c)(12)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Revised Deviation Rules-Motor Carriers of Property, 1969, will be numbered consecutively for convenience in identification and protests, if any, should refer to such letter-notices by number.

No. MC 29910 (Deviation No. 32), ARKANSAS-BEST FREIGHT SYSTEM, INC., General Offices, Fort Smith, Ark. 72901, filed December 12, 1974. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (1) From Cape Girardeau, Mo., over Illinois Highway 146 to junction U.S. Highway 45, thence over U.S. Highway 45 to junction Illinois Highway 1, thence over Illinois Highway 1 to junction U.S. Highway 50, thence over U.S. Highway 50 to junction Indiana Highway 67, thence over Indiana Highway 67 to Indianapolis, Ind., (2) From Cape Girardeau, Mo., over Illinois Highway 146 to junction Interstate Highway 57, thence over Interstate Highway 57 to junction Illinois Highway 13, thence over Illinois Highway 13 to junction U.S. Highway 45, thence over U.S. Highway 45 to junction Illinois Highway 1, thence over Illinois Highway 1 to junction U.S. Highway 50, thence over U.S. Highway 50 to junction Indiana Highway 67, thence over Indiana Highway 67 to Indianapolis, Ind., (3) From Sikeston, Mo., over Interstate Highway 57 to junction Illinois Highway 13 (using U.S. Highways 62 and 51 where Interstate Highway 57 is incomplete), thence over Illinois Highway 13 to junction U.S. Highway 45, thence over U.S. Highway 45 to junction Illinois Highway 1, thence over Illinois Highway 1 to junction U.S. Highway 50, thence over U.S. Highway 50 to junction Indiana Highway 67, thence over Indiana Highway 67 to Indianapolis, Ind., and (4) From Sikeston, Mo., over Interstate Highway 57 to junction Illinois Highway 37 (using U.S. Highways 62 and 51 where Interstate Highway 57 is incomplete), thence over Illinois Highway 37 to junction Illinois Highway 146, thence over Illinois Highway 146 to junction U.S. Highway 45, thence over U.S. Highway 45 to junction Illinois Highway 1, thence over Illinois Highway 1 to junction U.S. Highway 50, thence over U.S. Highway 50 to Indiana Highway 67, thence over Indiana Highway 67 to Indianapolis, Ind., and return over the same routes for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Indianapolis, Ind., over U.S. Highway 40 to St. Louis, Mo., and (2) From St. Louis, Mo., over U.S. Highway 67 to junction U.S. Highway 61, thence over U.S. Highway 61 to junction Missouri Highway 34, thence over Missouri Highway 34 to Cape Girardeau, Mo., thence over Missouri Highway 74 to junction U.S. Highway 61, thence over U.S. Highway 61 to junction unnumbered highway, thence over unnumbered highway to Sikeston, Mo., and return over the same routes. Restriction: The operations authorized in (1) above are restricted to preclude the handling of traffic originating at or destined to St. Louis, Mo., and points in the St. Louis, Mo., East St. Louis, Illinois Commercial Zone, as defined by the Commission, and which moves to or from Cincinnati, Ohio, and points in the Cincinnati, Ohio Commercial Zone, as defined by the Commission.

No. MC 29910 (Deviation No. 33), ARKANSAS-BEST FREIGHT SYSTEM, INC., General Offices, Fort Smith, Ark. 72901, filed December 19, 1974. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Fayetteville, Ark., over U.S. Highway 71 to junction Interstate Highway 40, thence over Interstate Highway 40 to Asheville, N.C., and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From Fort Smith, Ark., over U.S. Highway 71 to junction U.S. Highway 66, thence over U.S. Highway 66 to St. Louis, Mo., thence over U.S. Highway 40 to Indianapolis, Ind., thence over Interstate Highway 65 to Louisville, Ky., thence over U.S. Highway 60 to junction Kentucky Highway 151, thence over Kentucky Highway 151 to junction U.S. Highway 127, thence over U.S. Highway 127 to Danville, Ky., thence over U.S. Highway 150 to Mt. Vernon, Ky., thence over U.S. Highway 25 to Corbin, Ky., thence over U.S. Highway 25-E to Morristown, Tenn., thence over U.S. Highway 11-E to Greeneville, Tenn., thence over Tennessee Highway 70 to Tennessee-North Carolina State Line, thence over North Carolina Highway 208 to junction U.S. Highways 25 and 70, thence over U.S. Highways 25 and 70 to Asheville, N.C., and return over the same route.

No. MC 29910 (Deviation No. 34), ARKANSAS-BEST FREIGHT SYSTEM, INC., General Offices, Fort Smith, Ark. 72901, filed December 19, 1974. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Muskogee, Okla., over Muskogee Turnpike to junction Interstate Highway 40, thence over Interstate Highway 40 to Asheville, N.C., and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over a pertinent service route as follows: From Muskogee, Okla., over U.S. Highway 69 to junction U.S. Highway 66, thence over U.S. Highway 66, to St. Louis, Mo., thence over U.S. Highway 40 to Indianapolis, Ind., thence over Interstate Highway 65 to Louisville, Ky., thence over U.S. Highway 60 to junction Kentucky Highway 151, thence over Kentucky Highway 151 to junction U.S. Highway 127, thence over U.S. Highway 127 to Danville, Ky., thence over U.S. Highway 150 to Mt. Vernon, Ky., thence over U.S. Highway 25 to Corbin, Ky., thence over U.S. Highway 25-E to Morristown, Tenn., thence over U.S. Highway 11-E to Greeneville, Tenn., thence over Tennessee Highway 70 to Tennessee-North Carolina State line, thence over North Carolina Highway 208 to junction U.S. Highways 25 and 70, thence over U.S. Highways 25 and 70 to Asheville, N.C., and return over the same route.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc 75-647 Filed 1-7-75;8:45 am]

[Notice No. 1]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

JANUARY 3, 1974.

The following publications (except as otherwise specifically noted, each applicant (on applications filed after March 27, 1972) states that there will be no significant effect on the quality of the human environment resulting from approval of its application), are governed by the new Special Rule 1100.247 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of December 3, 1963, which became effective January 1, 1964.

The publications hereinafter set forth reflect the scope of the applications *as filed* by applicant, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ulti-

mately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable by the Commission.

No. MC 6078 (Sub-No. 70) (Notice of Filing of Petition for Modification of Certificate), filed December 16, 1974. Petitioner: D. F. BAST, INC., 1425 N. Maxwell St., P.O. Box 2288, Allentown, Pa. 18001. Petitioner's representative: Bert Collins, 5 World Trade Center, Suite 6193, New York, N.Y. 10048. Petitioner holds a motor *common carrier* certificate in No. MC 6078 (Sub-No. 70) issued January 23, 1973, authorizing transportation, as pertinent, over irregular routes, of (1) *Commodities* requiring the use of special equipment, between New York, N.Y., on the one hand, and, on the other, Newark and Harrison, N.J., and points within 3 miles of Harrison; (2) *asphalt, chemicals, petroleum products,* and *materials* used in the manufacture of paints, in containers, and *containers* for the aforesaid commodities; *fiber* and *corrugated paper,* between Newark, N.J., and points in the New York, N.Y., Commercial Zone, as defined by the Commission, on the one hand, and, on the other, points in Nassau, Westchester and Rockland Counties, N.Y.; (3) *commodities,* new, the transportation of which because of size or weight requires the use of special equipment, and *related machinery parts* and *related contractors' materials and supplies* when their transportation is incidental to the transportation of commodities which by reason of size or weight require special equipment, between points in Passaic, Essex, and Hudson Counties, N.J., on the one hand, and, on the other, Fall River, New Bedford, and Taunton, Mass., points in Connecticut and Rhode Island, points in that part of New York on and east of New York Highway 14 and points in that part of Pennsylvania east of the Susquehanna River;

(4) *Commodities,* used, the transportation of which because of size or weight requires the use of special equipment, and *related machinery parts* and *related contractors' materials and supplies* when their transportation is incidental to the transportation of commodities which by reason of size or weight require special equipment, between points in New Jersey, on the one hand, and, on the other, Falls River, New Bedford, and Taunton, Mass., points in Connecticut and Rhode Island, points in that part of New York on and east of New York Highway 14, and points in that part of Pennsylvania east of the Susquehanna River. Restriction: The authority described above is restricted against service between Newark, N.J., on the one hand, and, on the other, points in Nassau and Westchester Counties, N.Y., located within the New York, N.Y., Commercial Zone, as defined by the Commission; (5) *fencing materials, hardware, plumbing supplies,* and *building materials,* except liquid commodities, in bulk, in tank vehicles, between Kearny, Newark, Bound Brook, Millington, and Metuchen, N.J., on the one hand, and, on the other, Hawleyville and Kent, Conn., Philadelphia, Pa., New York, N.Y., points in Nassau, Suffolk, Orange, Rockland, Putnam, Westchester, Sullivan, and Dutchess Counties, N.Y., and points in that part of Connecticut south of a straight line beginning at Stratford and extending northwest through Danbury to the Connecticut-New York State line, including Danbury.

Restriction: The authority described immediately above is restricted against service between Kearny and Newark, N.J., on the one hand, and, on the other, New York, N.Y. Restriction: The operations authorized above are restricted against the transportation of household goods as defined by the Commission, machinery and machinery parts, sugar, and commodities in bulk, other than liquid; (6) *general commodities,* except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, between points in Hudson, Bergen, Passaic, Essex, Middlesex, Union, and Morris Counties, N.J., on the one hand, and, on the other, New York, N.Y.; (7) *elevators, escalators* and *machinery, materials and supplies* used in the manufacture, installation, and maintenance of elevators and escalators (except commodities which because of size or weight require the use of special equipment, and commodities in bulk), (a) between Yonkers, N.Y., and points within 5 miles thereof, and Harrison, N.J., and points within 5 miles thereof, on the one hand, and, on the other, points in Maryland, Rhode Island, Massachusetts, those in that part of Pennsylvania on and west of U.S. Highway 11, those in that part of New York on and west of U.S. Highway 14, and Washington, D.C., (b) between plant sites, warehouses and other sources of supply of Otis Elevator Co., located at Yonkers, N.Y., and points within 5 miles thereof, and Harrison, N.J., and points within 5 miles thereof, on the one hand, and, on the other, plant sites and warehouses of Otis Elevator Co., located at Bloomington, Ind., (c) from plant sites and warehouses of Otis Elevator Co., located at Bloomington, Ind., to points in New Jersey, Connecticut, Delaware, points in that part of New York on and east of New York Highway 14, and points in Pennsylvania on and east of the Susquehanna River, with no transportation for compensation on return except as otherwise authorized, and (d) between Yonkers, N.Y., and points within 5 miles thereof, on the one hand, and, on the other, points in New Jersey, Connecticut, Delaware, points in that part of New York on and east of U.S. Highway 14, and points in that part of Pennsylvania on and east of U.S. Highway 11;

(8) *Elevators* and *escalators,* and *machinery, materials, and supplies* used in the manufacture, installation, and maintenance of elevators and escalators (except commodities which because of size or weight require the use of special equipment and commodities in bulk), between Harrison, N.J., and points within 5 miles thereof, on the one hand, and, on the other, points in New Jersey, Connecticut, Delaware, points in that part of New York on and east of U.S. Highway 14, and points in that part of Pennsylvania on and east of U.S. Highway 11; and (9) *elevators, escalators,* and parts of elevators and escalators, and *equipment, materials and supplies* used in the manufacture, installation, and maintenance of elevators, escalators, and parts of elevators and escalators (except commodities the transportation of which, because of size or weight, requires the use of special equipment, and except commodities in bulk), between the plant site of Otis Elevator Company at London, Ohio, on the one hand, and, on the other, the plant site of Otis Elevator Company at Bloomington, Ind., and points in New Jersey, Connecticut, Delaware, New York, Pennsylvania, Rhode Island, Massachusetts, Maryland, and Washington, D.C. By the instant petition, petitioner seeks (a) to modify parts (3) and (4) above of the certificate to read as follows:

"*Commodities,* the transportation of which because of size or weight require use of special equipment, and *related machinery parts and related contractors' material and supplies* when their transportation is incidental to the transportation of commodities which by reason of size or weight require special equipment, between points in New Jersey, on the one hand, and, on the other, Fall River, New Bedford, and Taunton, Mass., points in Connecticut and Rhode Island, points in that part of New York on and east of New York Highway 14, and points in that part of Pennsylvania east of the Susquehanna River. Restriction: The authority described above is restricted against service between Newark, N.J., on the one hand, and, on the other, points in Nassau and Westchester Counties, N.Y., located within the New York, N.Y., Commercial Zone, as defined by the Commission," and (b) requests cancellation of its authority in part (1) above. Any interested person or persons desiring to participate may file an original and six copies of his written representations, views or arguments in support of or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 42138 (Notice of Filing of Petition for Modification of Certificate), filed December 11, 1974. Petitioner: WELLS EXPRESS, INC., 1500 Hudson Street, Hoboken, N.J. 97030. Petitioner's representative: George A. Olsen, 69 Tonnele Avenue, Jersey City, N.J. 07306. Petitioner holds a motor *common carrier* certificate in No. MC 42138 issued December 26, 1974, authorizing transportation, as pertinent, over regular route, of *General commodities,* except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment, Between White Lake, N.Y., and New York, N.Y.,

serving all intermediate points and the off-route points of Newark, N.J., and those in Sullivan County, N.Y.: From White Lake over New York Highway 17B to Monticello, N.Y., thence over New York Highway 42 to Port Jervis, N.Y., thence over U.S. Highway 6 to Monroe, N.Y., thence over New York Highway 17 to the New York-New Jersey State Line, thence over New Jersey Highway 17 to junction New Jersey Highway 4, thence over New Jersey Highway 4 to Fort Lee, N.J., and thence across the Hudson River to New York (also from Fort Lee over U.S. Highway 1 via the Holland Vehicular Tunnel to New York), and return over the same routes, and over irregular routes, of (1) *coal*, From Scranton, Honesdale, and Carbondale, Pa., to points in Sullivan County, N.Y., with no transportation for compensation on return except as otherwise authorized; and (2) *Household goods*, Between New York, N.Y., and points in Bergen, Hudson, Passaic, and Essex Counties, N.J., on the one hand, and, on the other, points in Sullivan County, N.Y. By the instant petition, petitioner seeks (a) to amend its certificate to read as follows: over regular route, of *General commodities*, except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, Between White Lake, N.Y., and New York, N.Y. Commercial Zone, as defined in *Commercial Zones and Terminal Areas*, 53 M.C.C. 451, within which local operations may be conducted pursuant to the partial exemption of section 203(b)(8) of the Interstate Commerce Act (the "exempt" zone), and those points in New Jersey within 5 miles of New York, N.Y., and all of any municipality in New Jersey any part of which is within 5 miles of New York, N.Y. serving all intermediate points and the off-route points of Newark, N.J., and those in Sullivan County, N.Y.: From White Lake over New York Highway 17B to Monticello, N.Y., thence over New York Highway 42 to Port Jervis, N.Y., thence over U.S. Highway 6 to Monroe, N.Y., thence over New York Highway 17 to the New York-New Jersey state line, thence over New Jersey Highway 17 to junction New Jersey Highway 4, thence over New Jersey Highway 4 to Fort Lee, N.J., and thence across the Hudson River to New York (also from Fort Lee over U.S. Highway 1 via the Holland Vehicular Tunnel to New York), and return over the same routes, and over irregular routes, of (1) *Coal*, From Scranton, Honesdale, and Carbondale, Pa., to points in Sullivan County, N.Y., with no transportation for compensation on return except as otherwise authorized, and (2) *household goods*, between New York, N.Y., and points in Bergen, Hudson, Passaic, and Essex Counties, N.J., on the one hand, and, on the other, points in Sullivan County, N.Y., or (b) in the alternative, that the Commission issue its appropriate order that the petitioner be empowered and permitted to designate as its terminal area, all points within which local operations may be conducted in the New York, N.Y. Commercial Zone as established by the Commission. Any interested person or persons desiring to participate may file an original and six copies of his written representations, views or arguments in support of or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 66900 (Notice of Filing of Petition for Modification of Certificate), filed November 27, 1974. Petitioner: HOUFF TRANSFER, INCORPORATED, P.O. Box 91, Weyers Cave, Va. 24486. Petitioner's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Va. 22314. Petitioner holds a motor *common carrier* certificate in No. MC 66900 issued August 14, 1950, authorizing transportation, as pertinent, over irregular routes, of *General commodities*, except those of unusual value, and except dangerous explosives, household goods as defined in *Practices of Motor Common Carriers of Household Goods*, 17 M.C.C. 467, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, from points and places in that part of Pennsylvania south of U.S. Highway 422 and east of U.S. Highway 111, including points and places on the indicated portions of the Highways specified, and Washington, D.C., to Staunton, Va. and points and places in Virginia within 50 miles of Staunton. By the instant petition, petitioner seeks to modify the territorial description to read as follows: "from York, Pa. and points and places in that part of Pennsylvania south of U.S. Highway 422 and east of Interstate Highway 83 including points and places on the indicated portions of the Highways specified". Any interested person or persons desiring to participate may file an original and six copies of his written representations, views or arguments in support of or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's Special Rules governing notice of filing of applications by motor carriers of property or passengers under Sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto. (49 CFR 1.240).

MOTOR CARRIERS OF PROPERTY

APPLICATIONS FOR CERTIFICATES OR PERMITS WHICH ARE TO BE PROCESSED CONCURRENTLY WITH APPLICATIONS UNDER SECTION 5 GOVERNED BY SPECIAL RULE 240 TO THE EXTENT APPLICABLE

No. MC 65088 (Sub-No. 3), filed November 25, 1974. Applicant: FAYARD MOVING AND TRANSPORTATION CORPORATION, 2615 25th Avenue, Gulfport, Miss. 39501. Applicant's representative: Donald B. Morrison, 717 Guaranty Bank Bldg., Box 22628, Jackson, Miss. 39205. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* between all points and places and over all routes and highways within the counties of Jackson, Harrison, Hancock, Stone and George Counties, Miss.

NOTE.—The purpose of this application is to convert the Certificate of Registration issued in MC 96968 (Sub-No. 2) to a Certificate of Public Convenience and Necessity. This is a matter directly related to the Section 5 proceeding in MC F 12361 published in the FEDERAL REGISTER of November 20, 1974. If a hearing is deemed necessary, the applicant requests it be held at Jackson, Miss.

No. MC F 12378 (Correction) (JAMES H. HARTMAN & SON, INC.—PURCHASE (PORTION)—PIEDMONT PETROLEUM PRODUCTS, INCORPORATED), published in the December 18, 1974, issue of the FEDERAL REGISTER at page 43793. Prior notice should be modified to show: "empty malt beverage containers;" and to also include under the commodity description of composition board and particleboard, "points in that part of Pennsylvania on and east of U.S. Highway 11."

No. MC F 12400. Authority sought for lease by SCHWERMAN TRUCKING CO., 611 S. 28th St., Milwaukee, WI 53215, of a portion of the operating rights of RUAN TRANSPORT CORPORATION, Keosauqua at Third, Des Moines, IA 50309, and for acquisition by FRED J. AND CARL L. SCHWERMAN, both of Milwaukee, WI 53215, of control of such rights through the transaction. Applicants' attorneys: James R. Ziperski, 611 S. 28th St., Milwaukee, WI 53215, and Henry L. Fabritz, P.O. Box 855, Des Moines, IA 50309. Operating rights sought to be leased: *Cement*, in bulk, in bags and in packages, as a *common carrier* over irregular routes, from the plant site of the Missouri Portland Cement Company at St. Louis, Mo., to points in Lee, Van Buren, Davis, Des Moines, Henry, Jefferson, and Wapello Counties, Iowa; to points in Henderson, Warren, Knox, Peoria, Woodford, McLean, Champaign, and Vermilion Counties, Ill., and points in all counties located south of the aforementioned counties; to points in Ballard, McCracken, Carlisle, Graves, Hickman, and Fulton Counties, Ky.; and to points in Clay, Randolph, Fulton, Green, Lawrence, Sharp, Mississippi, and Craighead Counties, Ark. SCHWERMAN TRUCKING CO., is authorized to operate as a *common carrier* in all of the States in the United States (except Alaska and Hawaii). Application has not been filed for temporary authority under section 210a(b).

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.75-648 Filed 1-7-75;8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY

Elimination of Gateway Letter Notices

JANUARY 3, 1975.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's *Gateway Elimination* rules (49 CFR 1065(a)), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any gateway herein described may be filed with the Interstate Commerce Commission on or before January 13, 1975. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will *not* operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC 3844 (Sub-No. E1), filed May 23, 1974. Applicant: SAVIN HILL MOVERS, INC., 11 Mann Hill Road, Scituate, Mass. 02066. Applicant's representative: Francis E. Barrett, Jr., 10 Industrial Park Road, Hingham, Mass. 02043. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, between points in Maine and New Hampshire, on the one hand, and, on the other, points in Connecticut, New Jersey, Delaware, Pennsylvania, Maryland, Virginia, the District of Columbia, and those points in New York on and west of Interstate Highway 81. The purpose of this filing is to eliminate the gateways of Boston, Mass., and points within 20 miles thereof, and Lynn, Mass., and points within 10 miles thereof.

No. MC 31462 (Sub-No. E399), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Carolina, on the one hand, and, on the other, points in that part of Texas on, north, and west of a line beginning at the Oklahoma-Texas State line, thence along U.S. Highway 277 to junction U.S. Highway 380, thence along U.S. Highway 380 to junction Texas Highway 208, thence along Texas Highway 208 to junction U.S. Highway 67, thence along U.S. Highway 67 to the U.S.-Mexico International Boundary line. The purpose of this filing is to eliminate the gateways of (1) points in Georgia; (2) points in Tennessee; (3) points in that part of Missouri within 25 miles of Cairo, Ill.; and (4) points in Okmulgee, Okla.

No. MC 31462 (Sub-No. E400), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Carolina, on the one hand, and, on the other, points in that part of Tennessee on and west of a line beginning at the Tennessee-Kentucky State line, thence along U.S. Highway 25W to Knoxville, Tenn., thence along U.S. Highway 129 to the Tennessee-North Carolina State line. The purpose of this filing is to eliminate the gateway of points in Georgia.

No. MC 31462 (Sub-No. E401), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC. P.O. Box 308, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Dakota, on the one hand, and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateways of (1) Fort Wayne, Ind., or any point in that part of Indiana within 40 miles of Fort Wayne; (2) Burlington, Iowa, or any point in that part of Iowa within 50 miles of Burlington; and (3) any point which is both within 35 miles of Alden, Minn., and within that part of Minnesota or Iowa on and south of a line beginning at the Mississippi River, thence along U.S. Highway 16 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction U.S. Highway 20, thence along U.S. Highway 20 to the Mississippi River.

No. MC 31462 (Sub-No. E403), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Dakota, on the one hand, and, on the other, points in Vermont. The purpose of this filing is to eliminate the gateways of (1) Hoosick Falls, N.Y.; (2) Fort Wayne, Ind., or any point in Indiana which is within 40 miles of Fort Wayne; (3) Burlington, Iowa, or any point in Iowa which is 50 miles of Burlington; and (4) any point which is both within 35 miles of Alden, Minn., and within that part of Minnesota or Iowa on and south of a line beginning at the Mississippi River, thence along U.S. Highway 16 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction U.S. Highway 20, thence along U.S. Highway 20 to the Mississippi River.

No. MC 31462 (Sub-No. E404), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as described by the Commission, between points in South Dakota, on the one hand, and, on the other, points in West Virginia. The purpose of this filing is to eliminate the gateways of (1) Fort Wayne, Ind., or any point in Indiana within 40 miles thereof; (2) Burlington, Iowa, or any point in Iowa within 50 miles thereof; and (3) any point which is both within 35 miles of Alden, Minn., and within that part of Minnesota or Iowa on and south of a line beginning at the Mississippi River, thence along U.S. Highway 16 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction U.S. Highway 20, thence along U.S. Highway 20 to the Mississippi River.

No. MC 31462 (Sub-No. E405), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Tex. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Dakota, on the one hand, and, on the other, points in Virginia. The purpose of this filing is to eliminate the gateways of (1) Fort Wayne, Ind., or any point in Indiana within 40 miles thereof; (2) Burlington, Iowa, or any point in Iowa within 50 miles thereof; and (3) any point which is both within 35 miles of Alden, Minn., and within that part of Minnesota or Iowa on and south of a line beginning at the Mississippi River, thence along U.S. Highway 16 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction U.S. Highway 20, thence along U.S. Highway 20 to the Mississippi River.

No. MC 31462 (Sub-No. E406), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Pa. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in South Dakota, on the one hand, and, on the other, the District of Columbia. The purpose of this filing is to eliminate the gateways of (1) Fort Wayne, Ind., or any point in Indiana within 40 miles thereof; (2) Burlington, Iowa, or any point in Iowa within 50 miles thereof; and (3) any point which is both within 35 miles of Alden, Minn., and within that part of Minnesota or Iowa on and south of a line beginning at the Mississippi River, thence along U.S. Highway 16 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction U.S. Highway 20, thence along U.S. Highway 20 to the Mississippi River.

No. MC 31462 (Sub-No. E407), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Pa. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*,

by motor vehicle, over irregular routes, transporting: *Household goods*, between points in that part of Tennessee on and east of a line beginning at the Tennessee-Kentucky State line, thence along Tennessee Highway 56 to junction U.S. Highway 41, thence along U.S. Highway 41 to junction U.S. Highway 72, thence along U.S. Highway 72 to the Tennessee-Alabama State line, on the one hand, and, on the other, points in that part of Texas on, north, and west of a line beginning at the Texas-Oklahoma State line, thence along U.S. Highway 281 to Wichita Falls, Tex., thence along U.S. Highway 277 to junction U.S. Highway 83, thence along U.S. Highway 83 to junction U.S. Highway 67, thence along U.S. Highway 67 to the U.S.-Mexico International Boundary line. The purpose of this filing is to eliminate the gateways of (1) points in that part of Missouri which are within 25 miles of Cairo, Ill.; and (2) points in Okmulgee County, Okla.

No. MC 31462 (Sub-No. E108), filed May 13, 1974. Applicant: PARAMOUNT MOVERS, INC., P.O. Box 309, Lancaster, Pa. 75146. Applicant's representative: R. L. Rork (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in that part of Tennessee on and west of a line beginning at the Kentucky-Tennessee State line, thence along Tennessee Highway 56 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction U.S. Highway 27, thence along U.S. Highway 27 to Chattanooga, on the one hand, and, on the other, points in that part of Wisconsin on, north, and west of a line beginning at Green Bay, Wis., thence along U.S. Highway 41 to Fond du Lac, Wis., thence along U.S. Highway 151 to junction Wisconsin Highway 26, thence along Wisconsin Highway 26 to junction Interstate Highway 90, thence along Interstate Highway 90 to the Wisconsin-Illinois State line. The purpose of this filing is to eliminate the gateways of (1) Cairo, Ill., or any point in Illinois within 25 miles thereof; and (2) Burlington, Iowa, or any point in Iowa within 50 miles thereof.

No. MC 107403 (Sub-No. E459), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paints, stains, varnishes, paint materials, and plastics*, in bulk, in tank vehicles, from Circleville, Ohio, to points in Michigan (except points in Monroe and Lenawee Counties). The purpose of this filing is to eliminate the gateway of points in Licking County, Ohio.

No. MC 107403 (Sub-No. E466), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals*, in bulk, in tank vehicles, from points in Ohio (except points within 150 miles of Monongahela, Pa.), to points in Maryland, Pennsylvania, and West Virginia (except points within 150 miles of Monongahela, Pa.) The purpose of this filing is to eliminate the gateway of Pittsburgh, Pa.

No. MC 107403 (Sub-No. E467), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry chemicals*, in bulk, in tank vehicles, from points in Ohio within 150 miles of Monongahela, Pa., to points in that part of Illinois north of U.S. Highway 50. The purpose of this filing is to eliminate the gateways of Newark, Ohio, and Fort Wayne, Ind.

No. MC 107403 (Sub-No. E469), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry commodities*, in bulk (except fly ash, salt, cement, and plastic materials), from points in Ohio within 150 miles of Monongahela, Pa., to points in that part of New York west of a line beginning at Oswego, N.Y., thence along New York Highway 57 to Syracuse, N.Y., thence along U.S. Highway 11 to the Pennsylvania-New York State line (except points in Chautauqua County, N.Y.). The purpose of this filing is to eliminate the gateway of Painesville, Ohio.

No. MC 107403 (Sub-No. E473), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry chemicals*, in bulk, in tank or hopper type vehicles, from Pataskala, Ohio, to points in that part of Virginia on and south of U.S. Highway 50. The purpose of this filing is to eliminate the gateway of Ironton, Ohio.

No. MC 107403 (Sub-No. E475), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave., Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Synthetic resins*, in bulk, in tank vehicles, from Newark, Ohio, to points in Kansas and points in that part of Missouri north and west of a line beginning at the Missouri-Illinois State line, thence along Missouri Highway 72 to its junction with U.S. Highway 67, thence along U.S. Highway 67 to the Missouri-Arkansas State line. The purpose of this filing is to eliminate the gateway of Millsdale, Ill.

No. MC 107403 (Sub-No. E480), filed May 29, 1974. Applicant: MATLACK, INC., 10 W. Baltimore Ave. Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid oxo.-alcohols and liquid spent olefins*, in bulk, in tank vehicles, from Haverhill, Ohio, to points in Kansas (except points in Crawford and Cherokee Counties). The purpose of this filing is to eliminate the gateway of Millsdale, Ill.

No. MC 107403 (Sub-No. E484), filed May 29, 1974. Applicant: MATLACK, Inc., 10 W. Baltimore Ave. Lansdowne, Pa. 19050 Applicant's representative: John Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, in bulk, in tank vehicles, from points in Delaware County, Ohio, to points in Kansas and in that part of Missouri north and west of a line beginning at the Missouri-Illinois State line, thence along Missouri Highway 72 to its junction with U.S. Highway 67, thence along U.S. Highway 67 to the Missouri-Arkansas State line. The purpose of this filing is to eliminate the gateways of Fort Wayne, Ind., and Millsdale, Ill.

No. MC 113459 (Sub-No. E25), filed May 6, 1974. Applicant: H. J. JEFFRIES TRUCK LINE, INC., P.O. Box 94850, Oklahoma City, Okla. 73109. Applicant's representative: Robert A. Fisher (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Commodities*, the transportation which, by reason of size or weight, require the use of special equipment, between points in Indiana, on the one hand, and, on the other, points in Colorado and Wyoming. The purpose of this filing is to eliminate the gateways of points in Illinois and Kansas.

