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5-26-76
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WEDNESDAY, MAY 26, 1976

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Ten agencies have agreed to a six-month trial period based on the assignment of two days a week beginning February 9 and ending August 6 (See 41 FR 5453). The participating agencies and the days assigned are as follows:

Monday	Tuesday	Wednesday	Thursday	Friday
NRC	USDA/ASCS		NRC	USDA/ASCS
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	CSC			CSC
	LABOR			LABOR

Documents normally scheduled on a day that will be a Federal holiday will be published the next work day following the holiday.

Comments on this trial program are invited. Comments should be submitted to the Director of the Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408.

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federal register
Area Code 202 Phone 523–5240

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H.R. 12018..... Pub. Law 94–288
An act to amend the Rehabilitation Act of 1973 to provide that the center for deaf-blind youths and adults established by such Act shall be known as the Helen Keller National Center for Deaf-Blind Youths and Adults
(May 21, 1976; 90 Stat. 520)

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 7—Agriculture

CHAPTER I—AGRICULTURAL MARKETING SERVICE (STANDARDS, INSPECTION, MARKETING PRACTICES), DEPARTMENT OF AGRICULTURE

PART 28—COTTON CLASSING, TESTING AND STANDARDS

Revision in Fees

Correction

In FR Doc. 76-14839 appearing on page 20680 in the issue of Thursday, May 20, 1976, the following corrections should be made:

1. On page 20682 in the second column, in item no. 5 the third line should read, "method for either zero or" and the seventh line should read "six specimens from a blended".

2. On page 20683, in item no. 24(a) in the third column the third line should read, "100-gram specimen".

Title 10—Energy

CHAPTER III—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

PART 790—GEOTHERMAL ENERGY RESEARCH, DEVELOPMENT, DEMONSTRATION AND PRODUCTION

Federal Guarantees on Loans

On October 28, 1975, the Energy Research and Development Administration (ERDA) published in the FEDERAL REGISTER (40 FR 50100) a proposed regulation concerned with enabling lenders to obtain Federal guarantees on loans to qualified borrowers for purposes related to the commercial development of practical means to produce electric power and other forms of useful energy from geothermal resources in an environmentally acceptable manner.

Generally, the proposed regulation provided priorities and criteria which ERDA intends to apply to the consideration of applications for, and granting or denial of, Federal loan guarantees. Further the regulation provided illustrations of information to be developed by the borower and the lender, and to be supplied to ERDA, including a detailed description of the project for which the and guaranty are required and an affirmation by the lender supporting the necessity for the Federal guaranty.

In addition, the regulation contained illustrations of cost items which would be acceptable for inclusion in the computation of the aggregate cost of a project.

Interested persons and Federal agencies were asked to comment and a period extending from the date of publication of the proposed regulation to December 12, 1975, was allocated for such purpose. Approximately sixty responses to the request for comments were received from the public and other Federal agencies. Generally, these comments were directed to the subject of eligible loans and priorities; definitions; loan guaranty criteria; supporting information; project costs illustrations; and, environmental considerations.

The comments, which were thoughtful and provocative, were considered thoroughly and many of them are incorporated in this final regulation. Section 790.4(b) was amended to provide a preference for small public and private utilities and small independently owned and operated businesses (as defined in §§ 790.5 (i) and (j)), and § 790.32(f) was inserted to permit the Administrator to allocate a portion of the amounts available for guarantees to such borrowers. A new section, § 790.46, was inserted to provide for future coordination between ERDA and the Department of the Interior regarding matters involving the loan guaranty program and lease administration under the Geothermal Steam Act of 1970. Another section, § 790.47, was established to provide borrowers and lenders with an ability to appeal decisions of the Manager to ERDA's Board of Contract Appeals. The requirement at § 790.20 in the proposed regulation for lenders to have available during preliminary discussions with the Manager an assessment of all aspects of the borrower's loan application was amended to provide at § 790.21(a)(23) for the submission of such information together with other information submitted with the guaranty application. In addition, a number of other changes have been made to improve clarity.

Therefore, ERDA herewith publishes this Part 790 under which it will administer its geothermal loan guaranty program. Part 790 is added to 10 CFR Ch. III to read as follows:

Subpart A—General Provisions

Sec.
790.1 Purpose.
790.2 Objectives.
790.3 Effective date.
790.4 Eligible loans and priorities.
790.5 Definitions.
790.6 Loan guaranty criteria.
790.7 Interest assistance.
790.8 Default payment.
790.9 Period of guarantees and interest assistance.
790.10 Information for Governors.

Subpart B—Applicatitons

790.20 Filing.
790.21 Supporting information.
790.22 Project cost illustrations.
790.23 Environmental considerations.
790.24 Mandatory purchase of flood insurance.

Subpart C—Servicing and Closing

Sec.
790.30 Loan servicing by lender.
790.31 User charge.
790.32 Geothermal resources development fund.
790.33 Project monitoring.
790.34 Loan disbursements by lender.
790.35 Satisfactory documentary evidence.
790.36 Withdrawal of guaranty.
790.37 Default and demand.
790.38 Preservation of collateral.
790.39 Treatment of payments.
790.40 Assignment and incontestability.
790.41 Survival of guaranty agreement.
790.42 Security with respect to borrower's assets.
790.43 Other federal assistance.
790.44 Patent and proprietary rights.
790.45 Closing.
790.46 Suspension, termination, or cancellation of operations or production on Federal land administered by the Secretary of the Interior.
790.47 Appeals.

AUTHORITY: Sec. 105(a) of the Energy Reorganization Act of 1974, Pub. L. 93-438; Title II of the Geothermal Energy Research, Development, and Demonstration Act of 1974, Pub. L. 93-410; E.O. 11834 dated January 15, 1975.

Subpart A—General Provisions

§ 790.1 Purpose.

The purpose of this regulation is to set forth policies and procedures under which lenders may obtain a Federal guaranty on loans related to the commercial development of practicable means to produce, with environmentally acceptable processes, useful energy from gothermal resources.

§ 790.2 Objectives.

The objectives of the Federal geothermal loan guaranty program are: (a) to encourage and assist the private and public sectors to accelerate development of geothermal resources with environmentally acceptable processes by enabling the Administrator of the Energy Research and Development Administration (ERDA), in the exercise of reasonable judgment, to minimize a lender's financial risk that is associated with the introduction of new geothermal resources and technology; and, (b) to develop normal borrower-lender relationships which will in time encourage the flow of credit so as to assist in the development of geothermal resources without the need for Federal assistance.

§ 790.3 Effective date.

This regulation is effective June 25, 1976.

§ 790.4 Eligible loans and priorities.

(a) The Administrator may enter into agreements to guaranty lenders against

the loss of principal and accrued interest on loans made by such lenders to qualified borrowers. Any such agreements shall be made subject to the application of priorities and preferential considerations for guarantees as set forth in paragraph (b) of this section and subject to criteria in § 790.6. Such agreements can be entered into only for the purposes of:

(1) Determination and evaluation of the commercial potential of geothermal resources;

(2) Research and development with respect to geothermal extraction and utilization technologies, including but not limited to the mitigation of adverse environmental effects;

(3) Acquisition of rights in geothermal resources; or,

(4) Development, construction, and operation of equipment or facilities for the demonstration or commercial production of energy (e.g., electric power, industrial or agricultural processes, or space heating) from geothermal resources.

(b) In complying with the objectives of the Federal geothermal loan guaranty program, the Administrator will give first priority consideration to those applications for projects having a plan of operations which show promise of quickly resulting in the development of useful energy from geothermal resources. Second priority consideration will be given to those applications for projects designed to demonstrate or utilize new technological advances or engage in the production of advanced technology components. Third priority will be given to projects that will demonstrate or exploit the commercial potential of new geothermal resource areas. The Administrator will give lower consideration to applications involving projects that initially propose geological and geophysical exploration, or the acquisition of land or leases. Within each category of priority as described herein, the Administrator will give preferential consideration to those applications in which the lender is providing a portion of the loan for which a guaranty is not requested. Additional preferential consideration within each priority category will be given to those applications involving, (1) projects from which the Federal government will receive royalty payments, and (2) projects to be carried out by small public and private utilities and small independently owned and operated businesses.

(c) A loan application which meets a lender's standard without a Federal guaranty will be regarded by the Administrator as not eligible for a loan guaranty under this regulation. No loan shall be guaranteed if the income from such loan or the income from obligations issued by the holder of such loan is excluded from gross income for the purposes of Chapter I of the Internal Revenue Code of 1954. In addition, a project which is devoted exclusively to the extraction or production of geothermal byproducts as defined in § 790.5(b), or is devoted exclusively to the desalination of geothermal brines will be regarded by the Administrator as not eligible for a Federal loan guaranty under this regulation.

§ 790.5 Definitions.

For purposes of this regulation:

(a) "Geothermal resources" means (1) all products of geothermal processes, embracing indigenous steam, geopressured fluids, hot water, and brines, (2) steam and other gases, hot water and hot brines resulting from water, gas, or other fluids artificially introduced into geothermal formations, and (3) any byproduct derived from them;

(b) "Byproduct" means any mineral or minerals or gases which are found in solution or in association with geothermal or geopressured resources and which have a value of less than 75 percent of the value of the geothermal steam and associated geothermal resources or are not, because of quantity, quality, or technical difficulties in extraction and production, of sufficient value to warrant extraction and production by themselves;

(c) "Administrator" means the Administrator of the U.S. Energy Research and Development Administration (ERDA) or a representative authorized by the Administrator;

(d) "Manager" means the Manager of ERDA's San Francisco Operations Office, 1333 Broadway, Oakland, California 94616, or a representative authorized by the Manager;

(e) "Lender" means any legal entity formed for the purpose of or engaged in the business of lending money and having the capability of servicing the loan. Examples of lenders include, but are not limited to, commercial banks, savings and loan institutions, insurance companies, factoring companies, investment banking organizations, institutional investors, partnerships, venture capital investment companies, trusts, individuals, or entities designated as trustees acting on behalf of bondholders or other lenders;

(f) "Qualified borrower" (hereinafter referred to as the borrower) means any public or private agency, institution, joint venture, limited partnership, association, cooperative, partnership, corporation, individual, political subdivision, or other legal entity having authority to enter into a loan agreement. Examples of borrowers include, but are not limited to, leaseholders, landowners, public and private electric utilities, reservoir developers, drillers, suppliers, component and equipment manufacturers, research and development firms, engineers, patent holders, and licensees;

(g) A "loan" is an obligation involving a borrower and a lender, evidenced in writing, making available to the borrower money at a specified rate of interest for a limited period of time. The loan instrument may not be capable of conversion into an equity relationship with the borrower;

(h) "Project" means an undertaking by the borrower which when completed will result in an identifiable product, system, major component or study for which a market potentially exists. Examples of a project include, but are not limited to, test and production well drilling, power plant construction, equipment manufacturing, research and development, construction of transmission lines from a geothermal power plant, and other ventures to utilize geothermal heat to serve as an energy source for nonelectric applications, such as crop drying and greenhousing;

(i) A "small public or private electric utility, including its affiliates", is, as provided in 13 CFR 121.3–10(d)(11), a business concern primarily engaged in the generation, transmission and/or distribution of electric energy for sale whose total electric output for its preceding fiscal year did not exceed four million megawatt-hours; and,

(j) A "small business, including its affiliates", is, as provided in 13 CFR 121.3–11(a), a concern which is independently owned and operated, is not dominant in its field of operation, does not have assets exceeding $9 million, does not have net worth in excess of $4 million, and does not have an average net income, after Federal income taxes, for the preceding two years in excess of $400,000 (average net income to be computed without benefit of any carryover loss).

§ 790.6 Loan guaranty criteria.

In addition to meeting the requirements for eligibility set forth in § 790.4(a), a guaranty may be made only if the following conditions are met as determined by the Administrator upon the written recommendation by the Manager:

(a) The application is signed by an authorized official of the lender and the borrower;

(b) The loan is to be made to a qualified borrower;

(c) Except as provided in § 790.43, the guaranty as to principal shall apply only to so much of the principal amount of the loan as does not exceed 75 percent of the estimated aggregate cost of the project with respect to which the loan is made. However, there is no prohibition against the guaranty being equal to 100% of the loan to be made by the lender;

(d) The lender has set forth reasons why the loan would not be made to the borrower without a Federal loan guaranty;

(e) There is satisfactory evidence demonstrating that the lender is competent to administer loan terms and conditions, and is competent to administer terms and conditions in the guaranty agreement that are applicable to the lender;

(f) When the maximum permissible guaranty is requested as provided in paragraph (c) of this section, the lender has set forth those reasons it is unwilling to undertake a loan having less than the maximum permissible guaranty so as to permit the Manager to evaluate whether the preferential consideration provided in § 790.4(b) is applicable;

(g) The loan bears interest at a rate not to exceed an annual percent on the principal obligation outstanding as the Administrator determines, in consultation with the Secretary of the Treasury, to be reasonable, taking into account the range of interest rates and lending practices prevailing in the private sector for

similar loans and risks by the United States. However, it is expected that the borrower and lender will negotiate a mutually acceptable interest rate that recognizes the benefits to the lender from a Federal guaranty;

(h) The terms of such loan require full repayment over a period of no more than thirty years, or no longer than the expected average useful life of any major physical asset to be financed by such loan, whichever is less, as determined by the Administrator.

(i) The amount of the loan together with other funds available to the borrower will be sufficient to carry out the project;

(j) There is reasonable assurance of payment of interest and repayment of the guaranteed portion of the loan by the qualified borrower, such as evidence that there exists or will exist a market for the project's product or results that is sufficient to enable the borrower to repay the loan;

(k) The amount of a guaranty for any loan for a project does not exceed $25,000,000;

(l) The total dollar amount of guarantees made under this regulation for any combination of outstanding loans to any single qualified borrower does not exceed $50,000,000;

(m) The project is to be performed in the United States, its territories or possessions, or on property owned or leased by the United States outside the United States, its territories or possessions;

(n) The project is technically feasible and uses environmentally acceptable processes;

(o) There is sufficient evidence, such as is provided in a plan of operations, that the borrower will initiate and complete the project in a timely and efficient manner;

(p) There is a sufficiency of encouraging geophysical, geological, hydrological and geochemical data;

(q) The borrower agrees to make available on a timely basis any technical or economic information as specified in the guaranty agreement, and, subject to provisions in § 790.33 and § 790.20(b)(ii), further agrees to the use of such information for public dissemination purposes;

(r) There is satisfactory evidence of the borrower's interest in geothermal resources;

(s) There is satisfactory evidence that the borrower is capable of completing the project in an acceptable manner;

(t) The project, whether conducted on Federal, State-owned, or private land, will be carried out with full regard to the use of environmentally acceptable processes in such a manner as to mitigate adverse environmental impact to the maximum extent practicable;

(u) The environmental risks of the project have been evaluated in accordance with § 790.23;

(v) The terms and conditions set forth in the loan agreement are acceptable to the Administrator; and,

(w) The borrower and any non-guaranteed lender agree in writing that: (1) the terms and conditions set forth in a non-guaranteed loan agreement relating to the project shall be acceptable to the Administrator, and (2) the non-guaranteed loan shall be subordinate to the guaranteed loan.

§ 790.7 Interest assistance.

With respect to any loan guaranteed pursuant to this regulation, the Manager may enter into an interest assistance contract with the borrower to pay, and to pay the lender for and on behalf of the borrower the interest charges which become due and payable on the unpaid balance of any such loan if the Manager finds:

(a) That the borrower is unable to meet interest charges, and that it is in the public interest to permit the borrower to continue to pursue the purposes of the project, and that the probable net cost to the Federal government in paying such interest will be less than that which would result in the event of a default;

(b) The amount of such interest charges which the Manager is authorized to pay is no greater than the amount of interest which the borrower is obligated to pay under the loan agreement; and

(c) The borrower agrees to repayment of interest charges paid by the Federal government including the payment of interest on such charges at an annual rate to be set by the Manager in consultation with the Department of the Treasury and stated in the interest assistance contract, and to the payment of any deferred user charge provided in § 790.31(b).

§ 790.8 Default payment.

In the event of any default by a borrower in making a payment in accordance with the loan agreement with respect to any loan guaranteed pursuant to this regulation, and except as provided in § 790.7, the Administrator will, as provided in § 790.37, authorize the Manager to make payment of principal and accrued interest in accordance with the guaranty. Thereupon, the Attorney General of the United States shall take such action as may be appropriate to recover the amounts of such payments (including any payment of interest under § 790.7) from such assets of the defaulting borrower as are associated with the project, (including patent and proprietary rights resulting from the project as provided in § 790.44) or from any other surety or security bond by or included in the terms of the guaranty. Any recovery achieved by the Attorney General which exceeds the amount paid to the lender in accordance with the guaranty agreement or interest assistance contract shall be returned to the borrower, unless the guaranty agreement provides otherwise.

§ 790.9 Period of guarantees and interest assistance.

No loan guaranty agreements will be made or interest assistance contracts entered into after September 3, 1984. Guaranty agreements in effect at that time will continue until the term of the loan is completed or until the guaranteed portion of the loan is repaid in full with accrued interest, whichever occurs first. Interest assistance contracts in effect on September 3, 1984, will remain in effect thereafter until the contract term expires or the contract is terminated in accordance with its provisions.

§ 790.10 Information for Governors.

The Administrator will, as appropriate, meet with Governors of directly affected States, regional associations of Governors, or heads of State agencies and commissions responsible for energy or environmental matters for the purpose of:

(a) Discussing the status of projects guaranteed under this regulation;

(b) Identifying means to remove or mitigate legal and regulatory barriers to the accelerated use of geothermal resources; or

(c) Evaluating plans to encourage growth in the geothermal industry.

Subpart B—Applications

§ 790.20 Filing.

(a) An application for a loan guaranty made under this regulation must be signed by the prospective borrower and lender or their authorized representatives and jointly submitted to the Manager who is responsible for processing the application. Information regarding the filing of applications may be obtained from the Manager.

(b) (1) Prior to receipt of a guaranty application, the Manager is authorized to conduct preliminary discussions with prospective lenders or borrowers wishing to obtain information or advice regarding eligibility for a loan guaranty and compliance with filing instructions, including the submission of supporting information as illustrated in § 790.21.

(2) Subject to requirements of law and this regulation, trade secrets, commercial and financial information, geological, geophysical and geographical information and data (including maps) concerning wells which the borrower makes available to ERDA during the preliminary discussion or at any other time throughout the duration of the project on a privileged or confidential basis, will be so treated by ERDA and will not be publicly disclosed without the prior written approval of the borrower. In order to assist ERDA in carrying out this provision, information deemed by the borrower or lender to fall within one of the foregoing categories shall be identified and appropriately marked by the borrower or the lender.

(c) A guaranty application may be submitted for a project that is divided into stages or milestones which are utilized as the basis for assessing the practicability of proceeding to a subsequent phase. However, in the event of failure to proceed to a subsequent phase, the Government's liability, under the guaranty agreement, will extend only to the amounts disbursed by the lender and

approved by the Manager as provided in § 790.34.

§ 790.21 Supporting information.

(a) The lender and borrower shall provide information in support of the application such as prescribed by the Manager. The following items illustrate the range of information which may be needed, (dependent upon the type, complexity and cost of the project) so as to enable the Manager to prepare a recommendation for the Administrator's determination, as provided in § 790.6.

(1) Full description of the scape, nature, extent and location of the proposed project;

(2) A written affirmation by the lender supporting the necessity for a Federal loan guaranty;

(3) Evidence of the borrower's previous and current interest in exploiting the potential of geothermal resources;

(4) Evidence supporting the borrower's ability to complete the project;

(5) Interest rate to be charged by the lender;

(6) Period and amount of the loan and the percent of the project cost to be guaranteed;

(7) A detailed budget-type breakdown of both the estimated aggregate cost of the project and the amount to be borrowed;

(8) Evidence showing that the amount of the loan together with equity or other financing will be sufficient to carry out the project;

(9) The borrower's plan to pay interest charges and repay the loan, including assumptions regarding marketability of the project's results or product;

(10) The aggregate amount of guaranty commitments and/or guaranteed loans outstanding made to the borrower under the provisions of this regulation;

(11) Where relevant to the purpose of the loan guaranty, a copy of the borrower's title or lease agreement to the property, supported by title opinion or other locally acceptable evidence of the borrower's interest, on which the project is to be carried out;

(12) Subject to § 790.20 (b) (ii), technical information and reports, geophysical data, well logs and core data, financial statements, milestone schedules, and maps and charts;

(13) Information covering the management experience of each officer or key person in the borrower's organization who is to be associated with the project;

(14) A description of the borrower's management concept and business plan, or plan of operations, to be employed in carrying out the project;

(15) A description of the project's technical and economic feasibility;

(16) A description of the intended sources and amount of capital and its form (equity, loans from principals, loans from the lender, outside financing, or factoring) together with evidence of a commitment from these sources and a copy of each such agreement, and evidence of the financial ability of each source to honor its commitment;

(17) A copy of the loan agreement to be executed by the lender and borrower;

(18) A listing of assets associated or to be associated with the project, including appropriate data as to the useful life of any physical asset, and any other security for the loan and guaranty agreement;

(19) A description of other Federal financial assistance (e.g., direct loans, guaranteed loans, grants, contracts) available or expected to be made available to the borrower in connection with the project;

(20) A description of the processes and methods the borrower plans to utilize so as to comply with § 790.23(c);

(21) Copies of all applications when filed, and approvals when issued by Federal, State and local government agencies, for permits and authorizations to conduct operations associated with the project;

(22) A description of the borrower's organization and a copy of the business certificate, partnership agreement or corporate charter, by laws, and appropriate authorizing resolutions;

(23) The lender's written assessment of all aspects of the borrower's loan application in sufficient detail as would be completed by any prudent lender considering a loan without a guaranty, together with copies of investigations from credit bureaus, references, bank inquiries, and professional organizations;

(24) Written assurance from guaranteed and, when appropriate to the project, non-guaranteed lenders that the loan amounts as well as terms and conditions imposed by such lenders will not be altered in any significant respect without approval of the Administrator;

(25) A description of salaries (and other financial remuneration including profit sharing and stock options) to be paid to officers and employees of the borrower that are, or will be, directly associated with the project; and

(26) Evidence of consultation conducted by the borrower with appropriate agencies of any affected State regarding the proposed project.

(b) In addition to supporting information illustrated in (a) above, the Manager may independently obtain or may require the lender to include with the guaranty application the filing of information regarding the lender as deemed necessary by the Manager, including but not limited to:

(1) Description of the lender's organization and a copy of the business certificate, partnership agreement or corporate charter, by-laws, and appropriate authorizing resolutions;

(2) Copies of investigations obtained from credit bureaus, reference and bank inquiries, and professional associations;

(3) Descriptions covering the management experience of each officer or key person in the lender's organization who is or will be associated with the loan;

(4) A description of the management concept to be employed by the lender in surveillance of the loan; and

(5) When appropriate to the project, evidence of the lender's experience in surveying the financial aspects of complex technological projects.

(c) The Manager shall consider the application and other relevant information and shall be responsible for: (i) determining whether the application is in compliance with this regulation; (ii) assessing and evaluating the financial, technical, environmental, management, and marketing aspects of the project; and, (iii) recommending to the Administrator approval or nonapproval of the application. The Manager shall include with a recommendation for approval a proposed guaranty agreement containing appropriate terms and conditions pertinent to the project. The Manager will provide the borrower and lender with a written statement setting forth the basis for the Administrator's nonapproval of an application.

§ 790.22 Project cost illustrations.

(a) The cost elements set forth in paragraphs (b) and (c) of this section are only for the purpose of illustrating the manner by which the estimated aggregate cost of the project can be determined. It is expected that project costs will be accumulated in accordance with generally accepted accounting principles and practices which are consistently applied.

(b) Except as set forth in paragraph (c) of this section, reasonable and customary costs paid by the borrower that are directly connected to the project are generally permitted in computing the estimated aggregate project cost. These costs include, but are not limited to the following:

(1) Employees' salaries and wages, consultant fees and other outside assistance;

(2) Land purchase or lease payments, including reasonable real estate commissions;

(3) Engineering fees, surveys, plats, title insurance, recording fees and legal fees incurred in connection with land acquisition;

(4) Site improvements, site restoration and abandonment costs, access roads and fencing;

(5) Drilling of exploration wells, shallow heat-flow wells, and test, production and reinjection wells;

(6) Buildings, transmission lines, power plant equipment, and machinery;

(7) Taxes to be paid to Federal, State and local government agencies and other taxing authorities;

(8) Insurance and bonds of all types;

(9) Engineering, geological, architectural and legal fees paid in connection with drilling, machinery selection, design, acquisition and installation;

(10) Research and development necessary to complete the project;

(11) Professional services and fees necessary to obtain licenses and permits and to prepare environmental reports and data;

(12) Interest costs charged by the lender;

(13) Interest payments to other lenders;

(14) Costs incurred by the borrower prior to approval of the guaranty agree-

ment that are directly in connection with the project;

(15) Technical and socio-economic information dissemination costs;

(16) Costs to provide safety and environmental protection equipment, facilities and services;

(17) Travel and transportation costs;

(18) Bond financing costs and trustee fees;

(19) Fees for royalties and licenses;

(20) Costs associated with acquiring geophysical and other technical data;

(21) Financial and legal services costs;

(22) Costs to comply with terms and conditions specified in the guaranty agreement or required by regulations and issuances by Federal, State and local government agencies; and,

(23) A contingency reserve.

(c) Costs which are not considered as project costs and are excluded from the guaranteed portion of the loan are illustrated below:

(1) Company organizational expenses;

(2) Parent corporation general and administrative expenses and other parent corporation assessments;

(3) Dividends and profit sharing to stockholders, employees and officers;

(4) Goodwill, franchises, or trade or brand name costs;

(5) Except as provided in 790.31, fees and commissions charged to the borrower for obtaining loans and Federal assistance;

(6) Loan commitment fees charged by lenders and finders' fees;

(7) Expenses not paid or incurred by the borrower;

(8) Normal operating expenses incurred after an initial period of start-up; and,

(9) Costs that are excessive or are not directly required to carry out the project.

(d) Independently, or at the direction of the Administrator, the Manager may cause to be performed a review of any or all cost elements included by the borrower in the estimated aggregate project cost. The borrower shall make available records and other data necessary to permit the Manager to carry out such review. In carrying out this responsibility, the Manager may utilize employees of Federal agencies or may direct the borrower to submit to a review performed by an independent public accountant or other competent authority.

(e) When costs incurred prior to the approval of the guaranty agreement, as provided in paragraph (b)(14) of this section, are included in the estimated aggregate project cost, the borrower will make available to auditors selected by the Manager financial and other records necessary to complete an audit of such costs if requested by the Manager.

§ 790.23 Environmental considerations.

(a) For a proposed project being actively considered for a loan guaranty for which an environmental statement or negative determination has been prepared by a responsible Federal official, the environmental statement or negative determination and supporting assessment will be utilized by the Manager and the Administrator in considering the environmental consequences of the project.

(b) With respect to each project being considered actively for a loan guaranty for which paragraph (a) of this section is not applicable, the Manager, in accordance with 10 CFR Part 711, shall assess the potential effect of all phases of the project on the human environment, including but not limited to fish and other aquatic resources, wildlife habitat and populations, aesthetics, recreation, air and water quality, land use, and other resources in the area. This assessment will additionally consider, when appropriate to the project, the potential impact on the environment from the construction of power plants and transmission lines which may later be required but are not included in the project.

(1) To aid in the above assessment the Manager may request the views and recommendations of Federal, State, and local government agencies, environmental and industrial organizations, and others; and, when appropriate, may hold public hearings after giving due notice.

(2) If, as a result of the above assessment, the Manager determines that the proposed project will have a potentially significant effect on the quality of the human environment, final action on the guaranty application shall be held in abeyance until an environmental statement in accordance with section 102 (2)(c) of the National Environmental Policy Act of 1969 has been prepared and issued by the responsible Federal official.

(3) If the Manager determines that the proposed project will not have a potentially significant effect on the quality of the human environment, a negative determination shall be prepared by the Manager and submitted, together with the assessment, to the Administrator prior to final action on the guaranty application. The negative determination together with documentation supporting that determination shall be kept on file by the Manager. Environmental assessments and negative determinations prepared in compliance with this regulation shall be placed in ERDA Public Document Rooms.

(c) Each loan guaranty agreement shall include the following general terms and conditions for the protection of the environment:

(1) the borrower shall comply with all applicable Federal, State and local requirements with respect to the control of air, land, water, and noise pollution. In the absence of requirements, the Manager, after consultation with appropriate Federal, State, and local government agencies, may recommend requirements for the Administrator's consideration and the borrower shall comply with such requirements as are approved by the Administrator.

(2) The borrower, in addition to any other action required by Federal, State or local requirements, or requirements established by the Administrator, or conditions set forth in leases issued by an agency of the Federal government, shall take the following specific actions: (For purposes of this paragraph the appropriate agency official means the Manager for projects conducted on private or State-owned land, and the Head of a Federal agency for projects conducted on any land administered by any agency of the Federal government.)

(i) Conduct operations in such a manner as to minimize disturbance to vegetation, drainage channels and streambanks, and employ such soil and resource conservation and protection measures as are deemed necessary by the appropriate agency official;

(ii) Remove or dispose of all waste generated in connection with the project in a manner acceptable to the appropriate agency official;

(iii) Take all reasonable precautions necessary to minimize to the maximum extent practicable land subsidence or seismic activity which could result from the project, including the taking of measures to monitor operations for land subsidence and seismic activity and, when requested by the appropriate agency official, make available records of all monitoring activities;

(iv) Take aesthetics into account in the planning, design, and construction of facilities;

(v) Employ such measures as are deemed necessary by the appropriate agency official to protect fish and wildlife and their habitat;

(vi) Conduct activities on known or suspected archeological; paleontological, or historical sites in accordance with specific instructions issued by the appropriate agency official;

(vii) Provide, in a timely manner, for the reasonable restoration of all disturbed lands, including the plugging of abandoned wells; and promptly employ corrective measures whenever adverse environmental effects exceed those expected; and,

(viii) Employ such other measures as are deemed necessary by the appropriate agency official to protect the quality of the human environment.

(d) For projects conducted on private or State-owned land:

(1) Assuring compliance with the requirements set forth in paragraph (b) of this section shall be the responsibility of the Manager, who may utilize experts from Federal agencies, National Laboratories or private firms, and shall have access to reports prepared by the borrower in compliance with requirements imposed by Federal, State and local government agencies.

(2) The borrower shall submit an annual report to the lender and the Manager giving a full account of actions taken to comply with the requirements set forth in paragraph (c) of this section.

(e) For projects to be conducted on any land administered by an agency of the Federal government:

(1) Assuring compliance with safety and operating procedures and environmental protection requirements shall be the responsibility of the appropriate Federal agency or a representative authorized by the Head of that agency.

(2) The borrower shall provide to the lender and the Manager a copy of each annual environmental compliance report prepared by the borrower in accordance with regulations issued by the appropriate Federal agency.

(f) Nothing in this regulation shall be construed to modify requirements imposed on the borrower or lender by Federal, State and local government agencies in connection with permits, licenses, or other authorization to conduct or finance geothermal activities.

§ 790.24 Mandatory purchase of flood insurance.

The Flood Disaster Protection Act of 1973 (Pub. L. 92–234) may require purchase by the borrower of flood insurance as a condition of receiving a guaranty on loans for acquisition or construction purposes in an identified flood plain area having special flood hazards. Questions emanating from borrowers or lenders regarding compliance with provisions of the Flood Disaster Protection Act and guidelines of the Federal Insurance Administration will be referred to the Manager. When the purchase of flood insurance is required, as finally determined by the Manager, such costs can be included by the borrower in the estimated aggregate project cost.

Subpart C—Servicing and Closing

§ 790.30 Loan servicing by lender.

Loan guaranty agreements approved in accordance with this regulation shall provide that:

(a) The lender shall exercise such care and diligence in the disbursement, servicing, and collection of the loan as would be exercised by a reasonable and prudent lender in dealing with a loan without guaranty;

(b) The loan agreement shall provide the customary period of grace for the making of any payment of principal or interest. However, the lender shall not grant to the borrower any further extension of time over and above any period of grace for the making of any payment in whole or in part under the loan agreement without the prior written consent of the Manager;

(c) The lender shall notify the Manager in writing without delay:

(1) That the first disbursement is ready to be made, together with evidence from the borrower that the project has commenced or is about to commence;

(2) Monthly, or at other agreed upon intervals, of the date and amount of each subsequent disbursement under the loan;

(3) Of any non-payment by the borrower of principal or interest as required by the loan agreement, if such non-payment is not cured within the grace period, together with evidence of appropriate notifications made by the lender to the borrower;

(4) Of any failure, known to the lender, by an intended source of capital to honor its commitment;

(5) Of any failure by the borrower, known to the lender, to comply with terms and conditions as set forth in the loan agreement or guaranty agreement; or,

(6) When the lender believes that the borrower may not be able to meet any future scheduled payment of principal or interest.

(d) In the event the lender retains the option to accelerate payment of the borrower's indebtedness, the lender shall not do so without the prior written consent of the Manager.

(e) If the guaranty agreement so provides, the loan agreement will permit the borrower to defer payments of principal until such time that income from the project is sufficient to meet this obligation.

(f) Lenders will submit to the Manager periodic financial statements that report the status and condition of each loan guaranteed under this regulation. The Manager will prescribe the frequency, format and content of such statements. However, a report on each loan guaranty agreement entered into under this regulation shall, as a minimum, be submitted to the Manager annually on the anniversary date of the guaranty agreement. Reports will be furnished to the Manager until such time as the guaranteed portion of the loan or interest assistance is repaid.

§ 790.31 User charge.

(a) A user charge will be collected annually from the lender imposed on the guaranteed portion of the loan and computed at a rate to be set forth in the guaranty agreement. The rate shall be imposed on the anticipated average amount of the guaranteed portion of the loan that is estimated to be outstanding during the year. The user charge may be passed to the borrower by the lender and in such instances may be included in the project cost.

(b) At the time the guaranty agreement is closed, as set forth in § 790.45(d), the lender shall present to the Manager payment of the first year's user charge. Subsequent payments of the charge will be made by the lender on the anniversary date of closing. If interest assistance is in effect, payments of this charge, if passed by the lender to the borrower, will be deferred for the term of the interest assistance contract.

(c) The Administrator annually will evaluate whether the user charge rate being imposed is sufficient to cover anticipated administrative, default and interest assistance costs and, when appropriate, establish a revised rate to be applied to new guaranty agreements.

§ 790.32 Geothermal Resources Development Fund.

(a) As provided in Sec. 204(a) of Pub. L. 93–410, there is established in the Treasury of the United States a Geothermal Resources Development Fund (hereinafter referred to as the Fund), which is available to the Administrator in carrying out the loan guaranty and interest assistance program contemplated by this regulation, including the payment of administrative expenses incurred in connection therewith.

(b) Appropriations to the Fund that are made available through legislation, or repayments made by borrowers in accordance with terms and conditions in interest assistance contracts, or amounts returned to the United States through recoveries by the U.S. Attorney General, as provided in § 790.8, and not disbursed in accordance therewith, shall, except as otherwise provided by law, be available to the Administrator for the payment to lenders of principal and interest on guaranty agreements and interest assistance contracts made in accordance with this regulation. In addition, balances in the Fund may be used for necessary administrative expenses incurred by ERDA or other Federal agencies acting pursuant to ERDA direction in carrying out the provisions of this regulation.

(c) In the event of a default, the Manager may enter into contracts as required to preserve the collateral for the loan and to complete unfulfilled environmental requirements. The cost of such contracts may be charged to the Fund.

(d) In the event that interest assistance payments and default payments exhaust balances in the Fund, the Administrator will promptly seek to obtain appropriations as are authorized.

(e) Moneys in the Fund not needed for current operations may, with the approval of the Secretary of the Treasury, be invested in bonds or other obligations of, or guarantees by, the United States.

(f) Not less than ten percent of the amount available for loan guarantees during a fiscal year will be allocated to guarantees on loans to small public and private utilities and small independently owned and operated businesses, as defined in § 790.5. The Administrator, at his discretion, may adjust the allocation reserved for small concerns. To the extent that guarantees on loans to qualified small concerns are not issued within six months following the beginning of each fiscal year, the uncommitted allocation of loan guarantees for small concerns, at the discretion of the Administrator, may become available on an unrestricted basis.

§ 790.33 Project monitoring.

The guaranty agreement shall provide that employees and representatives of ERDA shall, with the Manager's approval, have access to the project site. The lender, to the extent lawful and within its control, and borrower will assure availability of information related to the project as is necessary to permit the Manager to determine technical progress, soundness of financial condition, management stability, compliance with environmental protection requirements, and other matters pertinent to the guaranty.

§ 790.34 Loan disbursements by lender.

Unless otherwise provided in the guaranty agreement, the lender shall not make any disbursement on the loan until:

(a) It has followed notification requirements as set forth in § 790.30(c)(1)

and (2) and has received written notice from the Manager that disbursement is approved; and,

(b) It has received from the borrower satisfactory documentary evidence, as provided in § 790.35, that funds requested will be used to pay the borrower's costs incurred or to be incurred for the project.

§ 790.35 Satisfactory documentary evidence.

The borrower shall furnish to the lender a written statement in support of each request by the borrower for loan disbursements, setting forth in such detail as the lender or Manager may require the purposes for which disbursement is requested and an attestation that such disbursements will be used only for such purposes. Signature on the requesting document shall be made by a person authorized to order the expenditure of the borrower's funds.

§ 790.36 Withdrawal of guaranty.

(a) The Administrator, may, upon the written recommendation of the Manager, terminate the guaranty by written notice to the lender and the borrower if the Manager finds that:

(1) Initiation of activity on the project has not occurred within the period of time set forth in the guaranty agreement. Within sixty days after termination under this circumstance, the Manager shall reimburse to the lender the full amount of the user charge paid by the lender if the charge has not been passed to the borrower;

(2) There is non-compliance on the part of the borrower or the lender with material terms and conditions set forth in either the loan agreement or the guaranty agreement, other than those concerning initiation of activity as referred to in paragraph (a) (1) of this section; or,

(3) There is failure by the borrower to acquire capital from intended sources, as provided in § 790.21(a) (16), and the borrower is unable to acquire alternate sources within a reasonable time as may be approved by the Manager.

(b) If the borrower fails to acquire capital from intended or alternate sources, or fails to comply with material terms and conditions set forth in the loan or guaranty agreement, the Manager shall notify the borrower and the lender that the guaranty may be reduced to the amount that has been disbursed by the lender as of the date of the notice. Disbursements made by the lender after such notification is received will not be covered by a guaranty.

(c) If the lender fails to comply with any material term or condition set forth in the guaranty or loan agreement, the guaranty may be terminated. Notice of the Manager's finding that a material term has not been complied with shall be served by the Manager upon the borrower and the lender. Following notification, the borrower will be allowed reasonable time to acquire a substitute lender that is capable of complying with provisions in this regulation. If the borrower obtains a substitute lender satisfactory to the Administrator, a new guaranty agreement will be negotiated. Upon issuance of the new guaranty to the substitute lender, the original lender shall be reimbursed by the borrower for unpaid principal outstanding and accrued interest.

§ 790.37 Default and demand.

(a) If the borrower defaults in making payment of principal or interest within the time period allowed in § 790.30(c) (3) and the lender has complied with the requirements placed on it as set forth in §§ 790.30 and 790.34, the lender may make demand in writing upon the Manager for payment pursuant to the guaranty, subject to the conditions described in paragraphs (b), (c) and (d) of this section.

(b) The Manager shall, pursuant to the provisions of § 790.7, determine whether an interest assistance contract shall be executed. In the event that interest assistance is not warranted, the Manager shall so notify the Administrator and the lender. The lender shall make available without delay such documents and certifications as the Manager may reasonably require evidencing the lender's compliance with notification provisions of the guaranty agreement.

(c) Upon default by the borrower and notification by the lender, and to the extent that sufficient reserves exist in the Geothermal Resources Development Fund: (i) upon approval of the Administrator, the Manager shall, within sixty days after receipt of such documents, pay to the lender on a proportionate basis or in full, whichever the guaranty agreement provides, the guaranteed amount of unpaid principal and accrued interest outstanding at the date of default; and (ii) during the period beginning from receipt of such documents and until payment is made by the Manager, interest payable by the United States will accrue on the guaranteed debt at a rate to be determined by the Secretary of the Treasury taking into consideration current average market yields on outstanding short-term Treasury securities.

(d) The lender shall, concurrently with payment in full of all amounts guaranteed by the United States, assign to the United States and transfer and deliver to the Manager the loan documents, together with all collateral documents evidencing any and all security for and guarantees of the loan then held by the lender as set forth in the loan or guaranty agreement.

§ 790.38 Preservation of collateral.

Upon default by the borrower, the holder of collateral associated with the project shall take actions such as the Manager may reasonably require to provide for the care, preservation, and maintenance of such collateral so as to achieve maximum recovery upon liquidation of c collateral, security and guarantees for the loan. Except as provided in §§ 790.37 and 790.40, the lender shall not waive or relinquish, without the consent of the Manager, any collateral or guaranty for the loan to which the Government would be subrogated upon payment under the guaranty agreement to the lender.

§ 790.39 Treatment of payments.

When the lender holds a guaranteed and non-guaranteed portion of a loan, payments of principal made by the borrower in accordance with the loan agreement shall be applied by the lender to reduce the guaranteed and non-guaranteed portions of the loan on a proportionate basis.

§ 790.40 Assignment and incontestability.

(a) Except as may be required by law, the lender may assign to another lender rights and obligations under the loan or guaranty agreement only with the prior written consent of the Administrator.

(b) The lender may provide other lenders with participating shares in the loan without the prior consent of the Administrator. Written notice shall be given by the lender to the Manager and the borrower when participating shares are so provided. However, the original lender shall continue to be responsible for and perform the provisions of the guaranty agreement pertaining to the lender, unless the Administrator approves a substitute lender.

(c) The guaranty agreement shall be conclusive evidence that the guaranty and the underlying loan are in compliance with the provisions of Pub. L. 93–410 and this regulation, and that such loan has been approved and is legal as to principal and interest and other terms. Such a guaranty shall be valid and incontestable by the Government, except for fraud or misrepresentation by the holder of the obligation.

§ 790.41 Survival of guaranty agreement.

The guaranty agreement shall be binding upon the lender, the borrower and the Administrator and upon their successors and assigns and shall survive payment by the United States. No delay or failure of the Administrator or the Manager in the exercise of any right or remedy and no single or partial exercise of any such right or remedy shall preclude any further exercise thereof; and no action taken or omitted by the Administrator or the Manager shall be deemed a waiver of any such right or remedy.

§ 790.42 Security with respect to borrower's assets.

Each loan guaranteed under this regulation will be secured by liens or assignments of rights in assets associated with the project, or such other security specified in the guaranty agreement as may be reasonably required to protect the interests of the United States. Upon default by the borrower, as set forth in § 790.8, the Attorney General will seek recovery from the assets of the borrower that are associated with the project or specified in the guaranty agreement.

§ 790.43 Other Federal assistance.

(a) Nothing in this regulation shall be interpreted to deny or limit the borrower's right to seek and obtain other Federal financial assistance (e.g., contracts, grants, direct loans or guaranteed

loans). However, the total amount of Federal financial assistance, including guarantees made under this regulation, obtained by the borrower for the project, shall not exceed 75 percent of the estimated aggregate cost of the project to be undertaken by the borrower.

(b) After closing of the loan guaranty agreement, the borrower will not undertake any work in connection with the project (by contract or grant) for a Federal agency without the Manager's written finding that performance of the work will not adversely affect the borrower's ability to comply with pertinent terms and conditions in the loan and guaranty agreement.

§ 790.44 Patent and proprietary rights.

(a) Patents and other proprietary rights accruing to the borrower and resulting from the project will remain with the borrower, except as such rights shall be, in the case of default, treated as project assets in accordance with terms and conditions in the guaranty agreement.

(b) The guaranty agreement may provide that patents or other proprietary intellectual property rights utilized in or resulting from the project, which are owned or controlled by the borrower, shall be made available to other domestic parties upon reasonable terms and conditions which protect the confidentiality of information, if such action is determined by the Administrator to be in the public interest. This requirement will not be needed where the principal purpose of the loan to be guaranteed is to utilize generally available technology to determine and evaluate a new geothermal resource base, or the acquisition of rights in geothermal resources.

(c) Where the principal purpose of the loan is for research and development with respect to extraction and utilization technologies, or for the development or demonstration of new and unique facilities or equipment, the requirements for making patents and other proprietary intellectual property available to other domestic parties shall normally be included in the guaranty agreement unless the Administrator determines, upon the recommendation of the Manager, that such implementation would either seriously impair the borrower's ability to conduct the project, seriously impair the borrower's ability to maintain a marketplace posture, or be inconsistent with the borrower's pre-existing contractual obligations. The Administrator's determination on this matter shall include consideration of whether attainment of the objectives of the geothermal loan guaranty program, as set forth in § 790.2, will be adversely affected by this requirement.

§ 790.45 Closing.

The major activities leading to the closing of the guaranty agreement include the following:

(a) When an application for a loan guaranty has been approved by the Administrator, the Manager will so notify the lender and the borrower and provide them with a copy of the proposed guaranty agreement.

(b) A preclosing conference will be arranged by the Manager, if the lender or borrower requests one, to discuss the terms and conditions contained in the guaranty agreement.

(c) Requests by the lender or borrower for modification of the terms and conditions set forth in the guaranty agreement shall be submitted to the Manager, supported by such documentation and facts as would justify the requests.

(d) Immediately after agreement to terms and conditions, the Manager shall arrange with the lender and the borrower for the preparation and review of necessary documents and agree upon a date for execution of the guaranty agreement and payment of the user charge.

§ 790.46 Suspension, termination or cancellation of operations or production on federal land administered by the Secretary of the Interior.

(a) The Manager shall inform the Supervisor (as defined in 30 CFR 270.2(c)) when a loan guaranty is approved involving a Federal lease, so as to provide for future coordination of the loan guaranty program and lease administration.

(b) Under regulations issued by the Department of Interior, a leaseholder may, as provided in 43 CFR 3205.3–8 and 30 CFR 270.17, apply for suspension of operations or production, or both, under a producing geothermal lease (or for relief from any drilling or producing requirements of such a lease). When a loan guaranty has been issued under this regulation for a project to be conducted by a qualified borrower who is a lessee under the above cited regulation, the borrower shall submit the suspension application to the Manager, together with a statement setting forth complete information showing the effect of such suspension on the borrower's ability to comply with terms and conditions set forth in the loan agreement. The Manager will notify the borrower in those situations when approval of the application might cause default by the borrower. Except in cases where potential environmental safety or reservoir damage is imminent, the borrower shall obtain the Manager's approval prior to submitting a suspension application to the Supervisor.

(c) 43 CFR 3204.3 requires that each geothermal lease issued by the Department of the Interior provide for the readjustment of terms and conditions at not less than 10-year intervals beginning 10 years after the date geothermal steam is produced. When a guaranty under this regulation has been issued for a loan on a project to be conducted by a borrower who is a lessee, and the borrower files an objection to any proposed readjustment with the Authorized Officer (as defined in 43 CFR 3000.0–5(f)) a copy of the objection shall be submitted without delay by the borrower to the Manager. The Manager shall forward a copy of the objection to those lenders concerned, and shall consult with the Authorized Officer regarding any final action by the Authorized Officer which might terminate the lease. The Manager shall prepare an assessment on the effect of the proposed readjustment of lease terms and conditions that would substantially limit the borrower's ability to comply with the terms and conditions set forth in the loan agreement. The Manager shall forward his assessment in writing to the Administrator, the Authorized Officer and the Supervisor.

(d) Upon receipt by the lessee of notice of a proposed cancellation of a lease by the Authorized Officer, the lessee with a loan guaranteed under this regulation will provide the Manager and the lender with notice of such proposed action. Upon receipt of such notice the Manager will consult with the Supervisor and Authorized Officer for the purpose of determining whether the public interest can best be served by an acceptable alternative arrangement, such as obtaining assignments for a party qualified to hold geothermal leases who is a qualified borrower and who is willing to assume the original lessee's loan agreement and related undertaking, so that operation and production can continue.

(e) If default is likely to occur as a result of termination or cancellation of a lease, the Manager shall request the Supervisor or the Authorized Officer to rescind the lessee's privilege of removing assets from the premises, as provided in 43 CFR 3244.5.

§ 790.47 Appeals.

All decisions by the Manager relating to disputes arising under a guaranty agreement or loan agreement made under and entered into pursuant to this regulation shall be in writing. The borrower or lender, as applicable, may request the Manager to reconsider any such decision. If not satisfied with the final decision made by the Manager, the borrower or lender, upon receipt of such written decision, may appeal the decision within 30 days, in writing, to the Chairman, Board of Contract Appeals (EBCA), Energy Research and Development Administration, Washington, D.C. 20545. That Board when functioning to resolve such loan guaranty disputes, shall proceed in the same general manner as when it presides over appeals involving contract disputes. The decision of the Board with respect to such appeals shall be the final decision of the Agency.

Signed at Washington, D.C., this 25th day of May, 1976.

ROBERT C. SEAMANS, JR.,
Administrator.

[FR Doc.76–15152 Filed 5–25–76;8:45 am]

Title 12—Banks and Banking

CHAPTER V—FEDERAL HOME LOAN BANK BOARD

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

PART 545—OPERATIONS

Amendments Relating to Electronic Funds Transfer Through Remote Service Units

SUMMARY

MAY 20, 1976.

The following summary of the amendments adopted by this Resolution is included for the reader's convenience and is subject to the full description in the preamble and the specific provisions of the regulation.

I. *Present Regulation*—Expires on July 31, 1976.

II. *Amended Regulation*—Extends the term of the experimental regulation to December 31, 1977, and re-opens the application period for Board approval of remote service units from August 1, 1976, through March 31, 1977.

III. *Reason for Amendments*—To permit continued experimentation by Federal associations in the use of remote service units.

The Federal Home Loan Bank Board, by Resolution No. 76–175, dated March 5, 1976, proposed to amend paragraphs (g) (1) and (k) of § 545.4–2 of the Rules and Regulations for the Federal Savings and Loan System (12 CFR 545.4–2 (g) (1) and (k)) by extending the expiration date of its experimental remote service unit regulation to December 31, 1977, and re-opening the application period for Board approval of new units and modifications of existing ones for the purposes of enlarging the informational base for developing permanent Board regulations, and contributing to the study and investigation of the National Commission on Electronic Fund Transfers.

Notice of such proposed rulemaking was duly published in the FEDERAL REGISTER on March 11, 1976 (41 F.R. 10452), with an invitation for interested persons to submit written comments by April 12, 1976. On the basis of its consideration of all relevant material presented by interested persons and otherwise available, the Board has determined to adopt the amendments as proposed, with one change: paragraph (g) (1) of § 545.4–2 is revised to include the application period's reopening date, August 1, 1976. This change reflects the Board's decision to re-open the application period on the first day following the present regulation's expiration date, July 31, 1976.

By Resolution No. 74–8, dated January 9, 1974 (39 F.R. 1974), the Board initiated its pilot electronic fund transfer project on a limited scale to authorize Federal savings and loan associations to explore innovative technologies with potential for providing more efficient and economical financial services to the public. Following the project's inception, the Board determined by Resolution No. 74–573, dated June 26, 1974 (39 F.R. 23991), that continued operation of the experimental project was in the public interest. The Board at that time expressed its view that reports from, and observations of, actual operation of electronic funds transfer systems would furnish valuable experience and information to the Board, the savings and loan industry, and the public relating to the substance of any permanent regulations which the Board might promulgate regarding such systems. Board Resolution No. 74–573 authorized Federal savings and loan systems to operate the experimental projects until July 31, 1975.

Following adoption of the regulation, Public Law 93–495 (October 28, 1974; 88 Stat. 1500), created the National Commission on Electronic Fund Transfers to "conduct a thorough study and investigation and recommend appropriate administrative action and legislation necessary in connection with the possible development of public or private electronic fund transfer systems". The legislative history of Public Law 93–495 reflects a Congressional intent that, during the existence of the Commission, electronic funds transfer system activities by Federal regulatory agencies and private industry be of an experimental rather than a permanent nature. In view of the Commission's creation and purpose, and the legislative history just referred to, the Board determined by Resolution No. 75–555, dated June 25, 1975, that continued operation of its experimental remote service unit program would contribute significantly to formulation of future policy by the Board and the Commission, and the Board authorized continuation of its program until July 31, 1976.

By the end of 1975, the Board's experience with its program revealed that, due to its inherently complex and novel aspects, comprehensive evaluation thereof required an expanded and refined operational base. In this regard, the Board notes that many pending remote service unit applications involve novel and innovative concepts which differ from applications already approved, and the Board anticipates that a further reopening of the application period is likely to generate other useful and new concepts. By this extension of the operating deadline and re-opening of the application period, the Board intends to consolidate its experience in this area by reports to and from the National Commission on Electronic Fund Transfers, so that meaningful conclusions can be drawn regarding the role which Federal savings and loan associations may play in the development of electronic fund transfer services. Such extension and reopening also is expected to produce valuable information to assist the Board in developing permanent regulations. In this context, the Board emphasizes that, although a reasonable number of new applications may be approved during the new application period, applicants interested in participating in the Board's experimental program must recognize that change and modification in the regulatory scheme governing remote service units may be required when the Board promulgates its permanent regulations. This same cautionary note applies to associations operating existing projects, all of whose operating deadlines are extended by this resolution to December 31, 1977.

The Board also wishes to emphasize that the period for filing remote service unit applications is being re-opened only for a brief period of time—from August 1, 1976, until March 31, 1977. Therefore, any Federal savings and loan association wishing to participate in the Board's program must file its application before the March 31, 1977, deadline.

The Board also takes this opportunity to amend § 545.4–2(b) (2), which permits withdrawals through negotiable or transferable orders or authorizations for Federal associations having home offices in New Hampshire or Massachusetts, by including the states of Connecticut, Rhode Island, Maine and Vermont, for the purpose of conforming § 545.4–2(b) (2) with recently amended Section 2(a) of Public Law No. 93–100.

The Board finds that notice and public procedure for the amendment to § 545.4–2(b) (2) are unnecessary under 12 CFR 508.11 and 5 U.S.C. § 553(b) since it relieves restriction and is in the public interest to become effective as soon as possible, and that publication of the amendment for the 30-day period specified in 12 CFR 508.14 and 5 U.S.C. § 553(d) prior to the effective date is unnecessary for the same reasons.

Accordingly, the Board hereby amends § 545.4–2(b) (2) to read as set forth below effective May 28, 1976, and paragraphs (g) (1) and (k) of § 545.4–2 to read as set forth below, effective July 31, 1976. The Board also hereby extends through December 31, 1977, its approval of all remote service unit applications approved under § 545.4–2 prior to May 28, 1976.

Section 545.4–2 is amended by revising (b) (2), (g) (1) and (k) as set forth below:

§ 545.4–2 Remote service units (temporary provision).

* * * * *

(b) *Financial services authorized for remote service units.* * * *

(2) Withdrawals of savings accounts or deposits in such association, which withdrawals may be total or partial and may be effected through use of nontransferable orders or authorizations, but not through use of negotiable or transferable orders or authorizations to the association other than a Federal association having its home office in New Hampshire, Massachusetts, Connecticut, Rhode Island, Maine or Vermont: *Provided,* That in no case may the association permit or authorize withdrawals in excess of a holder's balance in such an account or deposit;

* * * * *

(g) *Applications.* (1) A Federal association may not establish, maintain, or use a remote service unit, or participate in the establishment, maintenance, or use of a remote service unit, without prior

written approval by the Board. Applications for Board approval may be filed from August 1, 1976, through March 31, 1977. One original and one copy of any application made pursuant to this section shall be filed with the Supervisory Agent and two copies of such application shall be sent to the Director, Office of Industry Development, Federal Home Loan Bank Board, Washington, D.C. 20552. An applicant may file additional information in support of its application and may amend the application. The Director or the Supervisory Agent may request an applicant to furnish additional information.

* * * * *

(k) *Termination.* This section and any approval granted under this section shall automatically terminate at the close of December 31, 1977.

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464. Sec. 2, Public Law 93-100, 87 Stat. 342. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1943-48 Comp. 1071)

By the Federal Home Loan Bank Board.

[SEAL] J. J. FINN, *Secretary.*

[FR Doc.76-15345 Filed 5-25-76;8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket 9035]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Kraftco, Inc., et al.

Subpart — Interlocking directorates unlawfully: § 13.1106 Interlocking directorates unlawfully.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45; sec. 8, 38 Stat. 732; 49 Stat. 717; 15 U.S.C. 19)

In the Matter of Richard C. Bond, an individual.

Consent order requiring Richard C. Bond to cease serving simultaneously on the board of directors of Kraftco, Inc., a Glenview, Ill., manufacturer and seller of margarine, edible oils and barbecue sauce, and as a director of any of Kraftco's competitors.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows: [1]

ORDER

1. *It is ordered,* That upon this order becoming final Respondent, Richard C. Bond, so long as he remains a director of Kraftco, Inc., (a) shall not resume his position as a director of SCM Corporation, and (b) shall not accept or continue to hold a position as director of any other corporation engaged in or affecting interstate commerce as defined in the Clayton or Federal Trade Commission Acts which is in competition with Kraftco, Inc.

2. *It is further ordered,* That within thirty (30) days from the date on which this order is served upon him Respondent shall file with the Commission a written report setting forth the manner and form in which he has complied with this order.

The Decision and Order was issued by the Commission April 26, 1976.

CHARLES A. TOBIN, *Secretary.*

[FR Doc.76-15267 Filed 5-26-76;8:45 am]

[1] Copies of the Complaint, Decision and Order, filed with the original document.