No. MC 113459 (Sub-No. E63), (correction), filed May 14, 1974, published in the FEDERAL REGISTER August 7, 1974. Applicant: H. J. JEFFRIES TRUCK LINE, INC., P.O. Box 94850, Oklahoma City, Okla. 73109. Applicant's representative: Robert A. Fisher (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, tranporting: (IV) (2) *Commodities*, the transportation of which, by reason of size or weight, require the use of special equipment; and (3) *Parts* of commodities authorized in (IV) (2) above, either when incidental to the transportation of such commodities, or when transported as separate and unrestricted shipments, between points in that part of Nebraska on and east of U.S. Highway 83, and points in that part of Wyoming on and east of a line beginning at the Wyoming-Montana State line and extending along Wyoming Highway 120 to junction U.S. Highway 26, thence along U.S. Highway 26 to junction Wyoming Highway 789, thence along Wyoming Highway 789 to junction U.S. Highway 287, thence along U.S. Highway 287 to junction Interstate Highway 80, thence along Interstate Highway 80 to junction U.S. Highway 85, thence along U.S. Highway 85 to the Wyoming-Colorado State line, on the

one hand, and, on the other, points in that part of New Mexico on and east of a line beginning at the New Mexico-Oklahoma State line and extending along U.S. Highway 56 to its junction with Interstate Highway 25, thence along Interstate Highway 25 to its junction with New Mexico Highway 3, thence along New Mexico Highway 3 to its junction with U.S. Highway 60, thence along U.S. Highway 60 to its junction with Interstate Highway 25, thence along Interstate Highway 25 to its junction with New Mexico Highway 90, thence along New Mexico Highway 90 to its junction with Interstate Highway 10, thence along Interstate Highway 10 to the New Mexico-Arizona State line. The purpose of this filing is to eliminate the gateways of points in Oklahoma for points in (I), (IV), (V), and (VI) above, points in that part of Illinois south of U.S. Highway 36 for points in (II) above, and points in Illinois for points in (III) above. The purpose of this partial correction is to delete the exception and to extend the territorial description in (IV) above. The remainder of this letter-notice remains as previously published.

No. MC 113855 (Sub-No. E9), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Plastic conduit, valves, and fittings*, (2) *accessories and hand tools* used in the installation of same, and (3) *compound joint sealer and bonding cement*, in mixed loads with the commodities in (1) and (2) above, which in (1), (2), and (3) because of size or weight require special equipment or special handling, and related contractors' materials and supplies when their transportation is incidental to the transportation of commodities which because of size or weight require the use of special equipment, restricted against the transportation of oilfield commodities as defined by the Commission in *Mercer Extension-Oil Field Commodities*, 74 M.C.C. 459), (a) from points in Wisconsin on and east of U.S. Highway 51 to points in Arizona, (b) from points in Minnesota to points in Missouri on and east of U.S. Highway 67, and (c) from points in Illinois on and north of U.S. Highway 30 to points in Arizona. The purpose of this filing is to eliminate the gateways of Elgin, Ill., Terre Haute, Ind., plus in (b) above points in Minnesota within 25 miles of the Wisconsin and Iowa State lines.

No. MC 113855 (Sub-No. E10), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Tractors* (not including truck-tractors), *scrapers, motor graders, wagons, engines* (except aircraft and missile engines), *generators, engines and generators combined, welders, road-rollers, compacters, and lift-trucks, and parts, attachments, and accessories* for the above-named commodities, when moving therewith and separately, the transportation of which because of their size of weight, require the use of special equipment, and related machinery, parts, and related contractors' materials and supplies when their transportation is incidental to the transportation by said carrier of such commodities which by reason of size or weight require special equipment; and (2) *self-propelled articles* described in (1) above not requiring special equipment for their transportation, each weighing 15,000 pounds or more and related machinery, tools, parts, and supplies moving in connection therewith (restricted in (2) above to commodities transported on trailers, and restricted in (1) above against the transportation of iron and steel articles), (a) from points in Indiana to points in Arizona (except Apache County), (b) from points in Indiana (except points in Vanderburgh, Warrick, and Posey Counties), to points in Apache County, Ariz., (c) from points in Ohio, West Virginia, and those in Kentucky on and east of Interstate Highway 65 to points in Arizona, (d) from points in New York to points in Arizona, and (e) from points in Massachusetts, Connecticut, Rhode Island, and New Jersey to points in Arizona. The purpose of this filing is to eliminate the gateways of, in (a), (b), and (c), Elgin, Ill., points in northern Illinois, and Aurora, Ill.; in (d), Scranton, Pa., Elgin, Ill., points in northern Illinois, and Aurora, Ill.; and in (e), Scranton or Allentown, Pa., Elgin, Ill., points in northern Illinois, and Aurora, Ill.

No. MC 113855 (Sub-No. E37), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Commodities*, the transportation of which, because of their size or weight, require the use of special equipment (except boats and iron and steel articles), and related machinery, parts and related contractors' materials and supplies when their transportation is incidental to the transportation by said carrier of commodities which by reason of size or weight require special equipment, and (2) *self-propelled articles*, each weighing 15,000 pounds or more and related machinery, tools, parts and supplies moving in connection therewith restricted to commodities transported on trailers), (a) between points in Wisconsin, on the one hand, and, on the other, points in: Indiana, Kentucky, Ohio and Scranton, Reading, Allentown, Harrisburg, Lancaster, and Hazelton, Pa., and mines in that part of Pennsylvania south and west of a line beginning at the Pennsylvania-Ohio State line and extending along U.S. Highway 224 to junction U.S. Highway 422, thence along U.S. Highway 422 to junction U.S. Highway 19 near Rose Point, Pa., thence along U.S. Highway 19 to junction unnumbered highway near Portersville, Pa., thence along unnumbered highway via Prospect, Pa., to junction U.S. Highway 422, thence along U.S. Highway 422 to Ebensburg, Pa., thence along U.S. Highway 22 to junction U.S. Highway 522, thence along U.S. Highway 522 to junction Pennsylvania Highway 641 (formerly Pennsylvania Highway 433), thence along Pennsylvania Highway 641 to junction Pennsylvania Highway 997, and thence along Pennsylvania Highway 997 to the Pennsylvania-Maryland State line, including points on the indicated portions of the highways specified; (b) between points in Wisconsin, on the one hand, and, on the other, points in New York on and east of Interstate Highway 81; (c) between points in Wisconsin, on the one hand, and, on the other, points in Massachusetts, Connecticut, and Rhode Island (d) between points in Wisconsin, on the one hand, and, on the other, points in Hyde, Washington, Tyrrell, Dare, Chowan, Gates, Ferquimans, Pasquotank, Camden, and Corrituck Counties, N.C.; (e) between points in Wisconsin, on the one hand, and, on the other, points in and east of Southhampton, Sussex, Prince George, Charles City, James City, Gloucester, and Middlesex Counties, Va.; and (f) between points in Wisconsin on and west of U.S. Highway 51, on the one hand, and, on the other, points in Virginia on and east of Interstate Highway 95. The purpose of this filing is to eliminate the gateways of Elgin, Ill., in (a); Elgin, Ill., and Scranton, Pa., in (b); Elgin, Ill., and Scranton, Pa., in (c) above; and Elgin, Ill., and Allentown, Pa., in (d), (e), and (f).

No. MC 113855 (Sub-No. E39), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Commodities*, the transportation of which, because of their size or weight, require the use of special equipment, and related machinery, parts, and related contractors' materials and supplies when their transportation is incidental to the transportation by said carrier of commodities which by reason of size or weight require special equipment, and (2) *Self-propelled articles*, each weighing 15,000 pounds or more and related machinery, tools, parts, and supplies moving in connection therewith (restricted to commodities transported on trailers), (a) between points in Colorado on, west, and south of a line beginning at the Colorado-New Mexico State line, thence along Interstate Highway 25 to Denver, Colo., thence westerly along U.S. Highway 40 to the Utah-Colorado State line, on the one hand, and, on the other, points in Nebraska on, east, and north of a line beginning

at the Iowa-Nebraska State line, thence along U.S. Highway 77 to junction U.S. Highway 275, thence southeasterly along U.S. Highway 275 to the Iowa-Nebraska State line, (b) between points in Nebraska on and north of U.S. Highway 20, on the one hand, and, on the other, points in Kansas on, south, and east of a line beginning at the Kansas-Missouri State line, thence along U.S. Highway 169 to junction U.S. Highway 54, thence along U.S. Highway 54 to junction U.S. Highway 75, thence southerly along U.S. Highway 75 to the Kansas-Oklahoma State line, (c) between points in Nebraska on and east of U.S. Highway 81, on the one hand, and, on the other, North Dakota south of a line beginning at the Montana-North Dakota State line and extending along U.S. Highway 2 to Lakota, thence along North Dakota Highway 1 to the United States-Canada Boundary line, not including points on the indicated portions of the highways specified other than Minot, and (d) between points in Nebraska west of U.S. Highway 81, on the one hand, and, on the other, points in North Dakota on and east of a line beginning at the North Dakota-South Dakota State line, thence northerly along North Dakota Highway 18 to junction Interstate Highway 94, thence westerly along Interstate Highway 94 to junction North Dakota Highway 1, thence northerly along North Dakota Highway 1 to the United States-Canada Boundary line (except points on North Dakota Highway lying on or north of U.S. Highway 2). The purpose of this filing is to eliminate the gateways of points in South Dakota in (a) and (b) and points in Minnesota within 50 miles of Sioux Falls, S. Dak., in (c) and (d).

No. MC 113855 (Sub-No. E87), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 520 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Commodities* the transportation of which, because of their size or weight, require the use of special equipment, and related machinery, parts and related contractors' materials and supplies when their transportation is incidental to the transportation by said carrier of commodities which by reason of size or weight require special equipment, and (2) *self-propelled articles*, each weighing 15,000 pounds or more and related machinery, tools, parts, and supplies moving in connection therewith (restricted to commodities transported on trailers), (a) between points in Nebraska on and north of a line beginning at the Wyoming-Nebraska State line, thence along U.S. Highway 26 to junction U.S. Highway 385, thence northerly along U.S. Highway 385 to junction Nebraska Highway 2, thence easterly along Nebraska Highway 2 to junction Nebraska Highway 91, thence easterly along Nebraska Highway 91 to junction U.S. Highway 81, thence northerly along U.S. Highway 81 to junction Nebraska Highway 35, thence northeasterly along Nebraska Highway 35 to junction U.S. Highway 77, thence northerly along U.S. Highway 77 to the Nebraska-Iowa State line, on the one hand, and, on the other, points in Missouri; (b) between points in Nebraska south of the line described in (a) above and west of Nebraska Highway 14, on the one hand, and, on the other, points in Missouri on and east of a line beginning at the Illinois-Missouri State line at or near Hannibal, thence westerly on U.S. Highway 36 to junction U.S. Highway 61, thence southerly on U.S. Highway 61 to junction Missouri Highway 19, thence southerly on Missouri Highway 19 to the Missouri-Arkansas State line; (c) between points in Wisconsin, on the one hand, and, on the other, points in Nebraska; (d) between points in Nebraska on and north of a line beginning at the Colorado-Nebraska State line at the point it is intersected by Interstate Highway 80S, thence northeasterly along Interstate Highway 80S to junction Interstate Highway 80, thence easterly along Interstate Highway 80 to junction U.S. Highway 183, thence northerly along U.S. Highway 183 to junction Nebraska Highway 91, thence easterly along Nebraska Highway 91 to junction U.S. Highway 77, thence northerly to the Nebraska-Iowa State line, on the one hand, and, on the other, points in Illinois.

(e) Between points in Nebraska south of the line described in (d) above and on and west of Nebraska Highway 14, on the one hand, and, on the other, points in Illinois on and north of U.S. Highway 50; (f) between points in Nebraska east of a line beginning at the intersection of the Nebraska-Iowa State line and U.S. Highway 77, thence southerly along U.S. Highway 77 to junction Nebraska Highway 91, thence westerly along Nebraska Highway 91 to junction Nebraska Highway 14, thence southerly along Nebraska Highway 14 to junction U.S. Highway 6, thence northeasterly along U.S. Highway 6 to the Nebraska-Iowa State line, on the one hand, and, on the other, points in Lake and Cook Counties, Ill.; (g) between points in Nebraska (except points south of U.S. Highway 6 and east of U.S. Highway 81, not including points on the named highways), on the one hand, and, on the other, points in Indiana on and east of a line beginning at the intersection of Interstate Highway 90 and the Illinois-Indiana State line, thence southeasterly to junction Interstate Highway 65, thence southeasterly along Interstate Highway 65 to junction Indiana Highway 46, thence along Indiana Highway 46 to junction Indiana Highway 7, thence southeasterly along Indiana Highway 7 to the Indiana-Kentucky State line at or near Madison, Ill.; (h) between points in Nebraska (except points south of a line beginning at the Nebraska-Colorado State line, easterly along U.S. Highway 34 to junction Nebraska Highway 14, thence northerly along Nebraska Highway 14 to junction U.S. Highway 30, thence easterly along U.S. Highway 30 to junction U.S. Highway 77, thence northerly along U.S. Highway 77 to the Iowa-Nebraska State line, on the one hand, and, on the other, points in Indiana south of the line described in (g) above; and (i) between points in Nebraska, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways of points in South Dakota.

No. MC 113855 (Sub-No. E142), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E. Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Agricultural machinery, and implements*, other than hand, as described in Section 1(B) of Appendix XII to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, *and farm tractors*, the transportation of which, because of their size or weight, require the use of special equipment, and (2) *self-propelled articles* described in (1) above not requiring special equipment for their transportation, each weighing 15,000 pounds or more and *related machinery and parts* moving in connection therewith (restricted to commodities transported on trailers), (a) from points in Minnehoha County, S. Dak., to points in Arizona (Des Moines, Iowa), (b) from points in Michigan to points in Arizona and New Mexico (points in South Dakota and Des Moines, Iowa), (c) from points in the Lower Peninsula of Michigan on and north of Michigan Highway 46 to points in New Mexico on and west of a line beginning at U.S. Highway 666 to junction U.S. Highway 550, thence along U.S. Highway 550 to the junction of New Mexico Highway 44, thence along New Mexico Highway 44 in a southeasterly direction to the junction of Interstate Highway 25, thence along Interstate Highway 25 to the New Mexico-Texas State line (same as b), (d) from points in North Dakota on, east, and north of a line beginning at the United States-Canada International Boundary line, extending in a southerly direction along North Dakota Highway 20 to junction U.S. Highway 2, thence along U.S. Highway 2 in an easterly direction to the North Dakota-Minnesota State line, to points in Arizona (Grand Forks, N. Dak., and Des Moines, Iowa), and (e) from points in North Dakota on and east of North Dakota Highway 1 to points in Arizona and New Mexico on and south of Interstate Highway 40 (points in Minnesota within 25 miles of the Iowa State line, points in Minnesota within 50 miles of Sioux Falls, S. Dak., and Des Moines, Iowa). The purpose of this filing is to eliminate the gateways in parentheses above.

No. MC 113855 (Sub-No. E160), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd. SE., Rochester, Minn. 55901. Applicant's representative: Michael E.

Miller, 502 First Nat'l Bank Bldg., Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Road construction equipment*, as described in Appendix VIII to the report in *Descriptions in Motor Carrier Certificates* 61 M.C.C. 209 (except commodities which because of size or weight require the use of special handling), in flat bed trailers only, from ports of entry on the United States-Canada International Boundary line at or near Sweetgrass, Mont., and Portal, N. Dak., to points in Arkansas, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee, Kentucky, Virginia, Indiana (except points in Hammond, Whiting, East Chicago, and Gary), Michigan (except Battle Creek and Benton Harbor), Delaware, New York, Vermont, Maine, New Hampshire, Massachusetts, Connecticut, and Rhode Island; and (2) *Road construction machinery*, from ports of entry on the United States-Canada International Boundary line at or near Sweetgrass, Mont., and Portal, N. Dak., to points in Arkansas, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee, Kentucky, Virginia, Indiana, Michigan, Delaware, New York, Vermont, Maine, New Hampshire, Massachusetts, Connecticut, and Rhode Island, restricted in (1) and (2) to the transportation of shipments in foreign commerce. The purpose of this filing is to eliminate the gateway of points in Wisconsin within 15 miles of the Minneapolis-St. Paul commercial zone.

No. MC 114004 (Sub-No. E1), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Va. 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles, in initial movements, from the facilities of Crestline, Inc., at or near Roswell, N. Mex., to points in Michigan, Indiana, Tennessee, Ohio, Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, Maryland, Delaware, Pennsylvania, New York, New Jersey, Connecticut, Massachusetts, New Hampshire, Vermont, Rhode Island, and Maine. The purpose of this filing is to eliminate the gateways of Newport and Jacksonville, Ark.

No. MC 114004 (Sub-No. E2), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Va. 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, from the facilities of Atlantic Homes, Division of Champion Home Builders Company, in Henry County, Tenn., to points in Texas, Oklahoma, Kansas, Nebraska, South Dakota, North Dakota, Montana, Wyoming, Idaho, Washington, Oregon, California, Nevada, Utah, Colorado, Arizona, and New Mexico. The purpose of this filing is to eliminate the gateways of Newport and Jacksonville, Ark.

No. MC 114004 (Sub-No. E3), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Virginia 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, from Lexington, Miss., to points in Wisconsin, Illinois, New Mexico, Arizona, California, Nevada, Utah, Colorado, Kansas, Missouri, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Wyoming, Idaho, Washington, Oregon, and Montana. The purpose of this filing is to eliminate the gateway of Newport and Jacksonville, Ark.

No. MC 114004 (Sub-No. E4), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Virginia 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles, in initial movements, from Mt. Jackson, Va., to points in Kansas, Oklahoma, Texas, New Mexico, Arizona, Colorado, Utah, Nevada, and California. The purpose of this filing is to eliminate the gateway of Newport and Jacksonville, Ark.

No. MC 114004 (Sub-No. E5), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Vir. 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, from the facilities of Winston Industries, Inc., Holiday Homes, Inc., and Tidwell Industries, Inc., Marion and Winston Counties, Ala., to points in Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Colorado, Wyoming, Montana, Utah, New Mexico, Arizona, California, Nevada, Idaho, Washington, and Oregon. The purpose of this filing is to eliminate the gateways of Newport and Jacksonville, Ark.

No. MC 114004 (Sub-No. E6), filed June 4, 1974. Applicant: CHANDLER TRAILER CONVOY, INC., P.O. Box 1715, Little Rock, Ark. 72203. Applicant's representative: Harold G. Hernly, Jr., 118 North St. Asaph Street, Alexandria, Vir. 22314. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles and buildings, in section, moving on wheeled undercarriages, from points of manufacture in Pueblo County, Colo., to points in Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, Tennessee, Kentucky, West Virginia, Delaware, and Maryland. The purpose of this filing is to eliminate the gateways of Newport and Jacksonville, Cabot, West Memphis, and Mississippi, and Pulaski Counties, Ark.

No. MC 114211 (Sub No. E209), filed June 4, 1974. Applicant: WARREN TRANSPORT, INC., P.O. Box 420, Waterloo, Iowa 50704. Applicant's representative: Kenneth R. Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Farm machinery and parts* (except commodities the transportation of which because of size or weight requires the use of special equipment) from points in that part of South Dakota on and north of a line beginning at the South Dakota-Minnesota State line, thence along U.S. Highway 16 to junction Interstate Highway 90, thence along Interstate Highway 90 to junction South Dakota Highway 79, thence along South Dakota Highway 79 to junction U.S. Highway 385, thence along U.S. Highway 385 to junction U.S. Highway 18, thence along U.S. Highway 18 to the South Dakota-Wyoming State line to points in Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, New York, Connecticut, Massachusetts, and points in that part of Michigan on and east of a line beginning at Lake Huron, thence along Michigan Highway 53 to junction Michigan Highway 59, thence along Michigan Highway 59 to junction U.S. Highway 25, thence along U.S. Highway 25 to the Michigan-Indiana State line, and to points in that part of Ohio on and east of a line beginning at the Ohio Michigan State line, thence along U.S. Highway 23 to junction U.S. Highway 223, thence along U.S. Highway 223 to junction U.S. Highway 25, thence along U.S. Highway 25 to junction U.S. Highway 40, thence along U.S. Highway 40 to the Ohio-Indiana State line, and to points in that part of Indiana on and east of a line beginning at the Indiana-Ohio State line, thence along U.S. Highway 40 to junction Indiana Highway 3, thence along Indiana Highway 3 to junction Indiana Highway 46, thence along Indiana Highway 46 to junction Interstate Highway 65, thence along Interstate Highway 65 to the Indiana-Kentucky State line, and points in that part of Kentucky on and east of a line beginning at the Kentucky-Indiana State line, thence along Interstate Highway 65 to junction Kentucky Highway 90, thence along Kentucky Highway 90 to junction U.S. Highway 127, thence along U.S. Highway 127 to the Kentucky-Tennessee State line restricted to traffic originating at the plant sites and ware-

house facilities of Deere and Company. The purpose of this filing is to eliminate the gateways of Nassau, Minn., Minneapolis, Minn. and Horicon, Wis.

No. MC 114211 (Sub-No. E212), filed June 4, 1974. Applicant: WARREN TRANSPORT, INC., P.O. Box 420, Waterloo, Iowa 50704. Applicant's representative: Kenneth R. Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Farm machinery and parts* (except commodities the transportation of which because of size of weight requires the use of special equipment), from points in that part of South Dakota on and north of a line beginning at the South Dakota-Minnesota State line, thence along U.S. Highway 14 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction South Dakota Highway 79, thence along South Dakota Highway 79 to junction Alternate U.S. Highway 14, thence along Alternate U.S. Highway 14 to junction U.S. Highway 85, thence along U.S. Highway 85 to the South Dakota-Wyoming State line to points in Michigan, Ohio, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, New York, Connecticut, Massachusetts, Virginia and to points in that part of Indiana on and east of a line beginning at the Indiana-Illinois State line, thence along U.S. Highway 50 to junction U.S. Highway 41, thence along U.S. Highway 41 to the Indiana-Kentucky State line, and to points in that part of Kentucky on and east of a line beginning at the Kentucky-Indiana State line, thence along U.S. Highway 41 to junction Alternate U.S. Highway 41, thence along Alternate U.S. Highway 41 to the Kentucky-Tennessee State line restricted to traffic originating at the plant sites and warehouse facilities of Deere and Company.

No. MC 114211 (Sub-No. E221), filed June 4, 1974. Applicant: WARREN TRANSPORT, INC., P.O. Box 420, Waterloo, Iowa 50704. Applicant's representative: Kenneth R. Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Tractors, stationary engines, and attachments and parts* when moving incidental to and in the same vehicle with tractors and stationary engines (not including tractors with beds, bed frames, or fifth wheels, nor any of the above specified commodities, which because of size or weight require the use of special equipment) from Ottumwa, Iowa, to points in Delaware, New Jersey, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, Maine, and points in that part of Virginia on and east of a line beginning at the Virginia-Maryland State line, thence along U.S. Highway 15 to junction U.S. Highway 211, thence along U.S. Highway 211 to junction U.S. Highway 17, thence along U.S. Highway 17 to junction Interstate Highway 95, thence along Interstate Highway 95 to junction U.S. Highway 460, thence along U.S. Highway 460 to junction U.S. Highway 258, thence along U.S. Highway 258 to the Virginia-North Carolina State line, and to points in that part of Maryland on and east of a line beginning at the Maryland-Pennsylvania State line, thence along U.S. Highway 15 to the Maryland-Virginia State line, and to points in that part of Pennsylvania on and east of a line beginning at the Pennsylvania-New York State line, thence along Pennsylvania Highway 449 to junction U.S. Highway 6, thence along U.S. Highway 6 to junction Pennsylvania Highway 287, thence along Pennsylvania Highway 287 to junction U.S. Highway 220, thence along U.S. Highway 220 to junction Pennsylvania Highway 144, thence along Pennsylvania Highway 144 to junction U.S. Highway 322, thence along U.S. Highway 322 to junction Pennsylvania Highway 34, thence along Pennsylvania Highway 34 to junction U.S. Highway 15, thence along U.S. Highway 15 to the Pennsylvania-Maryland State line, and to points in that part of New York on and east of a line beginning at Rochester, N.Y., thence along U.S. Highway 15 to junction New York Highway 21, thence along New York Highway 21, thence along New York Highway 21 to junction New York Highway 17, thence along New York Highway 17 to junction New York Highway 19, thence along New York Highway 19 to the New York-Pennsylvania State line restricted to the transportation of traffic originating at the plant sites and warehouse facilities of Deere and Company. The purpose of this filing is to eliminate the gateways of Dubuque, Iowa and Horicon, Wis.

No. MC 114211 (Sub-No. E222), filed June 4, 1974. Applicant: WARREN TRANSPORT, INC., P.O. Box 420, Waterloo, Iowa 50704. Applicant's representative: Kenneth R. Nelson (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Agricultural implements and parts* from points in that part of Iowa on and northwest of a line beginning at the Iowa-South Dakota State line, thence along U.S. Highway 20 to junction U.S. Highway 169, thence along U.S. Highway 169 to junction U.S. Highway 18, thence along U.S. Highway 18 to junction Iowa Highway 4, thence along Iowa Highway 4 to the Iowa-Minnesota State line to all points in Virginia, West Virginia, Ohio, Pennsylvania, Maryland, Delaware, New Jersey, New York, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, Maine, and to points in that part of Kentucky on and east of a line beginning at the Kentucky-Indiana State line, thence along U.S. Highway 421 to junction U.S. Highway 127, thence along U.S. Highway 127 to the Kentucky-Tennessee State line and to points in that part of Indiana on and east of a line beginning at the Indiana-Michigan State line, thence along Interstate Highway 69 to junction U.S. Highway 27, thence along U.S. Highway 27 to junction Indiana Highway 101, thence along Indiana Highway 101 to junction U.S. Highway 50, thence along U.S. Highway 50 to junction U.S. Highway 421, thence along U.S. Highway 421 to the Indiana-Kentucky State line, and to points in that part of Michigan on and east of a line beginning at Ludington, Mich., thence along U.S. Highway 10 to junction U.S. Highway 31, thence along U.S. Highway 31 to junction Interstate Highway 96, thence along Interstate Highway 96 to junction Michigan Highway 50, thence along Michigan Highway 50 to junction Interstate Highway 69, thence along Interstate Highway 69 to the Michigan-Indiana State line restricted to the transportation of traffic originating at the plant sites and warehouse facilities of Deere and Company. The purpose of this filing is to eliminate the gateways of Ft. Dodge, Iowa and Horicon, Wis.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.75-649 Filed 1-7-75;8:45 am]

federal register

WEDNESDAY, JANUARY 8, 1975

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PART II

DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army

■

CONTINUING AUTHORITIES PROGRAM; PUBLIC INVOLVEMENT; A-95 CLEARINGHOUSE COORDINATION

Proposed Policies and Procedures

DEPARTMENT OF DEFENSE

Corps of Engineers, Department of the Army

[33 CFR Part 263]

[ER 1105-2-81]

CONTINUING AUTHORITIES PROGRAM

Proposed Policies and Procedures

Notice is hereby given that the Secretary of the Army, acting through the Chief of Engineers, is proposing a regulation prescribing policies and procedures to implement seven legislative authorities under which the Secretary of the Army, acting through the Chief of Engineers, is authorized to plan, design, and construct certain types of water resources improvements without specific Congressional authorization. These authorities have been established by Congress to enable the Chief of Engineers to respond on a timely basis to small-scale problems involving flooding, obstructions to navigation, and beach erosion.

Prior to adoption of the proposed regulation, consideration will be given to any comments submitted to the Chief of Engineers, Office of the Chief of Engineers, ATTN: DAEN-CWP-A, Washington, D.C. 20314, on or before February 24, 1975.

Until the final regulation is published in the FEDERAL REGISTER, elements of the Office of the Chief of Engineers and field operating agencies having Civil Works responsibilities will utilize the policies and procedures contained in the proposed regulation to the fullest extent practicable. The regulation will become fully effective when published in final form in the FEDERAL REGISTER.

Dated: December 24, 1974.

J. W. MORRIS,
Major General, USA,
Director of Civil Works.

PART 263—CONTINUING AUTHORITIES PROGRAM

Sec.

263.10 Purpose.
263.11 Applicability.
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263.13 Program scope.
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APPENDIXES

A Project purpose policy.
B History of program and project limitations.

AUTHORITY: See § 23.13.

§ 263.10 Purpose.

This regulation provides policies and procedures for seven legislative authorities under which the Secretary of the Army, acting through the Chief of Engineers, is authorized to plan, design and construct certain types of water resources improvements without specific Congressional authorization.

§ 263.11 Applicability.

This regulation is applicable to all OCE elements and all field operating agencies having Civil Works responsibilities.

§ 263.12 References.

(a) ER 11-2-240, Civil Works Activities, Construction and Design.

(b) ER 405-2-680, Local Cooperation Projects.

(c) ER 1105-2-10, Intensive Management.

(d) ER 1105-2-402, Organization and General Content of Feasibility.

(e) ER 1105-2-403, Format and Appearance of Feasibility Reports.

(f) ER 1105-2-502, Public Meetings, (33 CFR 209.405).

(g) ER 1105-2-507, Preparation and Coordination of Environmental Impact Statements, (33 CFR 209-410).

(h) ER 1105-2-xxx, Public Involvement: General Policies. (33 CFR 380) (Proposed)

(i) ER 1105-2-xxx, A-95 Clearinghouse Coordination, (33 CFR 384) (Proposed).

(j) ER 1110-2-1150, Post-Authorization Studies.

(k) ER 1165-2-18, Reimbursement for Advance Non-Federal Participation in Civil Works Activities.

§ 263.13 Program scope.

The Continuing Authorities Program (hereafter referred to as the "Program"), consists of the following legislative authorities, which are reproduced and accompanied by policy interpretation in Appendix A:

(a) *Small flood control project authority.* Section 205, Flood Control Act of 1948, as amended, (33 U.S.C. 701s).

(b) *Authority for snagging and clearing for flood control.* Section 208, Flood Control Act of 1954, as amended, (33 U.S.C. 701g).

(c) *Authority for emergency streambank and shoreline protection of public works and nonprofit public services.* Section 14, Flood Control Act of 1946, as amended, (33 U.S.C. 701r).

(d) *Small navigation project authority.* Section 107, River and Harbor Act of 1960, as amended, (33 U.S.C. 577).

(e) *Authority for snagging and clearing for navigation.* Section 3, River and Harbor Act of 1945, (33 U.S.C. 603a).

(f) *Small beach erosion control project authority.* Section 103, River and Harbor Act of 1962, as amended, (33 U.S.C. 426g).

(g) *Authority for mitigation of shore damages attributable to navigation projects.* Section 111, River and Harbor Act of 1968, (33 U.S.C. 4261).

§ 263.14 Program eligibility requirements.

Work funded under this Program must meet the requirements of Federal interest and Corps responsibility set forth in one of the legislative authorities referenced in para. 4. Any project recommended must be justified under established Federal planning criteria, must be complete in itself and must not obligate the Federal government to future work except for those cases in which maintenance by the Federal government is provided by applicable provisions of general law. Eligibility is not permitted under the following:

(a). *Projects specifically authorized by Congress.* The Program will not be used to implement any portion of a project specifically authorized by Congress, including post authorization changes to such projects. However, once a project has been completed to the full extent permitted by its Congressional authorization, this Program could be utilized to provide for a new, complete-in-itself improvement which will not impair or substantially change the purposes of the specifically authorized project.

(b) *Existing non-Federal responsibility.* This Program may not be utilized for a project that would in effect nullify or change an existing condition of non-Federal responsibility required for a project specifically authorized by Congress, whether constructed or not. Such changes would require Congressional action.

(c) *Operation and maintenance of non-Federal projects.* This Program may not be used for Federal adoption of non-Federal responsibilities for operation and maintenance. Such adoption would require authorization by Congress.

§ 263.15 Program policies.

(a) *Designation of authority.* One of the referenced legislative authorities must be designated as the primary purpose of the project for allocation of Program funds and for determining local cooperation requirements. However, other authorized project purposes are not precluded to meet related needs as determined appropriate by the Chief of Engineers. The cost limitation of Corps participation for the designated authority will prevail regardless of the number of project purposes served. Normally, only one authority will be used for each study accomplished and each project recommended. Certain authorizations specify individual project allotment ceilings "from the appropriations for any one fiscal year." It is the intent of Congress that such specified amount be the maximum limit for Corps of Engineers expenditures at each location or individual project undertaken, without regard to time.

(b) *Applicability of costs to Federal and non-Federal shares.* Unless otherwise specified in a legislative authority (App A), cost sharing policies applicable to Congressionally authorized projects are applicable to projects recommended under this Program. Any legislative limitation on Corps participation in project costs, however, takes precedence over the apportionment of costs resulting from established cost sharing policies.

(1) *Federal costs.* First costs include all Corps of Engineers' costs for investigations, planning, design and construction (including costs of supervision and administration). Expenditures of other Federal agencies under their own authorities are not to be included under

the Corps cost limitation, but should be shown as part of the total cost of the project. Where the law requires that lands, easements and rights-of-way be furnished by local interests "without cost to the United States", direct contributions of other Federal agencies used for purchase of such lands, easements or rights-of-way, must be reimbursed.

(2) *Non-Federal costs.* Local interests must agree to assume responsibility for designated items of local cooperation and for all project costs in excess of the specified Corps cost limitation, or as otherwise apportioned, to insure that expenditure of Corps funds will result in a project that is integrally complete and fully effective. If the project cost exceeds the Corps cost limit, the difference is provided by local cash contributions. Local participation requirements will not be reduced, offset, or otherwise credited for local expenditures prior to the approval of a project by the Chief of Engineers. The scope of the project may be increased, including the addition of project purposes, if local interests are willing to pay the additional costs.

(c) *The planning process.* Planning will be accomplished by a feasibility study which will determine the best solution to selected water resources problems and needs and will determine the appropriate Federal participation in implementing the selected plan. Planning will be conducted in accordance with the Water Resources Council *Principles and Standards for Water and Related Land Resources* (P&S), 38 FR 24778, 10 September 1973. The three stages of planning under this Program are:

(1) *Stage 1—reconnaissance.* The reporting officer is delegated the authority to conduct a Reconnaissance (Recon) upon the request of a non-Federal governmental entity or official, to determine if a detailed feasibility study is warranted. The results of the Recon will be reported to the Division Engineer in a brief letter report; the Division Engineer will require of a reporting officer only information considered essential for approval of proceeding with the feasibility study, as provided in § 263.15(c)(2).

(2) *Stage 2—plan formulation.* The Division Engineer is delegated the authority to direct the reporting officer to proceed further with the feasibility study, subject to availability of funds from OCE. The criteria for Division Engineer approval for continuing a feasibility study past the Recon stage are: there is a Federal interest in the problem identified in the Recon, that there exist solutions for which Federal participation and Corps implementation are justified under one of the Program authorities, and there are existing entities which are capable and willing to satisfy the typical local cooperation requirements for such solutions. The continuation of the feasibility study should then complete the plan formulation process, including the selection of a plan. The study should be terminated if any of the above criteria are not satisfied, if there is substantial public opposition, or in the case of obtaining local assurances, that a reasonable length of time has passed without adequate assurances from local interests. (See also § 263.17(f).

(3) *Stage 3—detailed project design.* Upon completion of plan formulation, the third stage of the planning process, that of detailed project design, should be completed. This stage corresponds to Phase II AE&D for projects specifically authorized by Congress. Continuation of the feasibility study from plan formulation to detailed project design will be at the discretion of the reporting officer, unless otherwise provided by implementing instructions issued by the Division Engineer in accordance with delegated responsibilities for intensive management (§ 263.16(b)). Recommended projects will be approved by the Chief of Engineers on the basis of a Detailed Project Report (DPR) at the completion of the feasibility study. Division Engineers (with the exception of Pacific Ocean and New England) are responsible for conducting a thorough review of the DPR prior to its transmittal to OCE and are delegated the authority to approve the detailed project design of recommended plans.

(d) *Public involvement.* General policy and guidance on public involvement is contained in 33 CFR 380. Requirements for public meetings are discussed further in § 263.17(e)(1). There is essentially no difference in the Corps' objectives for involving and informing the public for studies and projects in this Program than for projects planned and constructed under specific Congressional authority. Since plans formulated under this Program are usually somewhat smaller in scope than those specifically authorized by Congress, planners should be able to more readily identify the affected and interested public early in the planning process and initiate a public involvement program that can be continued through plan implementation.

(e) *State and Agency coordination.* Reporting officers should generally follow the same procedures for agency coordination as in the case of a Congressionally authorized study. Coordination with A–95 clearinghouses is discussed in 33 CFR 384. For section 205, 107, 103 and 111 authorities. Division Engineers will obtain the views of Governors of affected States, or their designated representative, and regional offices of appropriate Federal agencies prior to submittal of the Detailed Project Report to OCE. In the case of section 208, 14, and 3 authorities such States and agencies may be notified by the Division Engineer of his recommendations concurrently with submittal of the DPR to OCE. The Chief of Engineers will not normally coordinate reports submitted under this Program with Governors or Federal department heads.

(f) *Project approval.* The Chief of Engineers is the approving authority for the Secretary of the Army for projects under this Program. Prior to approving a project for construction by approval of the DPR, requirements for filing an EIS with CEQ must be satisfied (33 CFR 209.410), satisfactory assurances for local cooperation must be obtained from non-Federal interests and views received from affected States and regional offices of Federal agencies must be considered.

(g) *Project construction.* Division Engineers may authorize District Engineers to commence work on plans and specifications pending project approval; however, contracts for construction shall not be entered into, nor shall funds be allocated for construction, until the Chief of Engineers has approved the Detail Project Report (DPR). Procedures for constructing approved projects, including the preparation of plans and specifications are generally the same as employed for Congressionally authorized projects.

(h) *Hold and save provision.* As provided by Sec 9, PL 93–251 (88 Stat 16), "The requirement * * * that non-Federal interests hold and save the United States free from damages due to construction, operation, and maintenance of the project, does not include damages due to the fault or negligence of the United States or its contractors." This provision will be reflected in all "hold and save" requirements of local cooperation.

§ 263.16 Program management responsibilities.

(a) *Office, Chief of Engineers.* Two OCE elements will have primary responsibility for program management: DAEN–CWP (Section 205, 208, 14, 107, and 103 Authorities) and DAEN–CWO (Section 3 and 111 Authorities). These elements are responsible for the staffing of all actions required of OCE by this regulation, maintaining a list of Division and District Program coordinators (as required by § 263.16(b) below, evaluating the performance of the Program, and on a semi-annual basis, submitting an evaluation report to the Director of Civil Works. Such reports will be coordinated by DAEN–CWP–A and will address, as a minimum, the accomplishment of completion-time objectives set forth in § 263.18 and the utilization of Program funds.

(b) *Division engineers.* Divisions are responsible for intensive management of the Program in accordance with ER 1105–2–10, and are delegated certain approval authorities by the Chief of Engineers, as given in §§ 263.15 and 263.17 of this regulation. Division Engineers are to specifically designate an individual, or individuals, within the Division office, to manage and coordinate activities under the Continuing Authorities Program.

§ 263.17 Planning, design and construction procedures.

This paragraph prescribes procedures to be followed from the initiation of a Recon to completion of construction of a project. Division Engineers are to establish milestones as deemed appropriate, in accordance with ER 1105–2–10. Unless otherwise stated, all correspondence with OCE relating to the procedures in this paragraph will be addressed to HQDA (DAEN–CWP–E, C or W) WASH DC 20314 or HQDA (DAEN–CWO–M) WASH DC 20314, depending on the study authority, as provided for in § 263.16(a).

(a) *Initiation of reconnaissance stage of the feasibility study.* As outlined in § 263.15(c), a short Recon stage is designed to provide the Division Engineer with sufficient justification for authorizing a continuation of the feasibility study. Reporting officers are to notify the Division Engineer and either DAEN–CWP–A or DAEN–CWO–M by letter or teletype when commencing a Recon. Such letter or teletype should give the date the Recon began and an identifying name. Charges may be made against the District revolving funds in amounts not to exceed $5,000. Exceptions to this limitation will require approval from DAEN–CWP or DAEN–CWO, depending on the study authority.

(b) *Approval for continuation of feasibility study.* The Division Engineer is the approving authority for continuation of a feasibility study, and as such, will provide reporting officers with appropriate guidance on submission of a Recon letter report in accordance with the general policy stated in § 263.15(c). The results of a Recon may be released by reporting officers to interested parties after action has been taken by the Division Engineer on the Recon Report. In the case of emergencies under Section 14 or 3 Authorities, the Division Engineer may approve a Recon Report for immediate transmittal to OCE for approval and funding of recommended work. In such cases, the Chief of Engineers may approve exceptions to the requirements stated in §§ 263.17(e)(1)–263.17(e)(5) as deemed advisable in the public interest.

(c) *Request for funding of feasibility study.* Reporting officers will request funding of an approved feasibility study, through Division Engineers, to DAEN–CWP–E, C or W or from DAEN–CWO–M in accordance with § 263.16(a). Requests will include the total estimated funding requirement by fiscal year for the feasibility study (including expenditures previously incurred in the Recon stage). Requests for reimbursement for Recon expenditures when further study has not been approved will be made in a similar manner. (Note § 263.20 concerning annual budgetary submissions).

(d) *Issuance of work allowance.* Work allowances will be issued by DAEN–CWP or DAEN–CWO, as appropriate, based on available funds. Work on a feasibility study will not proceed until such work allowance has been issued.

(e) *Completion of feasibility study.* Studies will be conducted in accordance with the policies given in § 263.15. Division Engineers may request guidance from OCE, or schedule a Plan Formulation Review Conference with OCE, as they deem appropriate. There are no reporting requirements to OCE imposed by this regulation during the conduct of the feasibility study.

(1) *Public meetings.* Public meetings are not to be considered the only technique for informing the public of the results of feasibility studies or for soliciting input from the public. However, as a matter of policy, at least one public meeting is to be held during the feasibility study, as discussed in 33 CFR 209.405. In certain instances, particularly with regard to studies conducted under Section 208, 3, or 14 Authorities, the reporting officer may feel that the Corps' objectives on public involvement have been achieved without holding a public meeting. Omission of the minimum requirement of one public meeting is to be an exception to policy and will require prior approval from Division Engineers for studies conducted under Section 208, 14 and 3 Authorities, from DAEN–CWP–E, C or W for studies under Section 205, 107 and 103 Authorities or from DAEN–CWO–M for studies under Section 111 Authority.

(2) *Application of federal planning criteria.* In general, all Federal planning criteria applicable to studies specifically authorized by Congress are also applicable to studies conducted under this Program, particularly with regard to the assessment of impacts of alternative plans, evaluation of alternative plans, criteria for plan selection and display of the results of the assessment and evaluation. Plans are to be formulated to provide the same independent and complete-within-itself project as recommended under regular authorization procedures.

(3) *Environmental impact statement (EIS) requirements.* Requirements for preparation, coordination and submittal of the EIS are contained in 33 CFR 209.410, including special provisions for studies conducted under Section 14 Authority.

(4) *Assurances of local cooperation.* In addition to involvement of local interests throughout the planning process, a letter of assurances will be requested for specific items of local cooperation during the Detailed Project Design Stage. The letter of assurances must be received from the non-Federal enties which will be responsible for providing the local cooperation and will be transmitted with the DPR to the Division Engineer and OCE.

(5) *Public notice on completion of feasibility study.* Upon submittal of a Detailed Project Report to OCE, as discussed in §§ 263.17(f) and 263.19, the Division Engineer will release a public notice informing the public of the proposed action. The notice need not invite comments but will include the address of both the District and Division Engineers in the event that interested parties desire to request further information or comment on the recommendations. Public notices are not required when a feasibility study is terminated without submittal of a DPR. (See § 263.17(f)(1)).

(f) *Submittal of feasibility study report to OCE.* (1) If a feasibility study is terminated prior to the completion of a DPR, the Division Engineer will notify by letter DAEN–CWP–E, C or W or DAEN–CWO–M, depending on the study authority; such notification is to include reasons for termination, an accounting of expenditure of study funds, and the amount of funds to be returned to OCE. Release of unobligated funds will be effected as soon as possible. Revocation of funds by OCE officially terminates the study.

(2) If the feasibility study results in a DPR, ten (10) copies of the report and related documentation will be transmitted with recommendations of the Division Engineer to DAEN–CWP or DAEN–CWO, depending on the study authority (reference § 263.16(a). Exceptions to the requirements of § 263.17(e) should be noted in the letter of transmittal. In the review of a DPR, Division Engineers may refer any major disagreements with reporting officers on planning matters to DAEN–CWP–E, C or W, or on technical engineering matters to DAEN–CWE–B, for resolution prior to release of public notice and submittal of the final report to OCE.

(g) *Work on plans and specifications.* Division Engineers are delegated the authority to allow District Engineers to commence work on plans and specifications pending approval of a DPR by the Chief of Engineers, provided a satisfactory letter of assurances has been received from local interests. Such work may be stopped, however, if review of the DPR by OCE reveals a policy problem affecting the report recommendations. Work on plans and specifications should utilize all remaining funds from allocations for the Feasibility Study. Additional funds may be requested by separate letter, or included with the Division Engineer's favorable indorsement of a DPR.

(h) *OCE review and approval of DPR.* As indicated in § 263.16(a), designated OCE elements are responsible for staffing and coordination of the DPR. Maximum reliance will be placed on the review of the DPR by the Division Engineer. Comments will be solicited from DAEN–CWP, DAEN–CWR, DAEN–CWE, DAEN–GC, and DAEN–REA, only as required for approval of as appropriate to the recommended project. In all cases, an information copy of the DPR will be forwarded to DAEN–CW5–B for information upon receipt from the Division Engineer. Review of DPR's by the Board of Engineers for Rivers and Harbors (BERH) staff may be requested at the discretion of DAEN–CWP. In such instances, the Resident Member, BERH, will be requested to submit comments on the DPR to DAEN–CWP. Approval of the DPR normally will be accomplished by the Director of Civil Works for the Chief of Engineers in accordance with Sec. 263.15(f).

(i) *Notification of interested parties of action by the Chief of Engineers.* Reporting officers are responsible for notification of all interested parties, including Congressional Delegations, States and local interests, of action taken by the Chief of Engineers on DPR's. Division Engineers may prescribe procedures for such notification as deemed necessary.

(j) *Request for construction funds.* Immediately following receipt of DPR approval from OCE, reporting officers will submit a request for construction funds to DAEN–CWP or DAEN–CWO, depending on the Program authority, including an updated schedule of funding requirements by fiscal year based on an estimated date by which plans and spec-

ifications for the first construction contract will be completed. (See also § 263.20 concerning inclusion of these requests in budget submissions).

(k) *Issuance of construction work allowance.* Prior to issuance of a work allowance by OCE for construction funds, a signed written agreement for local cooperation must be obtained and approved in accordance with ER 405-2-680. Upon notification that this requirement has been satisfied, a work allowance will be issued by DAEN-CWP or DAEN-CWO depending on the Program authority, based on availability of funds, approved Program budgets, and approval of the DPR (§ 263.15(g)).

(l) *Completion of project construction* (RCS DAEN-CWB-16). There are no special requirements for this program during project construction; policies and procedures for projects constructed under specific Congressional authority, with the exception of budgetary submissions and funding matters are applicable to projects constructed under this Program. At the completion of project construction, reporting officers will notify DAEN-CWO-M or DAEN-CWP-A by letter, including a brief description of the completed project, the estimated requirements for operation and maintenance (Federal and non-Federal), the final Federal and non-Federal project costs, and the date on which the project was considered operational.

§ 263.18 Program completion-time objectives.

Following are target (maximum) completion time of objectives which should be used, to the extent feasible without sacrificing high standards of planning, design and construction, in scheduling work and programming funds under the Continuing Authorities Program. Shortening of these objectives is encouraged when appropriate. Attainment of completion-time objectives through intensive management is to be a major concern for those elements and individuals given Program management responsibilities in § 263.16 of this regulation.

Program authorities
[Months]

	205, 107, 103, and 111	208, 14, and 3	Emergency [1] 14 and 3
(a) Completion of recon stage of feasibility study and submission of funding request or negative report to OCE	2	1	1
(b) Completion of remainder of feasibility study by reporting officer and preparation of DPR	16	6	NA
(c) Review of DPR by Division Engineer (including provisions of par. 6e)	2	1	.5
(d) Review of DPR by OCE	2	1	.5
(e) Completion of project construction (including plans and specifications) after approval of DPR	18	12	3
(f) Total completion-time objective	40	21	5

[1] See § 263.17(b).

§ 263.19 Detailed project reports.

(a) The Detailed Project Report serves a dual purpose: the report serves both as basis for approval of a project for construction by the Chief of Engineers and it serves as a basis for preparation of plans and specifications. (See exception for emergencies, Sec. 263.17(b)). The report should be divided into two parts to reflect these two purposes, the first part dealing with plan formulation, ending in the selection of a plan and subsequent sections in accordance with ER 1105-2-402 and ER 1105-2-403, and the second part dealing with detailed project design of the plan, or elements of the selected plan, recommended for implementation as a Federal project by the Corps of Engineers. The second part of the report will generally meet the requirements of ER 1110-2-1150, as it pertains to Phase II AE&D studies for projects specifically authorized by Congress.

(b) It is anticipated that reports submitted for projects under Section 208 and 3 Authorities will be less extensive than reports submitted under 205, 107, 103 and 111 Authorities, and that reports submitted for projects under Section 14 Authority will often be further abbreviated due to the urgency of the situation. The important point is that the planning process should be generally considered the same for studies conducted under all Program authorities; the plan formulation portion of the DPR should reflect this process and the rationale for arriving at the selected plan and recommendations for Federal participation.

(c) The level of detail and extent of study reflected in the detailed project design portion of the report must be sufficient to proceed directly to plans and specifications. In the event that the need arises for feature design memoranda on selected aspects of the project, such requirements should be identified in the letter of transmittal accompanying the DPR when submitted to OCE.

§ 263.20 Program funding.

(a) *Program budget.* Due to the delegated authority for initiation of Recon studies, the objective of the Program to proceed directly from a Recon to complete a detailed feasibility study, and the short completion-time objectives of feasibility studies, Program budget submissions from field operating agencies will not require listings of specific studies. Initial consideration of estimated project construction requirements (including funds for plans and specifications), should be given in the first Program budget submission following completion of Stage 2 planning (§ 263.15(c)(2)). OCE elements designated in § 263.16(a) are responsible for issuing Program budget guidance to field operating agencies, formulating appropriate program budgets from field submissions, and submitting such budgets to DAEN-CWB.

(b) *Use of program funds.* Funds appropriated by Congress under the legislative authorities of this Program will be utilized by the Corps of Engineers in conducting studies approved by Division Engineers, and in constructing projects approved by the Chief of Engineers. This does not preclude the use of private architect-engineer firms or other consultant services in Program implementation. No grants of Program funds will be made to local interests for conducting studies or constructing projects, nor shall contributions be made for features or benefits of projects constructed by another agency or by local interests. Reimbursement to local interests for work undertaken by them on an approved project normally will not be authorized; however, if the situation warrants consideration of such a provision, the procedures contained in ER 1165-2-18 may be followed to request OCE approval in advance of such action by local interests.

(c) *Requests for funds.* Procedures for requesting Program funds are contained in § 263.17. Generally, requests will be made in four instances: after approval by Division Engineer to proceed with a feasibility study, after submission of a DPR to OCE and approval of Division Engineer to proceed with plans and specifications, after OCE approval of a DPR for proceeding with project construction, and in other cases as required to revise the preceding requests. In the case of requesting funds for plans and specifications and project construction, deviations from amounts estimated in previous budget submissions, or contained in current approved Program budgets, will be briefly explained.

(d) *Retention, revocation and transfer of funds.* Unobligated funds will be reported to DAEN-CWP-A or DAEN-CWO-M, depending on the study authority under which the funds were allotted, as soon as final costs for studies or construction are determined. When work on a study, plans and specifications, or project construction must be suspended for an unknown period of time, or suspended for an extended period, the above OCE elements are to be notified immediately by letter with the Division Engineer's recommendation regarding retention or revocation of unobligated funds held in that particular account. The above OCE elements will further be notified by letter of all transfers made under the discretionary authority provided in ER 11-2-240.

APPENDIX A

PROJECT PURPOSE POLICY

Appendix A is provided as a supplement to the basic regulation and is organized in nine parts, each of which pertains to policies and legislative interpretation relevant to a specific project purpose for the Continuing Authorities Program. At this time, only Parts One, Two, and Three are required; the

other parts are reserved for future use. General policies for all project purposes, generally applicable to this and other Corps planning programs, are contained in the other Corps regulations.

PART ONE.....	Flood control.
PART TWO.....	Navigation.
PART THREE....	Hurricane and shore protection.
PART FOUR.....	Water supply (reserved).
PART FIVE.....	Water quality (reserved).
PART SIX.....	Recreation, fish and wildlife (reserved).
PART SEVEN....	Hydroelectric power (reserved).
PART EIGHT....	Wastewater collection and treatment (reserved).
PART NINE.....	Other project purposes (reserved).

PART ONE—FLOOD CONTROL POLICY

1. *Small flood control project authority.* (a) *Legislative Authority.* Section 205 of the Flood Control Act approved 30 June 1948, as amended by section 205 of the Flood Control Act approved 23 October 1962, and as further amended by Section 61 of the Water Resources Development Act approved 7 March 1974, states:

"The Secretary of the Army is authorized to allot from any appropriations heretofore or hereafter made for flood control, not to exceed $30,000,000 for any one fiscal year, for the construction of small projects for flood control and related purposes not specifically authorized by Congress, which come within the provisions of Section 1 of the Flood Control Act of June 22, 1936, when in the opinion of the Chief of Engineers such work is advisable. The amount allotted for a project shall be sufficient to complete Federal participation in the project. Not more than $1,000,000 shall be allotted under this section for a project at any single locality, except that not more than $2,000,000 shall be allotted under this section for a project at a single locality if such project protects an area which has been declared to be a major disaster area pursuant to the Disaster Relief Act of 1966 or the Disaster Relief Act of 1970 in the five-year period immediately preceding the date the Chief of Engineers deems such work advisable. The provisions of local cooperation specified in section 3 of the Flood Control Act of June 22, 1936, as amended, shall apply. The work shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports."

b. *Policy on non-Federal responsibilities for dam and reservoir projects.* All new projects under this authority, including dams and reservoirs, are considered local protection projects. Non-Federal responsibilities for such dams and reservoirs will thus include the usual lands, easements, right-of-way, and other requirements of local protection projects. Similarly, non-Federal interests must operate the flood control features of any dam or reservoir in accordance with regulations prescribed under the authority contained in Section 7 of the Flood Control Act of December 1944.

c. *Major disaster area.* Determination of a "major disaster area" can be made only by the President, pursuant to the Disaster Relief Acts cited above.

2. *Authority for snagging and clearing for flood control.* a. *Legislative authority.* Section 208 of the Flood Control Act approved 3 September 1954 and as further amended by Section 26 of the Water Resources Development Act approved 7 March 1974, states:

"The Secretary of the Army is authorized to allot not to exceed $5,000,000 from any appropriations heretofore or hereafter made for any one fiscal year for flood control, for removing accumulated snags and other debris, and clearing and straightening of the channels in navigable streams and tributaries thereof, when in the opinion of the Chief of Engineers such work is advisable in the interest of flood control: *Provided*, That not more than $250,000 shall be expended for this purpose for any single tributary from the appropriations for any one fiscal year."

b. *Policy.* Work under this authority is limited to clearing and snagging or channel excavation and improvement with limited embankment construction by use of materials from the channel excavation. If investigation indicates that placement of revetment is needed to provide a complete and fully effective project, the local interests should provide for the item of construction either by work or by cash contribution.

3. *Authority for emergency streambank and shoreline protection of public works and nonprofit public services.* a. *Legislative authority.* Section 14 of the Flood Control Act approved 24 July 1946, as amended by Section 27 of the Water Resources Development Act approved 7 March 1974, states:

"The Secretary of the Army is authorized to allot from any appropriations heretofore or hereinafter made for flood control, not to exceed $10,000,000 per year, for the construction, repair, restoration, and modification of emergency streambank and shoreline protection works to prevent damage to highways, bridge approaches, public works, churches, hospitals, schools, and other nonprofit public services, when in the opinion of the Chief of Engineers such work is advisable: *Provided*, That not more than $250,000 shall be allotted for this purpose at any single locality from the appropriations for any one fiscal year."

b. *Policy.* (1) Work under the Section 14 authority shall serve to prevent flood damages to endangered highways, highway bridge approaches, public works, and nonprofit public facilities by the construction or repair of existing emergency streambank and shoreline protection works. Eligible highways consist of major highway systems of national importance, and principal highways, streets, and roads of special and importance to the local community, such as arterial streets, important access routes to other communities and adjacent settlements, and roads designated as primary farm to market roads.

(2) Work under this authority is not limited in engineering scope but the design must be an integrally complete within itself project that does not require additional work for effective and successful operation. The cost limitation on Federal participation may require that local interests supplement the Federal funds, so that combined Federal and local efforts will produce a complete, useful improvement.

c. *Legislative interpretations.* (1) "Public Works" are considered to be those important and essential public facilities which serve the general public and are owned and operated by the Federal, State, or local government, such as municipal water supply systems and sewage disposal plants.

(2) "Churches, hospitals, schools" includes churches, and public and private non-profit hospitals and schools.

(3) "Non-profit public services" are considered to be facilities or structures which serve the general public and are not intended to earn a profit. Although they may be publicly used, privately owned, profit-making facilities located along streambanks or shorelines are not eligible for protection.

PART TWO—NAVIGATION POLICY

1. *Small navigation project authority.* a. *Legislative authority.* Section 107 of the River and Harbor Act of 1960, as amended by section 310 of the River and Harbor Act of 1965 and by section 112 of the River and Harbor Act of 1970, states as follows:

(a) The Secretary of the Army is authorized to allot from any appropriations hereafter made for rivers and harbors not to exceed $25,000,000 for any one fiscal year for the construction of small river and harbor improvement projects not specifically authorized by Congress which will result in substantial benefits to navigation and which can be operated consistently with appropriate and economic use of the waters of the Nation for other purposes, when in the opinion of the Chief of Engineers such work is advisable, if benefits are in excess of the costs.

(b) Not more than $1,000,000 shall be allotted for the construction of a project under this section at any single locality and the amount alloted shall be sufficient to complete the Federal participation in the project under this section.

(c) Local interests shall provide without cost to the United States all necessary lands, easements and rights-of-way for all projects to be constructed under the authority of this section. In addition, local interests may be required to hold and save the United States free from damages that may result from the construction and maintenance of the project, and may be required to provide such additional local cooperation as the Chief of Engineers deems appropriate. A State, county, municipality or other responsible local entity shall give assurance satisfactory to the Chief of Engineers that such conditions of cooperation as are required will be accomplished.

(d) Non-Federal interests may be required to share in the cost of the project to the extent that the Chief of Engineers deems that such cost should not be borne by the Federal Government in view of the recreational or otherwise special or local nature of the project benefits.

(e) Each project for which money is allotted under this section shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation other than routine maintenance, and except as may result from the normal procedure applying to projects authorized after submission of survey reports and projects constructed under the authority of this section shall be considered as authorized projects.

(f) This section shall apply to, but not be limited to, the provision of low water access navigation channels from the existing channel of the Mississippi River to harbor areas heretofore or now established and located along the Mississippi River.

b. *Operation and maintenance responsibility.* Projects for navigation constructed under the authority of Section 107 will be considered the same as authorized projects and are operated and maintained by the Corps of Engineers at Federal cost under the same procedures and policies as applied to projects specifically authorized by Congress. (Reference Section 6, Public Law 93-251.)

c. *Aids to navigation.* Planning and design of channel and other navigation improvements should give full consideration to the feasibility and costs of establishment by the Coast Guard of suitable aids to navigation. The costs for navigation aids to be provided by the Corps of Engineers, Coast Guard, State, and local interests, and similar project-associated costs, will be included in the economic analysis. Project associated expenditures by the Corps of Engineers for aids to navigation are included within the cost limitation under the Section 107 authority, but expenditures by the U.S. Coast Guard

are not. The report appendix should reproduce the letter from the Coast Guard stating the estimated number, type and cost of navigation aids and their maintenance cost.

2. *Authority for snagging and clearing for navigation.* a. *Legislative authority.* Section 3 of the River and Harbor Act approved 2 March 1945, states:

The Secretary of the Army is hereby authorized to allot not to exceed $300,000 from any appropriations made prior to or after March 2, 1945, for any one fiscal year for improvement of rivers and harbors, for removing accumulated snags and other debris, and for protection, clearing and straightening channels in navigable harbors and navigable streams and tributaries thereof, when in the opinion of the Chief of Engineers such work is advisable in the interest of navigation or flood control.

b. *Policy.* (1) *Eligible work.* It is the policy of the Chief of Engineers to utilize this authority primarily for emergency work to benefit navigation. Work pursuant to this authority is undertaken as an emergency measure to clear or remove unreasonable obstructions to navigation in navigable portions of rivers, harbors and other waterways of the United States, or tributaries thereof, in order to provide existing traffic with immediate and significant benefit. When recurring maintenance work will be required to secure enduring benefits from the initial work, local interests should be informed that they will will have to bear the costs of such recurring maintenance until such time as maintenance at that location may become part of a project specifically authorized by Congress and subsequently funded.