Title 18—Conservation of Power and Water Resources

CHAPTER I—FEDERAL POWER COMMISSION

[Docket No. RM76-14; Order No. 548]

PART 2—GENERAL POLICY AND INTERPRETATIONS

PART 3—ORGANIZATION; OPERATION; INFORMATION AND REQUESTS; MISCELLANEOUS CHARGES; ETHICAL STANDARDS

Exportation of Natural Gas for Non-Utility Purposes

MAY 17, 1976.

Commission establishes general policy that the exportation of small amounts of natural gas for non-utility purposes is not inconsistent with the public interest and delegates authority to the Secretary of the Commission to authorize such exports.

The Commission herein promulgates a statement of policy with respect to the exportation of natural gas pursuant to section 3 of the Natural Gas Act (52 Stat. 822, 15 USC 717b). Relative to that statement of policy the Commission also herein delegates authority to the Secretary to authorize, in limited circumstances, exportation of natural gas.

Several applications have been filed with the Commission recently requesting authorization pursuant to section 3 of the Natural Gas Act to export small volumes of natural gas for non-utility use.[1] Often these requests require expeditious treatment. In spite of the relatively minor volumes of gas involved, these routine applications have been acted upon by the Commission, in accordance with the standard of section 3 of the Natural Gas Act, and have been subject to the administrative delays incident to Commission authorization.

The Commission finds that as a matter of general policy, the exportation of 100 Mcf of natural gas (at 14.73 psia and 60° F.) or the liquified or compressed equivalent thereof, in a single shipment for scientific or experimental (non-utility) use is not inconsistent with the public interest. In order to reduce administrative delays the Commission has delegated to the Secretary the authority to authorize natural gas exportation in the limited circumstances outlined above. It should be noted that actions taken pursuant to authority delegated by the Commission may be appealed to the Commission by filing a petition in accordance with § 1.7 (d) of the Commission's rules (18 CFR 1.7(d)).

The Commission's finding with regard to the exportation of small volumes of natural gas should be reflected in the Commission's General Policy and Interpretations. The delegation of final authority to the Secretary should be reflected in the description of the Commission's organization as required by section 3 of the Administrative Procedure Act (5 USC 552).

The Commission finds: (1) The amendments to the Commission's general rules herein adopted are necessary and appropriate in carrying out the provisions of the Natural Gas Act.

(2) Since the amendments herein adopted involve matters of Commission general policy and organization and procedures, the notice, hearing and effective date provisions of the Administrative Procedure Act (5 USC 553) are not applicable.

The Commission, acting pursuant to the authority of the Natural Gas Act, as amended, particularly sections 3 and 16 thereof (52 Stat. 822, 830; 15 USC 717b, 717o), and in accordance with section 3 of the Administrative Procedure Act (5 USC 552) orders:

1. Part 2, Subchapter A, Chapter I, Title 18 of the Code of Federal Regulations, is amended by adding a new § 2.51, which reads as follows:

§ 2.51 Export of small volumes of natural gas for non-utility use.

As a general policy regarding future applications for authorization to export natural gas pursuant to section 3 of the Natural Gas Act, the single shipment exportation of up to 100 Mcf of natural gas (at 14.73 psia and 60° F.) for scientific or experimental (non-utility) use is not inconsistent with the public interest.

2. Paragraph (a) of § 3.5, subpart A—Organization; Delegations of Authority, part 3, subchapter A, Chapter I of Title 18 of the Code of Federal Regulations, is amended by adding the following paragraph:

§ 3.5 Delegations of final authority.

The Commission has authorized:

(a) The Secretary, or in his absence the Acting Secretary to: * * *

(27) Grant applications filed pursuant to Section 3 of the Natural Gas Act for authorization to export, in single shipment, up to 100 Mcf of natural gas at 14.73 psia and 60° F. for experimental or scientific use, *provided* that such applications for authorization to export natural gas may be referred to the Commission for its consideration upon the Commission's own motion or when, in the Secretary's judgment, such application should be considered by the Commission.

[1] For example, see letter orders of the Commission dated February 26, 1976, and March 15, 1976, authorizing Air Products and Chemicals, Inc. to export several cylinders of methane for non-fuel industrial use, and letter of Union Carbide filed with the Commission on November 5, 1975, requesting authorization as necessary to export several cylinders of methane for experimental and scientific use.

3. The Secretary shall cause prompt publication of these amendments of the Commission's general rules to be made in the FEDERAL REGISTER, and, in accordance with section 16 of the Natural Gas Act, such amendments shall be effective June 25, 1976.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15308 Filed 5-25-76;8:45 am]

[Docket No. R-472; Order No. 531(c)]

PART 3—ORGANIZATION; OPERATION; INFORMATION AND REQUESTS; MISCELLANEOUS CHARGES; ETHICAL STANDARDS

PART 260—STATEMENTS AND REPORTS (SCHEDULES)

Order Revising and Clarifying Form No. 69

MAY 19, 1976.

Report of the Alternate Fuel Demand of Direct End Use Customers of Interstate Pipeline Companies Due To Natural Gas Curtailments FPC Form No. 69.

On June 25, 1975, the Commission issued Order No. 531 setting forth a new Form No. 69 which was the result of a coordinated effort undertaken with the Federal Energy Administration (FEA), other governmental agencies and the National Association of Regulatory Utility Commissioners. The Commission issued Order No. 531-A on July 9, 1975, revising and clarifying Form No. 69 in order to make it fully conform with the FEA's concurrent Form No. G-101-Q-O.[1]

The FEA and the FPC are currently utilizing their respective Form Nos. G-101-Q-O and 69, as amended, to accumulate the information needed to determine the type and quantities of alternate fuels that will be required in order to offset the loss of natural gas due to the curtailment of deliveries by interstate pipelines and the general dwindling supply of that resource. Experience gained from the utilization of the current forms over the course of the past six months has shown the existence of a need for the development of reporting techniques that not only provide the essential information required with respect to alternate fuels but that also lessen the work burdens imposed upon the companies required to make these data submissions and the federal entity responsible for collating this information.

The FEA has attempted to revise its Form No. G-101-Q-0 to achieve the aforementioned results. The FPC, after reviewing the changes proposed by the FEA, has determined that it is necessary to conform Form No. 69 with the FEA's concurrent form G-101-P-1 for the reasons noted above and to enable both federal entities to effectively undertake their respective statutory responsibilities.[2]

The revised FPC Form No. 69 is attached hereto as Appendix A [3] and shall be submitted henceforth instead of the previous form that was effective prior to the promulgation of this order. The revisions to Form No. 69 that we are making herein are primarily directed at the deletion from FPC Report Form No. 69 of data found to be unnecessary or duplicative in nature.

The revised Form No. 69 that we are adopting in this order should make the task of the reporting companies far less burdensome because of the fact that we will delete a number of the items that were required to be reported in the previous form. The items listed below are not required and are deleted in the new Form No. 69:

1. The count of Schedules is to be deleted.

2. Schedules 1 and 1B are hereby merged thereby deleting one set of identification data.

3. Schedules 2 and 2B are hereby merged thereby deleting one set of identification data.

4. Schedules 1C and 2C are to be deleted.

5. Information indicating worker days lost is to be deleted.

6. When determining the volume of alternate fuel needed, the necessity to convert that volume on an equivalent Btu basis for the natural gas curtailed along with a reflection for the difference in use efficiency is no longer required.

7. Alternate fuel data for small end-users is to be deleted.

8. SIC Codes for small end-users is to be deleted.

9. The two questions pertaining to source of information on Schedule No. 1 is to be deleted.

The following minor additions have been incorporated into the latest revised form:

(1) Aggregated deliveries by category by month. (This is merely an aggregate or arithmetical addition of monthly data provided under the old Form No. 69.)

(2) Aggregated curtailments by type of service. (This is merely an aggregate or arithmetical addition of monthly data provided under the old Form No. 69.)

(3) A breakdown of each company's annual gaseous fuel supplies reflecting in addition to natural gas, its supplies of synthetic natural gas, liquefied natural gas, propane and other gaseous fuels.

Annual gaseous fuel supplies of the aforementioned variety, represent the only additional information required on the new form. The old Form No. 69 required a complete showing relative to the natural gas supplies by all of the reporting companies. The number of reporting companies with more than one source of gaseous fuel is limited and the additional burden of providing the information required in these instances will be *de minimus*.

The FEA no longer requires the filing of its corresponding Form G-101-P-1 on a quarterly basis. It presently only requires the filing of two reports on an annual basis, i.e., on May 31st, and September 30th. The Commission, after having had the opportunity to analyze and review the initial data submittals reflected in Form No. 69 is, similarly to the FEA, of the opinion that the filing of this report on a quarterly basis is not necessary and that two filings a year will be adequate to provide it with the information that it requires to fulfill its statutory obligation under the Natural Gas Act (52 Stat. 830, 15 U.S.C. 717o). It will, therefore, require that Form No. 69 be filed only two times a year, i.e., on May 31st and on September 30th. The date for the first filing of the revised Form No. 69 adopted in this order will be on or before June 15, 1976, instead of May 31, 1976, in order to provide the responding parties with ample time to make their initial submission of the revised form to the Commission. Thereafter, all subsequent filings will be made as indicated, i.e., on September 30th and May 31st.

The Commission *sua sponte* orders that FPC Report Form No. 69 and accompanying instructions attached hereto as Appendix A are to be utilized in lieu of the former FPC Report Form No. 69 as of the date of this order so that the aforementioned deletions, minor revisions and clarifications will be immediately effectuated. FPC Report Form No. 69 and the accompanying instructions thereto as provided for by Section 260.15 and Section 3.170 of Title 18 of the Code of Federal Regulations is therefore revised, as indicated above, and such revisions will be effectuated by utilizing in lieu of the former Form No. 69, and pertinent instructions, the new Form No. 69 and accompanying instructions which is attached hereto as Appendix A.

The Commission finds: (1) The revisions prescribed herein basically represent procedural matters and do not require notice or hearing under 5 USC 553.

(2) Good cause exists that the revisions and deletions to FPC Report Form No. 69 adopted herein [1] should become effective upon the issuance of this order.

(3) The aforementioned revision of Form No. 69 is necessary and appropriate for the administration of the Natural Gas Act.

The Commission, acting pursuant to the provisions of the Natural Gas Act, as amended, particularly Section 16 thereof (52 Stat. 717o), orders:

(A) FPC Form No. 69 as promulgated by § 260.15 and § 3.170 of Title 18 of the Code of Federal Regulations is accordingly revised and Form No. 69, as set forth in the Appendix A to this order, with accompanying instructions, is adopted and will be made available to the public and is to be used henceforth

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[1] The revisions reflected in Order No. 531-A were promulgated in order to assure that there would be consistency in the responses submitted to the aforementioned complimentary forms and to further insure that the data collected by the above-noted governmental entities would be compatible both for purposes of analysis and data processing.

[2] The FEA will designate its latest form as Form No. G-101-P-1 instead of Form No. G-101-Q-0.

[3] Form No. 69 filed as part of the original document.

in order to comply with the above-noted Regulations.

(B) The revisions adopted herein shall be effective upon issuance of this order.

(C) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15309 Filed 5-25-76;8:45 am]

Title 19—Customs Duties

CHAPTER I—UNITED STATES CUSTOMS SERVICE

[T.D. 76-146]

PART 103—AVAILABILITY OF INFORMATION

Public Reference Facility; Change of Address

Section 103.1 of the Customs Regulations (19 CFR 103.1) sets forth the addresses of the various offices where the United States Customs Service maintains a public reading room or public reading area where the material required to be made available under 5 U.S.C. 552(a)(2) and Part 103 of the Customs Regulations may be inspected and copied.

The address of the United States Customs Service, Region V-New Orleans, has changed. It is therefore necessary to amend section 103.1 to reflect this change.

Accordingly, the address of the United States Customs Service, Region V-New Orleans, set forth in § 103.1 of the Customs Regulations (19 CFR 103.1) is amended to read as follows:

Section 103.1 is amended as set forth below:

103.1 Public reference facilities.

* * * * *

Region V—New Orleans, Canal-LaSalle Building, Suite 2400, 1440 Canal Street, New Orleans, Louisiana 70112.

* * * * *

(R.S. 251, as amended, sec. 624, 46 Stat. 759 (19 U.S.C. 66, 1624))

Because this amendment merely conforms the Customs Regulations with an administrative change, notice and public procedure thereon is found to be unnecessary and good cause exists for dispensing with a delayed effective date under the provisions of 5 U.S.C. 553.

Effective date. This amendment shall become effective May 26, 1976.

VERNON D. ACREE,
Commissioner of Customs.

Approved: May 20, 1976.

DAVID R. MACDONALD,
Assistant Secretary of the Treasury.

[FR Doc.76-15343 Filed 5-25-76;8:45 am]

[T.D. 76-145]

PART 143—CONSUMPTION, APPRAISEMENT, AND INFORMAL ENTRIES

Certain Merchandise by a Library or Other Institution, Amended

As part of the overall revision of the Customs Regulations, former Part 8 (19 CFR Part 8) was revised and incorporated in a new Part 143 (19 CFR Part 143) entitled Consumption, Appraisement, and Informal Entries, which was published in the FEDERAL REGISTER on July 2, 1973 (38 FR 17443).

It has now come to the attention of the United States Customs Service that item 851.10, Tariff Schedules of the United States, relating to certain articles imported for the use of any public library, any other public institution, or any nonprofit institution established for educational, scientific, literary, or philosophical purposes, or for the encouragement of the fine arts, was inadvertently omitted from the list of item numbers set forth in section 143.21(h) of the Customs Regulations (19 CFR 143.21(h)), under which books and other articles imported by a library or other institution may be entered under informal entry.

In order to correct this omission, § 143.21(h) must be amended by adding a reference to item 851.10, Tariff Schedules of the United States.

Accordingly, § 143.21(h) of the Customs Regulations (19 CFR 143.21(h)) is amended to read as follows:

143.21 Merchandise eligible for informal entry.

* * * * *

(h) Books and other articles classifiable under item 270.25, 273.10, 273.35, 765.03, 850.10, or 851.10, Tariff Schedules of the United States (19 U.S.C. 1202), imported by a library or other institution described in item 850.10 or 851.10, Tariff Schedules of the United States (19 U.S.C. 1202).

(R.S. 251, as amended, secs. 498, 624, 46 Stat. 728, as amended, 759 (19 U.S.C. 66, 1498, 1624))

Because this amendment merely relaxes a present requirement and requires no public initiative, notice and public procedure thereon is found to be unnecessary and good cause exists for dispensing with a delayed effective date under the provisions of 5 U.S.C. 553.

Effective date. This amendment shall become effective May 26, 1976.

LEONARD LEHMAN,
Acting Commissioner of Customs.

DAVID R. MACDONALD,
Assistant Secretary of the Treasury.

Approved: May 18, 1976.

[FR Doc.76-15342 Filed 5-25-76;8:45 am]

Title 21—Food and Drugs

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

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

[Docket No. 75N-0120]

PART 25—DRESSINGS FOR FOOD

Standards for Mayonnaise, French Dressing, and Salad Dressing

The Food and Drug Administration (FDA) is revising standards of identity for mayonnaise, french dressing, and salad dressing. Except as to any provisions that may be stayed by the filing of proper objections, compliance with this final regulation, including required label changes, may begin July 26, 1976, and all products introduced into interstate commerce on or after January 1, 1978, shall fully comply; objections by June 25, 1976.

The Commissioner of Food and Drugs issued a proposal in the FEDERAL REGISTER of July 24, 1975 (40 FR 30978), to revise the standards of identity for mayonnaise, french dressing, and salad dressing (21 CFR 25.1, 25.2, and 25.3, respectively) to: (1) Require label declaration of ingredients: (2) allow the use of functional classes of safe and suitable ingredients that would not modify the fundamental characteristics of the foods; and (3) revise and update the format of the standards. The proposed amendments, as well as other modifications suggested by the comments, are being adopted.

Seven responses to the proposal were received—from a consumer, three trade associations, two suppliers of flavors, and a consultant to a supplier of flavors. One letter supported the proposed requirement for ingredient declaration. The comments in the other six letters and the Commissioner's conclusions about them are as follows:

1. *Use of artificial flavors.* Comments from a supplier of flavors and a trade association of flavor manufacturers urged that the use of artificial flavors be permitted in dressings, based on the precedents established in the canned fruits and fruit juice standards amendments to Part 27 (21 CFR Part 27), published in the FEDERAL REGISTER of February 7, 1975 (40 FR 5762) and the Commissioner's remarks in the preamble of an amendment to § 1.12 (21 CFR 1.12), which refers to spices, flavoring, coloring, and chemical preservatives and was published in the FEDERAL REGISTER of December 3, 1973 (38 FR 33284). Additional reasons provided in support of the request were that artificial flavors: (1) Do not fluctuate in availability or cost; (2) are substitutes for natural products that may be considered unsafe; (3) prevent price increases; (4) improve the flavor of the product; and (5) prolong the shelf life of the products.

On the other hand, a trade association representing producers of standardized dressings strongly objected to the use of artificial flavorings in these foods. According to the comment, the artificial flavors would debase the traditional consumer concept of the standardized product, and ample latitude for the use of artificial flavors is available in nonstandardized dressings.

The Commissioner is of the opinion that it would be inappropriate and potentially confusing to allow the use of artificial flavors in standardized dressings. The predominant spices and flavoring ingredients used in french dressing, salad dressing, and mayonnaise are mustard, garlic, onion, pepper, and paprika. The substitution of artificial flavors for these ingredients has no appreciable advantage. The ingredients are used in relatively small amounts in the dressings, and their availability in the marketplace has remained fairly constant; so price changes should have little effect on the cost of the products. Stability of these flavors during storage is not a problem. The Commissioner is not aware of any information that suggests that these particular natural ingredients are unsafe or any less safe than artificial flavors. On the other hand, the substitution of artificial flavors for some natural flavor ingredients may adversely affect the character of the product, since some of the ingredients, particularly mustard and pepper, perform a technological function in aiding the emulsification process. In addition, consumers expect standardized dressing to contain natural flavors, and it is an element in distinguishing the standardized food from similar nonstandardized products.

The Commissioner disagrees with the comments that it would be inconsistent with prior policy not to allow artificial flavors in these standardized foods. The Commissioner recognized in his remarks on spices, flavorings, and chemical preservatives that artificial flavors should be treated differently from natural flavors for economic reasons, and that their presence should be prominently indicated with the name of the food whenever the consumer reasonably expects the presence of natural flavors. If artificial flavors were to be permitted in standardized dressing, appropriate labeling would be necessary, e.g., artificially flavored mayonnaise. The Commissioner maintains that an adequately labeled product would, in this instance confuse consumers and blur the distinction between the standardized and nonstandardized products. The Commissioner has provided for the use of artificial flavors in standardized canned fruits because their use does not alter a fundamental characteristic of the food, that being its fruit content, and because labeling under § 1.12 about the presence of artificial flavors does not have the same potential for confusing consumers.

The Commissioner maintains that any amendment to §§ 25.1, 25.2, and 25.3 that would permit the use of artificial flavors should be made only after the public has had an opportunity to comment. If there is an interest in such an amendment, it should be initiated through the filing of a petition to amend the standard in accordance with Part 2 (21 CFR Part 2).

2. *Malic acid as an optional acidifier.* Two comments requested that malic acid be permitted as an optional acidifier, or alternatively, that the standards provide for "safe and suitable acidifiers." According to one comment, laboratory evaluation of malic acid-containing dressings indicates definite flavor improvement and better bacteriostatic action against yeasts and certain bacteria when used in french-type dressings.

The Commissioner is aware that one of the primary functions of the acidifiers in these dressings is flavoring. He therefore concludes that it is reasonable to allow the use of malic acid as an optional acidifier, subject to the same limitations applicable to citric acid under the existing standard. In the amendment to the french dressing standard (21 CFR 25.2), published in the FEDERAL REGISTER of November 8, 1974 (39 FR 39554), the Commissioner stated in the preamble (item 5) that it would be inappropriate to broaden the standard by permitting any safe and suitable optional ingredients to be used, in lieu of specifying the acidifying ingredient that may be used, because it would "reduce the conspicuous differences" with the nonstandardized dressings. No comments were received disagreeing with the Commissioner's position. The comments have not provided any reasons or information to support a change in this position for french dressing, or for the other dressings subject to Part 25 (21 CFR Part 25), in which acidifiers perform a similar function. In addition, the Commissioner is not sure that all acidifiers can be used interchangeably without affecting the character of the dressings. Accordingly, he maintains that an amendment of the standard to permit the use of any safe and suitable acidifiers should be considered only on the basis of an affirmative showing that the change will not alter the character of the food.

3. *Source declaration of oil.* One comment pointed out that it would provide more flexibility to the manufacturer and reduce his costs if oils could be declared nonspecifically on the label, e.g., vegetable oil (soybean, cottonseed, and/or corn oil), so any one or any combination of these oils could be used without necessitating a label change. This proposal would apply only to the most commonly used vegetable oils—soybean, cottonseed, and corn oils; all other oils would have to be specifically declared. The comment stated that this change is consistent with the Commissioner's rationale as stated in the proposed regulations for "Food Labeling; Label Declaration of Ingredients; Misleading Vignettes; Common or Usual Name for Food," which affected 21 CFR Parts 1 and 102 and was published in the FEDERAL REGISTER of June 14, 1974 (39 FR 20888) "wherein he recognized the advantage of listing oils by source without adherence to the strict order of predominance."

The Commissioner advises that the section of the proposed regulations referred to by the comment pertains only to foods in which oils or fats are not the sole or predominant ingredients. Oil is the predominant ingredient in mayonnaise (65 percent minimum), french dressing (35 percent minimum), and salad dressing (30 percent minimum). In establishing the definitions and standards of identity for mayonnaise, french dressing, and salad dressing, in the FEDERAL REGISTER of August 12, 1950 (15 FR 5227), the Commissioner stated that all the foods listed under Part 25 are characterized by a fat ingredient, an acidifying ingredient, and seasoning ingredients. The arguments in favor of nonspecific labeling rather than specific labeling by predominance were thoroughly considered in the promulgation of the Part 1 labeling regulations for fats and oils, published in the FEDERAL REGISTER of January 6, 1976 (41 FR 1156). Since no new reasons were offered by the comment to support a change, the Commissioner finds that there is no basis for making an exception for food covered by Part 25. The Commissioner therefore concludes that declaration of oils shall be in accordance with Part 1 (21 CFR Part 1).

4. *Safe and suitable thickening agents.* One comment requested that the standard of identity for salad dressing (21 CFR 25.3) be changed to permit the use of "any safe and suitable thickening agent," rather than permitting only starchy pastes.

The Commissioner advises that the policy of permitting use of safe and suitable ingredients, in lieu of specifying particular ingredients, is inapplicable to ingredients that characterize the food, or that consumers reasonably expect to find in the food, unless the food can be labeled in an informative and nonconfusing way to indicate the change to consumers. The starch ingredient has been recognized as an important factor in differentiating salad dressing from mayonnaise since the establishment of the standard in the August 12, 1950 FEDERAL REGISTER. The Commissioner also maintains that the change urged in the comment might result in the use of thickeners that have an adverse effect on the commonly recognized texture of the food. Therefore, the Commissioner concludes that the suggested change is not acceptable.

5. *Use of names of standardized products.* One comment requested that the name "mayonnaise" or any derivative of that name, such as "mayo" or "unmayonnaise," not be permitted on a product that does not meet the standard of identity for mayonnaise unless that product is labeled "imitation". The comment further requested that such restrictions be written into the standard of identity.

The Commissioner points out that ample protection against mislabeling already exists; section 403(a) of the Federal Food, Drug, and Cosmetic Act expressly prohibits any labeling that is false or misleading. Imitation labeling is required under section 403(g) of the act and § 1.8 (21 CFR 1.8) for any nutritionally inferior nonstandardized food

that substitutes for and resembles a standardized food. All nonstandardized foods are required by § 102.1 (21 CFR 102.1) to bear descriptive names that are not confusingly similar to other foods. If the Commissioner determines that the particular use of these or similar terms violates the act or regulations, he will not hesitate in using the means available to him under the act to protect the consumer. The Commissioner concludes that because ample protection against mislabeling is already provided, the restrictions requested are unnecessary and need not be written into the standard of identity for mayonnaise. Further, the Commissioner does not believe that the standards of identity regulations are the proper place to provide for such labeling restrictions.

6. *Labeling of artificial colors.* One comment requested clarification of the labeling requirements for coloring ingredients used in french dressing (21 CFR 25.2), namely, paprika, oleoresin of paprika, or β-apo-8'-carotenal and, in particular, whether paprika should be regarded as a spice or as coloring.

In accordance with § 1.12(a)(2) (21 CFR 1.12(a)(2)), paprika may be declared on the label as either "spice and coloring" or by its common or usual name, "paprika." It may not be declared simply as "spice." Oleoresin of paprika is both a natural flavor and an artificial color. When used to provide both flavor and color to the food, it must be declared in accordance with § 1.10(c) (21 CFR 1.10(c)) as either "flavoring and coloring" or by its common or usual name. If its sole function is to color the food, it must be declared as color. The ingredient β-apo-8'-carotenal is solely an artificial color and must be declared as such.

Having considered the comments received, the Commissioner concludes that adoption of the standards set forth below will provide honesty and fair dealing in the interest of consumers.

The Commissioner has considered the environmental effects of the issuance or amendment of food standards and has concluded in § 6.1(d)(4) (21 CFR 6.1(d)(4)) that food standards are not major agency actions significantly affecting the quality of the human environment. Therefore, an environmental impact statement is not required for this amendment. The Commissioner has also considered the inflation impact of this regulation and has found that it will not cause a major inflation impact as defined in Executive Order 11821, OMB Circular A-107, and guidelines issued April 1, 1975 by the Department of Health, Education, and Welfare. Copies of the FDA inflation impact assessment are on file with the Hearing Clerk, Food and Drug Administration.

Therefore, under the Federal Food, Drug, and Cosmetic Act (secs. 401, 701 (e), 52 Stat. 1046 as amended, 70 Stat. 919 as amended (21 U.S.C. 341, 371(e))) and under authority delegated to the Commissioner (21 CFR 2.120), Part 25 is amended by revising §§ 25.1, 25.2, and 25.3 to read as follows:

§ 25.1 Mayonnaise, mayonnaise dressing; identity; label statement of ingredients.

(a) *Description.* Mayonnaise, mayonnaise dressing, is the emulsified semisolid food prepared from vegetable oil(s), one or both of the acidifying ingredients specified in paragraph (b) of this section, and one or more of the egg yolk-containing ingredients specified in paragraph (c) of this section. One or more of the ingredients specified in paragraph (d) of this section may also be used. The vegetable oil(s) used may contain an optional crystallization inhibitor as specified in paragraph (d)(7) of this section. All the ingredients from which the food is fabricated shall be safe and suitable. Mayonnaise contains not less than 65 percent by weight of vegetable oil. Mayonnaise may be mixed and packed in an atmosphere in which air is replaced in whole or in part by carbon dioxide or nitrogen.

(b) *Acidifying ingredients.* (1) Any vinegar or any vinegar diluted with water to an acidity, calculated as acetic acid, of not less than 2½ percent by weight, or any such vinegar or diluted vinegar mixed with an optional acidifying ingredient as specified in paragraph (d)(6) of this section. For the purpose of this paragraph, any blend of two or more vinegars is considered to be a vinegar.

(2) Lemon juice and/or lime juice in any appropriate form, which may be diluted with water to an acidity, calculated as citric acid, of not less than 2½ percent by weight.

(c) *Egg yolk-containing ingredients.* Liquid egg yolks, frozen egg yolks, dried egg yolks, liquid whole eggs, frozen whole eggs, dried whole eggs, or any one or more of the foregoing ingredients listed in this paragraph with liquid egg white or frozen egg white.

(d) *Other optional ingredients.* The following optional ingredients may also be used:

(1) Salt.

(2) Nutritive carbohydrate sweeteners.

(3) Any spice (except saffron or turmeric) or natural flavoring, provided it does not impart to the mayonnaise a color simulating the color imparted by egg yolk.

(4) Monosodium glutamate.

(5) Sequestrant(s), including but not limited to calcium disodium EDTA (calcium disodium ethylenediaminetetraacetate) and/or disodium EDTA (disodium ethylenediaminetetraacetate), may be used to preserve color and/or flavor.

(6) Citric and/or malic acid in an amount not greater than 25 percent of the weight of the acids of the vinegar or diluted vinegar, calculated as acetic acid.

(7) Crystallization inhibitors, including but not limited to oxystearin, lecithin, or polyglycerol esters of fatty acids.

(e) *Nomenclature.* The name of the food is "mayonnaise" or "mayonnaise dressing."

(f) *Label declaration of ingredients.* Each of the ingredients used in the food shall be declared on the label as required by the applicable sections of Part 1 of this chapter.

§ 25.2 French dressing, identity; label statement of ingredients.

(a) *Description.* French dressing is the separable liquid food or the emulsified viscous fluid food prepared from vegetable oil(s) and one or both of the acidifying ingredients specified in paragraph (b) of this section. One or more of the ingredients specified in paragraph (c) of this section may also be used. The vegetable oil(s) used may contain an optional crystallization inhibitor as specified in paragraph (c)(11) of this section. All the ingredients from which the food is fabricated shall be safe and suitable. French dressing contains not less than 35 percent by weight of vegetable oil. French dressing may be mixed and packed in an atmosphere in which air is replaced in whole or in part by carbon dioxide or nitrogen.