(2) *Ineligible work.* In addition to the ineligible work listed in para 5, the following work is also ineligible under this authority:

(a) *Normal shoaling process.* When the condition for which the remedial work is requested resulted from the normal shoaling process associated with that particular reach of waterway and not from a sudden occurrence.

(b) *Work within the limits of authorized projects.* This restriction applies where authorized new work remains to be accomplished unless an emergency results from aggravated conditions arising subsequent to the authorization of the project. In that event, corrective measures will be limited to restoration of conditions existing at the time of such authorization.

(c) *General widening or deepening.* No general widening or deepening will be accomplished to meet the desires of navigation interests to use larger vessels.

PART THREE—HURRICANE AND SHORE PROTECTION POLICY

1. *Small beach erosion control project authority.* a. *Legislative authority.* Section 103 (a) of the River and Harbor Act of 1962, as amended by Section 310 of the River and Harbor Act of 1965 and by Section 112 of the River and Harbor Act of 1970, amends Section 3 of Public Law 826, 84th Congress to read as follows:

"The Secretary of the Army is authorized to undertake construction of small shore and beach restoration and protection projects not specifically authorized by Congress, which otherwise comply with Section 1 of this Act, when he finds that such work is advisable, and he is further authorized to allot from any appropriations hereafter made for civil works, not to exceed $25,000,000 for any one fiscal year for the Federal share of the costs of construction of such projects: *Provided*, That not more than $1,000,000 shall be allotted for this purpose for any single project and the total amount allotted shall be sufficient to complete the Federal participation in the project under this section including periodic nourishment as provided for under section 1(c) of this Act: *Provided further*, That the work shall be complete in itself and shall not commit the United States to any additional improvements to insure its successful operation, except for participation in periodic beach nourishment in accordance with section 1(c) of this Act, and, as may result from the normal procedure applying to projects authorized after submission of survey reports."

b. *Periodic nourishment.* When it can be demonstrated as being part of the best plan to meet project objectives and a more economical remedial measure than others, provision for periodic nourishment may be recommended. The recommended Federal participation in periodic nourishment will be limited to a specific period of time. The total project costs shall include both initial construction and periodic nourishment.

c. *Cost sharing.* The provision of ER 1120-2-110 are applicable.

2. *Authority for mitigation of shore damage attributable to navigation works.* a. *Legislative authority.* Section 111 of the River and Harbor Act of 1968 (PL 90-483, approved 13 August 1968) states:

The Secretary of the Army, acting through the Chief of Engineers is authorized to investigate, study, and construct projects for the prevention or mitigation of shore damages attributable to Federal navigation works. The cost of installing, operation and maintaining shall be borne entirely by the United States. No such projects shall be constructed without specific authorization by Congress of the estimated first cost exceeds $1,000,000.

b. *Definitions.* (1) *Federal navigation works* is defined as a project or feature thereof that has been specifically authorized by the Congress in a River and Harbor Act or authorized under the continuing authorities granted by Section 201 or the Flood Control Act of 1965, or by Section 107 of the River and Harbor Act of 1960, as amended. These shall include projects or project features built by others but which have been adopted as a Federal Navigation project.

(2) *Beach erosion control project* is defined as a project that has been specifically authorized by the Congress in a River and Harbor Act or authorized under the continuing authorities granted by Section 201 of the Flood Control Act of 1965 or by Section 103 of the River and Harbor Act of 1962. This is considered to include the beach erosion control portion of combined beach erosion and hurricane protection projects.

(3) *Mitigation of shore damages* is defined as the construction of works or procedures to reduce erosion-type damages by shoreline stabilization. The degree of mitigation is the reduction of erosion or accretion to the level which would be obtained without the influence of navigation works at the time navigation works were accepted as a Federal responsibility. It is not intended that shorelines be restored to historic dimensions, but only to lessen the damages by an action that can be justified, the entire costs of which are Federal regardless of shore ownership.

c. *General policies.* (1) This Act authorizes the study, construction and maintenance of work for prevention or mitigation of damages to both public and privately owned shores to the extent of the damages that can be directly identified and attributed to Federal navigation work located along the coastal and Great Lakes shorelines of the United States. This authority will not be used:

(a) For construction of works for prevention or mitigation of shore damages such as those caused by river bank erosion or vessel generated wave wash.

(b) To modify navigation projects authorized, but not constructed, that contain features for prevention or mitigation of shore damages or to change the responsibility for maintenance or to modify portions of constructed navigation projects that contain features for prevention or mitigation of shore damages.

(c) For prevention or mitigation of shore damages caused by non-Federal navigation projects.

(d) To construct, maintain, modify or change the cost sharing of authorized beach erosion or combined beach erosion and hurricane protection projects, or portions thereof, located adjacent to Federal navigation projects. Except, when it is determined that shore damage to a portion of an authorized beach erosion project is attributable to the navigation project, mitigation measures may be accomplished under this authority, only to the extent of damages that can be directly identified and attributed to the navigation project.

(2) Where the erosion attributable to the Federal navigation project consists of only a portion of the total erosion problem in a specific area and cannot be considered as a separable reach for effective mitigation measures then a Section 111 project cannot be considered for authorization unless,

(a) There is an authorized beach erosion control or combined beach and hurricane protection project for the area with which the Section 111 mitigation measures could be combined to become effective, or

(b) A general study of the entire problem area is made and leads to the development of an authorized beach erosion control project, (specific authority must be obtained to conduct a general study of the entire problem area) or

(c) Local interests indicate a willingness to have the erosion problem outside the scope of Section 111 remedied at local cost.

d. *Cost limitations.* Section 111 provides that the Chief of Engineers has authority to authorize projects for which the estimated first costs will not exceed $1,000,000. The first costs will be the cost of the initial preventive or mitigative measures only. The limitation on costs does not include the cost of project maintenance. The project must be planned as a complete unit and not broken into reaches or stages for cost limitation purposes.

e. *Reports.* The Recon Report required by para 6c(1) will: (1) Determine whether or not Federal navigation works are responsible for causing or contributing to the erosion problem.

(2) Determine the extent of the area affected by the navigation works.

(3) Determine total area experiencing significant erosion.

(4) Determine the approximate percentage of the total erosion problem in a specific area that is attributable to the navigation works.

(5) Recommend whether further study of the specific area affected by the Federal navigation works is justified and whether study of the entire area is desirable.

f. *Evaluation of mitigation measures.* The objective of section 111 is to provide mitigation measures for shore damages attributable to Federal navigation projects, when equitable and in the public interest. All practicable alternatives, structural and nonstructural should be identified and considered. Work recommended for construction should provide the most practicable and economical means of mitigating existing damages or the prevention of subsequent damages. Justification of mitigation measures should be made by comparing their costs with the values represented by the damages preventable. Any intangible values should be described and given due weight

along with the tangible values in this justification. Exercise of the authority of Section 111 to provide mitigation measures at Federal expense is not mandatory. A finding for or against its use should fully consider the pre-project conditions and the justification of incurring mitigation costs.

g. *Criteria for a favorable recommendation.* A recommendation favorable to adoption and construction of work to prevent or mitigate shore damage attributable to a Federal navigation project under the authority of Section 111 of the River and Harbor Act of 1968 may be considered warranted when both of the following conditions exist:

(a) The navigation project has been determined to be the cause of the damage.

(b) Analysis based on sound engineering and economic principles clearly demonstrates the feasibility of the proposed work.

h. *Cost Sharing.* (1) *Construction.* (a) If the work recommended in the report is confined to mitigation work only under Section 111, i.e., erosion totally attributable to the navigation works, costs will be 100 percent Federal.

(b) If the work recommended is a combination of mitigation under Section 111 and restoration of beaches eroded due to other causes and there is no authorized beach erosion project, mitigation work under section 111 will be 100 percent Federal and the remaining work will be 100 percent local.

(c) If the work recommended in the report is a combination of mitigation under section 111 and the restoration of beaches under an authorized beach erosion project or combination beach erosion-hurricane protection project, the mitigation work under Section 111 will be 100 percent Federal and the remainder in accordance with the cost sharing procedures as specified in project authorization documents.

(2) *Maintenance.* (a) If the initial work is confined to mitigation under Section 111, all maintenance costs are 100 percent Federal.

(b) If the work is a combination of mitigation under Section 111 and restoration of beaches eroded due to other causes, and there is no authorized beach erosion project, maintenance costs will be shared in the same proportion as recommended for initial construction, i.e., the section 111 portion will be 100 percent Federal and remaining work 100 percent local.

(c) If the work is a combination of mitigation under section 111 and an authorized beach erosion control project or combination beach erosion-hurricane protection project, the Federal maintenance cost for the mitigation work under section 111 will be in the same proportion as the damage attributed to the Federal navigation work is to the total damage. For the remaining work the cost sharing procedures of the authorized beach erosion or combined beach erosion-hurricane protection project will apply.

i. *Local cooperation.* (1) The law as written provided that the cost of installing, operating and maintaining projects under this authority shall be borne entirely by the United States; therefore there are not requirements for local cooperation. The cost of any lands, easements or rights-of-way required for construction or subsequent maintenance will be borne entirely by the United States.

(2) Where section 111 projects are to be accomplished in conjunction with other works (para 6a(2)) local interests will be required to furnish assurance of local cooperation similar to those required for regularly authorized projects for their assigned portion of the work.

(3) Where section 111 projects are to be accomplished in conjunction with authorized projects, the requirements of local cooperation specified in the authorizing document or report will apply.

APPENDIX B.—*History of program and project limitations, continuing authorities program*

Section/law	Date	Public Law No.	Federal cost limitation per project	Annual program limit
	(1) Small flood control project authority			
Sec. 205 of 1948 FCA	June 30, 1948	80-858	$100,000	$2,000,000
Sec. 212 of 1950 FCA	May 17, 1950	81-516	150,000	3,000,000
Public Law 685, 84th Cong., 2d sess.	July 11, 1956	84-685	400,000	10,000,000
Sec. 205 of 1962 FCA	Oct. 23, 1962	87-874	1,000,000	25,000,000
Sec. 61 of WRDA of 1974	Mar. 7, 1974	93-251	1,000,000 [1] 2,000,000	30,000,000
	(2) Authority for snagging and clearing for flood control			
Sec. 2 of 1937 FCA	Aug. 28, 1937	75-406	25,000	300,000
Sec. 13 of 1946 FCA	July 24, 1946	79-526	50,000	1,000,000
Sec. 208 of 1954 FCA	Sept. 3, 1954	83-780	100,000	2,000,000
Sec. 26 of WRDA of 1974	Mar. 7, 1974	93-251	250,000	5,000,000
	(3) Authority for emergency streambank and shoreline protection of public works and nonprofit public services			
Sec. 14 of 1946 FCA	July 24, 1946	79-526	50,000	1,000,000
Sec. 27 of WRDA of 1974	Mar. 7, 1974	93-251	250,000	10,000,000

Section/law	Date	Public Law No.	Federal cost limitation per project	Annual program limit
	(4) Small navigation project authority			
Sec. 107 of 1960 R. & H. Act	July 14, 1960	86-645	200,000	2,000,000
Sec. 310 of 1965 R. & H. Act	Oct. 27, 1965	89-298	500,000	10,000,000
Sec. 112 of 1970 R. & H. Act	Dec. 31, 1970	91-611	1,000,000	25,000,000
	(5) Authority for snagging and clearing for navigation			
Sec. 3 of 1945 R. & H. Act	Mar. 2, 1945	79-14	None	300,000
	(6) Small beach erosion control project authority			
Sec. 103 of 1962 R. & H. Act	Oct. 23, 1962	87-874	400,000	3,000,000
Sec. 310 of 1965 R. & H. Act	Oct. 27, 1965	89-298	500,000	10,000,000
Sec. 112 of 1970 R. & H. Act	Dec. 31, 1970	91-611	1,000,000	25,000,000
	(7) Authority for mitigation of shore damages attributable to navigation projects			
Sec. 111 of 1968 R. & H. Act	Aug. 13, 1968	90-483	[2] 1,000,000	None

[1] Project cost may go to $2 million if project is located in a major disaster area designated by the President.
[2] A project exceeding $1 million will be transmitted to Congress for specific authorization.

[FR Doc.75-474 Filed 1-7-75;8:45 am]

[33 CFR Part 380]

PUBLIC INVOLVEMENT—GENERAL POLICIES

Proposed Policies and Procedures

Notice is hereby given that the Secretary of the Army, acting through the Chief of Engineers, is proposing a regulation to provide general policies for public involvement in Corps of Engineers planning activities. Several additional regulations will be issued at a later date to provide more detailed procedures to implement the general policies and guidelines contained in this regulation. An existing regulation on the subject of public meetings may be found in 33 CFR 209.405.

Prior to adoption of the proposed regulation, consideration will be given to any comments submitted to the Chief of Engineers, Office of the Chief of Engineers, ATTN: DAEN-CWP-A, Washington, D.C. 20314, on or before February 24, 1975.

Until the final regulation is published in the FEDERAL REGISTER, elements of the Office of the Chief of Engineers and field operating agencies having Civil Works responsibilities will utilize this proposed regulation as interim guidance on public involvement policy.

Dated: December 24, 1974.

J. W. MORRIS,
Major General, USA,
Director of Civil Works.

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380.10 Purpose.
380.11 Applicability.
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380.13 Definition.
380.14 Basic authorities.
380.15 Policy and objective of public involvement.
380.16 Public involvement programs.
380.17 Documentation of public involvement.
380.18 Public involvement and agency coordination regulations.
380.19 Responsibilities.

AUTHORITY: Water Resources Council, Principles and Standards for Planning Water and Related Land Resources, 38 FR 24778-24869, 10 September 1973.

§ 380.10 Purpose.

This regulation provides general policies for public involvement in Civil Works planning programs.

§ 380.11 Applicability.

This regulation is applicable to all OCE elements and all field operating agencies having Civil Works responsibilities.

§ 380.12 References.

(a) Section 1, Public Law 534, 78th Congress, Flood Control Act of 1944 (58 Stat. 887), December 22, 1944.

(b) Section 1, Public Law 18, 79th Congress, River and Harbor Act of 1945 (59 Stat. 10), March 2, 1945.

(c) Section 2, Public Law 89-80, Water Resources Planning Act (79 Stat. 244), July 22, 1965.

(d) Section 101(b), Public Law 91-190, National Environmental Policy Act of 1969 (83 Stat. 852), January 1, 1970.

(e) Water Resources Council, Principles and Standards for Planning Water and Related Land Resources, 38 FR 24778-24869, 10 September 1973.

(f) AR 340-17.

§ 380.13 Definition.

"Public" is defined as any affected or interested non-Corps of Engineers entity. This includes other Federal, regional, state, and local government entities and officials; public and private organizations; and individuals.

§ 380.14 Basic authorities.

(a) In the referenced authorities, both the Congress and the Water Resources Council have stressed the importance of broad public involvement in Federal water resource planning. The Flood Control Act of 1944 and the River and Harbor Act of 1945 directed the Corps of Engineers to provide to affected States information developed during the course of planning investigations and to consult with the States throughout such studies. In the Water Resources Planning Act of 1965, the Congress encouraged utilization and development of water and related land resources on a coordinated basis by Federal, State and local interests, and established the Water Resources Council as the responsible Federal agency to assist such coordination at the Federal level. More recent legislative and administrative direction on public involvement is embodied in the National Environmental Policy Act of 1969 and the Water Resources Council Principles and Standards. These authorities require Federal planning procedures to be more responsive to increased demands of the public to become more informed and actively involved in water resources management planning and desions. In essence, these more recent public involvement policies and requirements complement previously established policies and requirements for intergovernmental coordination.

(b) The provisions of 5 U.S.C. 552, commonly referred to as the "Freedom of Information Act", are implemented for the Department of the Army by AR 340-17. Pending issuance of further clarifying instructions by OCE to 5 U.S.C. 552, reporting and reviewing officers are to utilize the guidance provided in the Army Regulation. Questions concerning this Army Regulation should be referred to HQDA (DAEN-GCK) WASH DC 20314.

§ 380.15 Policy and objective of public involvement.

(a) *Policy.* In consonance with the intent of Congress, it is the policy of the Chief of Engineers that the Civil Works program be conducted in an atmosphere of public understanding, trust and mutual cooperation.

(b) *Objective.* The objective of public involvement is to actively involve the public in water resources studies in order to insure that these studies respond to public needs and preferences to the maximum extent possible within the bounds of local, state and federal programs, responsibilities and authorities. To accomplish this objective, the Corps of Engineers in its planning programs will:

(1) Open and maintain channels of communication with the public,

(2) Promote public understanding of federal, state, regional, and local responsibilities, authorities and procedures in conducting water resources planning studies and implementing water resources programs,

(3) Present information which will assist the public in defining its water resources problems, needs, and objectives,

(4) Solicit the public's comments, views and perceptions of problems, needs, alternative solutions and related impacts, and

any recommendation for Federal action, and

(5) Give full consideration to public needs and preferences in the planning process.

(c) *Accomplishment of objective.* The accomplishment of the objective of public involvement is the recognition by the public that study conclusions and selected implementation plans of reporting and reviewing officers adequately considered public views and preferences. The test of public acceptance and other evaluation criteria used to select a plan will be discussed in the 1105–2–200 series of regulations.

§ 380.16 Public involvement programs.

If Corps planning is to be responsive to public needs and preferences, a continuous dialogue between the Corps and the public is required during the planning process. The means to establish this dialogue must be identified early in the planning process, formalized as a specific public involvement program, and implemented by the reporting officer in each planning study. Further explanation of such programs will be included in other 1105–2–800 series regulations as discussed in § 380.18 below. The task of achieving the public involvement objective is not easy. A considerable effort to elicit public views is required, as well as integration of diverse public inputs in the planning and decision-making process. There is no single best approach to achieving the Corps public involvement objective. All affected Corps elements should be committed to ongoing training, monitoring and evaluation in order to develop and employ techniques which will achieve the public involvement objective.

§ 380.17 Documentation of public involvement.

Public involvement programs developed by reporting officers to meet the specific needs of a planning study will be described in the Plan of Study, or other first stage planning document. A summary of public involvement program implementation, including a discussion of how the results of such programs influenced the study conclusions and selected plans, will be incorporated in subsequent planning reports and statements of findings.

§ 380.18 Public involvement and agency coordination regulations.

Other regulations will be developed in the 1105–2–800 series to further refine and implement the policies and objective prescribed in this regulation. These regulations will address the following areas:

(a) Coordination established by legislative and executive authorities, and interagency agreements,

(b) Requirements and suggested approaches for developing public involvement programs,

(c) Policies and procedures for public meetings and workshops; and

(d) Standards for public information brochures, public opinion surveys and public notices.

Several Engineer Pamphlets will be also developed to provide field planners with related information and case studies on conducting effective public involvement programs, with emphasis on communication skills.

§ 380.19 Responsibilities.

Public involvement programs for planning studies will be the responsibility of the reporting officer. These programs should be developed, conducted and evaluated jointly by personnel from planning and public affairs elements.

[FR Doc.75–475 Filed 1–7–75;8:45 am]

[33 CFR Part 384]

A–95 CLEARINGHOUSE COORDINATION

Proposed Policies and Procedures

Notice is hereby given that the Secretary of the Army, acting through the Chief of Engineers, is proposing a regulation prescribing the procedures to implement Office of Management and Budget (OMB) Circular A–95 (Revised), dated 13 November 1973. This regulation is one of several to be issued dealing with public involvement and coordination in Corps of Engineers Civil Works planning studies.

Prior to adoption of the proposed regulation, consideration will be given to any comments submitted to the Chief of Engineers, Office of the Chief of Engineers, ATTN: DAEN–CWP–A, Washington, D.C. 20314, on or before February 24, 1975.

Until the final regulation is published in the FEDERAL REGISTER, elements of the Office of the Chief of Engineers and field operating agencies having Civil Works responsibilities will utilize this proposed regulation as interim guidance on A–95 Clearinghouse Coordination.

Dated: December 24, 1974.

J. W. MORRIS,
Major General, USA,
Director of Civil Works.

Sec.

384.10 Purpose.
384.11 Applicability.
384.12 References.
384.13 General.
384.14 Continuing authority studies and reports.
384.15 Other civil works planning studies and reports.
384.16 Environmental impact statements (EIS).
384.17 A–95 Liaison officer.
384.18 Directory of A–95 clearinghouses.

AUTHORITY: Office of Management and Budget Circular A–95 (revised), dated 13 November 1973 (Part II, FR Col. 38, No. 228, November 28, 1973).

§ 384.10 Purpose.

This regulation provides guidelines for coordination of investigations and reports with clearinghouses pursuant to the requirements of the Office of Management and Budget (OMB) Circular No. A–95.

§ 384.11 Applicability.

This regulation is applicable to all OCE elements and all field operating agencies having Civil Works responsibilities.

§ 384.12 References.

(a) OMB Circular No. A–95 (Revised), 13 November 1973 (FEDERAL REGISTER, Vol. 38, Number 228, 28 November 1973).

(b) DA Pamphlet No. 210–4.

(c) ER 1105–2–XX, "Continuing Authorities Program" (33 CFR Part 263 proposed).

(d) ER 1105–2–507, "Preparation and Coordination of Environmental Impact Statements" (33 CFR 209.410).

(e) ER 1165–2–22, "Federal Regional Council Coordination."

§ 384.13 General.

A–95 clearinghouses are comprehensive planning agencies, and as such, will probably have done land use, transportation, water and sewer, air and water pollution, natural resources and other developmental plans and studies. Thus, they represent a prime resource for planning intelligence in a study area, and their involvement in Corps planning studies from the very beginning could possibly serve to eliminate duplication of effort and could provide valuable leads as to local sources of data and area plans. Inasmuch as most clearinghouses are COG's (Councils of Governments), they provide a direct link to local governments in the area and can assist the reporting officer with intergovernmental contacts.

§ 384.14 Continuing authority studies and reports.

(a) Attachment D of Circular No. A–95 lists, by reference to the Catalog of Federal Domestic Assistance numbers and titles, the programs under which requests for assistance are subject to the requirements of the Project Notification and Review System (Part I of A–95). The following Corps of Engineers programs under special continuing authorities are included:

(1) Small beach erosion control projects (33 U.S.C. 426g).

(2) Small flood control projects (33 U.S.C. 701s).

(3) Small navigation projects (33 U.S.C. 577).

(4) Snagging and clearing for flood control (33 U.S.C. 701g).

(b) Certain specialized actions can be provided by the Corps under the above four special continuing authorities to states or their political subdivisions that are able to furnish evidence of legal authorization, financial ability, and necessary local participation. These entities make letter requests to the appropriate division or district engineer regarding problems and the possibility of consideration under the existing authorities. The sponsor will concurrently furnish a copy of the request to the appropriate State and areawide planning and development clearinghouses. If the Corps receives an expression of specific clearinghouse interest in the request within 30 days after submission, appropriate coordination between the Corps, the clearinghouse and the sponsor should be established by the Corps during the feasibility study. Otherwise, coordination with clearinghouses will follow the same procedures established for coordination

with the states and other concerned political subdivisions. Program guidance for these authorities is contained in 33 CFR Part 263.

(c) A copy of any notification of Corps action to the sponsor of a request will also be furnished to interested clearinghouses by the Corps.

§ 384.15 Other civil works planning studies and reports.

(a) The provisions of Parts II and IV of OMB Circular No. A–95 will not supersede other required and established procedures for communication and coordination between the Corps of Engineers and states, local interests and individuals. In the interest of sound, efficient planning and effective coordination, notices of study initiations, notices of public meetings, notices of report completion, reports and related documents will be furnished the appropriate clearinghouses. In addition, division and district engineers, or their designated representatives will be the contact with the State and areawide clearinghouses and will explore with them other general arrangements for coordination and review.

(b) Final reports will include the review comments of A–95 clearinghouses together with discussion of the consideration given the comments in reaching conclusions. Any departures from state or areawide plans as identified by the clearinghouse comments should be justified in this discussion. If no comments are received from the clearinghouses by the end of the review period, it should be so noted and report processing should continue in accordance with prescribed procedures.

§ 384.16 Environmental impact statements (EIS).

The EIS, submitted to the Council on Environmental Quality (CEQ) pursuant to section 102(2)(C) of the National Environmental Policy Act, requires the views and comments of those State and local agencies authorized to develop and enforce environmental quality standards. Guidelines published by the CEQ designate the clearinghouses as an appropriate channel through which to secure the required State and local environmental agency views and comments. Letters transmitting the EIS to the Governor or his designated representatives for review and comment will request that the views and comments of the State clearinghouse be ascertained in accordance with OBM Circular No. A–95, if the state clearinghouse is not also the governor's designated representative. Environmental impact statements for projects under the special continuing authority programs listed in paragraph 4 will be submitted to appropriate clearinghouses for review and comment as well as to the Governor or his representative. Other guidance on coordination of the EIS is contained in ER 1105–2–507 (33 CFR 209.410).

§ 384.17 A–95 liaison officer.

The Corps regional representatives to the Federal regional councils, as designated by ER 1165–2–22, will also serve as A–95 Liaison Officers to the appropriate council. The liaison officers will be the central contact point with the Council on A–95 matters as they affect the Corps civil works mission in the region, pursuant to the procedures set forth in ER 1165–2–22.

§ 384.18 Directory of A–95 clearinghouses.

The directory of clearinghouses may be found in DA Pamphlet 210–4.

[FR Doc.75–476 Filed 1–7–75;8:45 am]

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PART III

INTERSTATE COMMERCE COMMISSION

■

STANDARDS FOR DETERMINING RAIL SERVICE CONTINUATION SUBSIDIES

Title 49—Transportation

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER B—PRACTICE AND PROCEDURE

[Ex Parte No. 293 (Sub-No. 2)]

PART 1125—STANDARDS FOR DETERMINING RAIL SERVICE CONTINUATION SUBSIDIES

On February 25, 1974 (39 FR 7182), the Director of the Rail Services Planning Office (Office) of the Interstate Commerce Commission (Commission) issued a notice of proposed rulemaking and order, pursuant to section 205(d)(3) of the Regional Rail Reorganization Act of 1973 ("Act") which provides that the Rail Services Planning Office shall:

> * * * within 180 days after the date of enactment of this Act, determine and publish standards for determining the "revenue attributable to the rail properties," the "avoidable costs of providing service" and "a reasonable return on the value," as those phrases are used in section 304 of this Act, after a proceeding in accordance with the provisions of section 553 of Title 5, United States Code * * *

After an extended (113 days) period for public comment, the Office issued standards on July 1, 1974 (39 FR 24294).

The standards defined "revenue attributable" as the actual revenues accruing to the railroad as derived from waybills and other source documents, plus any subsidy payments that would cease on termination of service. Passenger revenues not directly assignable would be prorated on the basis of passenger miles on the branch to passenger miles

The "avoidable costs of providing service" on the branch were defined as actual costs to the extent that they are available. Where they are not available, allocation formulas based upon the railroad's annual report form (R–1) filed with the Commission would be employed. Avoidable off-branch costs would be determined by a formula based on an application of system-wide data contained in the carrier's annual report (R–1) to the Commission's Formula for Use in Determining Rail Freight Service Costs, Rail Form A, Statement 1F1–73 (Rail Form A). Avoidable costs would also include the costs incurred in upgrading service and improving the condition of track and related facilities.

The calendar year before the year in which the notice of intent to discontinue service is filed was established as the base year for revenue and cost data, unless that notice were given prior to April 1 in which case it would be the second preceding calendar year.

The standards adopted July 1 defined "reasonable return" as the interest rate equal to the publicly quoted yield on U.S. Treasury notes of approximately the same life as the subsidy agreement. The value of the properties upon which the return would be based was defined as the net liquidation value of those properties used and useful to provide the service demanded by the person offering the subsidy; that is their current market value less the cost of dismantling and disposition. Disputes over what property is needed to provide service and over the value of that property would be settled by arbitration.

Notice of a proposal to discontinue service was required to be given to the general public by publication in local newspapers. Notice would also have to be given to the Governor and public service commission of each State in which the branch is located, and to the Office.

On July 30, 1974, the Office issued a notice announcing that petitions seeking amendment of the standards would be accepted if filed on or before August 19, 1974 (39 FR 28196).

During August and September the Office conducted a series of public seminars explaining the purpose of the standards and their applicability.

In requesting amendment of the standards, several parties urged that the standards be tested on actual branch lines, and that the time for filing pleadings seeking amendment of the standards be extended until such tests could be completed. On September 10, 1974, the Office issued a notice announcing that it would test the standards and that the time for filing pleadings was being extended to October 30, 1974. All interested parties were invited to participate in the tests (39 FR 33574).

The petitions for reconsideration, the public seminars, and the branch line tests revealed that the standards adopted on July 1 required modification in a number of respects, and they are being amended effective immediately. Since the revised standards reflect significant changes from the original version, public comments seeking further amendment will be entertained until February 18, 1975.

In recognition of the fact that the circumstances surrounding each subsidy situation are different, the revised standards are intended to encourage negotiations between the parties to structure subsidy agreements to meet those circumstances. It is believed that arm's-length negotiations between the parties will provide a better basis for a subsidy agreement than would rigid standards. For example, the subsidizer may wish to provide funds to improve track conditions so that higher speed limits would be permitted. Higher speeds could, in some instances, result in lower transportation costs, and since transportation costs represent a significant portion of on-branch costs, it may be possible that this factor, during the subsidy period, would more than offset the rehabilitation costs. This would result in better overall service at a lower total cost.

It is also conceivable that adjustments in the frequency of service would be desired. In many situations reliability of service is more important to the shipper than frequency of service. While the latest regular service level will be established as the standard, an agreement between the parties to either raise or lower it will not be precluded. Other inducements, such as relief from revenue or property taxes, could also be taken into consideration in the negotiations. However, in the event an agreement cannot be reached on a voluntary basis, a mandatory procedure is provided to assure continuation of service.

Branch Line Tests

Each State within the 17-State region covered by the Act was requested to identify a branch line for test purposes. Initially, it was anticipated that tests would be conducted on each of the lines so identified. However, as a result of the initial tests, it was determined that further testing would be of little value since it was apparent that significant modification of the standards would be necessary.

The Office used the testing program as an opportunity to work together with interested parties in order to perfect the published standards and thus better fulfill the Office's responsibility under the Act. Points made in the petitions filed and at public seminars conducted by the Office were checked during the tests. Many of the modifications adopted herein result directly from information and knowledge obtained during the testing.