(b) *Acidifying ingredients.* (1) Any vinegar or any vinegar diluted with water, or any such vinegar or diluted vinegar mixed with an optional acidifying ingredient as specified in paragraph (c)(9) of this section. For the purpose of this paragraph, any blend of two or more vinegars is considered to be a vinegar.

(2) Lemon juice and/or lime juice in any appropriate form, which may be diluted with water.

(c) *Other optional ingredients.* The following optional ingredients may also be used:

(1) Salt.

(2) Nutritive carbohydrate sweeteners.

(3) Spices and/or natural flavorings.

(4) Monosodium glutamate.

(5) Tomato paste, tomato puree, catsup, sherry wine.

(6) Eggs and ingredients derived from eggs.

(7) Color additives that will impart the color traditionally expected.

(8) Stabilizers and thickeners to which calcium carbonate or sodium hexametaphosphate may be added. Dioctyl sodium sulfosuccinate may be added in accordance with § 121.1137 of this chapter.

(9) Citric and/or malic acid, in an amount not greater than 25 percent of the weight of the acids of the vinegar or diluted vinegar calculated as acetic acid.

(10) Sequestrant(s), including but not limited to calcium disodium EDTA (calcium disodium ethylenediaminetetraacetate) and/or disodium EDTA (disodium ethylenediaminetetraacetate), may be used to preserve color and/or flavor.

(11) Crystallization inhibitors, including but not limited to oxystearin, lecithin, or polyglycerol esters of fatty acids.

(d) *Nomenclature.* The name of the food is "french dressing."

(e) *Label declaration of ingredients.* Each of the ingredients used in the food shall be declared on the label as required by the applicable sections of Part 1 of this chapter.

§ 25.3 Salad dressing; identity; label statement of ingredients.

(a) *Description.* Salad dressing is the emulsified semisolid food prepared from vegetable oil(s), one or both of the acidifying ingredients specified in paragraph (b) of this section, one or more of the egg yolk-containing ingredients specified in paragraph (c) of this section, and a cooked or partly cooked starchy paste prepared as specified in paragraph (d) of this section. One or more of the ingredients in paragraph (e) of this section may also be used. The vegetable oil(s) used may contain an optional crystalization inhibitor as specified in paragraph (e)(8) of this section. All the ingredients from which the food is fabricated shall be safe and suitable. Salad dressing contains not less than 30 percent by weight of vegetable oil and not less egg yolk-containing ingredient than is equivalent in egg yolk solids content to 4 percent by weight of liquid egg yolks. Salad dressing may be mixed and packed in an atmosphere in which air is replaced in whole or in part by carbon dioxide or nitrogen.

(b) *Acidifying ingredients.* (1) Any vinegar or any vinegar diluted with water, or any such vinegar or diluted vinegar mixed with an optional acidifying ingredient as specified in paragraph (e)(6) of this section. For the purpose of this paragraph, any blend of two or more vinegars is considered to be a vinegar.

(2) Lemon juice and/or lime juice in any appropriate form, which may be diluted with water.

(c) *Egg yolk-containing ingredients.* Liquid egg yolks, frozen egg yolks, dried egg yolks, liquid whole eggs, frozen whole eggs, dried whole eggs, or any one of more of the foregoing ingredients listed in this paragraph with liquid egg white or frozen egg white.

(d) *Starchy paste.* It may be prepared from a food starch, food starch-modified, tapioca flour, wheat flour, rye flour, or any two or more of these. Water may be added in the preparation of the paste.

(e) *Other optional ingredients.* The following optional ingredients may also be used.

(1) Salt.

(2) Nutritive carbohydrate sweeteners.

(3) Any spice (except saffron or turmeric) or natural flavoring, provided it does not impart to the salad dressing a color simulating the color imparted by egg yolk.

(4) Monosodium glutamate.

(5) Stabilizers and thickeners. Dicotyl sodium sulfosuccinate may be added in accordance with § 121.1137 of this chapter.

(6) Citric and/or malic acid may be used in an amount not greater than 25 percent of the weight of the acids of the vinegar or diluted vinegar calculated as acetic acid.

(7) Sequestrant(s), including but not limited to calcium disodium EDTA (calcium disodium ethylenediaminetetraacetate) and/or disodium EDTA (disodium ethylenediaminetetraacetate), may be used to preserve color and/or flavor.

(8) Crystalization inhibitors, including but not limited to oxystearin, lecithin, or polyglycerol esters of fatty acids.

(f) *Nomenclature.* The name of the food is "salad dressing."

(g) *Label declaration of optional ingredients.* Each of the ingredients used in the food shall be declared on the label as required by the applicable sections of Part 1 of this chapter.

Any person who will be adversely affected by the foregoing regulation may at any time on or before June 25, 1976, file with the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the regulation, specify with particularity the provisions of the regulation deemed objectionable, and state the grounds for the objections. If a hearing is requested, the objections shall state the issues for the hearing, shall be supported by grounds factually and legally sufficient to justify the relief sought, and shall include a detailed description and analysis of the factual information intended to be presented in support of the objections in the event that a hearing is held. Six copies of all documents shall be filed and should be identified with the Hearing Clerk docket number found in brackets in the heading of this regulation. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. Except as to any provisions that may be stayed by the filing of proper objections, compliance with this final regulation, including any required labeling changes, may begin July 26, 1976, and all products initially introduced into interstate commerce on or after January 1, 1978, shall fully comply. Notice of the filing of objections or lack thereof will be published in the FEDERAL REGISTER.

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15287 Filed 5-25-76;8:45 am]

[Docket No. 76F-0146]

PART 121—FOOD ADDITIVES

Subpart D—Food Additives Permitted in Food for Human Consumption

ION-EXCHANGE RESINS

The Food and Drug Administration is amending the food additive regulation for ion-exchange resins. The amendment provides for safe use of an additional ion-exchange resin in the treatment of bulk quantities of aqueous foods, including potable water, and specifies that pre-use treatment of the listed ion exchange—the pre-use treatment guarantees the resins' food-grade purity—may be performed by the manufacturer and/or the user; effective May 26, 1976, objections by June 25, 1976.

Notice was given by publication in the FEDERAL REGISTER of February 13, 1971 (36 FR 3023) that a petition (FAP 1A2638) had been filed by the Rohm & Haas Co., Independence Mall West, Philadelphia, PA 19105, proposing that § 121.1148 (21 CFR 121.1148) be amended to provide for safe use in purification of foods (including potable water) of crosslinked polystyrene, first chloromethylated then aminated with dimethylamine and oxidized with hydrogen peroxide.

The Commissioner of Food and Drugs, having evaluated data in the petition and other relevant material, concludes that § 121.1148 should be amended: (1) By adding paragraph (a)(17) to provide for a new ion-exchange resin; (2) by prescribing in paragraph (b) the conditions of use of the new ion-exchange resin; and (3) by prescribing in paragraph (c) (4) a nitrogen extractives limitation for the new resin, in addition to the organic extractives limitation currently prescribed therein.

The Commissioner further concludes that § 121.1148(c)(1) should be revised to specify that pre-use treatment of the listed ion-exchange resins may be performed by the manufacturer and/or the user; the current regulation prescribes that such treatment be performed by the manufacturer.

Therefore, under the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786 (21 U.S.C. 348(c)(1))) and under authority delegated to the Commissioner (21 CFR 2.120), § 121.1148 is amended by adding paragraphs (a)(17) and (b)(3); by revising the introductory text of paragraph (b) and paragraph (c)(1); and by amending paragraph (c)(4) by adding text at the end of the paragraph, to read as follows:

§ 121.1148 Ion-exchange resins.

* * * * *

(a) * * *

(17) Styrene - divinylbenzene crosslinked copolymer, first chloromethylated then aminated with dimethylamine and oxidized with hydrogen peroxide whereby the resin contains not more than 15 percent by weight of vinyl *N,N*-dimethylbenzylamine-*N*-oxide and not more than 6.5 percent by weight of nitrogen.

(b) Ion-exchange resins are used in the purification of foods, including potable water, to remove undesirable ions or to replace less desirable ions with one or more of the following: Bicarbonate, calcium, carbonate, chloride, hydrogen, hydroxyl, magnesium, potassium, sodium, and sulfate, except that: The ion-exchange resin identified in paragraph (a)(12) of this section is used only in accordance with paragraph (b)(1) of this section, the ion-exchange resin identified in paragraph (a)(13) of this section is used only in accordance with paragraph (b)(2) of this section, the resin identified in paragraph (a)(16) of this section is used only in accordance with paragraph (b)(1) or (2) of this section, and the

ion-exchange resin identified in paragraph (a) (17) of this section is used only in accordance with paragraph (b) (3) of this section. * * *

(3) The ion-exchange resin identified in paragraph (a) (17) of this section is used only for industrial application to treat bulk quantities of aqueous food, including potable water, or for treatment of municipal water supplies, subject to the condition that the temperature of the food or water passing through the resin bed is maintained at 25° C. or less and the flow rate of the food or water passing through the bed is not less than 2 gallons per cubic foot per minute.

(c) * * *

(1) Subjected to pre-use treatment by the manufacturer and /or the user in accordance with the manufacturer's directions prescribed on the label or labeling accompanying the resins, to guarantee a food-grade purity of ion-exchange resins, in accordance with good manufacturing practice.

(4) * * *

In addition to the organic extractives limitation prescribed in this paragraph, the ion-exchange resin identified in paragraph (a) (17) of this section, when extracted with each of the named solvents, distilled water, 50 percent alcohol, and 5 percent acetic acid, will be found to result in not more than 7 parts per million of nitrogen extractives (calculated as nitrogen) when the resin in the free-base form is subjected to the following test immediately before each use: Using a separate 1-inch diameter glass ion-exchange column for each solvent, prepare each column using 100 milliliters of ready to use ion-exchange resin that is to be tested. With the bottom outlet closed, fill each ion-exchange column with one of the three solvents at a temperature of 25° C until the solvent level is even with the top of the resin bed. Seal each column at the top and bottom and store in a vertical position at a temperature of 25° C. After 96 hours, open the top of each column, drain the solvent into a collection vessel, and analyze each drained solvent and a solvent blank for nitrogen by a standard micro-Kjeldahl method.

* * * * *

Any person who will be adversely affected by the foregoing regulation may at any time on or before June 25, 1976, file with the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the regulation, specify with particularity the provisions of the regulation deemed objectionable, and state the grounds for the objections. If a hearing is requested, the objections shall state the issues for the hearing, shall be supported by grounds factually and legally sufficient to justify the relief sought, and shall include a detailed description and analysis of the factual information intended to be presented in support of the objections in the event that a hearing is held. Six copies of all documents shall be filed and should be identified with the Hearing Clerk docket number found in brackets in the heading of this regulation. Received objections may be seen in the above office during working hours, Monday through Friday.

Effective date. This regulation shall become effective May 26, 1976.

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

Dated: May 19, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15288 Filed 5-25-76;8:45 am]

CHAPTER II—DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE

PART 1301—REGISTRATION OF MANUFACTURERS, DISTRIBUTORS, AND DISPENSERS OF CONTROLLED SUBSTANCES

Hearings, Burden of Proof

On April 8, 1976, there was published in the FEDERAL REGISTER (41 FR 14885) notice of a proposal for the redesignation of certain subsections of a section of the regulations as well as for a new subsection of that section. The proposed changes related to the registration of persons as compounders or to conduct narcotic treatment programs as defined by 21 CFR 1301.02 (i) and (d).

No comments or objections relating to this proposal were submitted within the time period set by the notice.

Therefore, pursuant to Sections 303(g) and 515(b) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 823(g) and 21 U.S.C. 885 (b)) and under the authority vested in the Attorney General by Sections 301 and 501(b) of the Act (21 U.S.C. 821 and 871(b)), and delegated to the Administrator of the Drug Enforcement Administration by Section 0.100 of Title 28, Code of Federal Regulations, and thereafter redelegated to the Deputy Administrator of the Drug Enforcement Administration by Section 6(a), Appendix to Subpart R, Section 0.104 of Title 28, Code of Federal Regulations, it is hereby ordered that Part 1301 of Title 21 of the Code of Federal Regulations be amended as follows:

Section 1301.55 is amended by redesignating the present paragraph (b) as paragraph (c), by redesignating the present paragraph (c) as paragraph (d), and by adding the new paragraph (b), as follows:

§ 1301.55 Burden of proof.

* * * * *

(b) At any hearing on the granting or denial of an applicant to be registered to conduct a narcotic treatment program or as a compounder, the applicant shall have the burden of proving that the requirements for each registration pursuant to Section 303(g) of the Act (21 U.S.C. 823 (g)) are satisfied.

This order shall be effective on May 26, 1976.

Dated: May 18, 1976.

JERRY N. JENSON,
Deputy Administrator, Drug Enforcement Administration.

[FR Doc.76-15320 Filed 5-25-76;8:45 am]

Title 32—National Defense

CHAPTER XIV—RENEGOTIATION BOARD

REVISED PROCEDURES FOR RENEGOTIATION

Miscellaneous Amendments

On March 2, 1976, there was published in the FEDERAL REGISTER (41 F.R. 8984-8987) a Notice of Proposed Rulemaking with proposed amendments to Parts 1450, 1451, 1470, 1471, 1472, 1473, 1474, 1475, 1477, 1480, 1498 and 1499 of the Renegotiation Board Regulations, 32 C.F.R. Chapter XIV. The proposed amendments were necessary in order to implement changes in the Board's organization and functions and duties of certain staff personnel, which as contemplated, included the establishment of regional offices in lieu of regional boards.

The within regulations which have been adopted by the Board reflect significant changes from the amendments as originally proposed. The principal change is the retention of the existing regulations with respect to the regional board structure and procedures.

The new regulations, as adopted, read as set forth below.

Dated: May 21, 1976.

R. C. HOLMQUIST,
Chairman.

PART 1450—EMPLOYEE RESPONSIBILITIES AND CONDUCT

Part 1450 is amended as follows:

1. Sections 1450.735-42 (a) through (e) are revised to read as follows:

§ 1450.735-42 Employees required to submit statements.

(a) General Counsel, Associate General Counsel and Assistant General Counsels.

(b) Regional Board members.

(c) Director of Operations.

(d) Director, Office of Administration, Office of Financial Analysis, Office of Planning and Development, and Office of Screening, Compliance and Exemptions.

(e) Supervisors, Compliance Section and Screening and Exemptions Section, Office of Screening, Compliance and Exemptions, and Accounting Section and Analysis Section, Office of Financial Analysis.

* * * * *

2. Section 1450.735-42(i) is amended by deleting the word "reviewers" and inserting "financial analysts."

PART 1472—CONDUCT OF RENEGOTIATION

Part 1472 is amended as follows:

§ 1472.4 [Amended]

1. § 1472.4(b)(2) is amended by deleting "Office of Review" and inserting "Office of Financial Analysis".

2. § 1472.6(d)(1) is revised to read as follows:

§ 1472.6 Filing of information and requests by contractor.

* * * * *

(d) *Place of filing.*—(1) *Principal offices.*—The principal office of the Board is located at 2000 M Street, NW, Washington, D.C. 20446. The following are the addresses of the Regional Boards: Eastern Regional Renegotiation Board, 2000 M Street, NW, Washington, D.C. 20447. Western Regional Renegotiation Board, Los Angeles World Trade Center, Suite 1050, 350 South Figueroa Street, Los Angeles, California 90071.

3. Section 1472.6(d)(2) is amended by deleting "Office of Assignments" and inserting "Office of Screening, Compliance and Exemptions".

PART 1480—AVAILABILITY AND CONTROL OF RENEGOTIATION RECORDS AND INFORMATION

Part 1480 is amended as follows:

§ 1480.5 [Amended]

1. § 1480.5(a)(13) is amended by deleting "that affect the public."

§ 1480.7 [Amended]

2. §§ 1480.7(b) and 1480.7(d)(1) are amended by deleting "General Counsel" and inserting "Board."

3. § 1480.7(d)(2) is amended by deleting "Office of General Counsel" each place it appears and inserting "Board" in the last sentence.

4. § 1480.7(d)(4) is amended by deleting "General Counsel" each place it appears and inserting "Board" and by deleting "by the Board" from the last sentence.

5. § 1480.7(f) is amended by deleting "Director, Office of Administration" and inserting "the Assistant General Counsel-Secretary or, in his absence, his duly appointed representative" and by deleting "and to the General Counsel with respect to appeals therefrom, or in the absence of either officer, to his deputy."

(Sec. 109, 65 Stat. 22; 50 U.S.C.A., App., Sec. 1219)

[FR Doc.76-15347 Filed 5-25-76;8:45 am]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

PART 0—COMMISSION ORGANIZATION

Subscription Loose-Leaf Service; Replacement

1. Volume VI of the Commission's Rules, which has been available as a loose-leaf service on a subscription basis, has been replaced by three pamphlets, containing Part 95 (Citizens Radio Service), Part 97 (Amateur Radio Service), and Part 99 (Disaster Communications Service). These pamphlets will be revised annually or as required. It is therefore appropriate to revise Section 0.415 of the Rules, which describes the loose-leaf service.

2. The revised rule is set out below. Authority for the amendment is contained in Sections 4(i) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i) and 303(r), and in Section 0.231(d) of the Commission's Rules, 47 CFR 0.231(d). Because the amendment is editorial and informational in nature, the prior notice and effective date requirements of 5 U.S.C. 553 are inapplicable.

3. Accordingly, it is ordered, effective May 28, 1976, that Section 0.415 is revised as set out in the attached Appendix.

(Secs. 4, 303, 48 Stat., as amended, 1068, 1082; 47 U.S.C. 154, 303.)

Adopted: May 14, 1976.

Released: May 17, 1976.

[SEAL] R. D. LICHTWARDT,
Executive Director.

Section 0.415 is revised to read as follows:

§ 0.415 The rules and regulations (loose-leaf service).

(a) In this service, the rules are divided into 10 volumes, each containing several related parts. Each volume may be purchased separately from the Superintendent of Documents. The purchase price for a volume includes a subscription to replacement pages reflecting changes in the rules contained therein until such time as the volume is revised. Each volume is revised periodically, depending primarily on the frequency with which the rules it contains have been amended. When a volume is revised, the revised volume and replacement pages therefor will be furnished to those who renew their subscriptions.

(b) Part 95 (Citizens Radio Service), Part 97 (Amateur Radio Service), and Part 99 (Disaster Communications Service) are not included in the loose-leaf service, but are instead available as separate pamphlets from the Superintendent of Documents. These pamphlets are revised annually or as required.

[FR Doc.76-15339 Filed 5-25-76;8:45 am]

[FCC 76-464; RM-2656]

PART 87—AVIATION SERVICES

Radionavigation Land Test Stations; Substitution of Type Accepted Transmitters

1. The Commission has under consideration a Petition for Rule Making filed by the Aerospace and Flight Test Radio Coordinating Council (AFTRCC) to amend Section 87.35(d) to allow licensees of radionavigation land test stations to substitute one type accepted transmitter for another in their stations without prior Commission approval and modification of their licensees.

2. In support of their petition, AFTRCC states that in recent years the availability of type accepted transmitters available for such stations has increased sharply and that the necessity of obtaining prior Commission approval to substitute a type accepted transmitter for another creates needless administrative and clerical burden on both the licensees and the Commission.

3. In 1968, we revised Part 87 of the rules to permit the substitution of one type accepted transmitter for another, without prior Commission approval, in most aircraft and aeronautical stations, but not for aeronautical radionavigation test stations because there was then no type accepted equipment available for such stations. We agree with AFTRCC that this situation has changed sharply and that type accepted transmitters are now readily available for test stations. As a result, the prior Commission approval for substitutes of one type accepted transmitter for another is now unnecessary and creates a needless administrative burden on both licensees and the Commission.

4. The requested rule amendment is procedural in nature and, therefore, the prior public notice and effective date provisions contained in the Administrative Procedure Act (5 U.S.C. 553) would serve no practical purpose and are unnecessary.

5. Accordingly, IT IS ORDERED, That pursuant to authority contained in Sections 4(i) and 303 (b), (e), (f) and (r) of the Communications Act of 1934, as amended, Section 87.35(d) of Part 87 of the Commission's rules is amended effective June 3, 1976, as set forth below. It is further ordered, That this proceeding is terminated.

(Secs. 4, 303, 48 Stat., as amended, 1066, 1082; 47 U.S.C. 154, 303.)

Adopted: May 19, 1976.

Released: May 25, 1976.

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

Part 87 of Chapter I of Title 47 of the Code of Federal Regulations is amended as follows:

In § 87.35 paragraph (d) is changed to read as follows:

§ 87.35 Changes in authorized station.

* * * * *

(d) Any ground station authorized under this part, except operational or radionavigation stations, may be operated with any transmitter type accepted for use in the particular class of station in lieu of the transmitters which may be specified on the station license and without modification of the license: Provided, however, That the number of transmitters in use shall not exceed those authorized.

* * * * *

[FR Doc.76-15340 Filed 5-25-76;8:45 am]

Title 40—Protection of Environment

[FRL 548-4]

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER C—AIR PROGRAMS

PART 60—STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES

Delegation of Authority to State of California on Behalf of Ventura County and Northern Sonoma County Air Pollution Control Districts

Pursuant to the delegation of authority for the standards of performance for new stationary sources (NSPS) to the State of California on behalf of the Ventura County Air Pollution Control District and the Northern Sonoma County Air Pollution Control District, dated February 2, 1976, EPA is today amending 40 CFR 60.4, *Address*, to reflect this delegation. A Notice announcing this delegation is published today in the Notice section of this issue. The amended § 60.4 is set forth below. It adds the addresses of the Ventura County and Northern Sonoma County Air Pollution Control Districts, to which must be addressed all reports, requests, applications, submittals, and communications pursuant to this part by sources subject to the NSPS located within these Air Pollution Control Districts.

The Administrator finds good cause for foregoing prior public notice and for making this rulemaking effective immediately in that it is an administrative change and not one of substantive content. No additional substantive burdens are imposed on the parties affected. The delegation which is reflected by this administrative amendment was effective on Febraury 2, 1976, and it serves no purposes to delay the technical change of this addition of the Air Pollution Control District addresses to the Code of Federal Regulations.

This rulemaking is effective immediately.

(Sec. 111 of the Clean Air Act, as amended [42 U.S.C. 1857c-6]).

Dated: May 3, 1976.

STANLEY W. LEGRO,
Assistant Administrator for Enforcement.

Part 60 of Chapter I, Title 40 of the Code of Federal Regulations is amended as follows:

1. Section 60.4(b) is amended by revising subparagraph F to read as follows:

§ 60.4 Address.

* * * * *

(b) * * *

F California—

Bay Area Air Pollution Control District, 939 Ellis St., San Francisco, CA 94109.

Del Norte County Air Pollution Control District, Courthouse, Crescent City, CA 95531.

Humboldt County Air Pollution Control District, 5600 S. Broadway, Eureka, CA 95501.

Kern County Air Pollution Control District, 1700 Flower St. (P.O. Box 997), Bakersfield, CA 93302.

Monterey Bay Unified Air Pollution Control District, 420 Church St. (P.O. Box 487), Salinas, CA 93901.

Northern Sonoma County Air Pollution Control District, 3313 Chanate Rd., Santa Rosa, CA 95404.

Trinity County Air Pollution Control District, Box AJ, Weaverville, CA 96093.

Ventura County Air Pollution Control District, 625 E. Santa Clara St., Ventura, CA 93001.

* * * * *

[FR Doc.76-15255 Filed 5-25-76;8:45 am]

PART 61—NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS

Delegation of Authority to State of California on Behalf of Ventura County and Northern Sonoma County Air Pollution Control Districts

Pursuant to the delegation of authority for national emission standards for hazardous air pollutants (NESHAPS) to the State of California on behalf of the Ventura County Air Pollution Control District and the Northern Sonoma County Air Pollution Control District, dated February 2, 1976, EPA is today amending 40 CFR 61.04, *Address* to reflect this delegation. A Notice announcing this delegation is published today in the Notices section of this issue. The amended § 61.04 is set forth below. It adds the addresses of the Ventura County and Northern Sonoma County Air Pollution Control Districts, to which must be addressed all reports, requests, applications, submittals, and communications pursuant to this part by sources subject to the NESHAPS located within these Air Pollution Control Districts.

The Administrator finds good cause for foregoing prior public notice and for making this rulemaking effective immediately in that it is an administrative change and not one of substantive content. No additional substantive burdens are imposed on the parties affected. The delegation which is reflected by this administrative amendment was effective on February 2, 1976, and it serves no purpose to delay the technical change of this addition of the Air Pollution Control District addresses to the Code of Federal Regulations.

Part 61 of Chapter I, Title 40 of the Code of Federal Regulations is amended as follows:

1. Section 61.04(b) is amended by revising subparagraph (F) to read as follows:

§ 61.04 Address.

* * * * *

(b) * * *

(F) California—

Bay Area Air Pollution Control District, 939 Ellis St., San Francisco, CA 94109.

Del Norte County Air Pollution Control District, Courthouse, Crescent City, CA 95531.

Humboldt County Air Pollution Control District, 5600 S. Broadway, Eureka, CA 95501.

Kern County Air Pollution Control District, 1700 Flower St. (P.O. Box 997), Bakersfield, CA 93302.

Monterey Bay Unified Air Pollution Control District, 420 Church St. (P.O. Box 487), Salinas, CA 93901.

Northern Sonoma County Air Pollution Control District, 3313 Chanate Rd., Santa Rosa, CA 95404.

Trinity County Air Pollution Control District, Box AJ, Weaverville, CA 96093.

Ventura County Air Pollution Control District, 625 E. Santa Clara St., Ventura, CA 93001.

* * * * *

This rule making is effective immediately.

(Sec. 112 of the Clean Air Act, as amended [42 U.S.C. 1857c-7]).

Dated: May 3, 1976.

STANLEY W. LEGRO,
Assistant Administrator for Enforcement.

[FR Doc.76-15256 Filed 5-25-76;8:45 am]

Title 41—Public Contracts and Property Management

CHAPTER 4—DEPARTMENT OF AGRICULTURE

PART 4-1—GENERAL

Miscellaneous Amendments

This amendment involves matters relating to management and contracts and, while not subject by law to the notice and public procedure requirements for rule making under 5 U.S.C. 553, is subject to the Secretary's Statement of Policy (36 F.R. 13804). The amendment reflects editorial and procedural changes. No useful purpose would be served by public participation, and it is found upon good cause, in accordance with the Secretary's Policy Statement, that notice and other public procedure with respect to the amendment are impracticable and unnecessary.

1. The Table of Contents is amended by adding the following:

4-1.713 Contracts with the Small Business Administration.

2. Section 4-1.713 is added as follows:

§ 4-1.713 Contracts with the Small Business Administration.

3. Section 4-1.713-2, paragraph (a)(2), is amended as follows:

§ 4-1.713-2 Policy.

(a) * * *

(2) Reports. In addition to the data required by § 1-1.1302(a)(7) of this title, the following information concerning 8(a) contract awards shall be submitted to the RMBAD, OEO, by May 15 for the period October 1 through March 31, and by November 15 for the period April 1 through September 30 of each fiscal year.

* * * * *

4. Section 4-1.1302(a) is amended to read as follows:

§ 4-1.1302 Agency programs.

(a) Minority business enterprise programs shall be established by agencies in accordance with the provisions of

Subpart 1–1.13 of this title. The following Department agencies, including the Office of Operations, are affected by these regulations: Agricultural Marketing Service (AMS), Agricultural Research Service (ARS), Agricultural Stabilization and Conservation Service (ASCS), Animal and Plant Health Inspection Service (APHIS), Economic Management Support Center (EMSC), Farmers Home Administration (FmHA), Food and Nutrition Service (FNS), Forest Service (FS), and Soil Conservation Service (SCS). These agencies shall designate an official in each of their procuring activities to administer the minority business enterprise program. The persons designated shall take positive actions that will result in the maximum practicable achievement of objectives for the minority business enterprise program. To accomplish this purpose, agencies should:

* * * * *

(Authority: 15 U.S.C. 637(a); EO 11625; 5 U.S.C. 301; 40 U.S.C. 486(c)).

Effective Date: This amendment is effective May 26, 1976.

Done at Washington, D.C., this 21st day of May, 1976.

GEORGE C. KNAPP,
Acting Director,
Office of Operations.

[FR Doc.76–15361 Filed 5–25–76;8:45 am]

CHAPTER 105—GENERAL SERVICES ADMINISTRATION

PART 105–50—PROVISION OF SPECIAL OR TECHNICAL SERVICES TO STATE AND LOCAL UNITS OF GOVERNMENT

Changes in Implementing Title III of the Intergovernmental Cooperation Act of 1968

The following revised regulations continue in effect the provisions of Title III of the Intergovernmental Cooperation Act of 1968 whereby procedural arrangements and principles are established for special or technical services the General Services Administration may provide, on request, to State and local units of government.

Chapter 105 is amended by revising Part 105–50, as follows:

Sec.

105–50.000 Scope of part.
105–50.001 Definitions.
105–50.001–1 State.
105–50.001–2 Political subdivision or local government.
105–50.001–3 Unit of general local government.
105–50.001–4 Special-purpose unit of local government.
105–50.001–5 Specialized or technical services.
105–50.001–6 GSA.

Subpart 105–50.1—General Provisions

105–50.101 Purpose.
105–50.102 Applicability.
105–50.103 Policy.
105–50.104 Limitations.
105–50.105 Coordination of requests.
105–50.106 GSA response to requests.

Subpart 105–50.2—Services Available From General Services Administration

105–50.201 Agencywide mission.
105–50.202 Specific services.
105–50.202–1 Copies of statistical or other studies.
105–50.202–2 Preparation of or assistance in the conduct of statistical or other studies.
105–50.202–3 Training.
105–50.202–4 Technical assistance incident to Federal surplus personal property.
105–50.202–5 Data processing services.
105–50.202–6 Communications services.
105–50.202–7 Technical information and advice.

Subpart 105–50.3—Principles Governing Reimbursements to GSA

105–50.301 Established fees.
105–50.302 Special fee schedules.
105–50.303 Cost basis in lieu of fees.
105–50.304 Services provided through revolving funds.
105–50.304a Deposits.
105–50.305 Exemptions.

Subpart 105–50.4—Reports

105–50.401 Reports submitted to the Congress.
105–50.402 Report submitted to the Office of Management and Budget.

AUTHORITY: Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c) and sec. 302, 82 Stat. 1102; 42 U.S.C. 4222.

§ 105–50.000 Scope of part.

This part prescribes rules and procedures governing the provision of special or technical services to State and local units of government by GSA. This part also prescribes principles governing reimbursements for such services.

§ 105–50.001 Definitions.

The following definitions are established for terms used in this part.

§ 105–50.001–1 State.

"State" means any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State.

§ 105–50.001–2 Political subdivision or local government.

"Political subdivision" or "local government" means a local unit of government, including specifically a county, municipality, city, town, township, or a school or other special district created by or pursuant to State law.

§ 105–50.001–3 Unit of general local government.

"Unit of general local government" means any city, county, town, parish, village, or other general purpose political subdivision of a State.

§ 105–50.001–4 Special-purpose unit of local government.

"Special-purpose unit of local government" means any special district, public-purpose corporation, or other strictly limited-purpose political subdivision of a State, but shall not include a school district.

§ 105–50.001–5 Specialized or technical services.

"Specialized or technical services" means statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and any other similar service functions which any department or agency of the executive branch of the Federal Government is especially equipped and authorized by law to perform.

§ 105–50.001–6 GSA.

"GSA" means the General Services Administration.

Subpart 105–50.1—General Provisions

§ 105–50.101 Purpose.

(a) This Part 105–50 implements the provisions of Title III of the Intergovernmental Cooperation Act of 1968 (82 Stat. 1102, 42 U.S.C. 4221–4225), the purpose of which is stated as follows:

"It is the purpose of this title to encourage intergovernmental cooperation in the conduct of specialized or technical services and provision of facilities essential to the administration of State or local governmental activities, many of which are nationwide in scope and financed in part by Federal funds; to enable State and local governments to avoid unnecessary duplication of special service functions; and to authorize all departments and agencies of the executive branch of the Federal Government which do not have such authority to provide reimbursable specialized or technical services to State and local governments."

(b) This part is consistent with the rules and regulations promulgated by the Director, Office of Management and Budget, in the Office of Management and Budget Circular No. A–97, dated August 29, 1969, issued pursuant to section 302 of the cited Act (42 U.S.C. 4222).

§ 105–50.102 Applicability.

This part is applicable to all organizational elements of GSA insofar as the services authorized to be performed in Subpart 105–50.2 fall within their designated functional areas.

§ 105–50.103 Policy.

It is the policy of GSA to cooperate to the maximum extent possible with State and local units of government in providing the specialized or technical services authorized within the limitations set forth in § 105–50.104.

§ 105–50.104 Limitations.

The specialized or technical services provided under this part may be provided, in the discretion of the Administrator of General Services, only under the following conditions:

(a) Such services will be provided only to the States, political subdivisions thereof, and combinations or associations of such governments or their agencies and instrumentalities.

(b) Such services will be provided only upon the written request of a State or

political subdivision thereof. Requests normally will be made by the chief executives of such entities and will be addressed to the General Services Administration as provided in § 105–50.105.

(c) Such services will not be provided unless GSA is providing similar services for its own use under the policies set forth in the Office of Management and Budget Circular No. A–76 Revised, dated August 30, 1967, subject: Policies for acquiring commercial or industrial products and services for Government use. In addition, in accordance with the policies set forth in Circular No. A–76, the requesting entity must certify that such services cannot be procured reasonably and expeditiously through ordinary business channels.

(d) Such services will not be provided if they require any additions of staff or involve outlays for additional equipment or other facilities solely for the purpose of providing such services, except where the costs thereof are charged to the user of such services. Further, no staff additions may be made which impede the implementation of, or adherence to, the employment ceilings contained in the Office of Management and Budget allowance letters.

(e) Such services will be provided only upon payment or provision for reimbursement by the unit of government making the request of salaries and all other identifiable direct and indirect costs of performing such services. For cost determination purposes, GSA will be guided by the policies set forth in the Office of Management and Budget Circular No. A–25, dated September 23, 1959, subject: User charges.

§ 105–50.105 Coordination of requests.

(a) All inquiries of a general nature concerning services GSA can provide shall be addressed to the General Services Administration (BR), Washington, DC 20405. The Director of Management Services, Office of Administration, shall serve as the central coordinator for such inquiries and shall assign them to the appropriate organizational element of GSA for expeditious handling.

(b) Requests for specific services may be addressed directly to Heads of Services and Staff Offices and to Regional Administrators. Section 105–50.202 describes the specific services GSA can provide.

(c) If the proper GSA organizational element is not known to the State or local unit of government, the request shall be addressed as in paragraph (a) of this section to ensure appropriate handling.

§ 105–50.106 GSA response to requests.

(a) Direct response to each request shall be made by the Head of the applicable Service or Staff Office or Regional Administrator. He shall outline the service to be provided and the fee or reimbursement required. Any special conditions concerning time and priority, etc., shall be stated. Written acceptance by the authorized State or local governmental entity shall constitute a binding agreement.

(b) Heads of Services and Staff Offices and Regional Administrators shall maintain complete records and controls of services provided on a calendar year basis to facilitate accurate, annual reporting, as required in § 105–50.401.

Subpart 105–50.2—Services Available From General Services Administration

§ 105–50.201 Agencywide mission.

(a) In its role as a central property management agency, GSA constructs, leases, operates, and maintains office and other space: procures and distributes supplies; coordinates and provides for the economic and efficient purchase, lease, sharing, and maintenance of automatic data processing equipment by Federal agencies; manages stockpiles of materials maintained for use in national emergencies; transfers excess real and personal property among Federal agencies for further use; disposes of surplus real and personal property, by donation or otherwise, as well as materials excess to stockpile requirements; operates centralized data processing centers and telecommunications and motor pool systems; operates the National Archives and Presidential libraries; and provides a variety of records management services, including the operation of centers for storing and administering records, as well as other common services.

(b) Special or technical services may be provided by many organizational elements of GSA with respect to their functional areas, but the requesting State or local agency needs only to know that the service desired is related to one or more of the functional areas described above and direct its request as provided for under § 105–50.105. State and local units of government are also encouraged to consult the "Catalog of Federal Domestic Assistance" as a more complete guide to the many other Federal assistance programs available to them. The catalog, issued annually and updated periodically by the Office of Management and Budget, is available through the Superintendent of Documents, Government Printing Office, Washington, DC 20402.

§ 105–50.202 Specific services.

Within the functional areas identified in § 105–50.201, GSA can provide the services hereinafter described.

§ 105–50.202–1 Copies of statistical or other studies.

This material includes a copy of any existing statistical or other studies and compilations, results of technical tests and evaluations, technical information, surveys, reports, and documents, and any such materials which may be developed or prepared in the future to meet the needs of the Federal Government or to carry out normal program responsibilities of GSA.

§ 105–50.202–2 Preparation of or assistance in the conduct of statistical or other studies.

(a) This service includes preparation of statistical or other studies and compilations, technical tests and evaluations, technical information, surveys, reports, and documents and assistance in the conduct of such activities and in the preparation of such materials, provided they are of a type similar to those which GSA is authorized by law to conduct or prepare and when resources are available.

(b) Specific areas in which GSA can conduct or participate in the conduct of studies include:

(1) Space management, including assignment and ulitilization;

(2) Supply management, including laboratory tests and evaluations;

(3) Management of motor vehicles;

(4) Archives and records management;

(5) Automatic data processing systems; and

(6) Telecommunications and teleprocessing systems and services.

§ 105–50.202–3 Training.

(a) This training consists of the type which GSA is authorized by law to conduct for Federal personnel and others or which is similar to such training.

(b) Descriptions of the specific training courses conducted by GSA are published annually in the Interagency Training Programs bulletin, copies of which are available from the U.S. Civil Service Commission, Washington, DC 20415.

§ 105–50.202–4 Technical assistance incident to Federal surplus personal property.

Technical assistance will be provided in the screening and selection of surplus personal property under existing law, provided such aid primarily strengthens the ability of the recipient in developing its own capacity to prepare proposals.

§ 105–50.202–5 Data processing services.

GSA will develop ADP logistical feasibility studies, software, systems analyses, and programs. To the extent that data processing capabilities are available, GSA will also assist in securing data processing services on a temporary, short term basis from other Federal facilities or Federal Data Processing Centers.

§ 105–50.202–6 Communications services.

GSA will continue to make its bulk rate circuit ordering services available for use by State and local governments. Under a revised tariff effective December 12, 1971, GSA will bill the State and local governments for their share of the TEL PAK costs. Services provided prior to December 12, 1971, will be billed by the contractors under the former arrangements. In addition, certain activities, such as surplus property agencies which have frequent communications with Federal agencies, will be given access to the Federal Telecommunications System switchboards.

§ 105–50.202–7 Technical information and advice.

GSA will provide technical information, personnel management systems

services, and technical advice on improving logistical and management services which GSA normally provides for itself or others under existing authorities.

Subpart 105–50.3—Principles Governing Reimbursements to GSA

§ 105–50.301 Established fees.

Where there is an established schedule of fees for services to other Government agencies or the public, the schedule shall be used as the basis for reimbursement for like services furnished to State and local governments.

§ 105–50.302 Special fee schedules.

Where there is no established schedule of fees for types of service which are ordinarily reimbursed on a fee basis, such schedules may be developed and promulgated in conjunction with the Office of Administration. The fees so established shall cover all direct costs, such as salaries of personnel involved plus personnel benefits, travel, and other related expenses and all indirect costs such as management, supervisory, and staff support expenses determined or estimated from the best available records in GSA. Periodically, fees shall be reviewed for adequacy of recovery and adjusted as necessary.

§ 105–50.303 Cost basis in lieu of fees.

Where the cost of services is to be recovered on other than a fee basis, upon receipt of a request from a State or local government for such services, a written reply shall be prepared by the service or staff office receiving the request stating the basis for reimbursement for the services to be performed. The proposal shall be based on an estimate of all direct costs, such as salaries of personnel involved plus personnel benefits, travel, and other related expenses and on such indirect costs as management, supervisory, and staff support expenses. An appropriate surcharge may be developed to recover these indirect costs. The terms thereof shall be concurred in by the Director of Administration. Acceptance in writing by the requester shall constitute a binding agreement between GSA and the requesting governmental unit.

§ 150–50.304 Services provided through revolving funds.

Where the service furnished is of the type which GSA is now billing through revolving funds, reimbursement shall be obtained from State and local governments on the same basis; i.e., the same pricing method, billing forms, and billing support shall be used.

§ 105–50.304a Deposits.

Reimbursements to GSA for furnishing special or technical services to State and local units of government will be deposited to the credit of the appropriation from which the cost of providing such services has been paid or is to be charged if such reimbursements are authorized. Otherwise, the reimbursements will be credited to miscellaneous receipts in the U.S. Treasury (42 U.S.C. 4223).

§ 105–50.305 Exemptions.

(a) Single copies of existing reports covering studies and statistical compilations and other data or publications for which there is no established schedule of fees shall be furnished without charge unless significant expense is incurred in reproducing the material, in which instance the actual cost thereof shall be charged.

(b) GSA may, pursuant to section 302 of the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4742), admit employees of State and local units of government to training programs established for professional, administrative, or technical personnel and may waive the requirement for reimbursement in whole or in part.

Subpart 105–50.4—Reports

§ 105–50.401 Reports submitted to the Congress.

(a) The Administrator of General Services will furnish annually to the respective Committees on Government Operations of the Senate and the House of Representatives a summary report on the scope of the services provided under Title III of the act and this part.

(b) Heads of Services and Staff Offices and all Regional Administrators shall furnish the Director of Management Services, OAD, by no later than January 15 of each year, the following information concerning services provided during the preceding calendar year to State and local units of government:

(1) A brief description of the services provided, including any other pertinent data;

(2) The State and/or local unit of government involved; and

(3) The cost to GSA to provide the service, including the amount of reimbursement, if any, made by the benefitting government.

(c) Reports Control Symbol LAW–27–OA is assigned to this report.

§ 105–50.402 Reports submitted to the Office of Management and Budget.

Copies of the foregoing reports will be submitted by the Administrator to the Office of Management and Budget not later than March 30 of each year.

Effective date. This regulation is effective May 26, 1976.

Dated: May 11, 1976.

JACK ECKERD,
Administrator of General Services.

[FR Doc.76–15326 Filed 5–25–76;8:45 am]

Title 45—Public Welfare

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

PART 162—NATIONAL READING IMPROVEMENT PROGRAM

Award of Grants and Contracts

Pursuant to the authority contained in Title VII of Pub. L. 93–380 (20 U.S.C. 1901 *et seq.*), notice was published in the FEDERAL REGISTER on December 4, 1975 (40 FR 56678) setting forth proposed regulations for grant and contract awards by the Commissioner of Education to State and local educational agencies and other non-profit organizations, as eligible under pertinent subparts, to carry out reading projects to:

(a) Strengthen reading instructional programs in elementary grades;

(b) Develop the capacity of preelementary school children for reading;

(c) Establish and improve preelementary school programs in language and reading;

(d) Develop and enhance skills of instructional and other educational staff for reading programs;

(e) Support State-administered reading programs;

(f) Test the effectiveness of intensive instruction by reading specialists and reading teachers; and

(g) Promote literacy among youths and adults.

Written comments and recommendations submitted by members of the public on the proposed rule have been carefully reviewed by the Commissioner. Summaries of the comments on the proposed regulation are set forth in the preamble below on a section by section basis, together with responses explaining the changes which have been made in the final regulation in response to the comments, or indicating why no changes were deemed appropriate. A number of changes have been made in the final regulation in response to the public comments.

The final regulation also includes changes to reflect statutory amendments to Title VII of Pub. L. 93–380 enacted by Pub. L. 94–194, which was signed by the President December 31, 1975. In particular, Subpart F has been added to cover awards to State educational agencies for State leadership and training activities, an activity newly authorized under Title VII by Section 1 of Pub. L. 94–194. These activities were formerly carried out under the authority of the Cooperative Research Act (20 U.S.C. 331a), which has now expired, and Subpart F follows closely the regulation which governed the program under the Cooperative Research Act (45 CFR Part 151, Subpart D). In addition, minor changes have been made in: (1) Subparts B and D of the regulation to reflect amendments to section 705 of Pub. L. 93–380 enacted by Section 2 of Pub. L. 94–194 respecting elementary and preelementary school reading improvement projects; and (2) Subpart C of the regulation to reflect section 4 of Pub. L. 94–194. Finally, Subpart E of the regulation has been changed to reflect an amendment to section 723 of Pub. L. 93–380 enacted by section 5 of Pub. L. 94–194 with respect to the eligibility of in-school youths and adults to participate in projects. Specifically, § 162.50 has been amended to reflect and clarify the intent of the statutory change. The amendment is more fully described in the preamble below under the response to comments on § 162.50.

Other statutory amendments to Title VII of Pub. L. 93–380 enacted by Pub. L. 94–194 are not deemed to need regulations for their implementation. These include section 3 of Pub. L. 94–194, providing for State administrative costs; section 6 on National Impact Reading Programs, which will be implemented through specific contracts; section 7, on the date for the Commissioner's Evaluation Report; section 8, on the acceptance by the Commissioner on behalf of the United States of gifts for activities authorized by Title VII; and section 9, authorizing a contract to support an inexpensive book distribution program to promote reading motivation.

A. SUMMARY

1. *Purpose of regulation.* Title VII of Pub. L. 93–380 establishes a number of programs to fund projects which will contribute to the improvement of reading skills throughout the country. The purpose of this regulation, which constitutes a new Part 162 in Title 45 CFR, is to establish rules for the conduct of these programs. The statute does not set forth certain matters which applicants must know in order to compete effectively for awards under these programs, including the criteria or standards by which applications will be judged, the duration of projects, procedures for State review of applications and, with respect to activities other than those described in Subpart B, application requirements. The regulation sets forth rules regarding these matters in order to provide uniform and fair guidance to applicants and the general public.

2. *Summary of regulation* (a) *Organization.* Proposed Part 162 is divided into a number of subparts. Subpart A sets forth general introductory provisions, including common definitions, for the part as a whole; Subpart B governs direct project grants under Part A of Title VII, Pub. L. 93–380; Subpart C governs the State-administered programs under Part B of Title VII of Pub. L. 93–380; Subpart D governs Special Emphasis Projects under section 721 of Pub. L. 93–380; Subpart E governs academy grants for youths and adults under section 723 of Pub. L. 93–380; and Subpart F governs State leadership and training projects under section 705(a)(3) and 724 of Pub. L. 93–380, as amended by Pub. L. 94–194. Appendix A sets forth the statutory provisions of Part B of Title VII, Pub. L. 93–380, and Appendix B contains guidelines for the academy program under section 723 of Pub. L. 93–380.

(b) *Subpart B—Reading Improvement Projects.* Two types of projects are authorized under this subpart:

(1) Projects to strengthen reading instructional programs in elementary schools having large numbers or a high percentage of children with reading deficiencies through innovative materials, programs, or other elements. Grants for these projects may be made to State or local educational agencies.

(2) Projects to establish and improve programs in language arts and reading in pre-elementary schools, in areas where there are large numbers or a high percentage of elementary school children with reading deficiencies, through innovative materials, programs, or other elements. Grants for these projects may be made to State or local educational agencies or nonprofit educational or child care institutions (§§ 162.10 and 162.11).

Each application requirement in § 162.12 would have to be met by an application for assistance under Subpart B in order for the application to be considered for funding.

Section 162.14 sets forth evaluation criteria and is divided into general criteria and specific programmatic criteria. Specific programmatic criteria include the extent the proposed project is designed to achieve high quality with respect to certain specific program elements required by § 162.12(c).

With respect to many of the specific program criteria, the proposed provisions set out the criterion and follow the criterion with a number of examples of considerations which may enter into the Commissioner's judgment of how many points to assign a particular criterion for each application. These examples are introduced by the language "as measured by factors such as whether." They are not requirements or hard and fast criteria and are not intended as an exhaustive list of considerations which will influence application of the stated criterion. However, they do give guidance to applicants as to some of the kinds of factors which might be addressed in the application to receive the maximum number of points under each respective criterion.

(c) *Subpart D—Special Emphasis Projects.* Subpart D sets forth proposed regulations governing projects under section 721 of Pub. L. 93–380. These projects involve awards to local educational agencies to determine the relative effectiveness of intensive reading instruction by reading specialists and reading teachers.

Because the purpose of the statute is to evaluate an approach to reading instruction, a number of requirements in the proposed regulation relate to necessary conditions for the evaluation, including the designation of a project and a control school, the relationship between the project and control schools, and cooperation by the award recipient in an evaluation to be conducted by the Commissioner or by a contractor of the Commissioner.

Awards to recipients under this subpart would be by means of assistance rather than procurement contracts, with awards to be made on the basis of applications submitted pursuant to a notice of closing date in the FEDERAL REGISTER.

Many of the application requirements in proposed § 162.40 derive from section 721(b)(1) of Pub. L. 93–380, which requires each application for a special emphasis project to provide assurances that the provisions of section 705(b) of Pub. L. 93–380 are met.

(d) *Subpart E—Reading Academy Program.* The Reading Academy Program will provide exemplary reading assistance and instruction for functionally illiterate in-school as well as out-of-school youths and adults not reached through other reading programs. Grants for reading academy programs may be made to State and local educational agencies, institutions of higher education, and community and other nonprofit organizations.

(e) *Subpart F—State Leadership and Training Projects.* Awards to State educational agencies are authorized for leadership and training activities designed to prepare personnel throughout the State to conduct projects which have been demonstrated in that State or in other States to be effective in overcoming reading deficiencies. This program is authorized by sections 705(a)(3) and 724 of Pub. L. 93–380, as enacted by Pub. L. 94–194.

3. *Public reaction to the proposed regulation.* Most comments on the proposed regulation concerned provisions in Subpart B concerning elementary school reading improvement projects. The major substantive comment, concerning the need for sustained support of State educational agencies for statewide leadership activities not based in particular schools, was addressed by the enactment of a specific authority for these activities by Pub. L. 94–194, enacted December 31, 1975, and the statutory amendment is implemented by the addition of a new Subpart F.

A number of public comments on Subpart B objected to specific application requirements, while others recommended regulation in greater detail on these requirements. The requirements which drew objections derive directly from the statute, and the Commissioner is without authority to delete them. On the other hand, the Commissioner has opted to leave considerable discretion to local applicants as to the specific manner in which these requirements are satisfied, out of a concern to avoid over-regulation by the Federal government. Also, with respect to Subpart B of the regulation, representatives of the State educational agencies complained that their function of approving applications and of establishing a State advisory council authorized to receive and rank applications, as required by the Statute, would impose a substantial administrative burden without any guarantee that their efforts would influence funding decisions at the national level. To respond to their concerns, § 162.14 has been amended to assign a substantial number of points to the State advisory council rankings of applications. This issue is more fully discussed under the response to comments on § 162.13 below.

One comment on Subpart D recommended that the regulation authorize control classes instead of requiring control schools under the Special Emphasis Projects. The comment has not been adopted based on concerns that the recommendation would vitiate the test model. This is more fully explained under the response to comments under § 162.40 below.

Comments on Subpart E relating to serving in-school youths and adults in

Reading Academy Programs were addressed by section 5 of Pub. L. 94–194, as implemented in § 162.50 of the final regulation.

B. DETAILED SUMMARY OF COMMENTS; CHANGES IN THE REGULATION

The following comments were submitted to the Commissioner regarding the proposed regulation. After the summary of each comment, a response is set forth stating changes which have been made in the regulation, or the reasons why no change is deemed appropriate. The comments are arranged in the order of the sections of the final regulation.

SUBPARTS A AND B

§ 162.1 *Scope and purposes*

Comment. One commenter suggested that the purpose of the pre-elementary program described in § 162.1(b)(4) and other parts of the regulation be changed from "develop the capacity of pre-elementary school children" to "improve performance" of the pre-elementary school children.

Response. No change has been made in the regulation. The term "capacity" is used in the law itself and can be read to refer to the pre-elementary child's "readiness" for reading. Pre-elementary projects will be developing the child's readiness for reading and the other language arts.

§ 162.2 DEFINITION

Comment. A commenter suggested that the definition of "non-profit educational or child care institution" be changed to include pre-elementary reading improvement project applicants who wish to establish a program to become a non-profit educational institution, as well as including those institutions currently operating such a program.

Response. No change has been made in the regulation. Before a grant is awarded, a non-profit educational or child care institution must have an ongoing educational or child care program, but it need not have an ongoing program in language arts and reading. Financial assistance under this statute is designed to establish and/or improve the language arts and reading programs in a non-profit educational or child care institution, but it is not designed to start or establish the institutions themselves.

§ 162.11 *Eligible applicants; nature of projects.*

Comment. One commenter suggested that teacher training programs and parent training programs be integrated into the reading improvement programs.

Response. No change has been made in the regulation. The Act focuses on innovative direct services to students who either have reading deficiencies or, in the case of the pre-elementary school children, are likely to develop these deficiencies. But, in providing these services, the applicant is clearly required to include preservice and inservice training to the extent parcticable and to include involvement of parents (§ 162.12(c)(1)(i)(A) and (ii)(c), as well as § 162.14(b)(3) and (b)(4)).

Comment. Two commenters suggested that the emphasis of the regulation be placed on the funding of programs that would have an impact on many schools and districts, not just individual school sites.

Response. No change has been made in the regulation. Part A of Title VII of Pub. L. 93–380 authorizes reading improvement projects *in schools* and sets out fourteen specific requirements which must be contained in each funded program, and which relate primarily to the direct provision of reading services to teachers and children in schools. Thus, Part A grants must be for school-based projects.

There is no limit in the regulation on the number of schools which may be involved in a project, and eligible applicants may apply jointly for funding in accordance with § 100a.19 of this chapter. In addition, the evaluation criteria award extra points to projects which provide for reaching a large number of schools, either through:

(1) Their direct involvement in the project as project schools;

(2) Specific plans to implement innovative elements developed in the project in all other schools administered by the applicant; and/or

(3) Provisions for dissemination of information on the project to other agencies and institutions (§ 162.14(a)(10)).

Beyond these provisions, it would not be appropriate to require projects to impact upon many schools and districts. Funds for the program are limited, and particularly given the fourteen program requirements which apply to project schools, the Office of Education could not realistically preclude the funding of projects focusing on one or a limited number of schools. It should also be noted that statewide leadership and training activities under Subpart F of this regulation will be designed to impact upon many schools and districts.

Comment. A commenter suggested that the requirement that the State educational agency, in order to be an eligible applicant, must "directly administer an elementary school program" be deleted in § 162.11(b)(4)(iv).

Response. No change has been made in the regulation. As indicated in the response to the preceding comment, Part A of Title VII authorizes school-based projects.

Subgrants of Federal funds may be made by State educational agencies to local educational agencies and other entities only when they are expressly authorized by staute, as under Titles I and IV of the Elementary and Secondary Education Act and under Part B of Title VII of Pub. L. 93–380. Subgrants are not authorized under Part A of Title VII of Pub. L. 93–380. It therefore follows that State educational agencies may receive a Part A award only if they are in a position to administer and directly supervise the project, a requirement applied to all direct, discretionary grant programs of the Office of Education by 45 CFR 100a.30.

Section 162.11(b)(4) of the regulation merely reflects these legal constraints in the context of this subpart and takes cognizance of those situations in which the State educational agency would be capable of satisfying these constraints. State educational agencies not interested in participating in the direct administration of elementary school projects may apply for a State leadership and training award under Subpart F of this part.

Comment. One commenter suggested that grades 4 through 8 in middle, junior, and secondary schools be included in the universe of eligible applicants (§ 162.11(a)). A second commenter suggested that the eligible applicants for elementary school reading improvement projects include institutions of higher education, and another commenter suggested that the same universe of eligible applicants include neighborhoods served by settlement and neighborhood centers.

Response. The statute authorizes projects only at the elementary or pre-elementary school levels. Students of middle schools may be served if the schools are "elementary schools" under § 162.2, which depends upon whether the schools provide elementary education as determined under State law. With respect to applicants eligible to receive awards, the statute limits eligibility for elementary level projects to local educational agencies and State educational agencies. The other suggested classes of applicants are not eligible under the statute.

§ 162.12 *Application requirements*

Comment. A commenter suggested that the requirement that the public have an opportunity for input into the planning of the project described in an application (such as through public notice and hearings) (§ 162.12(c)(1)(i)(B)) include a specification that public notice be published once a week for three consecutive weeks in one or more newspapers of general circulation published in the county.

Response. No change has been made in the regulation. The applicant should, by better knowing local clients and media, best be able to judge appropriate means for securing local input into the project application.

Comment. One commenter suggested that a private elementary school should have its children participate in the program if a State educational agency applied for and received a grant award.

Response. The commenter's concern is already met by the regulation. Section 162.12(c)(2)(i)(C) requires participation on an equitable basis by children enrolled in nonprofit private elementary schools.

Comment. One commenter suggested that provision be made in § 162.12(c)(1)(ii)(A) and § 162.14(b)(1) for a medical and psychological diagnosis that would ascertain a child's current, general intellectual and developmental functioning.

Response. No change has been made in the regulation. Nothing in the current regulation prohibits such a diagnosis if such information is necessary to assist a particular child in overcoming his or

her reading deficiencies. Based on experience with past applications, such testing may not be necessary for large numbers of children, and would prove too costly in terms of available funds if it were required for all children.

Comment. A commenter suggested that the extent of testing be reduced (§162.12 (c)(1)(ii)(A) and (c)(2)(i)(B) and § 162.14(b)(1) and (b)(5)).

Response. The Office of Education shares the concern of the commenter and has not requested any testing beyond that required by the statute (both in the proposed and final rule).