The standards were tested on two Penn Central Transportation Company lines: the line between Georgetown and Lewes, Delaware, and the line between Columbus and Holmesville, Ohio. On-site investigations were conducted to determine the availability of data required by the standards. As indicated above, notice of the tests was given through publication in the Federal Register and was served on all parties to this proceeding. All persons indicating a desire to participate were invited to attend.

The first trip was to Philadelphia, Pennsylvania, to inspect the records maintained at the Penn Central headquarters. The inspection revealed that Penn Central's accounting system is designed to accumulate data on a responsibility rather than territorial basis. It was found that the entire Penn Central rail system is divided into over 6,000 "responsibility" levels with each department (transportation, maintenance of way, etc.) having its own set of so-called management center accounts. In addition, it was found that the railroad's accounting system is flexible enough to collect costs for specific purposes.

Currently, Penn Central maintains approximately 2,000 "cost centers" covering activities involving financial agreements with other parties, e.g., leased lines, joint-use facilities and passenger operations. This cost system cuts across responsibility lines and provides direct cost for any activity so designated. It was found that through this system direct cost collection at the branch level could be initiated within approximately 30 days after a line had been designated and adequately described.

It was further learned that data is not collected in a systematized manner at the branch level for many of the factors involved in the apportionment formulas utilized by the standards. The only method by which this data can be

collected is a special on-site study of the line in question.

As a follow-up to the Philadelphia meeting, field trips were conducted in Delaware and Ohio. The purpose of the trips was to determine the extent to which on-branch direct costs could be ascertained at the local level. It was found that by using records maintained at the local level, it is possible to ascertain direct costs related to most maintenance of way and transportation accounts. During the tests, it was possible to determine the actual number of train trips, time involved, crew costs, number of cars originated and terminated, and maintenance of way labor and supply costs for the branches involved.

As a result of the data collected on the field trips, it was possible to compute the revenues attributable and on-branch avoidable costs as defined in the standards adopted on July 1. No problems relating to computation were discovered in connection with the method by which revenues are determined under those standards. The waybill abstract data proved to be fairly accurate. The only problem identified related to timing, for the Penn Central file related to when the waybill was abstracted rather than when the shipment occurred.

However, the same cannot be said with respect to avoidable costs. There is a lack of detailed cost data on a uniform basis. While the test group was able to identify actual on-branch costs for certain accounts, the methodology utilized would not necessarily be workable on all such tests since informal records were the source for certain accounts.

The July 1 standards provided for the use of opportionment formulas for certain accounts when direct costs are not use of apportionment formulas for certain accounts, serious inequities could result from their application. For example, an application of those apportionment formulas to the Georgetown-Lewes line would have assigned over $44,000 for the maintenance of way accounts while the informal records indicate that there had been no actual costs incurred except for track patrol. Similar results were obtained in the Columbus-Holmesville line. Only $77,109 was identified on an actual basis for these accounts, while the apportionment formula would have assigned $290,294.

Similar disparities in transportation expenses would result if the number of trips and time per trip were estimated inaccurately. While this may sound like a truism, it was found that "educated" estimates were significantly higher than the actual records indicated for these factors.

Even though a conscientious effort was made to estimate these factors on the two test lines, they were substantially overestimated in both cases. Holidays, track maintenance, equipment breakdown, or lack of traffic can result in trips canceled or shortened.

A comparison of 1973 allocated and actual on-branch costs is shown below.

	Georgetown/Lewes		Columbus/Holmesville	
	Allocated	Actual	Allocated	Actual
Maintenance of way/structures	$44,306	[1] 0	$290,294	$77,109
Maintenance of equipment	4,181	$4,181	49,806	49,806
Transportation—Rail line	42,963	23,799	379,941	209,436
Taxes, except income taxes	9,361	2,750	195,500	156,883
Total on-branch costs	100,811	30,730	915,541	493,233

[1] Excludes track patrol.

POSITIONS OF THE PARTIES AND DISCUSSION

Several petitions were filed requesting that the Office modify the standards. The participating parties are listed below. Other issues were raised during the public seminars and the branch line tests. A discussion of the major issues and their resolution follows:

Concept. The issue most often raised is the use of historical data as the basis of the subsidy payment. There is near unanimity in the position that the standards should employ actual rather than historical data, with parties representing all factions including railroads, shippers, and local, State and Federal agencies, opposing the approach taken in the standards adopted July 1. The arguments presented include illegality (i.e., prior year costs are not "avoidable costs"), unavailability of data, and various inequities to either the railroad or the subsidizer based on year-to-year cost variances. Among other disadvantages to the use of historical data cited by the parties include the lack of recognition of rate and wage increases and inflation. Several of these problems also surfaced during the tests.

The original decision to use historical data was based upon the need for certainty in the actual amount of the subsidy payment. It was feared that potential subsidizers (principally government entities) could not enter into a subsidy agreement unless it involved a fixed amount. The New England Regional Commission (supported by six New England States) continues to argue this position.

As pointed out by the New England Regional Commission, an after-the-fact adjustment would result in a form of a cost reimbursement contract. They suggest that such an agreement may be unconstitutional in certain states. Even if it is not unconstitutional, they submit that cost reimbursement contracts provide little incentive for efficient performance and require adequate accounting systems to assure proper reimbursement.

While none of the petitioners noted the fact, it has been learned that several States have other, and possibly more significant, legal problems with the subsidy program. Many States are prohibited from using public funds to subsidize a private entity. A survey reveals that most States are taking action to resolve this problem by amending the law or by channeling funds through intermediate authorities. The Office is confident that with the same ingenuity the States can resolve any cost reimbursement prohibition.

The Office also recognizes that the open-end feature is especially critical when a small community or private party is involved as the subsidizer. A substantial increase in the payment could result in serious financial problems, possibly even insolvency. This potentiality could foreclose the possibility of subsidy by smaller interests. While the Office recognizes these disadvantages, it is believed that they can be eliminated, reduced, or at least neutralized.

The Office believes that the nature and complexity of cost and revenue factors involved in subsidy agreements preclude reasonable accuracy in negotiation of an approximate fixed price. Even if service and maintenance levels could be accurately forecast, changes in the traffic level could substantially alter the subsidy payment. It is believed that the requirement of branch level data collection and written reports will provide an adequate basis for the determination of reimbursable costs.

The amended standards will place a 15 percent upward ceiling to the end-of-year adjustment, which will tend to act as an incentive to the railroad to keep costs within the estimated level. It will also provide a maximum level of payment for a given subsidy year, thus eliminating the open-end aspects of the agreement. Treating the remainder of the adjustment as a subsequent year cost will allow the railroad to recoup its legitimate reimbursement if the agreement is continued and allow the subsidizer a chance to reconsider his subsidy decision in the light of a new estimated level of payment. If the agreement is not continued, the railroad would lose the amount of the carry-over but would be relieved of the duty to continue service. Since a downward adjustment will not place a financial burden on either party, no maximum was set for refunds.

The use of actual year data would also provide an incentive to the subsidizer to increase revenue through encouragement of traffic growth. Many of the costs involved, especially maintenance of way, will not increase in direct proportion to increased traffic for the type of line involved in the subsidy program. Even if such costs do increase, there is usually a time delay. As a result, a significant increase in revenues could substantially reduce the short run subsidy payment. It is believed that the disadvantage of utilizing historical data overrides the need for absolute certainty. Accordingly, the standards will be revised to utilize actual subsidy year data for both revenues and costs.

The handling of bridge or overhead traffic was the subject of some discussion. It was suggested that the initial stand-

ards do not go far enough in crediting the branch with its inherent advantages. The initial standards attributed all bridge or overhead traffic to the branch if termination of service on the branch would cause the railroad to lose the traffic. They also attributed potential losses in revenues resulting from rerouting of such traffic as revenue to the branch. In addition, many suggested that the additional costs incurred by a railroad in rerouting should be treated as a savings to the branch.

The use of actual year data resolves these issues. Branch or overhead traffic will be treated on the basis of actual experience. The railroad's revenues for such traffic will be prorated to the branch on the basis of miles that the bridge traffic moved on the branch to the miles the traffic moved on the system. On-branch costs for such traffic will be calculated on the same basis as traffic originated or terminated on the branch.

The decision to adopt standards that utilize actual subsidy year data leads to the requirement of developing an interim method of estimating the subsidy payment for use in deciding whether or not to subsidize and in negotiating the subsidy agreement. Several parties, including the New England Regional Commission and the Penn Central Transportation Company, suggested methods of estimating the subsidy payment. Other parties also stressed the need for a quick, easy-to-apply formula for use in the initial decision stage. The revised standards incorporate portions of each of these approaches.

Many petitioners challenged the use of apportionment formulas, especially those that relate solely to the branch. In particular, they complained that the adopted apportionment formulas for maintenance of way and transportation expenses grossly overstate the actual expenses involved. As reported in the discussion of the tests conducted by the Office, this concern was found to be especially true for maintenance of way and the crew cost portion of transportation costs. In both tests, the apportionment of these expenses substantially overstated the actual situation. The adoption of a method that incorporates actual expenses will eliminate this problem.

Most of the opponents to the use of historical data and apportionment ratios also suggested that a branch line accounting and reporting system is necessary in order to obtain the required data. While it may be desirable to have such a system-wide accounting and reporting system, one cannot be justified on the basis of the subsidy-program alone.

As was mentioned earlier, representatives of the railroad industry (i.e., The Association of American Railroads and the Penn Central Transportation Company) strongly urged the adoption of the standards based upon actual operation. Inherent in this approach is the ability to identify actual expenses. All railroads must have some mechanism to isolate costs if they are involved in joint-use facilities, leased lines, or passenger operations involving either a subsidy or payment from Amtrak. During the test, it was ascertained that Penn Central could easily modify its accounting procedures to collect data prospectively and thus identify on an actual basis most on-branch expenses. Staff contacts with the other railroads in bankruptcy indicated this to be true for them as well. As a result, the revised standards will require railroads to collect actual data for certain accounts covering branch lines involved in subsidy agreements. The data collection would be limited to the period of the subsidy and to accounts related to the specific branch.

Section 304 of the Act provides that all rail services may be discontinued, and the underlying rail properties abandoned, if they are not included in the final system plan, unless a shipper, a State, the United States, a local or regional transportation authority, or any responsible person offers to subsidize the service or purchase the properties. In the situation where a new rail service continuation subsidy is offered to preclude discontinuance or abandonment, the amount must cover the difference between the revenue attributable to such rail properties and the avoidable costs of providing service on such rail properties plus a reasonable return on the value of such rail properties. The standards promulgated herein define those terms and, as a result, provide a basis for calculation of the subsidy payment. Since the U.S. Railway Association is not required to utilize these standards as criteria for inclusion of branch lines in the Final System Plan, there is a distinct possibility that a branch could be excluded from the plan yet be profitable under the standards. It is obvious from a reading of the Act that branches caught in such a circumstance should be protected from discontinuance of service. Therefore, to assure that such a circumstance does not arise, the Office establishes the amount a potential subsidizer must offer under section 304(c)(2)(A) of the Act as the amount computed in accordance with the interim formula, or $1 whichever is the greater amount.

Interim subsidy payment. The amended standards at § 1125.3, include an interim formula to be used as the basis for computing the initial subsidy payment and for negotiating the subsidy agreement. The parties will be free to negotiate on almost all agreement provisions; however, standards are established which can be invoked in case of impasse.

To assure consistency with the reorganization process decisions, the interim formula will be based on the same year data that the U.S. Railway Association employs in its decision-making process. At the present time it is assumed that the light density line viability decisions will be based upon 1973 data, primarily the 1973 waybill abstract files. It was found during the branch line tests that these data are reasonably accurate.

An advantage to the use of these data will be the assistance the Office can give to the parties. While the railroads will be required to file comprehensive revenue and cost data along with their notice of intent to discontinue service, the Office can accelerate the process by making much of the data available in advance to those that wish to have it. Timing is a critical factor since the Act provides a potential subsidizer only 60 days from the date a railroad files a notice of intent in which to decide whether or not to offer a subsidy and thereby preclude discontinuance of service.

Information needed to calculate the interim formula can be divided into four primary categories: revenues, off-branch costs, on-branch costs, and value of rail property.

Using the waybill abstract files as a data base, the Office will be able to make freight revenue and off-branch cost calculations available to interested parties. While the interim formula will take other sources of revenue into consideration, in most instances, freight revenues will represent the only significant source of income for the branch line.

Off-branch cost calculations relate solely to freight traffic. With these two factors available in advance, and with assistance from the Office available upon request to aid in developing the remaining factors, it is believed that the timing problem can be reduced substantially. The following standards will be utilized in the interim formula unless the parties agree on different levels.

The estimate for "revenues attributable" will include the same sources of revenues as those required in the standards. These include freight and passenger revenues from all traffic originated or terminated on the branch, existing subsidy payments, overhead traffic and accessorial revenues. All of the data will be presented for the same base year as employed by the Association in the decision-making process (presumedly 1973). These data may be adjusted for rate changes. By agreement of the parties, more current figures may be used.

A ratio of the off-branch costs to revenues for the base year will be calculated for each branch. The ratio will be applied to the estimated revenue for the subsidy year to determine the estimated off-branch cost. The off-branch calculation will utilize variable system average costs, short line mileages, and traffic information from the waybill abstract files. The Office will computerize the formula and make the calculations available to interested parties.

On-branch costs will be divided into six categories: Routine maintenance of way and structures, rehabilitation, maintenance of equipment, transportation, miscellaneous, and taxes. A minimum level of maintenance of way and structures is prescribed. The branch line tests revealed that the type of track involved in the subsidy program will have been subjected to various levels of deferred maintenance. The interim formula establishes the Federal Railroad Administration's (FRA) safety standards for Class I track as the minimum allowable track condition. FRA requires peri-

odic inspection of track depending upon the class and use of the track. The expenses involved in inspection, vegetation control and spot or emergency maintenance to meet minimum Class I track standards must be included in the calculations.

Since there will be an adjustment for actual costs, the Office believes that an arbitrary level can be utilized for estimation purposes. The inclusion of such an estimate will assure that both parties recognize their respective responsibilities. Based upon the experience gained in the branch line tests, it would appear that such maintenance can be performed for approximately $1,000 per mile per year. Both lines tested fell into a minimum maintenance category. The Georgetown-Lewes line had no maintenance costs other than track patrol, and the Columbus-Holmesville line averaged approximately $1,000 per mile.

This, of course, does not cover any so-called "programmed maintenance" or rehabilitation costs. If, at the time the notice of intent is filed, the track does not meet FRA Class I standards, it will be mandatory that such rehabilitation costs be covered by the subsidy. In such cases the railroad will be required to furnish a detailed estimate of the costs to rehabilitate the track to Class I standards with the notice of intent to discontinue service.

The Office also recognizes that under some circumstances, even though the track will meet minimum standards, this level of maintenance will not be satisfactory. Higher levels may be negotiated by the parties in such cases. As mentioned above, the incentive to reduce transportation costs should encourage upgrading of track conditions where normal speed limits are impaired.

The estimate for maintenance of equipment will be based upon an application of system average costs per locomotive gross ton-mile for road locomotive repairs and locomotive unit-hours for yard locomotive repairs. Locomotive depreciation also will be based on locomotive unit-hours. Passenger car depreciation will be based upon a passenger car-mile ratio. Freight car costs will be based upon an average per day and per mile car cost. The railroad will be required to furnish an estimated number of days a freight car will remain on the branch.

Transportation costs will be estimated based upon system average costs. The number of trips per year will be based upon the frequency of service performed at the time the notice is filed unless the parties agree to a different level. Labor costs for train crews will be based on system average costs for each type of crew applied to the hours of service on the branch. Fuel costs will be based upon system average costs per locomotive unit-hour and train supplies and expenses on average costs per train-hour. This information will be furnished by the railroad with the notice of intent. The railroad will also furnish estimates of costs for the remaining transportation accounts using the final standards as a guide to their inclusion.

The estimate for miscellaneous expenses will include only those direct outlays anticipated during the subsidy year. The railroad will be required to furnish an estimate with the notice of intent.

The estimate for property taxes will be based upon the base year actual, adjusted for tax rate changes. Revenue taxes will be based upon the revenue level estimated by the interim formula. The remaining factor, value of property, will be estimated by the railroad when the notice of intent is filed. The basis of the valuation will be the net liquidation value for non-rail transportation purposes of the rail properties used or useful in performing the service. If the valuation is challenged an appraisal of the property by a qualified and certified appraiser or appraisers may be offered by the potential subsidizer. If the parties cannot agree on a valuation through negotiation an average of the two appraisals will be used as the basis of the interim formula and the final value will be determined through arbitration before the end of the first subsidy year.

The present standards, as modified herein, will provide the basis for the actual subsidy payment. The standards will provide for a final payment adjusted for actual experience during the subsidy year. Railroads involved will be required to establish a system of collecting costs and other relevant data at the branch level and to provide the subsidizer with periodic financial reports which analyze the actual data in relation to the estimates. Significant deviations from the estimates will have to be explained in the report. Increases over 15 percent in the amount of actual subsidy payment as compared to the estimate will be treated as a carry-over cost in the subsequent year.

Revenues. The regulations relating to revenues are to be found in § 1125.4 of the revised standards. The Association of American Railroads, United States Department of Transportation, and others suggest that freight revenues be prorated on a mileage ratio between the branch and the system, and consequently, that off-branch revenues and costs be eliminated from the standards. The Office believes that this approach would not fairly represent the revenues a branch contributes to the system. Since there appears to be no accepted method of dividing revenues, the Office believes that the adopted standards provide the most equitable approach.

The Commonwealth of Pennsylvania suggested the use of a passenger ratio and the Association of American Railroads suggested the use of a passenger car-mile ratio rather than the adopted passenger-mile ratio to determine passenger revenues. A passenger ratio does not take into account the distance factor and a passenger car-mile ratio does not relate to revenues derived. Therefore, it is believed that the passenger-mile ratio adopted in the original standards should be retained.

Avoidable costs. The cost standards, contained in § 1125.4 of the regulations adopted July 1, appear as § 1125.5 of the revised standards. The majority of the comments were directed toward the standards for determining avoidable costs. The problems involving the use of historical data, apportionment, and data availability have been treated above.

The widest range of disagreement between the petitioners arises in the discussion concerning the cost accounts to be included in the standards. Basically, the parties representing railroad interests support full allocation of all costs. The potential subsidizers takes the position that the standards should exclude indirect costs.

The Office agrees that the phrase "avoidable cost" should be strictly construed, but this fact does not necessarily exclude indirect costs. It is important to note that the Act discusses avoidable costs in the context of *providing* the service not of *abandoning* the service. This distinction is significant. Equipment depreciation accounts best illustrate this distinction. As many parties suggest, capital investment is a "sunk cost" and the depreciation thereof, taken from the viewpoint of abandment, is not an avoidable cost. However, when viewed from the standpoint of a continuing operation, capital investments in equipment must be made from time to time in order to maintain service; and, consequently, depreciation costs for these items would be avoidable. The same principle would also apply to structure depreciation, but, the standards provide that rehabilitation costs be recovered during the period covered by the subsidy agreement. In effect, capital investment in structures is treated as an expense. Each on-branch account has been reviewed and the modifications reflected in the amended standards are summarized below.

Account 266—Road property—depreciation. This account will be deleted from the standards. Investments made prior to the subsidy agreement represent "sunk" costs. Future investments in this type of property will be treated as current expenses under the provision covering adequate and efficient rail service.

Account 267—Retirements; and Account 270—Dismantling retired property. These accounts will be deleted from the standards entirely since they do not relate to the costs of providing service.

Account 542—Rent for leased roads and equipment. This account will be deleted from the standards since any costs involved are included in the return on investment.

The following accounts will still be included; however, the basis of their assignment to the branch has been altered or they have been grouped with other accounts.

Account 311—Locomotive repairs. This account will be separated between yard and other (road) and each in turn will be separated between diesel and other (electric). The service unit factor for yard locomotives shall be the ratio of locomotive unit hours separated between diesel and electric on the branch to those of the total system. The service unit factor for other (road) locomotives shall be the ratio of locomotive gross ton miles on

the branch separated between diesel and electric to those of the total system.

Account 314—Freight train car repairs. On-branch car costs shall be calculated on the basis of system average day and mileage ratios. This account will be one element in the car cost per day and per mile calculation.

Account 330—Equipment retirements. The only amounts includable shall be for specialized equipment that would be expendable as a result of abandonment, such as floating equipment 330(56).

Account 372—Dispatching trains; Account 373—Station employees; Account 374—Weighing, inspection, and demurrage bureaus; Account 375—Coal and ore wharves; Account 377—Yardmasters and yard clerks; Account 379—Yard switch and signal tenders; and Account 407—Communication system operation. The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis and will be assignable only if it can be demonstrated that such costs would be avoided as a result of the service being discontinued.

Account 376—Station supplies and expenses; and Account 389—Yard supplies and expenses. The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

Account 378—Yard conductors and brakemen; and Account 380—Yard enginemen. These costs shall be assigned only on a direct basis.

Account 382—Yard switching fuel. This account shall only be includable when the branch is served by diesel locomotives classified as a yard switch engine. The service unit factor shall be the ratio of diesel locomotive unit hours-yard, on the branch to those of the total system.

Account 383—Yard switching power produced; and Account 384—Yard switching power purchased. These accounts shall only be includable when electric locomotives classed as switch engines are used to serve the branch. The service unit factor shall be the ratio of electric locomotive unit hours on the branch to those of the total system.

Account 388—Servicing yard locomotives. This account shall only be includable when the branch is served by locomotives which are classed as switch engines. The service unit factor shall be the ratio of yard locomotive unit hours on the branch to those of the total system.

Account 392—Train enginemen; Account 401—Trainmen. These costs shall be assigned only on a direct basis.

Account 394—Train fuel. This account is only to be included when service on the branch is performed by diese. locomotives in local/way or through train service. The service unit factor shall be the ratio of diesel locomotive unit hours on the branch to those of the total system.

Account 395—Train power produced; and Account 396—Train power purchased. These accounts shall only be includable when electric locomotives in local/way or through train service are used to serve the branch. The service unit factor shall be the ratio of electric locomotive unit-hours on the branch to those of the total system.

Account 400—Servicing train locomotives. This account shall be apportioned to the branch on the basis of the locomotive unit-miles on the branch to those of the total system.

Account 404—Signal and interlocker operation; and Account 405—Crossing protection. These accounts shall be included on an actual basis only.

Account 503 Cr.; and Account 536 Dr.—Hire of freight cars and highway revenue equipment. On-branch car costs shall be calculated on the basis of system average day and mileage ratios. The freight car portion of these accounts shall be elements in the calculation of car cost per day and per mile. The highway revenue equipment would only be allowed on a direct basis.

Accounts 277, 335, 409, and 449—Employees health and welfare benefits; and Payroll taxes. These costs shall be included in the subsidy calculations on a basis that will allow for a reasonable assignment of these costs in proportion to the labor costs incurred.

The following accounts will be added to the standards:

Account 331—Equipment-Depreciation.

(52) *Locomotives—Yard.* This account shall be included if the branch is served by yard locomotives. The cost shall be assigned to the branch based on the ratio of the locomotive unit-hours on the branch to those of the total system.

(52) *Locomotives—Other.* When a branch is served by a local/way or through train crew the expense shall be assigned to the branch on the ratio of locomotive unit-hours on the branch to those of the total system.

(53) *Freight-train cars.* On-branch car costs shall be calculated on the basis of system average day and mileage ratios. This is an element in the cost per car day and per car-mile calculation.

(54) *Passenger-train cars.* In those instances where passenger service is offered on the branch, this expense shall be assigned on the basis of the passenger car miles on the branch to those of the total system.

(55) *Highway revenue equipment.* Only equipment which is specialized in its capacity and/or would not be used elsewhere in revenue service may be included. The inclusion of the expense shall be on an actual basis only.

(56) *Floating equipment.* Expenses relating to equipment under this category for which there would be no further need shall be included on an actual basis only. Equipment depreciation costs must be treated as an avoidable cost in recognition of the requirement for equipment replacement.

Account 505—Rent from passenger-train cars; and Account 538—Rent for passenger-train cars. Those branches having passenger service shall include these accounts in those instances where the rental of specific equipment will cease upon the termination of operation on that particular branch.

Freight-train car costs. The on-branch costs for time-mileage freight-train cars shall be calculated on the basis of applying the railroad's average costs per car-day and per car-mile to the actual number of car-days and car-miles accumulated on the branch during the subsidy year. These costs shall include Account 314—Freight-train car-Repairs; Account 331(53) Equipment-Depreciation of Freight-train cars; freight car portion of Account 503—Hire of freight cars and highway revenue equipment—credit; freight car portion of Account 536—Hire of freight cars and highway revenue equipment—debit; and the return on investment in freight-train cars.

The system totals for repairs and depreciation shall be divided into time related and mileage related costs on the basis of the standard Rail Form A apportionment factors (i.e., 50 percent time and 50 percent mileage for repairs and 60 percent time and 40 percent mileage for depreciation). Return on investment shall be treated as a 100 percent time-related cost. The system total receipts and payments for the hire of time-mileage cars and the basic data used in the development of the car-day and car-mile factors shall be taken from the railroad's latest Form R-1.

The on-branch costs of freight cars rented on a straight mileage basis shall be the system average cost per mile applied to the total miles accumulated on the branch loaded and empty. The data necessary to calculate the mileage costs shall be taken from the Form R-1.

Some parties challenged the use of the functional service unit costs developed by the application of Rail Form A, as the basis of determining off-branch costs since it utilizes variable costs. They suggest that Rail Form A was not designed to develop avoidable costs and that its use for that purpose is improper. While on the surface it might seem inconsistent to allow system variable costs to be allowed for off-branch costs, it is believed justified on the basis of equity to the railroad since all system revenues from traffic originating or terminating on the branch are attributed to the branch. A failure to recognize off-branch variable costs would probably lead to situations where the operating railroad would try to divert the traffic to another carrier at the earliest possible point regardless of service considerations. This would not only result in circuitous movement and concomitant time delays but would also decrease the revenue attributable to the branch. The adopted approach recognizes the services rendered by the carrier to the branch traffic.

It was also suggested that the use of Rail Form A results in double counting of certain terminal handling costs. As a result of these suggestions, the use of Rail Form A was reviewed and it was determined that certain modifications were desirable.

The off-branch costs can be separated into two distinct categories; terminal and/or interchange costs, and line-haul costs. The initial standards provided that the terminal cost be taken directly from an application of the carrier's Rail Form A. The terminal costs basically

consist of three categories of expense: switching costs, car ownership costs, and station billing and other clerical costs. It has been correctly suggested that certain elements of the terminal cost at the branch end of the movement are duplicated through the on-branch costs. The revised standards will eliminate these elements. "Intertrain switching" costs shall be substituted for the "road train to industry" switching costs currently used in the calculation. The car ownership portion of the terminal cost shall be modified to employ the same concept used in the on-branch car cost (i.e., cost per car-day). Two days will be allowed in the terminal area at the branch end of the movement to cover both the loaded and the empty car moves. The third category of expense, the station billing and other clerical costs, shall remain the same unless the station billing function is actually performed on the branch. In such cases, these costs shall be omitted from the off-branch calculation and included as a direct on-branch cost.

The method of providing for costs relating to rehabilitation and/or upgraded service gave rise to several comments. The parties representing potential operating railroads support the proposition of total "front-end" loading of such costs while the potential subsidizers favor spreading the costs over a period of years. In certain cases the front-end loading of these costs will undoubtedly create monetary hardships on the subsidizer. While the fact that Federal matching funds are authorized for only two years cannot be ignored, there is nothing to preclude long-term subsidy agreements. The modifications to the standards will assure considerable flexibility between the parties to the subsidy agreement, including the ability to spread such costs over a longer period. This would be especially true where a subsidy is offered that does not involve Federal funds.

Many parties also suggest that the subsidizer should obtain an interest in the rehabilitated property. This argument has merit only if the rehabilitation increases the net liquidation value of the property. The subsidy agreement could include a provision to cover this possibility.

It may be true, as many parties suggest, that where substantial rehabilitation costs are involved, a potential subsidizer might protect his investment more effectively by purchasing the line.

Since the parties are given considerable latitude in establishing service and rehabilitation levels through the interim formula, the necessity for the subsection (formerly § 1125.4(i)) covering adequate and efficient rail service has been eliminated.

Investment base and reasonable return on the value: Comments relating to the "reasonable return on the value" were directed toward two primary areas, valuation and rate of return. Some parties challenged the authority of the Office to issue standards for determining the value of the rail property involved. However, as already noted, section 205(d) of the Act places the responsibility upon the Office for determining the meaning of certain phrases used in section 304, including a "reasonable return on the value" of rail properties over which subsidized rail service is to be performed. The Office believes that a reading of these two sections together makes clear the Congressional intent that the standards provide a formula by which a monetary sum (subsidy payment) may be readily computed. It is impossible to develop a meaningful formula for this purpose without determining standards for valuation of the properties to which the reasonable rate of return is to apply.

A few parties questioned use of the term "net liquidation value" for determining the investment base to which the reasonable return is to apply. Some suggested use of the term "salvage value" as employed by the Commission in abandonment proceedings; others, such terms as "original cost less accrued depreciation" sometimes employed by regulatory agencies in rate-making proceedings; and still others the terms "market value" or "fair market value."

It should be pointed out that section 304 contemplates a situation wherein a railroad has transferred to Consolidated Rail Corporation or to other railroads all or substantially all of its rail properties designated for such conveyance in the final system plan. It is thereupon relieved of its common carrier obligations, and rail service on the remainder of its rail properties may be discontinued and these properties abandoned pursuant to section 304(c) notwithstanding any provision of the Interstate Commerce Act, the constitution or law of any State, or the decision of any court or administrative agency of the United States or of any State unless a rail service continuation subsidy is offered. Thus, the circumstances are not analogous to those involved either in an abandonment proceeding under section 1(18) of the Interstate Commerce Act or in the determination of a reasonable return on an investment base necessary for the continuing discharge of common carrier obligations in the public interest. In the usual case the owners of the properties being considered for subsidy under this section will be the trustees of a railroad in reorganization or their successors in interest. It should be noted also that the valuation standards promulgated herein do not apply to an offer to purchase pursuant to section 304(d).

Some parties urged that it is unreasonable to limit the value of the properties to their highest and best use for purposes other than rail transportation. This limitation was imposed initially under the theory that a notice of intent to discontinue service necessarily would indicate a belief of the owners that the highest and best use of the property would not be for common carrier rail transportation purposes.