Comment. One commenter suggested that the regulation include a definition of "achievement testing" (§ 162.12(c)(2)(i)(B) and (3)(i) as well as § 162.14(b)(5)) and a definition of "diagnostic testing" to aid in understanding the terms (§ 162.12(c)(1)(ii)(A)).

Response. No change has been made in the regulation. The regulation already provides a succinct explanation of the nature of these tests in the context in which they are required (§ 162.12(c)(1)(ii)(A), (2)(B), and (3)(i)). No specialized uses of these terms beyond the general description provided in these contexts are intended.

Comment. One commenter recommended that the regulations should be rewritten to reflect the fact that there are many excellent school reading programs operating at the present time which are very effective.

Response. The Office of Education intends no implication that there are not many excellent and effective school reading programs at the present time and does not understand the regulation to carry such an implication. However, it should be understood that the statute only authorizes support of projects involving the use of innovative methods, systems, materials, or other elements which show promise of overcoming reading deficiencies. The regulation has been framed in terms of this authorization.

Projects could not be supported merely to sustain ongoing reading programs or program elements in a given site. The regulatory requirement in § 162.12(b)(2) that the project be designed to improve and expand upon existing reading activities and programs through innovative methods, systems, materials, or other elements derives directly from the statutory authorization of innovative programs.

With respect to the commenter's concern, it may be noted that the term "innovative" might have been defined to mean new and different for the entire Nation, which might have carried the implication that nothing worth supporting already existed in school reading programs. However, the term "innovative" has been defined to mean new and different to participants in project activities, which means that an applicant may be funded to introduce program elements to a school which have proved effective in other settings.

Comment. A commenter suggested (in § 162.12(a)(1)) that the word "grade" be deleted or the word "level" be redefined in the requirement, which provides that the application must set forth "plans and strategies for having the children in project schools reading at the appropriate grade level at the end of grade three." Another commenter suggested that the requirement be aimed at "the appropriate grade level at the end of grade six" rather than grade three.

Response. A change has been made to clarify the intent of this requirement by defining the word "appropriate" with reference to each individual student's age and ability (§ 162.2). No change can be made with reference to the application of the requirement to the end of grade three, since this requirement is stated in the authorizing statute.

Comment. One commenter suggested that a definition be added for the word "analyze," as used in § 162.12(b)(1) to require that the applicant has taken measures to analyze the reasons why elementary school children are not reading at the appropriate grade levels.

Response. No change has been made in the regulation. "Analyze" is used in the ordinary dictionary sense.

Comment. One commenter suggested that the form, manner, and audience for which test results are to be published should be identified in the regulation. Another commenter suggested that the publication of test results (§ 162.12(c)(1)(ii)(E)) and (§ 162.14(b)(8)) should be done once a week for three consecutive weeks in one or more newspapers. Another commenter suggested that no publication of test results be required.

Response. No change has been made in the regulation. The local grantee should best be able to judge the form, manner, and audience for publication of test results. The requirement of publication is contained in the Act and cannot be deleted. The Office of Education has observed that achievement test results are best used when the local school decisionmakers and the local community plan ahead for the form, manner, and audience for test results. What is effective and helpful for teachers, parents, and schools in one local educational agency may not be as helpful in the next.

Comment. A commenter suggested that specific program requirements (§ 162.12) be included for statewide reading programs.

Response. No change has been made. The regulation seems adequate for projects in one or in a number of schools (see the response above under comment on § 162.11).

Comment. One commenter suggested that diagnostic testing, as required in § 162.12(c)(1)(ii)(A) and § 162.14(b)(1), include the "use of an expectancy formula."

Response. No change has been made in the regulation. The various techniques for diagnosing are better left to the discretion of the grantees.

Comment. A commenter suggested that, in § 162.12(c)(2)(i)(A) and § 162.14(b)(2)(iii), applications be judged on how well they address the needs of children with reading deficiencies and not on the provision of services to all children in classes to be served by the project.

Response. No change has been made in the regulation. The Act and the regulation (in the cited sections) do focus on students with reading deficiencies but not to the exclusion of other students. Evaluations show that children with reading deficiencies do better in overcoming them if, for the most part, they are included with the other students in their classes. Thus, the regulation, while requiring projects to focus on children with reading deficiencies, also requires instruction for every child in classes involved in the project.

§ 162.13 *Review of applications by State educational agencies and State advisory councils*

Comment. A commenter suggested that, if the State educational agency does not approve an application (§ 162.13) by the cut-off date established by the Commissioner, a waiver of the State educational agency's opportunity to approve or disapprove that application be established. Representatives of the State educational agencies expressed strong concerns that, under the proposed regulation, substantial time and effort would be required by the SEA and its advisory council in receiving applications and designating priorities among them without any firm indication that the priority rankings would affect funding decisions by the Office of Education. Therefore, according to SEA representatives, the only clear input that the SEA and its advisory council would have on funding decisions would be a negative one, i.e., to disapprove an application.

Response. The authorizing statute requires State approval of an application, and the Commissioner would be without authority to approve an application unless the appropriate SEA had first approved it. Therefore, the Commissioner could not fund an application on the basis that the SEA had not acted on an application by a specified cut-off date. On the other hand, § 162.13(c) does provide that the Commissioner may establish a cut-off date for SEA approvals, and failure by the State to approve an application by the cut-off date will be deemed a disapproval of the application by the SEA, and the application will not be considered for funding by the Commissioner. This provision is consistent with the statutory approval authority of the SEA and is necessary to carry out a competitive review of applications within funding cycle time constraints.

With respect to the concerns raised by the SEAs, Part A of Title VII vests in the U.S. Commissioner of Education authority to make direct project grant awards, and the Commissioner is without legal authority to delegate the making of award decisions to an SEA or its advisory council. At the same time, in making funding decisions, the Commissioner would certainly be authorized to consider and give weight to rankings of applications by the State advisory council pursuant to the statute.

The proposed program regulation had provided that applications for Part A

grants would be evaluated on the basis of evaluation criteria set forth in proposed 45 CFR 162.14, in addition to the rankings designated by the State advisory councils, without specifying what weight would be accorded the State advisory council rankings, or how they would relate to the point structure established for the evaluation criteria (proposed 45 CFR 162.14).

In response to the SEA concerns, the regulation has been changed to add provisions to § 162.14 which indicate that application rankings by the State advisory council will count for a possible 50 points out of a total possible 195 points for all evaluation criteria (including the State rankings) with respect to elementary level projects, and 230 points with respect to preelementary level projects. With this amendment, a very high State advisory council ranking would very measurably increase an application's chances for being funded by the Commissioner.

Together with this change in the regulation, § 162.13(e) has been amended to urge SEAs very strongly not to approve more than ten applications under this subpart. Given the weighting for State advisory council rankings and the statutory provisions requiring the Commissioner, to the maximum extent feasible, to assure an equitable distribution of funds throughout the United States and prohibiting the Commissioner from expending more than 12½ percent of funds expended under this subpart in a given State (as reflected in § 162.15), applications which were not ranked within the top ten applications within a State would not likely have a realistic chance to be funded. If the States are selective in the number of applications approved, it should make possible a more intensive, higher quality evaluation of applications at the Federal level.

Comment. A commenter suggested that the Commissioner should notify the State educational agency of the approval of all projects within its State.

Response. The Commissioner does intend to notify the SEAs of projects approved within their States, but does not believe that a regulation requirement would be appropriate.

Comment. A commenter suggested that administrative monies be provided to the State educational agency so that it can carry out the tasks required of it by § 162.13 of the regulation.

Response. Section 3 of Pub. L. 94-194 authorizes the Commissioner to pay to each State educational agency the amount necessary to meet the costs of carrying out its responsibilities described in § 162.13 of the regulation. The law provides that such an amount may not exceed one percent of the total amount of grants made under Subpart B of the regulation in that State. No regulations would seem to be needed on this amendment to the statute.

§ 162.14 *Evaluation criteria*

Comment. Two commenters suggested, with respect to § 162.14(b)(5)(v), that evaluation of childrens' growth in the project be done not by standardized norm-referenced test scores, but by criterion-referenced tests which evaluate the child at the beginning of the program and at the end of the program.

Response. No change has been made in the regulation. The regulation provides latitude to local program staff to choose the particular measurement ways which meet the needs of their students.

Comment. One commenter suggested deletion of the phrase "and instruction different from that offered in the classroom" in § 162.14(b)(2)(vi), and the addition of the phrase "is necessary because the childrens' instructional needs cannot be met in the regular classroom."

Response. The regulation has been changed in accordance with the comment. The regulation now more clearly states the intent of the provision that the supplemental instruction outside the classroom should reinforce the instruction given within the classroom.

Comment. A commenter suggested that definitions be given for norm-referenced measurement and criterion-referenced measurement (§ 162.14(b)(5)(v)).

Response. No change has been made in the regulation. Since these terms are not used in a prescriptive or mandatory fashion, there is no need for a regulatory definition. Generally, norm-referenced measurement would involve comparing a child's achievement against norms for groups of children expressed in terms such as age or grade levels, whereas criterion referenced measurement would permit an assessment of a child's achievement in terms of specific criteria designed for that child in terms of the child's own reading needs and skills.

Comment. A commenter suggested that the provision in § 162.14(b)(6)(ii), concerning "a knowledge of the history and culture" associated with the language of children of limited English-speaking ability be deleted from consideration of the bilingual education methods or techniques in a proposed project.

Response. No change has been made in the regulation. The provision cited by the commenter is neither a requirement nor a firm criterion for judging applications. It is merely one example of considerations which may enter into the Commissioner's judgment of how many points to assign each application for the criterion of high quality in the project with respect to appropriate use of bilingual education methods and techniques, which counts for a potential total of five points out of a total of 195 points for elementary school projects or 230 points for pre-elementary school projects. Where use of bilingual education methods and techniques is appropriate in a project (i.e., where the project serves a population including children of limited English-speaking ability), it would seem that the cited provision would be one indication of the quality of the bilingual education methods and techniques.

§ 162.17 *Duration of projects*

Comment. One commenter suggested the duration of the project (§ 162.17(a)) be extended to include a third possible continuation year.

Response. No change has been made in the regulation. Two years' time would seem an adequate period of time for the establishment or improvement of appropriate reading programs under this subpart. Given a limited period of authorization and limited funds for the program, the Office of Education feels that tying up program funds on a noncompetitive basis for a longer period of time would not be in the best interests of the statutory purpose.

§ 162.18 *Size of awards; allowable costs*

Comment. A commenter recommended that the suggested $15 base figure per student involved in the project be deleted. The $15 base figure would involve an unrealistically high number of students to be served with too small an amount of money.

Response. The comment has been adopted, with an amendment indicating the bases on which the size of awards will be determined.

Other comments

Comment. One commenter suggested that the regulation should be shortened to reduce the burden on applicants.

Response. No change has been made in the regulation. The length of Subpart B of the regulation derives directly from the long list of program requirements set forth in the authorizing statute (section 705 (b), (c), (d), and (e) of Pub. L. 93-380). The statutory requirements account directly for the length of the requirements section of the regulation (§ 162.12) and are primarily responsible for the length of the evaluation criteria section (§ 162.14) which contains many criteria measuring the quality of the project in meeting the specific requirements in § 162.12. Another factor which accounts for the length of the criteria section is the provision under § 162.14(b) of examples of considerations which may enter into the Commissioner's judgment of how many points to assign particular criteria for each application. These examples are introduced by the language "as measured by factors such as whether." These examples are not requirements or hard and fast criteria, but they give additional guidance to applicants as to some of the kinds of factors which might but need not be addressed in the application to receive the maximum number of points under each respective criterion.

Comment. One commenter suggested that the term "project schools" and "school projects" be further defined.

Response. The term "project schools" is used under Subpart D to distinguish project schools from control schools for purposes of the evaluation authorized under that subpart. A definition of "project schools" has been added to § 162.36 to clarify this. The term "school projects" is used in Subpart B merely to refer to projects in schools.

SUBPART C—STATE READING IMPROVEMENT PROGRAMS

§162.25 *Scope and purpose*

Comment. One commenter suggested that the purpose description with reference to training of reading personnel

and specialists include express reference to training for reading paraprofessionals.

Response. The regulation has been changed in accordance with the comment.

SUBPART D—SPECIAL EMPHASIS PROJECTS

§ 162.36 *Definitions*

Comment. One commenter asked for a clarification of the term "project school."

Response. A definition has been added for "project school" as used in this subpart ("the individual school site where the Special Emphasis Project will be implemented").

§ 162.39 *Review and certification by State educational agencies*

Comment. A commenter stated that to allow persons who are not trained in reading to participate as reading teachers in the Special Emphasis Program would decrease the impact of the program.

Response. No change has been made in the regulation. The authorizing law states that regular classroom teachers who are enrolled in a reading teacher program may be used in lieu of a reading teacher if reading teachers are not available to the local educational agency. However, under the funding criteria, projects which propose to utilize solely reading specialists and reading teachers can receive extra points and will, therefore, have a better chance for funding (§ 162.41(c)).

§ 162.40 *Application requirements*

Comment. One comment asked that instruction in utilizing reading skills in the content areas be required.

Response. No change has been made. The suggested requirement is not needed to carry out the purposes of this program. The content of the reading program is best left to the judgment of the local educational agency.

Comment. One commenter asked that the rules specify the types of diagnostic testing and achievement testing required in § 162.40(b)(2)(iii) and (vii).

Response. No change has been made. The decision whether to use standardized tests, criterion-referenced tests, or informal reading inventories is best left to the discretion of the individual local educational agency. However, specific achievement tests or other evaluation instruments may be required pursuant to § 162.38(b) in order to permit an evaluation by the Commissioner or by a contractor selected by the Commissioner of the effectiveness of intensive instruction by reading specialists and reading teachers.

Comment. One commenter recommended that the rules specify the form and manner in which to publish test results by grade level and school under §162.40(b)(2)(vii)(A). Another commenter suggested that notices concerning the project and test results should be published as public notices in local newspapers.

Response. No change has been made. The Office of Education believes that the local educational agency is in the best position to judge how best to communicate with its community, and thus the rules do not specify how this should be accomplished.

Comment. One commenter stated that the Special Emphasis Program legislation did not require the establishment of a control school and requested that the rules permit the use of classes in several schools as controls.

Response. No change has been made in the regulation. The purpose of the authorizing statute for Special Emphasis Projects is to determine the effectiveness of intensive instruction by reading specialists and reading teachers. To carry out this purpose, the Office of Education deems it necessary to establish a control situation (not including instruction by reading specialists and reading teachers) which parallels as closely as possible the project situation in which reading specialists and reading teachers are used. The authorizing statute requires each project to provide for teaching by a reading specialist for all children in the first and second grades of *an elementary school* and the teaching of reading by a reading specialist for elementary school children in grades three through six who have reading problems (Sec. 721(a)(1) of Pub. L. 93-380). The statute thus ties the project to a specific elementary school. While it would be theoretically possible to have classes in different schools as control groups, to do so might introduce new variables into the control situation and would threaten to vitiate the testing design. Therefore, a control school is required, and the regulation requires project schools and control schools to be comparable in material respects (§ 162.40(a)(5) and (6)).

SUBPART E—READING ACADEMY PROGRAM

§ 162.50 *Scope and purpose*

Comment. Two commenters objected to the exclusion of secondary school programs from eligibility for funding consideration, while another urged that the program permit participation by adults enrolled in institutions of higher education who are in need of reading instruction. Another commenter seemed to interpret the proposed regulation as excluding adults of a certain age from participation.

Response. The regulation has been amended, in § 162.50, to allow for participation of in-school youths and adults who do not otherwise receive reading assistance and instruction. The proposed regulation had limited participation in projects to out-of-school youths and adults based upon the statutory provision that reading assistance and instruction would be for youths and adults "who do not otherwise receive such assistance and instruction." Since publication of the proposed rules, the authorizing statute has been amended by Pub. L. 94-194 to provide expressly for participation by "in-school as well as out-of-school" youths and adults, and the final regulation is therefore modified to reflect this statutory amendment.

At the same time, it must be noted that the statute continues to describe projects as being for youths and adults "who do not otherwise receive" reading assistance and instruction. Furthermore, legislative history related to the amendment authorizing reading assistance and instruction for in-school youths and adults reflects congressional intent that the amendment was not to be a basis for establishing a school system to duplicate that already in existence, and that the authority to allow participation by school students should be used only in situations where it is specifically warranted. (H.R. Rep. No. 720, 94th Cong., 1st Sess. 6-7 (1975); Statement of Representative Quie, 121 Cong. Rec. H. 13055, daily ed., December 19, 1975.)

In accordance with this legislative history, § 160.50(b) has been amended to provide that activities funded under this subpart:

(a) Must not duplicate or supplant reading programs available in public or private elementary or secondary schools, postsecondary school institutions, or other agencies or institutions;

(b) Must be designed for both youths and adults who do not otherwise receive reading assistance and instruction and who elect to participate in project activities on a voluntary basis; and

(c) May not be designed primarily to serve in-school youths and adults.

While a public or private elementary or secondary school or institution of higher education would be eligible under this subpart to receive an award as a reading academy prepared to serve both youths and adults in the community, it could not, under these provisions, apply for a grant under which it would only serve students enrolled in the regular school curriculum. In addition, a prospective academy could not propose activities to serve in-school youths and adults who have reading assistance and instructional activities available to them (whether or not these activities are different in approach from those proposed for the reading academy). Section 162(a)(5) has also been added to the regulation to require applications to provide information satisfying the Commissioner that these provisions will be met.

Adults of particular ages are not excluded from participation in funded activities.

Comment. One commenter suggested that the regulation be revised to include as participants children, youths, and adults in correctional institutions, and that guidelines be tailored specifically to this population.

Response. No change has been made. Youths and adults in correctional institutions are not excluded as participants. The regulations which are provided are intended to be general enough so that the establishment of an academy in a variety of settings, including correctional institutions, is possible.

§ 162.51 *Definitions*

Comment. A commenter suggested that the definition of "adult" be modified to be consistent with a definition used by other

programs in the U.S. Office of Education (that "adult" be defined to mean "an individual who either assumes the roles and functions of a responsible and mature member of society or has reached the chronological age of adulthood specified by law").

Response. No change has been made. The purpose of the definition is to make clear the distinction between "adult" and "youth" as they appear in the governing legislation. The definition suggested by the commenter would not serve this purpose. Under § 162.50(b)(2)(ii) and other provisions of the regulation, academies must provide services to both youths and adults.

§ 162.52 *Application requirements*

Comment. One commenter suggested that § 162.52(a)(i) be amended to clarify that projects must be designed to eliminate functional illiteracy "through the increase or improvement of reading skills," rather than through other possible approaches.

Response. The suggested change is considered unnecessary to carry out the commenter's concern. "Functional illiteracy" is defined in § 162.51 with reference to reading skills, so that activities to eliminate functional illiteracy would by definition include an improvement of reading skills.

Comment. A commenter recommended that § 162.52(c)(4)(i) be modified to allow for small group instruction as well as one-to-one instruction.

Response. The comment is adopted. Either individualized or small-group instruction (or both) could be utilized by the grantee.

Comment. A commenter recommended that cooperative agreements between applicants and State and local adult education organizations be considered.

Response. An amendment has been made to § 162.52(c)(6) in accordance with the comment.

Comment. One commenter expressed the viewpoint that other subparts of this regulation place more emphasis on comprehensive planning and needs assessment and recommended that this subpart be revised accordingly.

Response. No change in the regulation has been made. Planning is very heavily emphasized in the State Leadership and Training Activity under Subpart F of the final regulation and under Subpart A, with respect to reading improvement projects. However, planning and needs assessment activities are also emphasized in §§ 162.52(a), (c)(1), (2) and (9) and 162.53(b) of the regulation and in the guidelines (Appendix B, Chapter II Part 2). It is deemed inappropriate to impose additional requirements with respect to these project elements.

Comment One commenter suggested a number of specific changes in the regulation to authorize development of a psycholinguistic approach to reading which would reach the target population in their own homes through use of prime time commercial television. The commenter expressed the viewpoint that formalized, institutional programs were too threatening to the target population, whereas television permitted anonymous participation by home-viewers.

Response. The suggested changes have not been made in the regulation. The statutory provision which authorizes the Reading Academy Program, section 723 of Pub. L. 93–380, provides that "reading assistance and instruction will be provided in appropriate facilities to be known as 'reading academies.'" This language would not appear to authorize the development of television activities to reach adults and youths in their own homes (cf. section 722 of Pub. L. 93–380, which expressly authorized the development and distribution of television courses for elementary school teachers). Television, as well as other media and materials, could be used for reading instruction in reading academies, but the focus of the grant would be on the development and carrying out of the reading academy program. The development of particular media or materials could be an incidental but not a central aspect of the project. While the type of project outlined by the commenter would be beyond the scope of the Reading Academy Program, it is possible that it could be considered for funding as a national impact reading program under section 725 of Pub. L. 93–380. The project could be submitted as an unsolicited proposal seeking support under Section 725.

The comments on the difficulty of recruiting and retaining partially illiterate youths and adults are well-taken. These problems are addressed in sections 3.1–4.2 of the guidelines set forth as Appendix B to this part.

§ 162.54 *Allowable costs*

Comment. One commenter questioned why this program is expected to provide "good quality, individualized instruction at the lowest possible cost," interpreting this to signify a low priority on the elimination of adult illiteracy. The commenter also objected to the use of volunteers in any but the most minor elements of the program, stating that, "highly skilled reading specialists" are necessary as teachers for this particular population.

Response. The regulation provision on cost which is quoted by the commenter is intended only to emphasize the determination to secure the greatest return for funds expended and to fund projects which are replicable without substantial Federal investments. It does not denote a low priority on adult literacy.

The experience of the Office of Education in funding reading projects for youths and adults under the former Right-to-Read Community Based Program and under the Academy Program indicates that volunteer tutors, if they are properly selected, trained, supervised, and directed, can be a highly effective aspect of reading projects for youths and adults. In this connection, the evaluation criteria in the proposed and final regulation attach a substantial number of points to the applicant's plans for providing appropriate supportive services to tutors or other instructional personnel (§ 162.53(d)(6)), and guidelines at Appendix B to the regulation give considerable guidance to applicants and grantees respecting appropriate use, training, and supervision of volunteer tutors (Appendix B, Chapter II, Section 6.2; Chapter III). It must also be noted that the use of volunteer tutors is not required by the regulation, but is merely proffered as one possible low-cost approach to providing reading instruction to illiterate youths and adults (§ 162.53(c)).

APPENDIX B—MANUAL OF GUIDELINES FOR THE READING ACADEMY PROGRAM

Comment. One commenter recommended that the guidelines for the Reading Academy Program include suggestion for "follow-up" of participants.

Response. No change has been made in the regulation or guideline. The Office of Education agrees that follow-up of participants following their completion of or departure from a project is desirable and encourages grantees to undertake such a follow-up. However, it is not deemed necessary to regulate on this matter at the Federal level, and it follows that there is no need for a guideline on the subject. The Office of Education would hope to explore what kinds of technical assistance might be provided to grantees in connection with possible follow-up activities.

Comment. A commenter recommended that dissemination procedures be suggested in the model of the results and findings of Academy centers and satellites.

Response. No change has been made. Dissemination of the results of a project is an important aspect of the Academy Program, but will be supervised by the Office of Education. In monitoring the programs, the Office will seek to identify especially successful approaches which warrant dissemination.

C. OTHER CHANGES

1. Subpart F has been added to implement section 1 of Pub. L. 94–194.

2. References have been added for Pub. L. 94–194, which amends the National Reading Improvement Program.

3. Definitions have been added in § 162.1 for "bilingual education" and "limited English-speaking ability" which derive from section 703 of the Bilingual Education Act.

4. Additional definitions have been added in § 162.1 for "high percentage" with reference to a "high percentage of children with reading deficiencies," as used in §§ 162.10 and 162.11, and "appropriate" with respect to the project objective that children read at the "appropriate grade level at the end of grade three." (§ 162.12(a)(1)).

5. Provisions for waiver of requirements related to training and community involvement in project planning and development in Subparts B and D have been added to reflect Section 2(a) of Pub. L. 94–194.

6. Section 162.13(d)(2)(iii) has been deleted in conformance with Section 2(d) of Pub. L. 94–194.

7. Sections 162.17, 162.44, and 162.55 have been amended in order to clarify

and make uniform the regulatory provisions on duration of projects and continuation awards for the various programs.

8. The number of points weighted for the criterion in § 162.41(b)(5) inadvertently not printed in the proposed regulation has been added in Subpart D.

9. Also in Subpart D, § 162.44 has been redrafted to provide for continuation awards on a non-competitive basis and to clarify the section.

10. Other typographical and technical changes have been made.

D. WAIVER OF RULEMAKING FOR STATUTORY CHANGES

In accordance with section 431(b)(2)(A) of the General Education Provisions Act, it is the practice of the Office of Education to provide opportunity for interested parties to take part in its rulemaking process, and this practice has been followed with respect to the preponderance of provisions in this notice. However, with respect to subpart F of this regulation, concerning the State leadership and training program, and amendments to Subpart E concerning participation of in-school youths and adults in the Reading Academy Program, particularly § 162.50(b)(2), opportunity for public comment has not been provided based upon:

(1) The Commissioner's finding, with respect to Subpart F, in accordance with 5 U.S.C. 553(b)(3)(B), that opportunity for public comment on these provisions would be impracticable and contrary to the public interest in view of the time constraints which dictate publication of a final rule at this time. Such a finding is premised on the reasons set forth in the following paragraph, and

(2) The fact that § 162.50(b)(2) (and conforming amendments to Subpart E) constitutes an interpretative rule not subject to rulemaking procedures under 5 U.S.C. 553(b)(3)(A).

Subpart F. The regulation provisions for which opportunity for public comment is not being provided implement statutory amendments enacted December 31, 1975 (Pub. L. 94-194). The statutory amendments authorizing the State leadership program (section 1 of Pub. L. 94-194) were designed to continue a program conducted during Fiscal Years 1972, 1973, 1974, and 1975 by the Office of Education under the Cooperative Research Act (20 U.S.C. 331a). Thirty-one grants made to State educational agencies in FY 1975 under the program expired February 28, 1976, and the other twenty grants made to SEAs with FY 1975 Cooperative Research Act funds under the program expire June 30, 1976. Although many of the grants which expired February 28 have been extended to allow grantees to incur obligations under the grant until September 30, 1976, this extension will not sustain many of these projects, which have expended most or all of their authorized grant funds. Unless new awards are promptly made to these States (and to the twenty States whose grants expire June 30, 1976), grantees will not be able to maintain the continuity of these projects or to continue to employ their project staffs.

Congress enacted a special provision to authorize the expenditure of already appropriated FY 1976 funds for these projects (Section 1 (a) of Pub. L. 94-194), and the enactment was greatly expedited based upon a congressional concern that the continuity of these programs be maintained (see, for example, statements on the floors of the House and Senate, respectively, by Rep. Quie, 121 Cong. Rec. H. 12509, December 15, 1975; Rep. Perkins, 121 Cong. Rec. H. 12507-8, December 15, 1975; and Senator Beall, 121 Cong. Rec. S. 22544, December 17, 1975).

Under section 431(d) of the General Education Provisions Act, a regulation cannot take effect until forty-five days after the final regulation has been transmitted for congressional review. Therefore, if a proposed regulation were issued at this time for the State leadership activity, it would have to be followed by a thirty-day comment period, an additional period for having the final regulation prepared and cleared within the Department of Health, Education, and Welfare, and then the forty-five day congressional review period before grant awards could be made, if the awards were to be made on the basis of the regulation. This delay in making awards would undermine the very projects which the program is designed to support.

An additional consideration with respect to the State leadership program is that final regulations were issued for the program on May 8, 1975 (40 FR 20084) following publication of a proposed regulation on December 27, 1974 (39 FR 44774) with an opportunity for public comment, both at a public hearing and in the form of written submissions. The May 1975 regulations were premised upon the Cooperative Research Act (20 U.S.C. 331a). Only two public comments were received on the proposed regulation, and neither raised substantive issues with respect to the regulation. Subpart F of this notice follows very closely the regulation adopted May 8, 1975 pursuant to the rulemaking process, consistent with congressional enactment of a specific statutory authorization (section 1 of Pub. L. 94-194) which parallels the administratively fashioned authorization (under the broad terms of the Cooperative Research Act) in the May 8, 1975 regulation and with congressional intent that the existing program under the May 8, 1975 regulation be maintained (see above-cited statements by Reps. Quie and Perkins and Senator Beall). For these reasons, proposed rulemaking procedures for Subpart F are impracticable and contrary to the public interest.

Subpart E. As indicated above, the amendments to Subpart E, particularly § 162.50(b)(2), constitute an interpretative rule not subject to rulemaking procedures. They interpret the effect and intent of section 5 of Pub. L. 94-194, which makes in-school youths and adults eligible for participation in Reading Academy Programs. The original closing date for new applications for FY 1976 funding under this activity was February 6, as published in the December 16, 1975 FEDERAL REGISTER (40 FR 58338). Subsequently, a notice of statutory change and interpretation (concerning the subject amendment), with the new closing dates for both new and continuation applications was published in the FEDERAL REGISTER on March 22, 1976 (41 FR 11842). Section 162.50(b)(2) implements, within the final regulation, the March 22, 1976 notice of statutory interpretation.

E. *Effective date.* Pursuant to section 431(d) of the General Education Provisions Act, as amended (20 U.S.C. 1232(d)), this regulation has been transmitted to the Congress concurrently with its publication in the FEDERAL REGISTER. That section provides that regulations subject thereto shall become effective on the forty-fifth day following the date of such transmission (July 12, 1976), subject to the provisions thereof concerning congressional action and adjournment.

(Catalog of Federal Domestic Assistance Number 13.533, Right to Read Elimination of Illiteracy)

Dated: April 15, 1976.

T. H. BELL,
U.S. Commissioner of Education.

Approved: May 19, 1976.

DAVID MATHEWS,
Secretary of Health, Education, and Welfare.

Chapter I, Title 45 of the Code of Federal Regulations is amended by adding a Part 162 as follows:

Subpart A—General

Sec.
162.1 Scope and purposes.
162.2 Definitions.
162.3–162.9 [Reserved]

Subpart B—Reading Improvement Projects

162.10 Scope and purpose.
162.11 Eligible applicants; nature of projects.
162.12 Application requirements.
162.13 Review of applications by State educational agencies and State advisory councils.
162.14 Evaluation criteria.
162.15 Equitable geographic distribution.
162.16 [Reserved]
162.17 Duration of projects.
162.18 Size of awards; allowable costs.
162.19–162.24 [Reserved]

Subpart C—State Reading Improvement Programs

162.25 Scope and purpose.
162.26 Allotments; reallotments.
162.27 Standard of excellence.
162.28 [Reserved]
162.29 Judicial review.
162.30–162.34 [Reserved]

Subpart D—Special Emphasis Projects

162.35 Scope and purpose.
162.36 Definitions.
162.37 Eligibility; number of applications.
162.38 Nature of projects.
162.39 Review and certification by State educational agencies.
162.40 Application requirements.
162.41 Evaluation criteria.
162.42 District-wide project award.
162.43 [Reserved]

Sec.
162.44 Duration of projects.
162.45 Size of awards; allowable costs.
162.46–162.49 [Reserved]

Subpart E—Reading Academy Program

162.50 Scope and purpose.
162.51 Definitions.
162.52 Application requirements.
162.53 Evaluation criteria.
162.54 Allowable costs.
162.55 Project duration.

Subpart F—State Leadership and Training Projects

162.60 Scope and purpose.
162.61 Nature of projects; funding requirements.
162.62 Evaluation criteria.
162.63 Project duration.
162.64 Allowable costs.

APPENDIX A—Part B of title VII of Pub. L. 93–380.

APPENDIX B—Manual of Guidelines for the Reading Academy Program.

AUTHORITY: Title VII of Pub. L. 93–380, as amended by Pub. L. 94–194 (20 U.S.C. 1901–1982).

Subpart A—General

§ 162.1 Scope and purposes.

(a) *Scope.* This part applies to projects assisted with funds appropriated pursuant to the National Reading Improvement Program, title VII of Pub. L. 93–380, as amended by Pub. L. 94–194;

(b) *Purposes.* The purposes of the programs carried out pursuant to this part are, through grants and contracts to State and local educational agencies and other non-profit organizations, to:

(1) Provide financial assistance to encourage State and local educational agencies to undertake projects to strengthen reading instructional programs in elementary grades;

(2) Provide financial assistance for the development and enhancement of necessary skills of instructional and other educational staff for reading programs;

(3) Develop a means by which measurable objectives for reading programs can be established and progress toward these objectives assessed;

(4) Develop the capacity of preelementary school children for reading;

(5) Establish and improve preelementary school programs in language arts and reading; and

(6) Provide financial assistance to promote literacy among youths and adults.

(c) *Other pertinent regulations.* Awards under this part are subject to applicable provisions contained in Subchapter A of this chapter (relating to fiscal, administrative, property management, and other matters, 45 CFR Parts 100, 100a, 100b).

(20 U.S.C. 1901)

§ 162.2 Definitions.

As used in this part:

"Act" means title VII of the Education Amendments of 1974, Pub. L. 93–380, as amended by Pub. L. 94–194.

"Appropriate" when applied to "grade level" means commensurate with the individual student's age and ability.

"Elementary school" means a day or residential school which provides elementary education, as determined under State law.

"Bilingual education" means instruction designed for children of limited English-speaking ability including instruction:

(a) In and study of English and, to the extent necessary to allow a child to progress effectively through the educational system, the native language of the children of limited English-speaking ability; and

(b) Which is given with appreciation for the cultural heritage of such children.

"Commissioner" means the U.S. Commissioner of Education.

"Innovative" means a program element which is new and different to participants in project activities.

"Institution of higher education" means an institution of higher education in any State as defined under the Higher Education Act of 1965, as amended.

(20 U.S.C. 1141)

"Limited English-speaking ability," when used with reference to an indivíual, means an individual who:

(a)(1) Was not born in the United States or whose native language is a language other than English; or

(2) Comes from an environment where a language other than English is dominant; and

(b) As a result of paragraph (a)(1) or (2) above, has difficulty speaking and understanding instruction in the English language.

"Local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or a combination of school districts or counties recognized in a State as an administrative agency for its public elementary or secondary schools. The term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

"Non-profit educational or child care institution" means any public or private non-profit organization which sponsors a regular, on-going educational or child care program for preschool age children.

"Reading deficiencies" means that reading achievement is less than that which would normally be expected for children of comparable ages or comparable grades of school; for children in grades 2–8 this would mean one or more years below appropriate grade level in reading as estimated by standardized tests and/or informal testing.

"High percentage," when applied to "of children with reading deficiencies," means 50 percent or more of the students in grades 2 through 8 in project schools or project classes are reading one or more years below appropriate grade level.

"Project" means those activities of a grantee or contractor which the Commissioner determines to be eligible for Federal financial assistance.

"Reading-related activities" means any activities directly or indirectly connected with skills and/or behaviors in the area of reading; for example, listening, speaking, writing activities, reading games, discussing illustrations, classifying and categorizing, and developing auditory and visual perceptual skills.

(20 U.S.C. 1901 and 1921)

"State" means, except as used in Subpart C, the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. As used in Subpart C, "State" means the several States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

(20 U.S.C. 1942(a)(2))

"State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools or, if there is no such office or agency, an officer or agency designated by the Governor or by State law.

(20 U.S.C. 1901 and 1921)

§ 162.3–162.9 [Reserved]

Subpart B—Reading Improvement Projects

§ 162.10 Scope and purpose.

(a) *Scope.* This subpart applies to projects assisted with funds appropriated to carry out part A, section 705 of title VII of Pub. L. 93–380, as amended by Pub. L. 94–194;

(20 U.S.C. 1921)

(b) *Purpose.* The purpose of the program carried out pursuant to this subpart is, through grants to eligible recipients, to support:

(1) Projects to strengthen reading instructional programs in elementary school(s) having large numbers or a high percentage of children with reading deficiencies; and

(2) Projects to establish and improve programs in language arts and reading in preelementary school(s), in areas where there are large numbers or a high percentage of elementary school children with reading deficiencies, and to develop the capacity of preelementary school children for reading.

(20 U.S.C. 1921(a))

§ 162.11 Eligible applicants; nature of projects.

(a) *Eligible applicants.* (1) As stated in section 705 of the Act, local educational agencies, State educational agencies, or both, may apply for elementary school projects described in paragraph (b)(1)(i) of this section and for preelementary school projects described in paragraph (b)(1)(ii) of this section. In addition, non-profit educational or child

care institutions may apply for the preelementary school projects;

(2) Though multiple applications may be submitted by a single applicant, in no case will more than one grant for an elementary school project and one grant for a preelementary school project be awarded to the same applicant;

(b) *Nature of projects.* (1) Two types of grants will be awarded pursuant to this subpart:

(i) Projects to carry out in elementary school(s) having large numbers or a high percentage of children with reading deficiencies, programs involving the use of innovative methods, systems, materials, or other elements which show promise of overcoming the reading deficiencies; and

(ii) Projects to carry out in kindergarten(s), nursery school(s), child care institution(s), or other preschool institution(s) (in areas where elementary schools having large numbers or a high percentage of children with reading deficiencies are located), programs involving the use of innovative methods, systems, materials, or other elements which show promise of developing the capacity for reading of preelementary school children who might otherwise develop reading deficiencies;

(2) (i) Applications for elementary school projects under paragraph (b) (1) (i) of this section which propose to carry out reading activities in elementary schools for children above the kindergarten level may involve children in any or all grades within the elementary schools, including children at the kindergarten level;

(ii) Applications which do not propose to carry out activities for children above the kindergarten level shall be reviewed as preelementary school projects;

(3) Projects assisted pursuant to this subpart must be designed to establish, to expand, or to improve the reading programs in one or more specific and identified elementary or preelementary schools;

(20 U.S.C. 1921(a), S. Rep. No. 763, 93d Cong. 2d Sess. 125 (1974))

(4) (i) Reading program activities and services assisted under the project must be directly administered by, or under the supervision of, the grantee;

(ii) Grantees may not use any Federal funds awarded pursuant to this subpart to award subgrants to other entities or persons;

(iii) Grantees may, with Federal funds awarded pursuant to this subpart, enter into contracts with other entities or persons to secure services which will assist them in carrying out a portion of the program activities, as provided in § 100a.30 of this chapter, subject to the conditions set forth in § 100a.30 of this chapter which prohibit transfer of responsibility (or conduit arrangements) by the grantee and require a statement of intention to enter into a service contract in the approved application or an approved amendment thereto; and

(iv) In accordance with paragraphs (b) (4) (i) and (ii) of this section, State educational agencies may receive grants under this subpart only if they will directly administer or supervise reading programs to be assisted by the project in cases where the State educational agency:

(A) Is directly responsible for operating an elementary or preelementary school;

(B) Applies jointly with a local educational agency or other eligible applicant responsible for administering an elementary or preelementary school, pursuant to § 100a.19 of this chapter (General Provisions Regulations for Office of Education programs; 45 CFR 100a.19); or

(C) Under arrangements with a local educational agency or other eligible applicant, assumes responsibility for reading activities to be assisted by the project in schools administered by the local educational agency or other eligible applicant.

(20 U.S.C. 1921(a), (b), and (c); 1221c(b)(1), 1232c(b)(1))

§ 162.12 Application requirements.

The Commissioner will award a grant to a State educational agency, local educational agency, or other eligible applicant under this subpart only upon an application submitted to the Commissioner which meets the following requirements:

(a) *Project objectives.* The application must set forth:

(1) Specific and measurable objectives related to overcoming reading deficiencies of children in the project school(s) including (only with respect to elementary school projects described in § 162.11 (b) (1) (i)) a plan for having the children in project schools reading at the appropriate grade level at the end of grade three;

(2) A proposed time frame for accomplishing these objectives; and

(3) An evaluation component providing for the collection, verification, and analysis of data to measure the extent to which the objectives are accomplished by the project;

(20 U.S.C. 1921(a), (b), (c)(2))

(b) *Project school(s).* (1) The application must identify the school(s) and the class(es) to be served by the project and provide information on how the school(s) and class(es) were selected for the project, the numbers and percentages of children in the project school(s) with reading deficiencies, and the nature of reading deficiencies of those children, including (only with respect to elementary school projects described in § 162.11 (b) (1) (i)) documentation that appropriate measures have already been taken by the applicant to analyze the reasons why elementary school children are not reading at the appropriate grade levels;

(2) The application must provide demographic information on children in the school(s) to be served by the project, including information on the socio-economic, racial, ethnic, language and cultural composition of the school(s); and

(3) The application must:

(i) Provide information on existing reading programs and activities in the project school(s), including information on the resources and methods used to teach reading or reading-related activities to children and the extent of effectiveness of those resources and methods; and

(ii) Explain how the proposed project will improve or expand upon the existing reading activities and programs, including a description of innovative methods, systems, materials, or other elements which will be used in the project to overcome reading deficiencies;

(20 U.S.C. 1921(a), (b), (c)(1))

(c) *Program requirements.* The Commissioner will award a grant under this subpart only upon an application submitted to the Commissioner which meets the requirements in paragraphs (a) and (b) of this section, as applicable, and which sets forth a reading program which includes the following elements, as applicable:

(1) *All applications.* All applications under this subpart must:

(i) (A) Document that there has been participation in the planning and development of the program described in the application by (*1*) parents of children to be served by the program, (*2*) the policymaking board of the applicant, and (*3*) leaders of the cultural and educational resources of the area to be served, including representatives of such organizations as institutions of higher education, non-profit private schools, public and private non-profit agencies such as libraries, museums, educational radio and television organizations, and other cultural and educational resource agencies of the community, subject to the possibility that, if the applicant believes it to be impracticable for reasons such as the small size of the project for the project to meet the requirement under this subdivision (*3*), the application must document to the Commissioner's satisfaction the reasons why the requirement is impracticable, and the Commissioner may then waive the requirement;

(B) Include a description of procedures which have been used to provide the public at large in the area or areas proposed to be served by the project with an opportunity to have input in the planning of the program described in the application (such as through public notice and hearings); and

(C) Provide for the continuing participation of groups and representatives described under paragraph (c) (1) (i) (A) of this section in the development and implementation of the program described in the application;

(ii) Set forth a reading program which provides for:

(A) Diagnostic testing designed to identify children with reading deficiencies, including the identification of conditions which, without appropriate other treatment, can be expected to impede or prevent children from learning to read;

(B) Planning and establishing comprehensive reading programs in project schools;

(C) Preservice training programs for project teaching personnel, including teacher aides and other ancillary educational personnel, within the project schools, and inservice training and development programs, where feasible, designed to enable these personnel to improve their ability to teach students to read, subject to the possibility that, if the applicant believes it to be impracticable for reasons such as the small size of the project for the project to meet this requirement, the application must document to the Commissioner's satisfaction the reasons why the requirement is impracticable, and the Commissioner may then waive the requirement;

(D) Participation of the school faculty, the policy-making board of the applicant, members of the school administration, parents, and students in reading-related activities which stimulate an interest in reading and are conducive to the improvement of reading skills;

(E) With respect to tests of reading achievement administered pursuant to paragraph (c)(2)(i)(B) of this section:

(*1*) Publication of test results on reading achievement by grade level and, where appropriate, by school, without identification of individual children; and

(2) The availability of test results on reading achievement on an individual basis to parents and guardians of any child tested;

(F) Use of bilingual education methods and techniques consistent with the number of elementary school age children (or of preelementary school age children with respect to preelementary school projects under § 162.11(b)(1)(ii)) in the area served by a reading program who are of limited English-speaking ability; and

(G) Dissemination of information on the results of the program and of the means used to achieve the results to State educational agencies, local educational agencies, other educational agencies and institutions, and the Commissioner;

(2) *Elementary school projects.* (i) Applications under this subpart for elementary school programs under § 162.11(b)(1)(i) must set forth a reading program which, in addition to meeting the requirements in paragraph (c)(1) of this section, provides:

(A) Reading instruction focused upon elementary school children whose reading achievement is less than that normally expected for children of comparable ages or in comparable grades of school, but also instruction which provides for every child in classes involved in the project;

(B) Periodic testing for elementary school children on a sufficiently frequent basis to measure accurately reading achievement;

(C) Participation on an equitable basis by children enrolled in non-profit private elementary schools in the area to be served (after consultation with the appropriate private school officials) to an extent consistent with the number of such children whose educational needs are of the kind the program is intended to meet.

(ii) Applications must also: (A) Indicate the number of children enrolled in nonpublic schools who are expected to participate in each program and the manner of their expected participation; and

(B) Document that there has been participation in the planning and development of the program described in the application by officials representing non-profit private elementary schools in the area to be served with children whose educational needs are of the kind which the program is intended to meet, and document the kind of continuing participation by those officials there will be in the development and implementation of the program;

(3) *Preelementary school projects.* Applications for preelementary school programs under § 162.11(b)(1)(ii) must set forth a reading program which, in addition to meeting the requirements in paragraph (c)(1) of this section, provides:

(i) A test of reading proficiency at the conclusion, minimally, of the first-grade programs into which the preelemenatry school program is integrated for children who had previously participated in the preelementary school program;

(ii) Assessment, evaluation, and collection of information on individual children by teachers during each year of the preelementary program to be made available for teachers in the subsequent year, in order that continuity for the individual child be maintained; and

(iii) Whenever appropriate coordination with the reading programs of the educational agencies or institutions where the preelementary school children will be next in attendance, including any necessary arrangements by the applicant with those educational agencies or institutions for meeting the requirements relating to testing described in paragraph (c)(3)(i) of this section; and

(d) *Other information.* Applications may include other appropriate information to respond to criteria in § 162.14.

(20 U.S.C. 1921(b))

§ 162.13 Review of applications by State educational agencies and State advisory councils.

(a) The Commissioner will not approve an application submitted under this subpart unless the State educational agency has:

(1)(i) Established and appointed an advisory council on reading broadly representative of the educational resources and of the general population of the State, including but not limited to persons representative of:

(A) Public and private non-profit elementary and secondary schools;

(B) Institutions of higher education;

(C) Parents of elementary and secondary school children; and

(D) Areas of professional competence relating to instruction in reading; and

(ii) Authorized and provided the opportunity to the advisory council to receive and designate priorities among applications for grants under this subpart in that State; and

(2) First approved the application;

(20 U.S.C. 1921(d), (e)(1), S. Rep. No. 1026, 93d Cong. 2d Sess. 198 (1974))

(b) Applicants other than the State educational agency must provide a copy of their application to the State educational agency of the State in which they are located 15 days prior to the applicant's submission of the application to the Commissioner;

(c) The Commissioner may establish a cut-off date for approval of applications by the State educational agency. If the Commissioner establishes such a date, failure by the State educational agency to indicate its approval to the Commissioner within the period specified shall be deemed a disapproval of the application by the State educational agency, and the application will not be considered for funding by the Commissioner;

(d)(1) The State educational agency must inform the Commissioner, in writing, in accordance with any cut-off date established by the Commissioner under paragraph (c) of this section, of those applications within its State which it approves for funding under this subpart;

(20 U.S.C. 1921(e)(1))

(2) The State educational agency must include in its written submission to the Commissioner:

(i) Documentation that it has established and appointed an advisory council in accordance with paragraph (a)(1) of this section, including information on the membership of the council, and that the council has been provided with an opportunity to receive and designate priorities among applications for grants under this subpart in that State (including applications by the State educational agency);

(ii) Information on any priorities designated by the advisory council among applications for grants under this subpart in that State; and

(e) While there is no mandated limitation on the number of applications which may be approved by the State educational agency, State educational agencies are strongly urged to approve no more than ten applications and to forward to the Commissioner the rankings and copies of any written reviews of the applications.

(20 U.S.C. 1921 (d), (e)(2))

§ 162.14 Evaluation criteria.

Applications for grants under this part which meet all of the application requirements in § 162.12 and which are approved by the appropriate State educational agency will be evaluated by the Commissioner on the basis of the following criteria, weighted according to the indicated points, totaling 195 points for elementary projects and 230 points for preelementary projects, and the provisions of § 162.15 concerning equitable distribution of funds and State maximums:

(a) *General criteria.* (1) The need for the proposed activity in the area to be

served by the applicant, particularly as it relates to the percentage or numbers of children with reading deficiencies in school(s) to be served by the project (10 points);

(2) Whether the program to be assisted responds to the reading needs it identifies and holds substantial promise of overcoming the reading deficiencies of children in the project schools (10 points);

(3) The adequacy of qualifications and experience of personnel designated to carry out the proposed project (10 points);

(4) The adequacy of facilities and other resources to carry out the project and, in particular, the use staff will make of those facilities in the project (5 points);

(5) Reasonableness of estimated cost in relation to anticipated results (5 points);

(6) Whether the proposed methods, systems, materials, or approaches of the program are sufficiently exemplary to be utilized in other projects or programs for similar educational purposes (5 points);

(7) Sufficiency of size, scope, and duration of the project so as to secure productive results (5 points);

(8) Soundness of the proposed plan of operation, including consideration of the extent to which (15 points):

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

(ii) Provision is made for high quality evaluation of the effectiveness of the project and for determining the extent the objectives are accomplished; and

(iii) Provision is made for disseminating the results of the project and for making the resulting materials, techniques, and other inputs available to the general public and specifically to those concerned with the area of education with which the project is itself concerned;

(9) The likelihood that program activities to be carried out under the project will be sustained and expanded by the applicant following the expiration of Federal assistance (5 points), as measured by:

(i) Evidence of financial and other commitment of the applicant, including its policymaking board, to the program; and

(ii) The extent the project is designed to build the capacity of the applicant to plan, expand, and improve effective reading programs on the elementary or preelementary school level; and

(10) Extra points will be awarded to projects which provide for reaching a large number of schools (10 points) through:

(i) Their direct involvement in the project as project schools;

(ii) A statement of commitment by the applicant and reasonable time-tables to implement, after the expiration of Federal assistance under this subpart, innovative methods, systems, materials, or other elements developed in the project in all other schools administered by the applicant; and/or

(iii) Provisions for dissemination of information to other agencies, institutions, and schools concerning innovative methods, systems, materials, or other elements developed in the project, including documentation of the applicant's access to existing networks of potential users; and

(11) The ranking of the application by the State advisory council pursuant to § 162.13 (50 points);

(20 U.S.C. 1921 (a), (b), (c))

(b) *Specific programmatic criteria.* The extent the proposed project is designed to achieve high quality (beyond meeting minimum requirements) for the following specific program elements required by § 162.12(c) to be contained in each program funded under this subpart:

(1) Diagnostic testing to identify school children with reading deficiencies (5 points), as measured by factors such as whether:

(i) Tests will assist teachers and administrators in making decisions within the classroom and school;

(ii) Tests will diagnose the student's strengths and identify areas to be taught;

(iii) Tests will be used which are most specific and which give recommendations for specific treatments in cognitive and affective areas;

(iv) Diagnosis will be an ongoing process; and

(v) Tests are valid and reliable, as well as culturally and linguistically fair;

(2) Planning and establishing comprehensive reading programs (10 points), as measured by factors such as whether:

(i) The program focuses on the training of existing staff and would be carried out with existing staff rather than hiring additional staff members with Federal funds;

(ii) The project objectives are derived from and responsive to the findings of the needs assessment and diagnostic testing in the school(s) proposed to be served;

(iii) The reading program is designed to focus on children with reading deficiencies, but also provides reading instruction for every child in classes involved in the project;

(iv) Provision is made for individualized instruction which allows individual children to proceed at their own pace and in appropriate skill sequences;

(20 U.S.C. 1921)

(v) Continuity in teaching methods from grade to grade is attempted within each project school, while at the same time there is flexibility to adjust methods and techniques for individual children based on the results of diagnostic testing;

(S. Rep. No. 463, 93d Cong. 2d Sess. 125 (1974))

(vi) Children are not separated away from the classroom by ability or lack of ability, unless the applicant demonstrates that separation for a portion of the school day for supplementary instruction:

(A) Is essential to the purpose of the program; and

(B) Is essential to the needs of the child because the child's needs cannot totally be met in the regular classroom; and

(vii) Attention is given in the preelementary school program and in the early primary grades to reading readiness activities.

(3) Preservice and inservice training for teaching personnel (15 points), as measured by factor such as whether:

(i) The training to be provided relates to the assessed needs of teaching and ancillary educational personnel and children in project school(s);

(ii) The training will be offered at convenient times and locations;

(iii) Provision is made for classroom application of newly learned competencies and for follow up technical assistance to staff members;

(iv) Provision is made for evaluation of the training; and

(v) Instructional theory and experiences are offered which provide trainees with a capacity to:

(A) Understand the language arts process, children's literature, and reading readiness;

(B) Use diagnostic techniques to identify the reading needs of individual children and to evaluate student progress toward instructional objectives;

(C) Develop and carry out reading programs designed to meet the needs of individual children, including activities to meet the special reading needs of children from diverse cultural and linguistic backgrounds;

(D) Work constructively and positively, on a group and individual basis, with children, parents, and other educational personnel;

(E) Effectively utilize a variety of approaches to the teaching of reading, including sequenced instruction, integration of reading instruction into other subject matter areas, flexible grouping of students based on student interest, needs, and abilities, and individualized instruction; and

(F) Plan and manage overall reading programs, including aspects such as problem-solving techniques, needs assessment and planning instruments, record-keeping, the identification and use of program resources, and program evaluation;

(4) Involvement in the project of school faculty, parents, the policymaking board of the applicant, and leaders of educational and cultural resources of the area to be served (15 points) as measured by such factors as whether:

(i) Two way communication is fostered between the project schools and appropriate groups outside the school;

(ii) Practical involvement of parents and board members in carrying out project activities is permitted; and

(iii) The project staff provides evaluative information to parents and board members;

(5) Periodic achievement testing (5 points), as measured by such factors as whether:

(i) Testing will be done with the children at appropriate times and frequencies;

(ii) The project staff delineates before the testing what the tests are intended to measure, how the test results are going to be used, and the audiences for whom the test results are intended;

(iii) The same level of the same test is used for both pre- and post-testing of children;

(iv) If commercially prepared tests are used, project staff will carefully administer and score the tests according to the procedures outlined by test publishers;

(v) There is a clear rationale why the test measures will be criterion-referenced, norm-referenced, or informal; and

(vi) Project staff will scrutinize carefully whether the causes for observed gains are due to the treatment or other factors;

(6) Appropriate use of bilingual education methods and techniques (5 points) as measured by such factors as whether:

(i) There will be increased use of culturally relevant resources appropriate to the children in project school(s);

(ii) Students will be provided a knowledge of the history and culture associated with their languages;

(iii) Students will develop listening, speaking, reading, writing, and other academic skills in two languages;

(iv) The project will prevent the separation of children away from the classroom by language or ethnic background in any activity included in the programs, unless the applicant demonstrates that separation for a portion of the school day for specific language/reading activities is essential to the purpose of the program and needs of the child; and

(v) The project will utilize bilingual teaching and administrative staff;

(7) Collection and assessment of information on the reading needs of individual children to be made available for teachers in the subsequent year (5 points), as measured by such factors as whether the assessment is designed to:

(i) Aim at factual information rather than mere opinnion;

(ii) Include information on both cognitive and affective factors related to reading; and

(iii) Be done with uniform data collection instruments that can be used as a part of the school's total evaluation design;

(20 U.S.C. 1921(b))

(8) Publication of the test results on achievement by grade level and, where appropriate, by school, without identification of achievement of individual children (5 points), as measured by such factors as whether publication and interpretation of test results is done in a way to:

(i) Protect the children;

(ii) Be understandable to the people who receive the results;

(iii) Present pre-test and post-test results with adequate explanation of the correlations;

(c) *Additional criteria for preelementary school projects.* The Commissioner will evaluate applications for preelementary school projects on the basis of the criteria set forth in paragraphs (a) and (b) of this section, according to the indicated weights, and the following criteria, weighted as indicated:

(1) The extent the project goals are commensurate with the appropriate developmental stages for the children to be served (10 points);

(2) The extent the project assesses the needs of preschool children by employing reliable and field-tested tools which can diagnose, screen, and predict potential readiness for reading (10 points);

(3) The extent qualified teachers use multi-teaching strategies and varied materials and resources in providing reading readiness experiences (5 points);

(4) The extent the project takes into account the various modalities for learning (5 points); and

(5) The extent provision is made for parent education in child management (5 points).

(20 U.S.C. 1921(b))

§ 162.15 Equitable geographic distribution.

(a) In approving applications under this subpart the Commissioner will, to the maximum extent feasible, assure an equitable distribution of funds throughout the United States and among urban and rural areas. In assuring an equitable distribution of funds throughout the United States, the Commissioner will consider:

(1) School-age population within a State;

(2) Urban and rural population distribution;

(3) Percentage of children with reading deficiencies;

(4) A widespread geographic distribution of projects;

(5) Ethnic/racial and cultural diversity of population to be served;

(6) Any other pertinent information;

(b) Not more than 12½ percent of the funds expended under this subpart in any fiscal year may be expended in any State in that year.

(20 U.S.C. 1921(g))

§ 162.16 [Reserved]

§ 162.17 Duration of projects.

(a) Projects may be for up to two years' duration.

(b) Applications proposing two year projects must be accompanied by an explanation of the need for two year support, an overview of the objectives and activities proposed, and budget estimates to attain these objectives in the proposed second year.

(c) If the application demonstrates to the Commissioner's satisfaction that two year support is needed to carry out the proposed project, the Commissioner may, in the initial notification of grant award for the project (which shall be for up to a twelve month period) indicate an intention to assist the project for a second year through a continuation grant.

(d) Continuation awards may be made to projects described in paragraph (c) of this section, subject to the restriction in paragraph (a) of this section and to the availability of funds.