It is conceivable that a governmental authority or other responsible persons might wish to purchase a property on which the owners propose to discontinue service, expecting to operate it as a subsidized short line railroad. Or, the trustees or owners of a particular property subject to section 304 might, if a subsidy were available, decide to continue operations rather than abandon. In either of these cases, there appears to be no justification for inserting in the subsidy formula a return on an investment base greater than that which would have motivated the trustees or owners to decide upon abandonment in the absence of subsidy. That base would be the net liquidation value for purposes other than rail transportation. Consequently, the limitation will remain in the standards.

Most of those commenting agree that some sort of arbitration procedure would be necessary in the event of disagreement between the parties as to the properties that are used or useful or the net liquidation value. Some have argued that the arbitration should not be final or binding. The Office does not perceive that the arbitration would serve any useful purpose if not final and binding. Further, it is implicit in sections 205(d)(3) and 304(c) that the determination of subsidy standards by the Office was intended by Congress to be final and binding. It follows that arbitration of any differences as to the meaning of these standards should also be final and binding. It is noteworthy that none of the comments took issue with the proposed procedure for naming arbitrators.

Some of the comments argued that "opportunity costs of capital" for most railroads are higher than the rate of return set by the standards. This may be, although no persuasive evidence to this effect was presented. In any event, the standards do not apply to "most railroads," but only to those which would be relieved of common carrier obligations under section 304 of the Act.

For similar reasons, the reasonable rate of return is not necessarily one which, taking account of the risks and hazards incident to common carrier rail transportation, would permit the trustees or managements of railroads to attract capital to enable continued rail transportation operations responsive to the public needs. Were these trustees or managements in charge of an on-going, profitable transportation concern, they might choose to invest the proceeds of an abandonment in improving the remainder of the rail properties in their care, considering that course to be in the best interests of the investors for whom they are fiduciaries. In the circumstances contemplated by section 304 of the Act this is unlikely, and an external investment appears to furnish a more likely measure of their fiduciary opportunities. Also, the reasonable return under consideration in § 1125.7 applies to prudent investment of funds gained from partial recovery of previously "sunk" capital, rather than commitment of such funds to new ventures.

Should the return allowed be too small, it would not satisfy minimum constitutional standards of sufficiency; moreover, achievement of the overall goals of the Act would seem to require that con-

sideration be given to reasonable treatment of investors in the profitable railroads and those in reorganization within the region. Also, investors as a class (holders of interests in insurance policies, savings accounts, pension plans, etc.) constitute a wide segment of the public whose interest the Act is designed to serve. But if the return allowed is unreasonably high in the light of the applicable circumstances, an unfair burden would be placed on the subsidizing body.

Some of the comments have suggested a fixed rate of return, such as 10 percent after income taxes. The Office considers that the standard for rate of return ought not only to be as simple and readily determinable as possible, because it will apply at some time in the future in which prevailing capital market conditions cannot be predicted with certainty, it also should be flexible. Consequently, the concept of a fixed rate of return is rejected.

Some of the comments received argue that the return should be computed after allowance for income taxes, urging that for most taxpaying railroads the tax shield is one of the most important economic values involved in an abandonment decision, and in one instance citing the hypothetical example of a railroad with a marginal tax rate of 50 percent. The Office has been unable to locate any example of a railroad in the region enjoying an effective income tax rate at this level.

In any event, we are concerned here not with "most taxpaying railroads," but primarily with those rail properties of bankrupt carriers not designated for rail service operations in the final system plan and as to which service discontinuance notices have been given as specified in section 304(a). The Office is aware that income tax considerations are customarily given weight by regulatory authorities in determining the rate of return necessary to sustain on-going public service operations. For reasons previously outlined, however, these considerations do not apply in circumstances envisaged by section 304. Where trustees of a railroad in reorganization or a profitable railroad in the region which has transferred substantially all of its rail properties to Consolidated Rail Corporation or other railroads pursuant to the final system plan actually to abandon the remaining rail properties, the proceeds of such abandonments would have to be prudently invested or paid out to investors or claimants for which the trustees or managers of these railroads are fiduciaries. What income tax rates would apply to the earnings from such investments or to such payouts cannot presently be foreseen, but the applicable taxes would be the obligation of the trustees, the profitable railroad, or those who receive the payouts, as the Internal Revenue Code might provide. Thus, to require those who provide a subsidy for continuance of rail services to include in their payments any pre-determined allowance for taxes over and above the pre-tax return which could be obtained on the proceeds from abandonment does not appear to be warranted.

The Penn Central trustees point out certain difficulties with the language of § 1125.6 of the standards published July 1 (§ 1125.7 of the revised standards) and also urge that, to avoid limiting subsidy agreements to seven years or less, Treasury bonds as well as notes be included in the securities employed to measure reasonable return on the value. Some issues of Treasury bonds, in contrast to notes, may be called for redemption, at the option of the United States, prior to maturity. Also, certain series of Treasury bonds no longer issued but still outstanding in quantity, may be redeemed at par and accrued interest prior to call or maturity for the sole purpose of paying Federal estate taxes due from the estate of a deceased owner. One non-marketable series is exchangeable for marketable 1½ percent Treasury notes of series EA or EO. These should be excluded from the definition of obligations to be considered in determining the return. Amended § 1125.7 has been revised to take account of these suggestions, and to exclude Treasury bills, which have a life of less than one year.

The Penn Central trustees also comment that, although the Act provides for limited Federal assistance to the subsidizing bodies, this is not tantamount to a guaranty of the subsidy agreements. Accordingly, they urge that the owner of the line at least receive a premium of 20 percent over the specified rate; 10 percent being assignable to risk and the other 10 percent to the lack of liquidity of the investment.

While it is true that the subsidizer may have a credit standing inferior to that of the United States and that the subsidy agreements may not be as liquid as Treasury obligations, it is believed that the difficulties involved in quantifying these factors negate their application.

The difficulty here is that the trustees do not present any specific rationale to justify the 20 percent, or any other fixed premium. Certainly, it could not properly be applied in a case where the United States was the subsidizing body.

The Office has endeavored to develop some ready mechanism by which the relative credit standing of each subsidizing entity could be factored into the rate of return. One approach considered was to hinge the rate of return upon a rating assigned by the standard rating services, such as Moody's Standard and Poor's or Fitch. Over the ten years 1964–1973, for example, average yields on Moody's Aaa industrial bonds were 10.8 percent below the average for Baa industrials, and average yields on Aaa municipals were 6.3 percent less than the average for Baa municipals. However, these ratings apply to particular bonds, not to the issuers of them. In practice, many of the subsidizing bodies may not, at the time of entering into a subsidy agreement, have any outstanding securities held by the public, and thus may have no ratings from any of the accepted rating services.

Consideration also was given to establishing some other measure of return than Treasury obligations as possibly more nearly reflecting the relative risk. Inquiry of the rating services failed to disclose any publicly quoted, regular, periodic listing of yields on industrial and municipal securities which would be legal for investment by fiduciaries. The Office, therefore, believing that in view of time constraints the need for a readily measurable and publicly available standard is overriding, considers that the use of United States Treasury obligations for this purpose, without any arbitrary premium, will yield the maximum degree of fairness to all parties.

PARTIES FILING PETITIONS

GOVERNMENT

Federal

Office of Public Counsel, Rail Services Planning Office
United States Department of Agriculture
United States Department of Transportation
United States Railway Association

State

Commonwealth of Massachusetts, Office of Transportation and Construction
Commonwealth of Pennsylvania
Commonwealth of Pennsylvania Department of Transportation
New York State Department of Transportation
Office of the Governor of West Virginia
Pennsylvania Public Utility Commission and the Pennsylvania State Legislative Board, United Transportation Union (jointly)
State of Connecticut Department of Transportation
State of New Hampshire
State of New Jersey Department of Transportation
State of Rhode Island and Providence Plantations Department of Transportation
State of Vermont

Local

Chester County Planning Commission
City of Philadelphia
Council on the Environment of New York City

Regional

Appalachian Regional Commission
New England Regional Commission

Business

Agrico Chemical Company
Air Products and Chemicals, Inc.
Armstrong Cork Company
Archer Daniels Midland Company
Borden Chemical
E. Keeler Company
Evans Products Company
FS Services, Inc.
Hammermill Paper Company
Illinois Grain Corporation
Imperial Oil Company
Institutional Investors Penn Central Group and Certain Indenture Trustees
International Minerals & Chemical Corporation
PPG Industries, Inc.
Royster Company
Sperry New Holland
Swift Chemical Company
Trans-Act Association, Inc.

ORGANIZATIONS

Adrian Area Chamber of Commerces
National Industrial Traffic Leagues
New Jersey State Chamber of Commerce

RAILROADS

Association of American Railroads
Detroit, Toledo & Ironton Railroad Company
and The Ann Arbor Railroad Company
Central Railroad Company of New Jersey
Penn Central Transportation Company
Southern Pacific Transportation Company

CONCERNED CITIZENS

Allan J. Barns
Thomas Park Shearer

ORDER

In consideration of the foregoing: *It is ordered*, That Part 1125 of Subchapter B of Chapter X of Title 49 of the Code of Federal Regulations, be amended by substituting standards set forth below, for the standards adopted on July 1, 1974.

It is further ordered, That this order shall become effective on January 8, 1975.

[SEAL] ROBERT L. OSWALD,[1]
Secretary.

Sec.
1125.1 Purpose and scope.
1125.2 Definitions.
1125.3 Interim subsidy payment.
1125.4 Revenue attributable to the rail properties.
1125.5 Avoidable costs of providing service.
1125.6 Valuation of rail properties.
1125.7 Reasonable return on the value of the properties.
1125.8 Submission of information by railroad giving notice of intent to discontinue service on a branch.

Appendices I & II Information to be furnished.

AUTHORITY: Sec. 205(d)(3), Regional Rail Reorganization Act of 1973, Pub. L. 92-236, 87 Stat. 985, 994.

§ 1125.1 Purpose and scope.

(a) Section 304(c)(2) of the Act provides that no rail service may be discontinued and no rail properties may be abandoned pursuant to that section if a shipper, a State, the United States, a local or regional transportation authority, or any responsible person offers a rail service continuation subsidy which covers the difference between the revenue attributable to such rail properties and the avoidable costs of providing service on such rail properties, plus a reasonable return on the value of such properties.

(b) Section 205(d)(3) of the Act directs the Rail Services Planning Office to determine and publish standards for determining the "revenue attributable to the rail properties", the "avoidable costs of providing service", and "a reasonable return on the value" as those phrases are used in section 304 of the Act. This Part sets forth those standards.

(c) The standards set forth herein employ an interim formula for establishing an estimated first year subsidy payment. This estimate will serve as a basis for the subsidy offer within the context of section 304(c)(2) of the Act and provide a framework for the negotiation of a subsidy agreement. The amount a subsidizer must offer under section 304(c)(2)(A) is the amount computed in accordance with the interim formula, or $1, whichever is the greater amount. The final payment will be adjusted based on data related to the subsidy period. Where an adjustment results in an increase in the estimated subsidy payment, the amount of such increase in excess of 15 percent of the estimated payment shall be treated as a carryover avoidable cost in the subsequent subsidy year.

§ 1125.2 Definitions.

Unless otherwise required by the context, the following definitions apply in this part:

"Account" means an account in the Commission's Uniform System of Accounts for Railroad Companies (49 CFR Part 1201).

"Act" means the Regional Rail Reorganization Act of 1973, Public Law 93-236 (87 Stat. 985).

"Base year" means the same year employed by the U.S. Railway Association in developing the final system plan.

"Branch" means a segment of a railroad that is not designated to be in the final system plan under the Act, and that is the subject of a notice in writing of intent to discontinue service under section 304(a) of the Act and notice of intent to abandon rail properties under section 304(b) of the Act.

"Commission" means the Interstate Commerce Commission.

"Form R-1" means the railroad's annual report filed with the Commission in accordance with the requirements of section 20 of the Interstate Commerce Act.

"Notice of Intent" means a notice in writing of intent to discontinue service under section 304(a) of the Act and notice of intent to abandon rail properties under section 304(b) of the Act.

"Office" means the Rail Services Planning Office established by section 205 of the Act.

"Person offering a subsidy" means a shipper, a State, the United States, a local or regional transportation authority, or any responsible person offering a rail service continuation subsidy under section 304(c)(2)(A) of the Act.

"Rail Form A" means the Commission's *Formula for Use in Determining Rail Freight Service Costs, Statement 1F1-73.*

"Railroad" means a railroad company, or the trustee or trustees of a railroad company, that gives a notice in writing of intent to discontinue service under section 304(a) of the Act, and, as the context requires, "railroad" may mean either the owner of rail properties over which subsidized service is or may be performed, or the operator of that service, or both.

"Subsidy year" means any 12 month period for which a subsidy agreement is negotiated and in operation.

§ 1125.3 Interim subsidy payment.

The person offering a subsidy shall offer to pay, in return for the continuation of rail service, an amount computed on the basis of the interim formula described in this section. The interim payment may be adjusted, by agreement of the parties, to take into account factors, such as rate increases and changes in traffic levels which would make the sole use of base year data an inappropriate means of estimating the payment for the subsidy year. The interim formula makes use of estimates of revenues, off-branch costs, on-branch costs and a return on the value of the properties involved. The "base year" for all estimates under this section shall be the same year employed by the United States Railway Association in developing the final system plan pursuant to sections 206 and 207 of the Act.

(a) *Revenues.* The estimated revenues shall include all the sources of revenue described in § 1125.4, computed on the basis of base year data.

(b) *Off-branch costs.* A ratio of off-branch costs to revenues for the base year shall be used to derive the estimate of the off-branch costs for the subsidy year. The base year off-branch costs shall be calculated using the methodology described in § 1125.5(k). If data identifying actual carloads by car type are not available, car type shall be based upon the railroad's best estimate. A ratio shall be developed by applying these costs against the base year revenues. The resulting ratio shall be applied to the revenues estimated in paragraph (a) of this section to develop the estimated off-branch cost for the subsidy year.

(c) *On-branch costs.* The estimate for on-branch costs shall be separated into the following six categories: Routine maintenance of way and structures, rehabilitation, maintenance of equipment, transportation, taxes, and miscellaneous.

(1) The costs for routine maintenance of way and structures shall be estimated at $1,000 per year per mile of track on the branch for which the railroad is responsible for maintenance, unless the parties agree to a higher level.

(2) Rehabilitation costs will not be included unless (A) the track involved does not meet minimum Federal Railroad Administration (FRA) Class 1 safety standards (49 CFR 213), in which case, the railroad will furnish a detailed estimate of the costs to rehabilitate the track to the minimum level with the notice of intent and provision to cover such costs shall be included in the subsidy agreement; or (B) the potential subsidizer requests a level of service which requires expenditures for rehabilitation, and makes such a request within 10 days after the date the notice of intent is filed, in which case the railroad shall furnish an estimate of the costs involved within 20 days after the date of that request. All such requests and estimates shall be on a specific project basis.

(3) The estimate for maintenance of equipment costs shall be based on the same methodology employed in § 1125.5(b), using base year data rather than subsidy year data. Unless the parties agree to a different base, the resulting average unit costs shall be applied to the

[1] Present: George M. Chandler, Director, Rail Services Planning Office to whom the matter under consideration in this docket has been assigned.

branch base year service units to arrive at the estimate.

(4) Transportation costs shall be estimated, based upon system average costs. The number of trips per year shall be based upon the frequency of service performed at the time the notice is filed unless the parties agree to a different level. Labor costs for train crews shall be based on system average costs for each type of crew applied to the hours of service on the branch. The crew costs shall be classified into four major categories: Yard, local/way, through, and passenger. The straight time average cost per hour for each yard or local/way crew member shall be calculated using the railroad's Employees, Service, and Compensation Report (Form B) for the base year. The calculation is made by adding together the straight time compensation, col. (9), and the constructive allowances, col. (11), and dividing this total by the straight time hours actually worked, col. (4). This process would be repeated for each yard and local/way class of employee. After the hourly rate is determined for each member, the cost per crew hour shall be calculated based on the exact size and consist of the crew currently serving the branch. The crew cost per hour is multiplied by the estimated hours that will be incurred in serving the branch during the subsidy period. If the branch is served by a through train crew, the cost shall be assigned to the branch based on the estimated train-hours that will be incurred serving the branch times the system average crew cost per freight train-hour. The crew cost per train-hour is developed by dividing the freight portions of accounts 392 and 401 (R–1, Sch. 320, col. (e)) by the train hours in freight service (R–1, Sch. 531, line 30, col. (b)). Passenger crew cost shall be based on the estimated passenger train-hours that will occur on the branch during the subsidy period times the average crew cost per passenger train-hour. The crew cost per train-hour is developed by dividing the passenger portion of accounts 372 and 401 (R–1, Sch. 320, col. (h)) by the train-hours in passenger service (R–1, Sch. 531, line 30, col. (c)). The estimated direct crew costs must be increased to cover fringe benefits using the procedure described in § 1125.5(e). The railroad shall also furnish estimates of costs for the remaining transportation accounts using the final standards as a guide to their includability and basis of calculation.

(5) The estimate for property taxes shall be based upon the base year actual tax assessment, adjusted for tax rate changes. Revenue taxes shall be based upon the revenue level estimated pursuant to paragraph (a) of this section.

(6) The estimate for miscellaneous expenses shall include only those direct outlays anticipated during the subsidy year.

(d) *Return on value.* The railroad shall appraise the value of the property on the basis of definition found in § 1125.6. If the valuation is challenged, an appraisal of the property by a qualified and certified appraiser(s) shall be offered by the potential subsidizer. If the parties cannot agree on a valuation through negotiation, an average of the two appraisals shall be used as the basis of the interim formula. The rate of return to be applied to the value of the properties shall be estimated in accordance with the procedures described in § 1125.7.

§ 1125.4 Revenue attributable to the rail properties.

The revenue attributable to the rail properties of a branch is the total of the revenues assigned to the branch in accordance with this section, plus any subsidy payments that would cease upon discontinuance of service on the branch, for the subsidy year. The revenues assigned shall be derived from the following accounts:

(a) *Account 101—Freight.* The revenues assigned under this account shall be the actual revenues accruing to the railroad, derived from waybills and other source documents for all traffic that:

(1) Originates and terminates on the branch;

(2) Originates or terminates on the branch and is handled off the branch on the system but not on another carrier; and,

(3) Originates or terminates on the branch and is handled on another carrier.

The revenues of all bridge or overhead traffic shall be attributed to the branch on the basis of the ratio of miles moved on the branch to miles moved on the system.

(b) *Account 102—Passenger; Account 104—Sleeping car; and Account 105—Palor and chair car.* The revenues assigned under these accounts shall be the amounts in the railroad's accounts apportioned to the branch on the basis of the ratio of passenger car-miles on the branch to passenger car-miles on the system of the railroad.

(c) *Account 103—Baggage; Account 106—Mail; Account 107—Express; Account 108—Other passenger train; Account 109—Milk; and Account 131—Dining and buffet.* The revenues assigned under these accounts shall be the amounts in the railroad's accounts apportioned to the branch on the basis of the basis of the ratio of passenger car-miles on the branch to passenger car-miles on the system of the railroad.

(d) *Account 110—Switching; Account 113—Water transfers; Account 132—Hotel and restaurant; Account 133—Station, train, and boat privileges; Account 135—Storage—Freight; Account 137—Demurrage; Account 138—Communication; Account 139—Grain elevator; Account 141—Power; Account 142—Rents of buildings and other property; Account 143—Miscellaneous; Account 151—Joint facility, Cr.; and Account 152—Joint facility, Dr.* The revenues assigned under these accounts shall be the actual revenues accruing to the rail road that are directly attributable to the branch.

§ 1125.5 Avoidable costs of providing service.

The avoidable costs of providing service on a branch are the total of the costs assigned or apportioned to the branch in accordance with this section. All on-branch costs, whether direct or allocated, shall be computed separately for freight and passenger services. Costs apportioned under paragraphs (a) through (k) of this section shall be derived from the latest Form R–1 of the railroad filed with the Commission prior to the conclusion of the subsidy year. Labor costs must be identified separately for all accounts when costs are assigned on a direct basis.

(a) *Maintenance of way and structures*—(1) *Account 202—Roadway maintenance; Account 212—Ties; Account 214—Rails; Account 216—Other track material; Account 218—Ballast; and Account 220—Track laying and surfacing.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(2) *Account 206—Tunnels and subways; Account 208—Bridges, trestles and culverts; Account 210—Elevated structures; Account 221—Fences, snowsheds, and signs; Account 227—Station and office buildings; Account 229—Roadway buildings; Account 231—Water stations; Account 233—Fuel stations; Account 235—Shops and engine houses; Account 237—Grain elevators; Account 239—Storage warehouses; Account 241—Wharves and docks; Account 243—Coal and ore wharves; Account 244—TOFC and COFC terminals; Account 247—Communications systems; Account 249—Signals and interlockers; Account 253—Power plants; Account 257—Power—transmission systems; and Account 265—Miscellaneous structures.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis. A cost may not be assigned under one of these accounts unless the facility to which it pertains is in use for rail transportation purposes and its only useful purpose is to serve the branch.

(3) *Account 272—Removing snow, ice, and sand; Account 273—Public improvements—Maintenance; Account 278—Maintaining joint tracks, yards, and other facilities—Dr.; Account 279—Maintaining joint tracks, yards, and other facilities—Cr.; Account 281—Right-of-way expenses; and Account 282—Other expenses.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(b) *Maintenance of Equipment*—(1) *Account 311—Locomotives—Repairs.* This account shall be separated between yard and other (road) with a further separation between diesel and other electric). The costs assigned under this account for yard locomotives shall be apportioned to the branch separately for diesel and electric locomotives on the basis of the ratio of branch diesel and electric yard locomotive unit-hours to the total system diesel and electric yard locomotive unit-hours. The costs assigned under this account for other locomotives (road) shall be apportioned to the branch separately for diesel and electric locomotives on the basis of the ratio of branch diesel and electric locomotive gross ton-miles in road service

to the total system diesel and electric locomotive gross ton-miles in road service.

(2) *Account 317—Passenger-train cars—Repairs.* The costs assigned under this account shall be the actual branch costs assigned on a direct basis. If the costs cannot be assigned on a direct basis, the amount in the railroad's account shall be apportioned to the branch on the basis of the ratio of branch passenger car-miles to the railroad's total passenger car-miles.

(3) *Account 318—Highway revenue equipment—Repairs.* The costs assigned under this account shall be the actual branch costs assigned on a direct basis.

(4) *Account 323—Floating equipment—Repairs; Account 326—Work equipment—Repairs; Account 328—Miscellaneous equipment—Repairs; Account 329—Dismantling retired equipment; and Account 330—Retirements—Equipment.* The costs assigned under these accounts shall be the actual costs that are directly attributable to the branch.

(5) *Account 331—Equipment—Depreciation—(52) Locomotives—Yard.* This account shall be included if the branch is serviced by a yard locomotive. The cost shall be assigned to the branch on the basis of the ratio of locomotive unit-hours on the branch to total locomotive unit-hours on the system.

(52) Locomotives—Other. When a branch is served by a local/way or through train crew the expense shall be assigned to the branch on the basis of the ratio of locomotive unit hours on the branch to the total locomotive unit-hours on the system.

(53) Freight-train cars. On-branch car costs shall be calculated on the basis of system average day and mileage ratios. This is an element in the cost per car-day and per car-mile calculation.

(54) Passenger train cars. In those instances where passenger service is offered on the branch, this expense shall be assigned to the branch on the basis of the ratio of passenger car miles on the branch to the passenger car-miles on the total system.

(55) Highway revenue equipment. Only equipment which is specialized in its capacity and/or would not be used elsewhere in revenue service may be included. The inclusion of the expense shall be on an actual basis only.

(56) Floating equipment. Expenses relating to equipment under this category for which there would be no further need may be included on an actual basis only.

(6) *Account 336—Joint maintenance of equipment expenses—Dr.; Account 337—Joint maintenance of equipment expenses—Cr.; and Account 339—Other expenses.* The costs assigned under these accounts shall be the actual costs that are directly attributable to the branch.

(c) *Transportation—Rail Line.*—(1) *Account 372—Dispatching trains; Account 373—Station employees; Account 374—Weighing, inspection, and demurrage bureaus; Account 375—Coal and ore wharves; Account 377—Yardmasters and yard clerks; Account 379—Yard switch and signal tenders; and Account 407—Communication system operation.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis and will be assignable only if it can be demonstrated that such costs would be avoided as a result of the service being discontinued.

(2) *Account 376—Station supplies and expenses; and Account 389—Yard supplies and expenses.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(3) *Account 378—Yard conductors and brakemen; and Account 380—Yard enginemen.* These costs shall be assigned only on a direct basis.

(4) *Account 382—Yard switching fuel.* The costs assigned to this account shall be the amount in the railroad's account apportioned to the branch on the basis of the ratio of yard diesel locomotive unit-hours on the branch to the railroad's total yard diesel locomotive unit hours.

(5) *Account 383—Yard switching power produced; and Account 384—Yard switching power purchased.* The costs assigned to these accounts shall be the amount in the railroad's accounts apportioned to the branch on the basis of the ratio of electric yard locomotive unit-hours on the branch to the railroad's total electric yard locomotive unit-hours.

(6) *Account 388—Servicing yard locomotives.* The costs assigned to this account shall be the amount in the railroad's account apportioned to the branch on the basis of the ratio of branch yard locomotive unit hours to the railroad's total yard locomotive unit hours.

(7) *Account 392—Train enginemen; and Account 401—Trainmen.* These costs shall be the actual branch costs assigned on a direct basis.

(8) *Account 394—Train fuel.* If the branch is served by a local/way or through train crew, the costs assigned under this account shall be the amount in the railroad's account apportioned to the branch on the basis of the ratio of branch diesel locomotive unit-hours (road) to the railroad's total diesel locomotive unit-hours (road).

(9) *Account 395—Train powered produced; Account 396—Train power purchased.* The costs assigned to these accounts shall be the amounts in the railroad's accounts apportioned to the branch on the basis of the ratio of branch electric road locomotive unit hours to the railroad's total system electric road locomotive unit hours.

(10) *Account 400—Servicing train locomotives.* If the branch is served by a local/way or through train crew, the costs assigned under this account shall be the amount in the railroad's account apportioned to the branch on the basis of the ratio of branch locomotive unit-miles (road) to the railroad's total locomotive unit miles (road).

(11) *Account 402—Train supplies and expenses.* If the branch is served by a local/way or through train crew, the costs assigned under this account shall be the amount in the railroad's account apportioned to the branch on the basis of the ratio of branch train hours to the railroad's total train-hours. However, heater and refrigerator charges and credits may not be included in Account 402 unless they are applicable to the branch.

(12) *Account 404—Signal and interlocker operation; and Account 405—Crossing protection.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(13) *Account 406—Drawbridge operation; and Account 408—Operating floating equipment.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis, but only if those costs are incurred for the exclusive use of the branch.

(14) *Account 411—Other expenses; Account 415—Clearing wrecks; Account 416—Damage to property; Account 417—Damage to livestock on the right-of-way; Account 418—Loss and damage—Freight; Account 421—TOFC/COFC terminals; Account 422—Other highway transportation expenses; Account 390—Operating joint yards and terminals—Dr.; Account 391—Operating joint yards and terminals—Cr.; Account 412—Operating joint tracks and facilities—Dr.; and Account 413—Operating joint tracks and facilities—Cr.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(d) *Miscellaneous Operations.—Account 441—Dining and buffet service; Account 442—Hotels and restaurants; Account 443—Grain elevators; Account 445—Producing power sold; Account 446—Other miscellaneous operations; Account 447—Operating joint miscellaneous facilities—Dr.; and Account 448—Operating joint miscellaneous facilities—Cr.* The costs assigned under these accounts shall be the actual branch costs assigned on a direct basis.

(e) *Fringe benefits.* (1) Fringe benefits shall be assigned on a basis of a percentage of direct wages. The percentage shall be developed by using data from the railroad's latest Form R-1. The total of all health and welfare accounts (Accounts 277, 335, 359, 409, 449, and 456) taken from Sch. 320, col. (b) shall be added to the total of payroll taxes, old-age retirement and unemployment insurance, taken from Sch. 350, and divided by the total employee compensation taken from Sch. 320, col. (b). The resulting percentage shall be applied to the direct labor costs relating to maintenance of way and structures, transportation, and miscellaneous expenses.

(2) Since direct labor costs are not available for maintenance of equipment, the railroad shall be required to furnish a ratio of labor costs to total maintenance of equipment expenses. The ratio shall be applied to the maintenance of equipment costs assigned to the branch to develop an estimate of the related labor costs. The percentage developed in the preceding paragraph shall then be applied to the estimated labor costs to develop the fringe benefit costs for maintenance of equipment.

(f) *Revenue taxes.* The amount of revenue taxes shall be computed based on the amounts directly paid in those

States that subject the railroad to a revenue tax.

(g) *Property taxes.* The amount of property taxes shall be the amount levied against the property on the branch, in those States where a true ad valorem tax is levied, based on the value of certain kinds of railroad porperty such as track, land buildings, and other facilities. In States where property taxes are levied on the basis of a formula of a State-wide valuation of property, the railroad shall support any claim of savings for property taxes in the event of abandonment of the branch. If the railroad would realize State-wide savings on the basis of a proposed discontinuance of service on more than one branch operated in that State, the amount assigned to that branch shall be apportioned on the basis of the ratio of the miles of track on that branch to the railroad's miles of track proposed for discontinuance in that State.

(h) *Rent income*—(1) *Account 503—Hire of freight cars and highway revenue equipment—Credit balance.* The amount assigned under this account shall be based on a special analysis of the highway revenue equipment used exclusively on the branch.

(2) *Account 504—Rent from locomotives; Account 505—Rent from passenger-train cars; Account 506—Rent from floating equipment; and Account 507—Rent from work equipment.* The amounts assigned under these accounts shall be based on the actual receipts for the kind of equipment rented, but may not be included unless the kind of equipment rented is normally used exclusively for branch traffic.

(3) *Account 508—Joint facility rent income.* The amounts assigned under this account shall be the actual branch receipts assigned on a direct basis.

(i) *Rents Costs*—(1) *Account 536—Hire of freight cars and highway revenue fright equipment—Debit balance.* The amount assigned under this account shall be based on a special analysis of the highway revenue equipment used exclusively on the branch.

(2) *Account 537—Rent for locomotives; Account 538—Rent for passenger-train cars; and Account 539—Rent for floating equipment.* If the equipment is used exclusively for branch traffic, the costs assigned under these accounts shall be the actual branch costs assigned on a direct basis. If analysis shows common rents, the common rents cost shall be apportioned to the branch on the basis of the ratio of applicable locomotive, passenger-train car, or floating equipment days or miles, as used for billing purposes, on the branch to the total of those days or miles on other lines of the railroad.

(3) *Account 540—Rent for work equipment.* The costs assigned under this account shall be the actual branch costs assigned on a direct basis.

(4) *Account 541—Joint facility rents.* The costs assigned under this account shall be the actual branch costs assigned on a direct basis, plus, for common expenses, an apportionment of common expenses to the branch on the basis of the ratio of the branch total in Accounts 278, 336, 390, and 412 to the railroad's total in those accounts.

(j) *Freight train car costs.* The on-branch costs for time-mileage freight-train cars shall be calculated on the basis of the railroad's average costs per day and per mile. These costs shall include Account 314—Freight train cars—Repairs; Account 331 (53) Equipment—Depreciation of freight train cars; freight car portion of Account 503—Hire of freight cars and highway revenue equipment—Credit balance; freight car portion of Account 536—Hire of freight cars and highway revenue equipment—Debit balance; and the return on investment in freight-train cars. The system totals for repairs and depreciation shall be divided into time related costs and mileage related costs on the basis of the standard Rail Form A apportionment factors (i.e., 50 percent time and 50 percent mileage for repairs, and 60 percent time and 40 percent mileage for depreciation). Return on investment shall be treated as a 100 percent time related cost. The system total receipts and payments for the hire of time-mileage cars and the basic data used in the development of the car-day and car-mile factors shall be taken from the railroad's latest Form R–1. The specific steps to complete the calcuations are as follows:

(1) The total system car-days shall be calculations are as follows:
freight car ownership at the beginning and ending of the year (R–1, Sch. 417, line 69, cols. n and w); multiplying the average by the standard active number of car-days per car (346) as developed in ICC Docket number 31358; subtracting car-days on foreign lines (R–1, Sch. 376, lines 15 and 16, col. (c)); and adding the foreign car days on home line (R–1, Sch. 376, lines 15 and 16, col. (d)).

(2) The total railroad car miles shall be calculated by adding the loaded car miles (R–1, Sch. 531, line 12, col. (d)) to the empty car miles (R–1, Sch. 531, line 14, col. (d)).

(3) The cost per car-day shall be calculated by adding 50 percent of the railroad's total freight-train car repair cost (R–1, Sch. 320, line 74, col. (b)); 60 percent of the railroad's total freight-train car depreciation costs (R–1, Sch. 330, line 3, col. (b)); 100 percent of the railroad's return on investment on freight-train cars (Rail Form A, Form 2, line 20, col. (6)); the time portion of the railroad's payments for the hire of time-mileage freight-train cars (R–1, Sch. 376, line 14, col. (d)); subtracting the time portion of the railroad's receipts for hire of time-mileage freight train cars (R–1, Sch. 376, line 14, col. (c)); and dividing the result by the total system car-days developed in paragraph (j)(1) of this section.

(4) The cost per car-mile shall be calculated by adding 50 percent of the railroad's total freight-train car repair cost (R–1, Sch. 320, line 74, col. (b)); 40 percent of the railroad's total freight-train car depreciation costs (R–1, Sch. 330, line 3, col. (b)); the mileage portion of the railroad's payments for the hire of time-mileage freight-train cars (R–1, Sch. 376, line 8, col. (d)); subtracting the mileage portion of the railroad's receipts for the hire of time-mileage freight-train cars (R–1, Sch. 376, line 8, col. (c)); and dividing the result by the total system car-miles developed in paragraph (j)(2) of this section.

(5) The costs per car-day and per car-mile developed in paragraph (j)(4) of this section shall be applied to the total car-days and total car-miles accumulated on the branch for all traffic originated and/or terminated on the branch and all bridge traffic handled by the branch during the subsidy period which are attributable to time-mileage freight-train cars. The car-day and car-mile factors shall be furnished by the railroads. The on-branch costs for freight-train cars rented on a straight mileage basis shall be the system average cost per car-mile applied to the total car-miles accumulated on the branch, loaded and empty. The average cost per car-mile is developed from the railroad's latest Form R–1, Sch. 376, or as follows: col. (d) plus col. (f) divided by col. (b), (using line 1 for tank cars, line 2 for refrigerator cars, line 5 for TOFC/COFC cars and line 3 for all other cars).

(k) *Off-branch costs.* (1) Certain terminal costs, line-haul car costs, and interchange costs shall be considered as the off-branch avoidable costs of providing service over the remainder of the railroad's system. These costs shall be computed by applying variable unit costs to the service units attributed to the branch traffic during the subsidy period.

(2) The following through train single line variable unit costs shall be developed by the railroad by applying data contained in its latest Form R–1 filed with the Commission to Rail Form A: cost per carload by car type, modified cost per carload by car type (substitute an inter-train switching cost, separated between mileage and other than mileage cars, for a road train to industry switching cost; and substitute a modified car ownership cost developed in accordance with section 1125.5(j) above using an allowance of two days in the terminal to cover the loaded and empty car movement for the standard car ownership costs; cost per car-mile by car type; cost per ton-mile; and cost per car interchanged, separated between mileage cars and other than mileage cars.

(3) Terminal costs shall be calculated by multiplying the modified costs per carload, by car type, by the total number of carloads originated or terminated on the branch during the subsidy year. To this amount add the regular costs per carload, by car type, times the number of carloads which originate or terminate on the branch that are local to the railroad serving the branch.

(4) The line haul costs shall be calculated by applying the costs per car-mile by car type to the loaded car-miles on the system by car type originated or terminated on the branch during the subsidy year and applying the ton-mile unit cost to the total ton-miles on the

system of revenue freight in road service originated or terminated on the branch during the subsidy year and totaling the results.

(5) The interchange costs shall be calculated by multiplying the cost per car interchanged by the number of carloads of traffic interchanged that originated or terminated on the branch.

§ 1125.6 Valuation of rail properties.

The value of the rail properties on a branch shall be determined in accordance with the following:

(a) Only the following properties on a branch may be considered:

(1) Those that are used and useful to provide the rail services requested by the persen offering a subsidy.

(2) In the absence of a request for specific services by that person, those properties that are used and useful to provide the rail service performed on the branch at the time the final system plan becomes effective, or if no service was being performed at that time, the services that were last performed on the branch.

(b) The value of the properties shall be their net liquidation value for their highest and best use, consistent with applicable zoning and land use regulations, determined by computing their current market value for other than rail transportation purposes, less all costs of dismantling and disposition of improvement necessary to make the remaining property available for its highest and best use.

(c) If the railroad and person offering a subsidy cannot, within a period of time that either of them considers reasonable after the beginning of negotiations for the payment of the subsidy, agree on the properties that are used and useful or the net liquidation value, or both, the one that considers that a reasonable period of time has elapsed may notify the other of its intention to have the matter arbitrated. Each of the parties shall then appoint a representative and the representatives shall select an arbitrator or arbitrators mutually acceptable to them. The decision of the arbitrator or arbitrators shall be final.

(d) If either party fails to appoint a representative within five days after receiving notice from the other party of its representative, or if the appointed representatives fail, within five days after the last one of them is appointed, to agree upon a mutually acceptable arbitrator or arbitrators, either party may submit the matter for arbitration to the American Arbitration Association pursuant to its commercial arbitration rules, and the decision of its arbitrator or arbitrators shall be final.

(e) In considering the value of properties under this section, the arbitrator or arbitrators shall consider, among other factors, any bona fide offer for the properties, or a part thereof, recent sales of adjoining or similar properties, and any available appraisals, by a reputable appraiser, of the properties, or a part thereof.

(f) If the person offering a subsidy is a public body, each meeting of an arbitrator or arbitrators with the parties for the purposes of receiving information or evidence or to hear arguments or views shall be open to the public. Any interested member of the public may file written views, argument, or information with the arbitrator or arbitrators at any time within 3 days after the closing of the sessions that are open to the public.

§ 1125.7 Reasonable return on the value of the properties.

The reasonable return on the value of rail properties, as determined under § 1125.6, shall be the interest rate that is equal to the publicly quoted yield to maturity or earliest call date on the first business day of the month in which the subsidy agreement is entered into, for United States Treasury bonds or notes maturing or having an earliest call date approximately coterminous with the end of the subsidy period. United States Treasury bonds redeemable at par before call or maturity for the sole purpose of applying the proceeds to payment of Federal estate taxes, and Treasury notes Series EA or EO shall be excluded from consideration for this purpose.

§ 1125.8 Submission of information by railroad giving notice of intent to discontinue service on a branch.

(a) A railroad giving notice of intent to discontinue service on a branch shall give to the Director of the Office, and to the governor and railroad regulatory commission of each State within which the branch is located and to any other person upon request an "Estimate of Subsidy Payment" including information prescribed in Appendix I to this Part.

(b) Beginning with the week in which it gives notice of intent to discontinue service on a branch, pursuant to section 304(a)(2)(B) of the Act, the railroad shall publish a copy of that notice of intent in a newspaper or newspapers of general circulation in the areas encompassing the branch at least once a week for three consecutive weeks.

(c) Each railroad providing the information required by paragraph (a) of this section, and publishing a notice as required by paragraph (b) of this section, shall include therein a statement to the effect that copies of the materials and information upon which the railroad's calculations for the purposes of § 1125.3 have been made are located at an office of the railroad within the State or States concerned and may be examined by any interested person during regular working hours. However, documents upon which the calculations are made which disclose information concerning the nature, kind, quantity, destination, consignee, or routing of traffic shall, if the railroad so requests, be shown only to a representative of the person offering a subsidy and only if that representative agrees to keep that information confidential.

(d) A notice of intent to discontinue (B) of the Act, is not considered to be completed or given until the railroad has taken the actions required by paragraphs (a) through (c) of this section.

(e) Each railroad must establish a system of collecting the cost and other relevant data required herein at the branch level.

(f) Each railroad must file a "Financial Status Report" including the information prescribed in Appendix II to this Part within 30 days after the end of each quarter of the subsidy year. Significant deviations from the original estimates must be explained. Unless the parties agree otherwise, the third quarter report will be the basis for negotiating the subsequent year subsidy agreement. The year-end report will be the basis of the subsidy payment adjustment.

(g) A railroad entering into a subsidy agreement shall make available, in the same manner and subject to the same conditions described in paragraph (c) of this section, to any interested person copies of the materials and information upon which calculations for the purposes of § 1125.4 through 1125.7 have been or are to be made.

APPENDIX I—INFORMATION TO BE FURNISHED

The following information is required to be furnished under § 1125.8(a). All data shall be developed in accordance with the methodology set forth in § 1125.3.

REVENUES ESTIMATED FOR

1. Freight Originated And/Or Terminated On Branch.
2. Bridge Traffic.
3. Demurrage.
4. Passenger.
5. All Other.
6. Total Estimated Revenues (lines 1 through 5).

AVOIDABLE COST ESTIMATES FOR

7. Off-Branch Costs (Ratio times line 1).
8. On-Branch Costs (lines 8 a through 8 f).
a. Maintenance of Way and Structures.
b. Rehabilitation.
c. Maintenance of Equipment.
d. Transportation.
e. Taxes.
f. Miscellaneous.
9. Total Avoidable Cost Estimate (line 7 plus line 8).

RETURN ON VALUE ESTIMATE

10. Valuation of Property.
11. Rate of Return.
12. Total Return on Value (line 10 times line 11).

ESTIMATED SUBSIDY PAYMENT

13. Estimated Subsidy Payment (line 6 minus lines 9 and 12).

APPENDIX II—INFORMATION TO BE FURNISHED

The following information is required to be furnished under § 1125.8(f). All data shall be developed in accordance with the methodology set forth in § 1125.4–7. The actual data for the year to date and a projection to the end of the subsidy year shall be shown for each item, except that off-branch costs shall be estimated during the subsidy year by applying the ratio developed in the interim formula to the actual revenues shown in item 1.

REVENUES FOR

1. Freight Originated And/Or Terminated on Branch.
2. Bridge Traffic.
3. Demurrage.
4. Passenger.
5. All Other.
6. Total Revenues (line 1 through 5).

AVOIDABLE COSTS FOR

7. Off-Branch Costs (Ratio times Line 1).
8. On-Branch costs (lines 8a through 8f).
a. Maintenance of Way and Structures.
b. Rehabilitation.
c. Maintenance of Equipment.
d. Transportation.
e. Taxes.
f. Miscellaneous.
9. Total Avoidable Cost (line 7 plus line 8).

RETURN ON VALUE

10. Valuation of Property.
11. Rate of Return.
12. Total Return on Value (Line 10 times Line 11).

SUBSIDY PAYMENT

13. Subsidy Payment (line 6 minus lines 9 and 12).

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PART IV

THE PRESIDENT

■

SPECIAL MESSAGE TO CONGRESS ON DEFERRALS

Special Message to Congress on Budget Deferrals

To the Congress of the United States:

In accordance with the provisions of Title X of the Congressional Budget and Impoundment Control Act of 1974 (Pub. L. 93-344), I am transmitting supplementary reports that revise eleven deferral reports sent to the Congress in September and October of this year. I am also transmitting herewith reports on eight new deferrals for the fiscal year 1975.

Details of these deferrals are contained in the reports attached to this message.

Gerald R. Ford

THE WHITE HOUSE,
December 27, 1974.

SUMMARY OF DEFERRALS
(dollars in thousands)

Deferral #:	Item	Budget Authority
	Commerce:	
	National Oceanic and Atmospheric Administration:	
D75-131	Promote and Develop Fishery Products and Research Pertaining to American Fisheries.....	1,871
D75-12A	Fisheries Loan Fund.....	5,292
D75-30A	Coastal Zone Management.....	2,175
	Defense, Military:	
D75-32A	Shipbuilding and Conversion, Navy.....	1,244,760
	Health, Education, and Welfare:	
	National Institutes of Health:	
D75-40A	Buildings and Facilities.....	6,432
	Office of Education:	
D75-2A	Library Resources.....	10,874
	Higher Education:	
D75-3A	(University Community Services).....	5,812
D75-5A	(State Postsecondary Education Commissions)...	700
D75-6A	School Assistance in Federally Affected Areas...	64,000
	Social and Rehabilitation Service:	
D75-7A	Rehabilitation Services (Innovation and Expansion).....	10,000
D75-8A	Public Assistance (Child Welfare Services).....	750
D75-132	Work Incentives.....	50,000
	Social Security Administration:	
D75-44A	Limitation on Construction.....	12,528
	Interior:	
	Bureau of Mines:	
D75-133	Helium Fund.....	47,500
	Labor:	
	Manpower Administration:	
D75-134	Comprehensive Manpower Assistance.....	5,000
D75-135	Program Administration.....	200
	Departmental Management:	
D75-136	Salaries and Expenses.....	60
	General Services Administration:	
D75-137	Rare Silver Dollar Program.....	2,184
	Advisory Commission on Intergovernmental Relations:	
D75-138	Salaries and Expenses.....	50
		1,470,188

Deferral No.: D75-131

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 93-433)	$
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources	$ 10,814,933
Appropriation Title & Symbol Promote and Develop Fishery Products and Research Pertaining to American Fisheries 13X5139	Total Budgetary Resources	$ 10,814,933
	Amount to be deferred part of year	
	Amount to be deferred for entire year	$ 1,870,933

Justification

An amount equal to 30% of the gross receipts from customs duties on fishery products is appropriated for research on and assessment of fishery products resources and for American Fisheries resource management and development. The deferral funds are available without regard to fiscal year limitation. These funds supplement funds appropriated to the National Oceanic and Atmospheric Administration ("Operations, research, and facilities" account) for the same purposes. The amount requested for deferral, $1,870,933, represents the excess of receipts over the cost of planned program activities in FY 1975. Because no plans have been developed for use of these funds, they are requested for deferral the entire year. This deferral action is taken under provisions of the Antideficiency Act (31 U.S.C. 665) that authorize the establishment of reserves for contingencies.

Estimated Effects

This deferral action has no effect on the program planned in 1975. If apportioned, these funds could not be effectively utilized at this time.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$7.8
Without deferral (current estimate)	8.0
With deferral (revised estimate)	8.0
(Effect of action on 1976 outlays	—)

Deferral No. D75-12A

SUPPLEMENTARY REPORT
Report Pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-12 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361. This deferral was submitted initially for information purposes only, as determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The amount previously reported for budgetary resources has been adjusted upward to reflect (1) an additional $653,329 of unobligated balances brought forward July 1, 1974, and (2) an additional $600,000 in receipts from loan repayments. The amount deferred has also been adjusted upward to reflect the higher unapportioned balance in the fund as a result of these additional resources.

In addition, a reestimate of the 1975 outlay effect results in a $3,250,000 increase in estimated outlay savings.

Deferral No.: D75-12A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. _____)	$ _____
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources	$ 5,912,329 1/ *
Appropriation Title & Symbol	Total Budgetary Resources	$ 5,912,329 *
Fisheries Loan Fund 137/04317	Amount to be deferred part of year	_____
	Amount to be deferred for entire year	$ 5,292,329 *

1/ Reflects an increase of $4,177,329 over amounts shown in the President's FY 1975 Budget due to current receipts from loan repayments.

Justification

The Fisheries Loan Fund was established pursuant to section 4 of the Fish and Wildlife Act of 1956, as amended (16 USC 742c). The purpose of the Fund "is to provide financial assistance which will aid the commercial fishing industry to bring about a general upgrading of the condition of both commercial fishing vessels and gear thereby contributing to more efficient and profitable fishing operations" (50 CFR 250.2). This is a revolving fund with an authorized level of $20 million. Loans from the fund can be provided whenever members of the fishing industry are unable to obtain commercial loans on reasonable terms.

By notice of action recorded in the Federal Register on February 20, 1973, the Administrator of the National Oceanic and Atmospheric Administration (NOAA) declared a moratorium on accepting further loan applications effective March 1, 1973, until further notice. The order indicated that, "the aggregate amount of outstanding loans, applications on hand or anticipated, and the Fund's actual or contingent expenses are expected to exhaust the Fund's ability to make further loans in a meaningful manner until such a time as scheduled collections sufficiently restore the Fund's available capital."

On February 22, 1973, the General Accounting Office issued a report entitled the "Need to Establish Priorities and Criteria for Managing Assistance Programs for U.S. Fishing Vessel Operators (B-177024)." The GAO concluded in its report that loans made from the Fisheries Loan Fund (1) allowed the continued use of inefficient vessels rather than improving vessels and equipment for more efficient and profitable fishing, and (2) maintained or added vessels to segments of the fishing industry which were considered to have excess, but not necessarily efficient harvesting capacity. GAO recommended that the Secretary of Commerce, to the extent legally permissible, develop criteria for evaluating vessel efficiency and priorities for directing these program funds.

*Revised from previous submission.

Deferral No. D75-12A

NOAA has had the management of the Fisheries Loan Fund and the recommendations of the GAO under review. NOAA agrees with the GAO on the need to restrict loans from the Fund to improving efficient vessels in under-capitalized areas or where an excess harvesting capacity does not already exist. NOAA has determined that legislative clarification of the Act will be required to establish criteria for directing the Fund. A legislative proposal is expected to be included in the Department of Commerce legislative program submitted with the FY 1976 budget. Until such time as legislative clarification has been obtained and the Fund regains a stronger capital position, we believe that prudent management dictates that the moratorium remain in effect and the receipts of the Fund continue to be held in reserve for contingencies (31 USC 665).

Estimated Effects *

If these funds are released, then the probability exists that loans made from the Fund would not be directed toward improving U.S. fishing fleet efficiency and competitiveness due to lack of meaningful criteria. Release of these funds would also result in increasing FY 1975 outlays by $5,000,000 over that shown in the President's Budget.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	0
Without deferral (current estimate)	$5.0
With deferral (revised estimate)	0
(Effect of action on 1976 outlays	---)

*Revised from previous submission.

Deferral No. D75-30A

SUPPLEMENTARY REPORT
Report Pursuant to Section 1014(c) of P.L. 93-344

This supplemental message modifies Deferral No. D75-30, transmitted in the special message of October 4, 1974, and printed as House Document No. 93-365. This deferral was submitted initially for information purposes only, as determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The appropriation for the Coastal Zone Management program (P.L. 93-433) was signed October 5, 1974, and apportioned November 5, 1974. The amount of the deferral shown on this report has been reduced $1,000,000 to reflect a policy decision to defer that amount from obligation until 1976. This deferral has been reported separately as D75-95 in the Special Message of November 26. The $2,175,000 remaining deferred on this report is continuing to be deferred pursuant to the Antideficiency Act (31 U.S.C. 665).

Deferral No.: D75-30A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 93-433)	$ 12,000,000
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources	$ 3,251,443
Appropriation Title & Symbol	Total Budgetary Resources	$ 15,251,443
Coastal Zone Management 13X1451	Amount to be deferred part of year	$ 2,175,000*
	Amount to be deferred for entire year	

Justification

The Coastal Zone Management Act (P.L. 92-583) provides financial assistance to coastal States to aid them in developing programs to wisely manage and use their coastal land and water resources. Under sections 305 and 306 of the Act, grants are available to States for the purposes of developing and managing an approved coastal zone program. Under section 312 of the Act, grants are available to coastal States to aid them in the cost of acquisition, development and operation of estuarine sanctuaries. These sanctuaries are specialized areas which provide natural field laboratories in which studies can be conducted on the natural and human processes occurring within estuaries. The data which is gathered from these estuarine sanctuaries is supportive of the overall coastal zone management program.

Under the authorization for section 312, estuarine sanctuaries, $4M was appropriated. At this time one State grant application in the amount of $825,000 has been approved. The remaining $2,175,000 has been reserved for contingencies pursuant to the Anti-deficiency Act (31 USC 665). These amounts remain available for obligation until expended. Further applications for estuarine sanctuary grants are currently in various stages of development. It is anticipated that the amount deferred will be apportioned as qualified grantees are approved. In the meantime, the Office of Coastal Zone Management is developing a comprehensive plan for an estuarine sanctuary program.

Estimated Effects

The FY 1975 budget estimates anticipate the use of these funds during the current fiscal year. However, the efficient management of these funds to achieve the goals of the Act necessitates that we defer apportionment of these funds while applications are under review and the overall program guidelines are being developed. Release of the funds at this time would only increase pressure for approval of individual State applications before a comprehensive nationwide plan has been developed.

* Revised from previous report.

Deferral No. D75-30A

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$15.5
Without deferral (current estimate)	15.5
With deferral (revised estimate)	15.5
(Effect of action on 1976 outlays	----)

Deferral No.: D75-32A

SUPPLEMENTARY REPORT
REPORT PURSUANT TO SEC. 1014(C) OF P.L. 93-344

This supplementary message modifies Deferral No. D75-32 transmitted in the special message of October 4, 1974, and printed in House Document No. 93-365.

Total budgetary resources available in these accounts have increased by $5,142,865,858, reflecting enactment of the 1975 Defense appropriation bill (P.L. 93-437), estimated reimbursable orders for 1975, and revised unobligated balances brought forward July 1. Of the $3,059,000,000 appropriated in 1975, all but $816,770,000 have been made available for obligation this year. In addition, $70,000,000 of 1973 shipbuilding funds previously reported as deferred have been released for obligation. The total amount currently deferred in these accounts is $1,244,760,000. It is anticipated that these funds will remain deferred for the entire year, as the $6,623,837,858 apportionment for 1975 is considered sufficient to meet program requirements.

Deferral No.: D 75-32A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Defense	New budget authority (P.L. 93-437)	$ 3,059,000,000*
Bureau	Other budgetary resources	4,809,597,858*
Appropriation Title & Symbol Shipbuilding and Conversion, Navy appropriations	Total Budgetary Resources	7,868,597,858*
	Amount to be deferred part of year	0*
	Amount to be deferred for entire year	1,244,760,000*

Justification*

Due to the long period of time required to build ships, the Congress makes appropriations available for five-year periods.

Since these funds are, by law, made available beyond the current year, they are not fully apportioned in the current year. The unapportioned amount is withheld and released as the program develops and additional funds are required. The amounts deferred are to be released contingent upon the development of program needs which arise in current and future years.

New budget authority has been increased by the enactment of the 1975 Department of Defense Appropriation Act. Other budgetary resources have been increased by $2,083,865,858 due to estimated reimbursable orders to be received by the 1975 appropriation and changes in the carryover of unobligated balances on June 30, 1974.

The following multi-year appropriations are currently being deferred under provisions of the Anti-Deficiency Act (31 U.S.C. 665) which authorize the establishment of reserves for contingencies.

Shipbuilding and Conversion, Navy	173/71611	$ 80,000,000
Shipbuilding and Conversion, Navy	174/81611	347,990,000
Shipbuilding and Conversion, Navy	175/91611	816,770,000
		$1,244,760,000

Estimated Effects*

Of total budgetary resources of $7.9 billion, $6.6 billion have been made available to meet program requirements. Deferral of $1.2 billion will, therefore, have no program or budgetary impact in FY 1975 or later years, since these funds could not be obligated even if made available. Rather, the deferral of these multi-year funds assures availability of funds in future years to meet continuing program requirements.

*Revised from previous submission.

Deferral No. D75-32A

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$3,563
Without deferral (current estimate).....	2,450
With deferral (revised estimate).....	2,450
(Effect of action on 1976 outlays.....	---)

Deferral No. D75-40A

SUPPLEMENTARY REPORT
Report pursuant to Section 1014(c) of P.L. 93-344

This supplementary message modifies Deferral No. D75-40A transmitted in the special message of October 4, 1974 and printed in House Document No. 93-365. This deferral was submitted initially for information purposes only because the determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

The amounts previously reported for budgetary resources have been adjusted upward to reflect actual unobligated balances of $19,044,843 brought forward on July 1, 1974. The amount deferred has been reduced to $6,432,000, reflecting further completion of plans for several construction projects and refinement of the estimated costs.

Deferral No.: D75-40A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L.)	$
Bureau National Institutes of Health	Other budgetary resources	19,044,843*
Appropriation Title & Symbol	Total Budgetary Resources	19,044,843*
NIH/Buildings and Facilities 75X0838	Amount to be deferred part of year	--
	Amount to be deferred for entire year	6,432,000*

Justification: *
Appropriation Act language for fiscal years 1970 through 1974 for the Department of Health, Education, and Welfare authorized funds for NIH Buildings and Facilities to "remain available until expended." These funds were appropriated for miscellaneous repairs and improvements and planning of Federal facilities on the National Institutes of Health campus in Bethesda, Maryland. The funds have always been apportioned to HEW as plans are developed for their use. HEW does not anticipate that all of the plans will be ready for funding in 1975. Part of the amount to be obligated in 1976 is for the second phase of the design of the Environmental Health Sciences Center in North Carolina. In addition, funds for waste handling facilities on the National Institutes of Health campus will be obligated in 1976 pending completion of feasibility studies to determine what types of facilities are needed. The balance of the amount to be obligated in 1976 is for the Tri-service Incinerator whose construction has been delayed pending the outcome of environmental litigation and for utilities extensions on the NIH campus for which plans will not be fully developed during 1975. These are reserves for contingencies pursuant to the Antideficiency Act (31 U.S.C. 665).

Estimated Effects: *
The delay in obligation of these funds is one of routine financial administration and no deleterious effects are anticipated. This deferral was anticipated in the 1975 budget and has as its objective prudent management of funds. This deferral has no impact upon outlays, since funds would not be obligated, even if available, until plans for their use are finalized. The deferral will have no adverse effects on the purpose, objectives or scope of NIH programs.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$13,571
Without deferral (current estimate)	7,000
With deferral (revised estimate)	7,000
(Effect of action on 1976 outlays	---)

*Revised from previous submission.

Deferral No. D75-2A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-2 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

The previous report included a deferral amount of $5,437,250, the estimated additional amount that would have been obligated through September 30, 1974 under the original Continuing Resolution for grants to States for public library services. This revision reflects an additional $5,437,250, which is the estimated amount that would have been obligated during the second quarter of 1975 under the extended Continuing Resolution. This results in a total deferral of $10,874,500 through December 31, 1974. (This amount is in addition to the $12,500,000 that has been made available for the program in these two quarters.)

The original deferral report was made in the first quarter while Congressional action was pending on the Labor-HEW Appropriations Act of 1975 (P.L. 93-517). The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

The conference committee report on the Labor-HEW Appropriations Act (H.R. 15580, signed into law--P.L. 93-571--on December 7, 1974) indicated Congressional willingness "to give full consideration to such rescissions and deferrals" as might be required to keep 1975 spending within the total budget estimate for the bill (p.21, House Report No. 93-1489). Accordingly, a withholding of regular 1975 appropriations for this program may be the subject of further reporting under Title X of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344) in the near term.

Deferral No.: D75-2A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L. 93-448)	$ 23,374,500*
Bureau Office of Education	Other budgetary resources	
Appropriation Title & Symbol Library Resources - 7550212 (Public Libraries)	Total Budgetary Resources	23,374,500*
	Amount to be deferred part of year	10,874,500*
	Amount to be deferred for entire year	---

Justification: *

The 1975 budget proposed continuing the Public Libraries program at a level of $25,000,000. The House-passed HEW-Labor appropriations bill provides $46,749,000 and the Senate-passed version provides $69,500,000. The House amount of $46,749,000, the same as the 1974 level, is the maximum annual rate available under the Continuing Resolution. In addition, the Library Partnership Act has been submitted by the Administration at $15,000,000 and is designed to give greater impact to Federal funding directed toward public libraries than the current program. Demonstration projects will be supported that test the integration of library and information service, and new methods of library service delivery.

This deferral is proposed to preserve the flexibility of the Congress and the Administration in arriving at a final decision on the level at which this program should be continued.

Estimated Effects: *

The effect of this deferral is to fund the program at a level of $12,500,000 for the first half of FY 1975 ($6,250,000 per quarter), as contrasted to $23,374,500 per half in FY 1974 ($11,687,250 per quarter). The greatest programmatic effect is at the local level where ongoing projects are being curtailed. Hours of service, numbers of personnel, and acquisition of books and materials are being reduced. If the deferred funds are made available later in the year, States will still be able to effectively utilize them, and, to a large extent, restore the services that have been curtailed. The deferral will have no effect on outlay estimates as included in the President's 1975 budget.

*Revised from previous submission.

Deferral No. D75-2A

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$42.1
Without deferral (current estimate).....	53.0
With deferral (revised estimate).....	53.0
(Effect of action on 1976 outlays.....	---)

Deferral No.: D75-3A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-3 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

The previous report included a deferral amount of $2,906,250, the estimated additional amount which would have been obligated through September 30, 1974, under the original Continuing Resolution, for the State grant portion of the University Community Services program. This revision reflects an additional $2,906,250 which is the estimated amount that would be obligated during the second quarter of 1975 under the extended Continuing Resolution. This results in a total deferral of $5,812,500 through December 31, 1974. (The amount of $300,000 has been made available for State agency operating expenses for the program in each of the two quarters.)

The original deferral report was made in the first quarter while Congressional action was pending on the Labor-HEW Appropriations Act of 1975 (P.L. 93-517). The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

The conference committee report on the Labor-HEW Appropriations Act (H.R. 15580, signed into law--P.L. 93-571--on December 7, 1974) indicated Congressional willingness "to give full consideration to such rescissions and deferrals" as might be required to keep 1975 spending within the total budget estimate for the bill (p.21, House Report No. 93-1489). Accordingly, a withholding of regular 1975 appropriations for this program may be the subject of further reporting under Title X of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344) in the near term.

Deferral No.: D75-3A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L. 93-448)	$ 6,412,500*
Bureau Office of Education	Other budgetary resources	
Appropriation Title & Symbol	Total Budgetary Resources	6,412,500*
Higher Education - 7550293 (University Community Services)	Amount to be deferred part of year	5,812,500*
	Amount to be deferred for entire year	

Justification:*

No funds were requested in the 1975 President's budget for the University Community Services program because this program provided support for projects of cooperation between communities and universities. It is the Administration's position that this support is primarily the responsibility of the State or locality and that aid directed to the student is a more desirable use of Federal resources in Higher Education. The House and Senate, in acting on the Labor-HEW bill, provided an appropriation of $14,250,000, the maximum annual rate permissible under the Continuing Resolution. This deferral does not address the 10% of the appropriation reserved to the Commissioner and not normally obligated until later in the fiscal year. Of the remaining 90% for State grants, an amount of $6,412,500 would presumably be available for the first half of the year.

Funds of $600,000 have been released under the Continuing Resolution to cover operating expenses of State agencies during the first half. Although more funds could be released under the Continuing Resolution, there is no urgent need to do so. If an appropriation is enacted before the end of the first half, the entire amount appropriated can be utilized in an orderly and efficient manner. In the meantime, this proposed deferral would preserve the flexibility of the Congress and the Administration in arriving at a final decision on the level at which this program should be continued.

Estimated Effects:*

Except for the State agency operating expenses, for which funds have been released, the States and institutions do not begin using the funds until later in the year. Therefore, the effect on institutions of a deferral through the second quarter is not adverse.

*Revised from previous submission.

Deferral No. D75-3A

Higher Education
(entire account)

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$1,888
Without deferral (current estimate).....	1,902
With deferral (revised estimate).....	1,902
(Effect of action on 1976 outlays.....	---)

Deferral No.: D75-6A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-6 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

The previous deferral report included $16,000,000, the estimated amount that would be obligated through September 30, 1974, under the original Continuing Resolution, for payments to school districts in federally affected areas for Section 3(b) children (those whose parents work on Federal property, live on private property, and pay local property taxes). This revision reflects an additional $48,000,000 which is the estimated amount that would be obligated during the second quarter of 1975 under the extended Continuing Resolution. This results in a total deferral of $64,000,000 through December 31, 1974.

The original deferral report was made in the first quarter while Congressional action was pending on the authorization bill for this program and on the Administration's requested appropriation. The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

Upon enactment of the pending 1975 Supplemental Appropriations bill (H.R. 16900), the budget authority being deferred will either be released or made the subject of a new proposal to the Congress.

Deferral No.: D-75-5A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health Education, and Welfare	New budget authority (P.L. 93-448)	$ 1,500,000 *
Bureau Office of Education	Other budgetary resources	
Appropriation Title & Symbol	Total Budgetary Resources	1,500,000 *
Higher Education - 7550293 (State Postsecondary Education Commissions)	Amount to be deferred part of year	700,000 *
	Amount to be deferred for entire year	---

Justification: *

No funds were requested in the 1975 President's Budget to continue support for this activity, on the grounds that the programs which the commissions administer are now so small that the required funding level can be borne out of other State funds. However, the House, in acting on the Labor-HEW bill, provided an amount of $3 million, the same as the 1974 level, and the maximum annual rate permissible under the Continuing Resolution. The Senate allowance increased the program level to $4,000,000. An amount of $800 thousand has been released to provide funds needed by State agencies during the first two quarters to administer certain Federal programs for which funds were appropriated during 1974. While additional funds of $700 thousand could be relased under authority of the Continuing Resolution to carry out comprehensive planning activities, deferral of the small increment for each State would have minimal impact on individual State programs. This deferral is proposed to preserve the flexibility of the Congress and the Administration in arriving at final decision on funding for this program.

Estimated Effects:*

A first and second quarter deferral will have little programmatic effect. State agencies will not be helped by small incremental funding. Except for the $800 thousand already released, this proposed action has no budgetary impact.

*Revised from previous submission.

Deferral No. D75-5A

SUPPLEMENTARY REPORT

Report Pursuant to Sec. 1014(c) of P. L. 93-344

This supplementary message revises Deferral No. D-75-5 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

The previous report included a deferral amount of $350,000, the estimated additional amount that would have been obligated through September 30, 1974, under the original Continuing Resolution, for State postsecondary education commissions. This revision reflects an additional $350,000 which is the estimated amount that would be obligated during the second quarter of 1974 under the extended Continuing Resolution. This results in a total deferral of $700,000 through December 31, 1974. (The amount of $400,000 has been made available for the program in each of the two quarters.)

The original deferral report was made in the first quarter while Congressional action was pending on the Labor-HEW Appropriations Act of 1975 (P.L. 93-517). The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

The conference committee report on the Labor-HEW Appropriations Act (H.R. 15580, signed into law--P.L. 93-571--on December 7, 1974) indicated Congressional willingness "to give full consideration to such rescissions and deferrals" as might be required to keep 1975 spending within the total budget estimate for the bill (p. 21, House Report No. 93-1489). Accordingly, a withholding of regular 1975 appropriations for this program may be the subject of further reporting under Title X of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344) in the near term.

Deferral No.: D-75-5A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health Education, and Welfare	New budget authority (P.L. 93-448)	$ 1,500,000 *
Bureau Office of Education	Other budgetary resources	
Appropriation Title & Symbol Higher Education - 7550293 (State Postsecondary Education Commissions)	Total Budgetary Resources	1,500,000 *
	Amount to be deferred part of year	700,000 *
	Amount to be deferred for entire year	---

Justification: *

No funds were requested in the 1975 President's Budget to continue support for this activity, on the grounds that the programs which the commissions administer are now so small that the required funding level can be borne out of other State funds. However, the House, in acting on the Labor-HEW bill, provided an amount of $3 million, the same as the 1974 level, and the maximum annual rate permissible under the Continuing Resolution. The Senate allowance increased the program level to $4,000,000. An amount of $800 thousand has been released to provide funds needed by State agencies during the first two quarters to administer certain Federal programs for which funds were appropriated during 1974. While additional funds of $700 thousand could be relased under authority of the Continuing Resolution to carry out comprehensive planning activities, deferral of the small increment for each State would have minimal impact on individual State programs. This deferral is proposed to preserve the flexibility of the Congress and the Administration in arriving at final decision on funding for this program.

Estimated Effects:*

A first and second quarter deferral will have little programmatic effect. State agencies will not be helped by small incremental funding. Except for the $800 thousand already released, this proposed action has no budgetary impact.

*Revised from previous submission.

Deferral No. D75-5A

Higher Education
(entire account)

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$1,888
Without deferral (current estimate).....	1,902
With deferral (revised estimate).....	1,902
(Effect of action on 1976 outlays.....	---)

Deferral No.: D75-6A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L. 93-448)	$ 64,000,000*
Bureau Office of Education	Other budgetary resources	
Appropriation Title & Symbol	Total Budgetary Resources	64,000,000*
School Assistance in Federally Affected Areas - 7550280	Amount to be deferred part of year	64,000,000*
(Payments for "B" children)	Amount to be deferred for entire year	

Justification:*

This is a program of aid to school districts, authorized by P.L. 81-874, that provides support to eligible districts to offset revenue lost due to the presence of Federal, nontaxable land.

The Continuing Resolution (P.L. 93-448) continues funding until the adjournment of this Congress of payments to school districts for children whose parents work on Federal property, live on private property and pay local property taxes for the support of their schools. No funds were requested in the President's 1975 budget for these children. An amount of $40 million was budgeted to provide funds on a hardship basis (no school district would lose an amount greater than 5% of its 1974 operating budget) for those school districts which will be most severely affected by the termination of funding for "B" children.

The House allowance of $354,616,000 for this program would provide payments to school districts at 70% of full entitlement (compared to 68% in 1974). The Senate Committee has concurred in this recommendation. The requested deferral of $64 million represents the estimated amount which would be obligated through December 31, 1974. This amount is proposed for deferral to preserve the flexibility of the Congress and the Administration in arriving at a final decision on the level at which this program should be continued.

Withholding of 3(b) funds should effect no severe hardship on any school district in the first and second quarters.

*Revised from previous submission.

Deferral No. D75-6A

Estimated Effects:*

The total outlay savings from deferring 3(b) funds is $64,000,000 through the second quarter of FY 1975. Estimated outlays under the hardship provision (upon enactment) remain the same as reflected in the President's budget: 1975, $28,000,000; 1976, $11,000,000; and 1977, $1,000,000.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$482
Without deferral (current estimate).....	593
With deferral (revised estimate).....	593
(Effect of action on 1976 outlays.....	---)

*Revised from previous submission.

Deferral No.: D75-7A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-7 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

This revision reflects a $5,000,000 increase in the amount deferred through December 30, 1974, for the Innovation and Expansion grant activity of the Rehabilitation Services account for the Social and Rehabilitation Service.

Under provisions of the Rehabilitation Act of 1973, this program was a formula grant program. Such grants are issued quarterly. The $5,000,000 of budget authority deferred from the first quarter awards is being extended into the second quarter and an additional $5,000,000 available for second quarter awards is being deferred. Outlay savings equal to the aforementioned budget authority are also included in this report.

This change reflects a continuation of the Department's decision to maintain maximum flexibility of operating levels pending completion of the appropriations process.

The original deferral report was made in the first quarter while Congressional action was pending on the Labor-HEW Appropriations Act of 1975 (P.L. 93-517). The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

The conference committee report on the Labor-HEW Appropriations Act (H.R. 15580, signed into law--P.L. 93-571--on December 7, 1974) indicated Congressional willingness "to give full consideration to such rescissions and deferrals" as might be required to keep 1975 spending within the total budget estimate for the bill (p.21, House Report No. 93-1489). Accordingly, a withholding of regular 1975 appropriations for this program may be the subject of further reporting under Title X of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344) in the near term.

Deferral No.: D75-8A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-8 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361.

This revision reflects an increase of $375,000 in the amount deferred through December 31, 1974, for the Child Welfare Services activity of the Public Assistance account for the Social and Rehabilitation Service. This action results in a total deferral of $750,000.

In this formula grant program, awards are made to the States on a quarterly basis. The $375,000 deferral from the first quarter awards is being continued into the second quarter and an additional $375,000 from the amount available for second quarter awards is being deferred. Outlay savings equal to the aforementioned budget authority are also included in this change.

This change reflects a continuation of the Department's decision to maintain maximum flexibility of operating levels pending completion of the appropriations process.

The original deferral report was made in the first quarter while Congressional action was pending on the Labor-HEW Appropriations Act of 1975 (P.L. 93-517). The deferral was extended into the second quarter and modified as discussed above to maintain the flexibility of the Congress and the Executive in arriving at a final decision on the level at which this program should be continued.

The conference committee report on the Labor-HEW Appropriations Act (H.R. 15580, signed into law--P.L. 93-571--on December 7, 1974) indicated Congressional willingness "to give full consideration to such rescissions and deferrals" as might be required to keep 1975 spending within the total budget estimate for the bill (p.21, House Report No. 93-1489). Accordingly, a withholding of regular 1975 appropriations for this program may be the subject of further reporting under Title X of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344) in the near term.

Deferral No.: D75-8A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L. 93-448)	$ 23,750,000*
Bureau Social and Rehabilitation Service	Other budgetary resources	---
Appropriation Title & Symbol	Total Budgetary Resources	23,750,000*
Public Assistance - 754/50581 (Child Welfare Services)	Amount to be deferred part of year	750,000*
	Amount to be deferred for entire year	---

Justification:*

The amount of $46,000,000 was requested in the 1975 budget for support of Child Welfare Services authorized under Title IV B, Section 420 of the Social Security Act. The House-passed appropriations bill included $47,500,000 for this program, which is the Continuing Resolution authorized level. The Senate-passed bill included $50,000,000. The budget request reflected the level of support which existed for the several preceding years.

Federal support under Title IV, Part B, has always been a small portion (about 3%) of the total Child Welfare Services funded under Title IV, Parts A and B. Due to increases in other programs dealing with Child Welfare Services, especially under public assistance social services (Title IV, Part A), there is no compelling need to increase this appropriation. This deferral is proposed to preserve the flexibility of the Congress and the Administration in arriving at a final decision on a funding level for this program.

Estimated Effects:*

The proposed deferral for Title IV B, Child Welfare Services, until the end of the second quarter or until the 1975 appropriation bill is finalized, whichever is sooner, would have a negligible effect on the provision of services or the number of persons receiving services.

Federal dollars in this program represent a small portion of the activities funded by State and other Federal grant programs. The total outlay savings is $750,000. These savings are reflected in the latest budget estimate.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$46
Without deferral (current estimate)	46
With deferral (revised estimate)	46
(Effect of action on 1976 outlays	—)

*Revised from previous submission.

Deferral No.: D75-132

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority (P.L. 93-448)	$ 179,791,000
Bureau Social and Rehabilitation Service	Other budgetary resources	---
Appropriation Title & Symbol Work Incentives - 7550576 (Training and Incentives)	Total Budgetary Resources	179,791,000
	Amount to be deferred part of year	50,000,000*
	Amount to be deferred for entire year	---

Justification:

The amount of $190,000,000 was requested in the 1975 budget for support of the work and training (DOL)** portion of the Work Incentive program authorized under Title IV, Section 431 of the Social Security Act. The House-passed appropriations bill included $190,000,000 for this activity; the authorized level of activity under the Continuing Resolution is $189,141,700 ($170,441,000 for training and incentives, and $18,700,700 for administrative costs). The Senate-passed appropriations bill included $140,000,000 for this program ($120,441,000 for training and incentives, and $19,559,000 for administrative costs). A deferral of $50,000,000 for training and incentives is proposed to stay within the Senate bill.

Pursuant to the apportionment and funding practices carried out in FY 1974, current year budget authority is being allocated to the States in the second quarter for the training and incentives program. Restraining the level of activity to the Senate-passed allowance defers $50,000,000 from the level authorized in the Continuing Resolution.

The deferred funds are not available beyond fiscal year 1975.

Estimated Effects:

During the first quarter of FY 1975, the WIN (DOL) program was operated at the House level of $190 million. However, based on the Senate level of $140 million for DOL, action has been taken to control program operation during the second quarter at the reduced level pending final

*This deferral action was taken to preserve the flexibility of the Congress and the Administration in arriving at a final decision on a funding level for this program. This action was ratified by the Congress in its action in the 1975 Labor-HEW Appropriations Act (P.L. 93-517).

**Department of Labor.

Deferral No. D75-132

Congressional action. While the overall budgeted cost level for Training and Incentives may be maintained with the reduced new obligational authority, some subcontracts will have to be short funded or not funded at all, since many subcontractors refuse to sign less than full-term contracts. In some areas, the deferral will increase the difficulty in meeting the On-The-Job Training/Public Service Employment one-third expenditure requirement. No outlay savings will result from this deferral.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal).....	$316
Without deferral (current estimate).....	315
With deferral (revised estimate).....	315
(Effect of action on 1976 outlays.....	---)

Deferral No.: D75-44A

SUPPLEMENTARY REPORT
Report Pursuant to Sec. 1014(c) of P.L. 93-344

This supplementary message revises Deferral No. D75-44 transmitted in the special message of September 20, 1974, and printed in House Document No. 93-361. This deferral was submitted initially for information purposes only, because the determination to withhold this budget authority from obligation was made prior to enactment of the Congressional Budget and Impoundment Control Act of 1974. Since this previous report, an action has been taken with respect to this deferral which now places it under the provisions of the Act.

This revision reflects a $2.9 million decrease in the amount deferred through June 30, 1974 for the Social Security Administration of the Department of Health, Education, and Welfare. This revision reflects the apportionment of previously deferred funds to be used to meet immediate needs in the Social Security Administration construction program, especially in the headquarters activity. These needs involve legal claims by the architects involved in the design phase of the proposed new headquarters buildings--the remaining amount of the deferral is reserved for future construction needs.

Deferral No. D75-44A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency: Department of Health Education and Welfare	New budget authority (P.L. _____) $ --
Bureau: Social Security Admin.	15,393,497
Appropriation Title & Symbol:	Other budgetary resources _____
Limitation on Construction	Total Budgetary Resources 15,393,497
75X8705	Amount to be deferred part of year _____
	Amount to be deferred for entire year 12,527,621 *

Justification:*

Funds provided under the Limitation on Construction of the Social Security Administration remain available until expended in recognition of the long lead time between the provision of funds and their use in carrying out authorized construction projects. Previously, $15,393,497 was deferred. We now plan to obligate a part of this in FY 1975, and now, a total of $12,527,621 has been placed in reserve pursuant to the Antideficiency Act (31 USC 665) and is proposed for deferral. This full amount is proposed to be deferred for the entire year. The amounts involved fall into two categories, discussed below.

Unused balances of funds provided for construction of program centers

In 1972, $18.2 million, to remain available until expended, was provided in the Departments of Labor and Health, Education, and Welfare Appropriation Act, 1972, for direct construction of program centers in Philadelphia, Chicago, and San Francisco. Subsequent to the provision of these funds, it was determined, with the concurrence of the Congress, that these centers would be built under the purchase contract method. This reduced the immediate funding requirements to $6.1 million, thus making $12.1 million available to meet other SSA construction requirements. In 1974, the Congress authorized $4.1 million to be reprogrammed for district office construction. Of these reprogrammed funds, $2.0 million was released for obligation in 1974, and $2.0 million is reserved for future obligation. Of the remaining 8.0 million of unused program center funds, $5.8 million is proposed for reprogramming in 1975 for district office construction and $1.1 million is to be reprogrammed to meet unexpected needs in headquarter's construction. If this reprogramming is approved by the Congress, it is

* Revised from previous submission.

Deferral No. D75-44A

expected that these funds will be released for obligation in future years. The balance of unused program center funds (about $1.1 million) is proposed for deferral through the end of 1976, remaining available to meet requirements in future years.

Unused balances of funds provided for district office construction

A total of $5,646 thousand (in addition to the $5.8 million mentioned above) is being reserved for future obligation. This includes $3,613 thousand remaining from the 1967 district office construction program and $2,033 thousand reprogrammed from the program center activity in 1974. The fact that these funds have not yet been obligated reflects a change in circumstances which required a reevaluation of the district office construction program which had been approved in 1967. Subsequent to the provision of funds for this program, it was determined that efficiency of operations and better service to the public necessitated the development of a system of branch offices. The effect of this decision was to delay much of the district office construction that had been authorized in the 1967 program. The branch offices, however, are generally located in leased space, rather than in facilities constructed specifically for SSA use. Thus, they are not financed from this appropriation, and reprogramming of the unneeded district office funds for this purpose was not feasible. SSA is evaluating whether or not those funds are needed. A further complication in determining the appropriate use of the district office funds was introduced by the enactment of the Supplemental Security Income program, which has a significant impact on the requirements for district office space. As a result of these factors, plans have not yet been developed for the use of the remaining balances of these funds and their release is proposed to be deferred pending the development of such plans.

Estimated Effects:

The funds intended to be apportioned for obligation in 1975 will permit SSA to carry out its authorized construction program in an orderly manner. No currently planned construction would be delayed by this deferral. Because of the time required to plan, authorize, and carry out construction activity, release of the funds at this time would be unlikely to affect the level of outlays in 1975 and would have minimal impact on 1976 outlays. This deferral has no effect on the level of outlays forecast in the February budget.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$15.6
Without deferral (current estimate)	14.6
With deferral (revised estimate)	14.6
(Effect of action on 1976 outlays	---)

ENCLOSURE

Deferral No. D75-44A

PLANNED DISPOSITION OF UNAPPORTIONED
SOCIAL SECURITY CONSTRUCTION FUNDS (75X8705)
($ in thousands)

Construction Program	Total Amount	Planned to be released for obligation	
		In 1975	In future years
Headquarters Funds:	———	———	———
Program Center Funds:			
Balance available for other construction (as of 7/1/74)	10,062	———	———
Reprogrammed in 1974 for district office construction		———	2,033
Proposed for reprogramming in 1975 for district office construction		———	5,796
Proposed for reprogramming in 1975 for headquarters construction		1,148	———
Proposed to remain available for future requirements		———	1,085
District Office Funds:			
Balances available (as of 7/1/74):			
1967 construction program	4,531	918	3,613
1971 construction program	800	800	———
Total Deferrals	15,393	2,866	12,528

Deferral No.: D75-133

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority (P.L. 87-122)	$ 47,500,000
Bureau Bureau of Mines	Other budgetary resources	--
Appropriation Title & Symbol Helium Fund 14X4053	Total Budgetary Resources	47,500,000
	Amount to be deferred part of year	47,500,000
	Amount to be deferred for entire year	--

Justification:

Annual contract authority of $47,500,000 was provided for purchase of helium by P.L. 87-122. One reason for entering helium purchase contracts in 1961 was a projection of Governmental helium demand beyond projected supply capabilities. This demand was not realized and the Secretary of the Interior, under existing contract provisions, terminated the contracts in 1973. The validity of termination and the Government's liability for termination is presently being litigated in the Court of Claims.

Deferral of $47,500,000 in FY 1975 contract authority until April, 1975, is proposed. By that date, the Administrator of the Energy Research and Development Administration is required to report to the President and Congress his recommendations concerning the management of the Federal helium programs, as they relate to energy (Sec. 104(e), P.L. 93-438). After review of this report, the Department will be in a position to recommend either rescission of the annual contract authority or changes in the helium storage program.

Estimated Effects:

Government purchases of helium have been terminated and resumption of purchasing is not anticipated at this time. Had these contracts not been terminated, FY 1975 outlays from this authority would be about $40,000,000.

Total 1975 Outlays	Dollars in Thousands
1975 Budget (February transmittal).....	$1,756
Without deferral (current estimate).....	-86
With deferral (revised estimate).....	-86
(Effect of action on 1976 outlays).....	--)

Deferral No.: D75-134

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Labor	New budget authority (P.L. 93-448)	$ 2,265,584,000
Bureau Manpower Administration	Other budgetary resources	
Appropriation Title & Symbol	Total Budgetary Resources	2,265,584,000
Comprehensive Manpower Assistance, 1650174	Amount to be deferred part of year	5,000,000
	Amount to be deferred for entire year	

Justification:

The President on September 19, 1974, sent a supplemental budget request (S. Doc. 93-111) to the Congress which would have transferred $5,600,000 of the fiscal year 1975 appropriations available to the Department of Labor for research and development to the Bureau of Labor Statistics and the Employment Standards Administration. The Senate Appropriations Committee, in acting on the proposed supplemental, recommended a $5,600,000 reduction in the appropriation for Comprehensive Manpower Assistance (S. Rept. 93-1255) which was also passed by the Senate. The Department of Labor has determined that amounts warranted for this appropriation under continuing resolution authority (PL. 93-448) are in excess of fund availability, assuming the reduction is enacted. The deferral of this amount, $5,000,000, until the Congress completes action on the Supplemental Appropriation Act, 1975, would provide Congress with the necessary flexibility to arrive at a final funding level.

Estimated Effects:

The Department of Labor states that the deferral of these funds will limit some of the research activities in Comprehensive Manpower Assistance, but not that portion that affects the Comprehensive Employment and Training Act and is required by law.

Total 1975 Outlays	Dollars in Millions
1975 budget (February transmittal)	$2,000
Without deferral (current estimate)	2,715
With deferral (revised estimate)	2,710
(Effect of action on 1975 outlays	---)

Deferral No.: D75-135

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Labor	New budget authority (P.L. _____)	$ 67,759,000
Bureau Manpower Administration	Other budgetary resources	
Appropriation Title & Symbol Manpower Administration Program administration 1650172	Total Budgetary Resources	67,759,000
	Amount to be deferred part of year	200,000
	Amount to be deferred for entire year	---

Justification:

The President on September 19, 1974, sent a supplemental budget request (S. Doc. 93-111) to the Congress which would have transferred $1,800,000 of the fiscal year 1975 appropriations available to the Department of Labor for salaries and expenses to the Employment Standards Administration. In acting on the proposed supplemental, the Senate Appropriations Committee recommended a $1,500,000 reduction in the appropriation for Manpower Administration, Program administration (S. Rept. 93-1255), which was also passed by the Senate. The Department of Labor has determined that amounts warranted for this appropriation under continuing resolution authority (PL. 93-448) are in excess of the fund availability, assuming the reductions are enacted. The deferral of this amount, $200,000, until the Congress completes action on the Supplemental Appropriation Act, 1975, would provide Congress with the necessary flexibility to arrive at a final funding level.

Estimated Effects:

The Department of Labor states that there will be some reductions in the administrative part of the Manpower Administration because of this deferral, but the net effect is considered minimal.

Total 1975 Outlays	Dollars in Thousands
1975 budget (February transmittal)	$67,759
Without deferral (current estimate)	67,832 1/
With deferral (revised estimate)	67,632
(Effect of action on 1975 outlays	—)

1/ Includes increases due to Congressional action on fiscal year 1975 appropriation bill.

Deferral No.: D75-136

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Labor	New budget authority (P.L. 93-448)	$ 24,241,000
Bureau Departmental Management	Other budgetary resources	
Appropriation Title & Symbol	Total Budgetary Resources	24,241,000
Departmental Management Salaries and expenses 1650165	Amount to be deferred part of year	60,000
	Amount to be deferred for entire year	—

Justification:

The President on September 19, 1974, sent a supplemental budget request (S. Doc. 93-111) to the Congress which would have transferred $1,800,000 of the fiscal year 1975 appropriations available to the Department of Labor for Salaries and expenses to the Employment Standards Administration. In acting on the proposed supplemental, the Senate Appropriations Committee recommended a $300,000 reduction in the appropriation for Departmental management, Salaries and expenses (S. Rept. 93-1255), which was also passed by the Senate. The Department of Labor has determined that amounts warranted for this appropriation under continuing resolution authority (PL 93-448) are in excess of the fundavailability, assuming the reductions are enacted. The deferral of this amount, $60,000, until the Congress completes action on the Supplemental Appropriation Act, 1975, would provide Congress with the necessary flexibility to arrive at a final funding level.

Estimated Effects:

The Department of Labor states that this reduction will affect the support of trade negotiations by the Bureau of Internal Labor Affairs and some administrative support at the Departmental level. The net effect, however, is considered minimal.

Total 1975 Outlays	Dollars in Thousands
1975 budget (February transmittal)	$31,194
Without deferral (current estimate)	29,837
With deferral (revised estimate)	29,777
(Effect of action on 1975 outlays	---)

Deferral No.: D75-137

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency General Services Administration	New budget authority (P.L.)	$
Bureau	Other budgetary resources	2,804,834
Appropriation Title & Symbol	Total Budgetary Resources	2,804,834
Rare Silver Dollar Program 47X0701	Amount to be deferred part of year	
	Amount to be deferred for entire year	2,184,134

Justification

This deferral action is taken under the provision of the Antideficiency Act (31 U.S.C. 665) which authorizes the establishment of reserves for contingencies. Funds were appropriated in 1972 and 1973, without fiscal year limitation, for operating costs for disposal of rare silver dollars. The contingency of $2.2 million reflects revised disposal plans which do not anticipate any additional sales this year. Funds will be available for resumption of sales in 1976.

Estimated Effects

The deferral of funds for operating expenses will have no adverse effect on the silver dollar sales program since all of the remaining coins have been previously offered for sale and a new marketing plan is under review.

Total 1975 Outlays	Dollars in Thousands
1975 Budget (February transmittal)	$405
Without deferral (current estimate)	405
With deferral (revised estimate)	405
(Effect of action on 1976 outlays	)

Deferral No.: D75-138

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Advisory Commission on Intergovernmental Relations	New budget authority (P.L.)	$ 1,075,000
Bureau	Other budgetary resources	50,000
Appropriation Title & Symbol	Total Budgetary Resources	1,125,000
Salaries & Expenses 5550100	Amount to be deferred part of year	50,000
	Amount to be deferred for entire year	--

Justification:

The FY 1975 budget request for the Advisory Commission on Intergovernmental Relations (ACIR) provided for overhead and operating expenses in the amount of $1,101,000. Congressional action on ACIR appropriations reduced the request to $1,075,000--a reduction of $26,000. The Commission has received an additional $50,000 in budgetary resources as a result of Federal contracts for ACIR studies. These funds are available without regard to fiscal year limitation.

These funds have been deferred pending review of current operations. This review will be completed when the FY 1976 budget is transmitted to the Congress at which time a decision will be made as to whether the deferred funds should be made available or proposed for rescission.

Estimated Effects:

Sufficient funds are available within the 1975 appropriation to finance the Commission's activities until the review of its operating budget is completed.

This withholding, if maintained throughout the current fiscal year would reduce FY 1975 outlays by $50,000. Of this amount, $24,000 was not included in the most recent budget estimate. The following table identifies the budgetary effect in the event that a rescission is proposed and approved by the Congress:

Total 1975 Outlays	Dollars in Thousands
1975 Budget (February transmittal).....	1,194
Without deferral (current estimate).....	1,218
With deferral (revised estimate).....	1,168
(Effect of action on 1976 outlays.....	--)

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NOTICE TO FEDERAL REGISTER READERS

As part of its continuing program to improve the quality of the daily FEDERAL REGISTER and CODE OF FEDERAL REGULATIONS, the Office of the Federal Register is soliciting the views of interested persons on the effectiveness of individual Federal Register documents and on regulations contained in the CODE OF FEDERAL REGULATIONS.

Our goal is twofold:

First—to make each document published in the FEDERAL REGISTER easily understandable, thus making compliance easier, more efficient, and less costly; and

Second—to identify and correct any existing Federal regulations which are obsolete, unnecessarily wordy, or unclearly stated.

We believe this effort is consistent with the objectives stated by President Ford in his October 8th speech on the economy in which he announced "a joint effort by the Congress, the executive branch and the private sector to identify and eliminate existing Federal rules and regulations that increase costs to the consumer without any good reason in today's economic climate."

The Office of the Federal Register welcomes your comments and suggestions. The survey blank below is provided for that purpose. All comments received will be maintained in a public docket and will be available for inspection in the Office of the Federal Register to any interested persons or agencies. Comments which point out the need for substantive changes in existing regulations also will be forwarded to the responsible agency.

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