(e) Applications for continuance awards will be reviewed on a non-competitive basis to determine:

(1) If the award recipient has complied with the award terms and conditions, the Act, and any applicable regulation;

(2) The project's effectiveness to date, or the constructive changes proposed as a result of the ongoing evaluation; and

(3) The extent continuation of Federal assistance would further a multiplier effect through:

(i) Directly involving additional schools and students in the project;

(ii) Provisions for implementing, after the expiration of Federal assistance under this subpart, innovative methods, systems, materials, or other elements developed in the project in all other schools administered by the applicant; and/or

(iii) Provisions for dissemination of information to other agencies, institutions, and schools concerning innovative methods systems, materials, or other elements developed in the project.

(20 U.S.C. 1921)

§ 162.18 Size of awards; allowable costs.

(a) It is expected that most awards under this subpart will range between $15,000 and $125,000 for elementary school projects and between $5,000 and $25,000 for preelementary school projects with most of the awards made at the lower halves of these ranges, depending on the size of the service area, the number of children to be served, the scope and nature of the project, and relative local costs. Nothing in this section shall be construed to limit the size of any particular grant award under this subpart; and

(b) Allowable costs under grants awarded under this subpart shall be determined in accordance with the cost principles provided under Subpart G of 45 CFR Part 100a, subject to the restrictions that:

(1) A maximum of 10 percent of the amount of the grant award may be spent for evaluation purposes; and

(2) A maximum of 10 percent of the grant award may be spent for the purchase of inexpensive books for distribution on a loan basis to elementary and preelementary school children.

(20 U.S.C. 1921, S. Rep. No. 1026, 93d Cong. 2d Sess. 198 (1974))

§ 162.19–162.24 [Reserved]

Subpart C—State Reading Improvement Programs

§ 162.25 Scope and purpose.

(a) This subpart governs grants to State educational agencies under part B of title VII of Pub. L. 93–380;

(20 U.S.C. 1941 and 1944(b))

(b) Grants under this subpart shall be made in accordance with the provisions of part B of title VII of Pub. L. 93–380 (set forth in Appendix A of this part) and shall be subject to the General Pro-

visions Regulations contained in 45 CFR Parts 100, 100b; and

(c) Grants under this subpart are to provide assistance to State educational agencies to enable them to:

(1) Provide financial assistance for projects designed to reach the objectives of this part, as set out in § 162.1;

(2) Develop comprehensive programs to improve reading proficiency and instruction in reading in the elementary schools of the State;

(3 Provide State leadership in planning, improving, executing and evaluating reading programs in elementary schools; and

(4) Arrange for and assist in the training of special reading personnel and specialists (including reading paraprofessionals) needed in programs assisted under this part.

(20 U.S.C. 1941)

§ 162.26 Allotments; reallotments.

(a) Section 713(b) of Pub. L. 93–380 authorizes the Commissioner to reallot sums allotted to a State under section 713(a) which the Commissioner determines will not be required by the allottee for that year. The reallotment to other States is in proportion to the amounts originally allotted, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of that State need and will be able to use for that year; and

(b) In order to provide a basis for reallotment of sums by the Commissioner pursuant to this section, each State educational agency shall, if requested, submit to the Commissioner, by a date or dates the Commissioner may specify, a statement or statements showing the anticipated need for the funds previously allotted during the period for which the funds are available, or any amount needed to be added by reallotment. Further information the Commissioner may request for the purpose of making reallotments shall be reflected in these statements.

(20 U.S.C. 1943)

§ 162.27 Standard of excellence.

(a) Section 714(a) of Pub. L. 93–380 provides that any State which desires to receive grants under part B of title VII of Pub. L. 93–380 must, through its State educational agency, enter into an agreement with the Commissioner which, among other things, provides for the establishment of a State advisory council on reading to advise the State educational agency on the formulation of a standard of excellence for reading programs in the elementary schools;

(b) The standard of excellence adopted by the State educational agency with the advice of the State advisory council under paragraph (a) of this section shall include, but need not be limited to, those statements of conditions that address or characterize a quality reading program in elementary schools;

(c) States are encouraged to consider at least the following factors when constructing a standard of excellence:

(1) Community and school climate;

(2) Organizing and managing a reading program;

(3) Staffing a reading program;

(4) Selecting and utilizing materials; and

(5) Fostering reading interests; and

(d) The standard of excellence developed pursuant to this section must be designed for use by local educational agencies to plan, develop, implement, and evaluate their reading programs, and as a means for State educational agencies to evaluate the elementary reading programs of local educational agencies within their State.

(20 U.S.C. 1944(a))

§ 162.28 [Reserved]

§ 162.29 Judicial review.

(a) If any State is dissatisfied with the Commissioner's final action with respect to entering into an agreement with the State under this subpart, the State may, within sixty days after notice of the action, file a petition for review of that action with the United States court of appeals for the circuit in which the State is located. A copy of the petition shall be immediately transmitted by the clerk of the court to the Commissioner. The Commissioner shall then file in the court the record of the proceedings on which the Commissioner's action was based, as provided in section 2112 of title 28, United States Code;

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may then make new or modified findings of fact and may modify the previous action, and shall certify to the court the record of the further proceedings. New or modified findings of fact shall likewise be conclusive if supported by substantial evidence; and

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1944(d), 827)

§ 162.30–162.34 [Reserved]

Subpart D—Special Emphasis Projects

§ 162.35 Scope and purpose.

(a) *Scope.* The regulations in this part govern projects awarded with funds pursuant to section 721 of Pub. L. 93–380; and

(b) *Purpose.* The purpose of the program carried out pursuant to this part is to support, through contracts with local educational agencies, special emphasis projects to determine the relative effectiveness of intensive reading instruction by reading specialists and reading teachers.

(20 U.S.C. 1961)

§ 162.36 Definitions.

As used in this subpart:

"Intensive reading instruction" means instruction in reading that would provide pupils with a minimum of 20 to 30 minutes of direct teacher-pupil instructional interaction each day (either individually or in small groups) and 15 to 20 minutes per day of independent reinforcement activities.

"Project school" means the individual school site where the Special Emphasis project will be implemented.

"Reading problem" means reading achievement which is less than would normally be expected for children of comparable ages in comparable grades of school.

"Reading specialist" means an individual who has a master's degree, with a major or specialty in reading, from an accredited institution of higher education and has successfully completed three years of teaching experience, which included reading instruction.

"Reading teacher" means an individual, with a bachelor's degree, who has successfully completed a minimum of twelve credit hours, or its equivalent, in courses in the teaching of reading at an accredited institution of higher education, and has successfully completed two years of teaching experience, which included reading instruction.

(20 U.S.C. 1961 and 1961(f))

§ 162.37 Eligibility; number of applications.

(a) Local educational agencies are eligible to file applications for contract awards under this subpart; and

(b) An applicant may submit only one application in a given fiscal year for an award pursuant to this subpart.

(20 U.S.C. 1961)

§ 162.38 Nature of projects.

(a) Projects supported under this subpart must be designed to carry out:

(1) The teaching of reading by reading specialists or reading teachers to all children in the first and second grades of an elementary school and to those children in grades three through six who have reading problems; and

(2) An intensive vacation reading program for elementary school children found to be reading below the appropriate grade level or who are experiencing problems in learning to read;

(b) Projects funded under this subpart must be designed to permit an evaluation by the Commissioner or by a contractor selected by the Commissioner of the effectiveness of intensive instruction by reading specialists and reading teachers;

(1) This evaluation will require the establishment or maintenance of a control school and may include a reasonable number of interviews, questionnaires,

achievements tests, and other evaluation instruments administered to administrators, principals, teachers and students, project staff, and community members at reasonable times and places; and

(2) The evaluation may require the applicant to provide reasonable assistance in the organization and administration of the evaluation, including record keeping.

(20 U.S.C. 1961(a))

§ 162.39 Review and certification by State educational agencies.

(a) *Review of applications.* (1) The Commissioner will not approve an application submitted by a local educational agency under this subpart unless the State educational agency of the State in which the local educational agency is located has first approved it;

(2) Applicants must provide a copy of their application to the appropriate State educational agency concurrently with the submission of the application to the Commissioner;

(3) The Commissioner may establish a cut-off date for approval of applications by the State eductional agency. If the Commissioner establishes such a date, failure by the State educational agency to indicate its approval to the Commissioner within the period specified shall be deemed a disapproval by the State educational agency of the application, which thereafter will not be considered for funding by the Commissioner; and

(4) The State educational agency must inform the Commissioner in writing, in accordance with any cut-off date established by the Commissioner under paragraph (a)(3) of this section, of those applications within its State which it approves for funding under this subpart.

(20 U.S.C. 1961(c))

(b) *Certification of reading specialists and teachers.* (1) The Commissioner will not approve any application unless it provides assurances that the State educational agency has certified that individuals employed as reading specialists and reading teachers meet the requirements set out in the definitions in § 162.36, except as provided in paragraph (b)(3) of this section;

(2) A reading teacher may be used in lieu of a reading specialist in projects under this subpart:

(i) If the Commissioner finds that the local educational agency applicant is unable to secure individuals who meet the requirements of a reading specialist; and

(ii) If the reading teacher is enrolled or will enroll in a program to become a reading specialist;

(3) A regular elementary teacher may be used in lieu of a reading teacher in projects funded under this subpart:

(i) If the Commissioner finds that the local educational agency applicant is unable to secure individuals who meet the requirements of the reading teacher; and

(ii) If the regular elementary teacher is enrolled or will enroll in a program to become a reading teacher.

(20 U.S.C. 1961(b)(2) and (e))

§ 162.40 Application requirements.

(a) With respect to activities to determine the relative effectiveness of intensive reading instruction to be carried out in the project, an application submitted under this subpart must set forth:

(1) Documentation that each of the provisions in § 162.38 will be satisfied by the project;

(2) Documentation that the project school has an enrollment which includes a substantial number of students who have a serious deficiency in reading achievement. For the purposes of this paragraph, "substantial number" means that 50 percent of the students in grades three through six are reading one or more years below grade level;

(3) A commitment by the applicant to cooperate with the Commissioner and with any contractor selected by the Commissioner in an evaluation to determine the effectiveness of intensive instruction by reading specialists and reading teachers in the project assisted under this subpart;

(4) The name of the project school and the name of the control school, and a commitment that these schools will remain the participating schools for the duration of the project;

(5) Documentation that:

(i) The project and control schools will be comparable (matched) as to:

(A) Instructional approaches;

(B) Curriculum materials; and

(C) Size of enrollment; and

(ii) The control school will not have reading specialists or reading teachers responsible for reading instruction;

(6) Documentation that the project and control schools have comparable student bodies regarding:

(i) Socio-economic status;

(ii) Ethnicity; and

(iii) Scores on standardized tests;

(7) A management plan that includes a process evaluation to measure the extent the project is meeting stated objectives; and

(8) A description of a reading specialists' format plan which includes a description of the instructional strategies, staffing plans (including the pupil-teacher ratio), instructional intensity pattern, and grouping patterns;

(b) The Commisisoner will award a contract under this subpart only upon an application which meets the requirements in paragraph (a) of this section, and which:

(1)(i) Documents that there has been participation in the planning and development of the program described in the application by (A) parents of children to be served by the program, (B) the policy-making board of the applicant, (C) and leaders of the cultural and educational resources of the area to be served, including representatives of such organizations as institutions of higher education, non-profit private schools, public and private non-profit agencies such as libraries, museums, educational radio and television organizations, and other cultural and educational resources of the community, subject to the possibility that, if the applicant believes it to be impracticable for reasons such as the small size of the project for the project to meet the requirement under this subdivision, (C), the application must document to the Commissioner's satisfaction the reasons why the requirement is impracticable, and the Commissioner may then waive the requirement;

(ii) Includes a description of procedures used to provide the public at large in the area or areas proposed to be served by the project with an opportunity to have input in the planning of the program described in the application (such as through public notice and hearings); and

(iii) Provides for the continuing participation of groups and representatives described under pargraph (b)(1)(i) of this section in the development and implementation of the program described in the application; and

(2) Sets forth a reading program which provides:

(i) Plans for facilitating the re-entry and integration of students into the regular classroom program;

(ii)(A) A vacation reading program of at leat four weeks including information about student selection procedures, duration, curriculum, and staffing; and

(B) A commitment that participation in the vacation program will be limited to children enrolled in the project school;

(iii) Diagnostic testing designed to identify children with reading deficiencies, including the identification of conditions which, without appropriate other treatment, can be expected to impede or prevent children from learning to read;

(iv) Planning and establishing comprehensive reading programs in project schools;

(v) Preservice and inservice training programs for project teaching personnel, including teacher aides and other ancillary educational personnel designed to enable these personnel to improve their ability to teach students to read, subject to the possibility that, if the applicant believes it to be impracticable for reasons such as the small size of the project for the project to meet this requirement, the application must document to the Commissioner's satisfaction the reasons why the requirement is impracticable, and the Commissioner may then waive the requirement;

(vi) Participation of the school faculty, the policy-making board of the applicant, members of the school administration, parents, and students in reading-related activities which stimulate an interest in reading and are conducive to the improvement of reading skills;

(vii) Sufficient periodic testing of elementary school children to accurately measure reading achievement; and

(A) Publication of test results on reading achievement by grade level and, where appropriate, by school, without identification of individual children; and

(B) The availability of test results on an individual basis to parents or guardians of any child tested;

(viii) Use of bilingual education methods and techniques consistent with the number of elementary school age children in the area served by a reading program who are of limited English-speaking ability;

(ix) Participation on an equitable basis by children enrolled in non-profit private elementary schools in the area to be served (after consultation with the appropriate private school officials) to an extent consistent with the number of such children whose educational needs are of the kind the program is intended to meet. The application must:

(A) Indicate the number of children enrolled in nonpublic schools who are expected to participate in each program and the manner of their expected participation;

(B) Document that there has been participation in the planning and development of the program described in the application by officials representing non-profit private elementary schools in the area to be served with children whose educational needs are of the kind which the program is intended to meet and provide for the continuing participation of these officials in developing and implementing the program; and

(x) *Other information.* Applications may include other information appropriate to respond to the criteria in § 162.41.

(20 U.S.C. 1921)

§ 162.41 Evaluation criteria.

In reviewing applications under this subpart, the Commissioner will seek to identify a small number of high quality projects and will apply the following criteria and point system totaling 175 points:

(a) The soundness of the proposed plan of operation, including consideration of the extent to which:

(1) The objectives of the project are sharply defined, clearly stated, and capable of being attained by the proposed program and capable of being measured and evaluated (20 points); and

(2) Provision is made for inservice training appropriate to the needs of the project (10 points);

(b) The overall quality of the instructional design including:

(1) The extent the project plans promise an effective instructional climate (15 points);

(2) The quality and comprehensiveness of plans for improving the whole school reading program (15 points);

(3) The extent plans for the summer school are integrated with the overall school reading program (10 points);

(4) The adequacy of the diagnostic program to identify students with reading problems and needs (10 points); and

(5) The extent the project will utilize recent research findings and provide for the adoption of innovative products and practices (15 points);

(c) Provision is made for the sole use of reading specialists or reading teachers, rather than regular classroom teachers, under the conditions set out in § 162.39(b) (50 points);

(d) The qualifications of the project director (15 points);

(e) The reasonableness of cost in relation to anticipated results (10 points);

(f) The quality of the proposed management design that includes process evaluation, schedules, and resource utilization plans (10 points); and

(g) Evaluation criteria set forth in § 100a.26(b) of this chapter will not apply to applications submitted under this subpart.

(20 U.S.C. 1921)

§ 162.42 District-wide project award.

(a) Subject to the availability of funds for a district-wide project, the Commissioner will consider awarding one or more district-wide projects which would be conducted in all schools within a local educational agency;

(b) Any award pursuant to this section will be subject to all other provisions of this subpart on the same basis as other projects funded under this subpart;

(c) In addition to the criteria set out in § 162.41, priority will be given to applications:

(1) Where the local educational agency:

(i) Gives credit for any course to be developed for reading teachers or reading specialists under section 722 of the Act; and

(ii) Encourages participation by the teachers of the agency in the training;

(2) Where the local public educational television station:

(i) Will present or distribute, in the event supplementary noncommercial telecommunication is utilized, any course to be developed under section 722 of the Act at a convenient time for viewing by elementary school teachers; and

(ii) If possible, at a convenient time for these teachers to take the course as a group at the elementary school where they teach; and

(3) Where the local educational agency makes arrangements with the appropriate officials of institutions of higher education to obtain academic credit for their elementary school teachers for the completion of a course described in paragraph (c)(2) of this section.

(20 U.S.C. 1961(d))

§ 162.43 [Reserved]

§ 162.44 Duration of projects.

(a) Projects may be for up to three years' duration;

(b) Applications proposing multi-year projects must be accompanied by an explanation of the need and usefulness for evaluation purposes for multi-year support, an overview of the objectives and activities proposed, and budget estimates to attain these objectives in any proposed subsequent year;

(c) If the application demonstrates to the Commissioner's satisfaction that multi-year support is needed to carry out the proposed project, the Commissioner may, in the initial contract award for the project, indicate an intention to assist the project on an appropriate multi-year basis through continuation contracts;

(d) Continuation awards may be made to projects described in paragraph (c) of this section, subject to the restriction in paragraph (a) of this section and to the availability of funds; and

(e) Applications for continuation awards will be reviewed on a non-competitive basis to determine:

(1) If the contractor has complied with the contract terms and conditions, the Act, and applicable regulations; and

(2) The project's effectiveness to date, or the constructive changes proposed as the result of the ongoing evaluation.

(20 U.S.C. 1961)

§ 162.45 Size of awards; allowable costs.

(a) The size of individual contract awards under this subpart will depend upon the number of children and educational personnel to be served by the proposed project. It is expected that contract awards will generally range between $100,000 and $200,000. Nothing in this section shall be construed as a limit on the amount of individual contract awards; and

(b) Allowable costs under contracts awarded under this subpart shall be determined in accordance with the cost principles provided under Subpart G of 45 CFR Part 100a, subject to the restriction that a maximum of five percent of funds may be spent on equipment.

(20 U.S.C. 1961)

§ 162.46–162.49 [Reserved]

Subpart E—Reading Academy Program

§ 162.50 Scope and purpose.

(a) This subpart governs applications for grants from State and local educational agencies, institutions of higher education, and community and other non-profit organizations to support exemplary reading assistance and instruction for functionally illiterate in-school as well as out-of-school youths and adults who do not otherwise receive such reading assistance and instruction under section 723 of Pub. L. 93–380, as amended; and

(b)(1) Grants under this subpart will support the development and installation of these activities in facilities to be known as reading academies.

(2) Activities funded under this subpart:

(i) Must not duplicate or supplant reading programs available in public or private elementary or secondary schools, postsecondary school institutions, or other agencies or institutions in the geographic area to be served;

(ii) Must be designed for both youths and adults who elect to participate in project activities on a voluntary basis;

(iii) May serve in-school youths and adults only if reading assistance and instruction are not already available to them; and

(iv) May not be designed primarily to serve in-school youths and adults.

(20 U.S.C. 1963)

§ 162.51 **Definitions.**

As used in this subpart:

"Adult" means an individual 18 years of age or older.

"Functional illiteracy" means the absence of reading skills necessary to enable individuals to function effectively in society.

"Participant" means an individual enrolled in an academy program for the purpose of receiving reading instruction.

"Service area" means the geographic area to be served by a project funded pursuant to this subpart.

"Youth" means an individual 16 or 17 years old.

(20 U.S.C. 1963)

§ 162.52 **Application requirements.**

(a) With respect to reading assistance and instruction activities proposed to be carried out in the project, an application submitted under this subpart must set forth:

(1) Specific and measurable project objectives which will contribute to the elimination of functional illiterarcy of adults and youths within the service area;

(2) A proposed time frame for accomplishing each of the objectives;

(3) An explanation of proposed procedures and strategies for accomplishing each objective;

(4) An evaluation component providing for the collection, verification, and analysis of data to measure the extent each objective is accomplished by the project, and including pre- and post-use of appropriate standardized reading achievement tests which indicate reading grade level and, insofar as possible, relate to the cultural and linguistic variables of the target population; and

(5) Information satisfying the Commissioner that the provisions in § 162.50 will be met.

(b) An applicant for assistance pursuant to this subpart must provide evidence of demonstrated experience and/or capability in providing reading instruction to youths and adults; and

(c) The Commissioner will approve an application submitted under this subpart only upon his determination that the requirements in paragraphs (a) and (b) of this section are satisfied and that the application:

(1) Describes project components involving the use of methodologies, systems, materials, or programs which show promise of overcoming the reading deficiencies of adults and youths in need of reading instruction and of making the project worthy of replication in other communities;

(2) Defines the geographic area to be served ("service area"), such as a city, county, regional area, or a smaller area within these units, and provides demographic and educational data supporting the need for a functional literacy program in the service area;

(3) Describes a system which the applicant either has in place or will develop for the identification and recruitment, as participants in the project, of youths and adults in need of reading instruction;

(4) Describes and provides for the implementation of a staffing plan that would:

(i) Provide one-to-one, individualized instruction or small group instruction to participants; and

(ii) Establish reading academies that would offer instruction at locations and times convenient to eligible participants; for example, through decentralized facilities or satellite academies;

(5) Provides for utilization of materials suitable for youths and adults related to their expressed needs and interests; e.g., employment tasks, consumer information, health and welfare services, and current events;

(6) Describes a strategy to involve community education (including adult education) and service organizations in the elimination of illiteracy in the service area;

(7) Describes job position qualifications for the project director and other staff which include experience in administration and knowledge of adult education in non-school settings, literacy education, teacher or tutor training, recruitment of volunteers, and community resources;

(8) Describes administrative arrangements whereby the project director assumes responsibility for all project activities; and

(9) Provides for the establishment of a unit task force which will play an active role in planning and implementing the project and which will include representatives from the applicant agency, youths and adults from the potential target population to be served, and, wherever possible and appropriate, representatives from community groups, other Federal or State programs, and business and industry.

(20 U.S.C. 1963)

§ 162.53 **Evaluation criteria.**

In evaluating project proposals under this subpart, the Commissioner will seek to identify a small number of exemplary projects and will evaluate proposals in accordance with the following criteria and point system totaling 200 points:

(a) The criteria set forth in § 100.a26 (b) of this chapter (the Office of Education General Provisions Regulations) (10 points);

(b) The extent the project is designed to achieve high quality (beyond meeting minimum requirements) with respect to each of the requirements set forth in § 162.52 (total of 110 points), weighted as follows:

(1) The quality of the project objectives described pursuant to § 162.52(a)(1) (25 points);

(2) The time frame for accomplishing each objective, as provided in § 162.52(a)(2) (5 points);

(3) Procedures and strategies for accomplishing these objectives as provided in § 162.52(a)(3) (5 points);

(4) The evaluation component described pursuant to § 162.52(a)(4) (10 points);

(5) The experience and capability of the applicant in providing reading instruction to youths and adults, as provided in § 162.52(b) (5 points); and

(6) Each of the subparagraphs under paragraph (c) of § 162.52 will be weighted 5 points, except that paragraph (c)(2) of § 162.52 will be assigned 15 points and § 162.52(c)(4) will be assigned 10 points;

(c) The relationship of projected costs to both the numbers of functionally illiterate youths and adults to receive reading assistance and instruction and to the quality and intensity of the instruction to be offered (for example, one low-cost approach that might be considered could be the utilization of volunteers as tutors) (10 points); and

(d) The extent to which:

(1) Appropriate procedures will be used for measuring the achievement of the participants (10 points);

(2) The applicant plans to develop materials and provide assistance designed to meet the individual needs of participants (5 points);

(3) The applicant will provide periodic inservice training for tutors, supervisory staff, and organiztaions interested in establishing similar literacy programs (10 points);

(4) The applicant will carry out the project in cooperation with other local programs concerned with adult education and, where appropriate, will utilize volunteers from such programs as VISTA, the Retired Senior Citizens Program, college work-study programs, and community service organizations (10 points);

(5) The applicant will establish working relationships with programs such as manpower programs under the Comprehensive Employment and Training Act of 1973 as part of its recruitment strategy (5 points);

(6) The applicant plans to provide appropriate supportive services to tutors or other instructional personnel in any decentralized, satellite, or branch academies (20 points); and

(7) Where applicable, the applicant proposes to utilize materials and approaches that take into account the language and heritage of those participants of limited or no English-speaking ability (10 points).

(20 U.S.C. 1963)

§ 162.54 **Allowable costs.**

Allowable costs under grants awarded under this subpart shall be determined in accordance with the cost principles provided for under Subpart G of 45 CFR Part 100a, subject to the following restrictions:

(a) A maximum of 5 percent of funds may be spent on equipment; and

(b) It is anticipated that grants under this subpart will generally range from $30,000 to $80,000 per year depending on the size of the service area, the number of adults and youths proposed to be served, the scope and nature of the proposed project, and relative local costs. The thrust of the Reading Academy Program is to provide good quality, individualized instruction to large numbers of functionally illiterate youths and adults at the lowest possible cost. This will

necessitate strong reliance on the multiplier effect, the utilization of volunteer assistance, and the coordination of support services and facilities. It is expected that a substantial number of projects will be funded rather than concentrating on relatively few projects with big budgets. Nothing in this section shall be construed to limit the size of any particular grant award.

(20 U.S.C. 1963)

§ 162.55 Project duration.

(a) Projects may be for up to three years' duration.

(b) Applications proposing multi-year projects must be accompanied by an explanation of the need for multi-year support, an overview of the objectives and activities proposed, and budget estimates to attain these objectives in any proposed subsequent year.

(c) If the application demonstrates to the Commission's satisfaction that multi-year support is needed to carry out the proposed project, the Commissioner may, in the initial notification of grant award for the project (which shall be for up to a twelve month period), indicate an intention to assist the project on an appropriate multi-year basis through continuation grants.

(d) Continuation awards may be made to projects described in paragraph (c) of this section, subject to the restriction in paragraph (a) of this section and to the availability of funds.

(e) Applications for continuation awards will be reviewed on a non-competitive basis to determine:

(1) If the award recipient has complied with the award terms and conditions, the Act, and any applicable regulation; and

(2) The project's effectiveness to date, or the constructive changes proposed as a result of the ongoing evaluation.

(20 U.S.C. 1963)

Subpart F—State Leadership and Training Projects

§ 162.60 Scope and purpose.

This subpart governs applications from State educational agencies for leadership and training activities designed to assist and prepare personnel throughout the State to conduct projects which have been demonstrated in that State or other States to be effective in overcoming reading deficiencies.

(20 U.S.C. 1921(a)(3), 1964)

§ 162.61 Nature of projects; funding requirements.

(a) *Nature of projects.* Projects assisted under this subpart must be designed to overcome reading deficiencies through the activities described in paragraph (b) of this section which must (1) relate to reading problems of children, youths, and adults, and (2) address systemic as well as learning problems at the classroom or individual learner level.

(b) *Project activities.* Each application for assistance under this subpart must set forth a plan which provides for the carrying out and integration of the following activities in accordance with paragraph (a) of this section:

(1) Statewide needs assessments to determine the state of the art in reading and reading instruction and to validate promising reading practices and organizational and administrative processes within the State.

(i) The needs assessment must include an identification and prioritization of reading needs, including personnel needs, in the State and must examine the ways in which State leadership and training activities funded pursuant to this subpart may effectively address these needs, including an examination of the relationship of State leadership and training activities funded under this subpart to other reading resources and activities in the State, both existing and planned for the successive three year period;

(ii) The needs assessment must result in a needs assessment document showing the findings of the needs assessment in accordance with the provisions of clause (i) of this subparagraph which may be updated from time to time as the result of continuing needs assessment activities, and which constitutes a foundation for the development of a plan for continuing State leadership and training activities in the field of reading; and

(iii) The needs assessment must include an examination of the appropriateness of requirements and opportunities for preservice and inservice training and certification of teachers, administrators, and other educational personnel in relationship to reading problems.

(2) An exemplary training program for administrators responsible for reading programs in local educational agencies and non-profit private agencies and schools within the State.

(i) The training program must be based upon the needs assessment described in subparagraph (1) of this paragraph and upon the standard of excellence described under paragraph (c)(4) of this section.

(ii) The training program may be given in coordination with teacher preparatory institutions within the State and shall include:

(A) The teaching of basic reading skills;

(B) Organizational and administration skills;

(C) Interpersonal relations skills directed toward community involvement and the change process;

(D) Planning strategies;

(E) The preparation of administrative support materials for reading programs;

(F) The development and carrying out of tutoring projects in reading and the preparation of tutors for these projects;

(G) Appropriate bilingual methods for children and adults of limited English-speaking ability; and

(H) Approaches to the provision of effective reading instruction for various target populations, including the planning, development, and implementation of programs for adults; and

(3) The provision of technical assistance related to the development, organization, and administration of reading programs in local educational agencies and appropriate non-profit private agencies and schools. Technical assistance activities provided under this subparagraph must include:

(i) Follow-up technical assistance, upon request, to training program participants related to the specific areas in which training was offered, as described in subparagraph (2) of this paragraph;

(ii) The provision of ongoing technical assistance to use information on effective and validated reading programs, specific approaches to the teaching and learning of reading skills, and administrative and organizational processes; and

(iii) The provision of technical assistance activities related to innovative approaches, techniques, or other activities which have proved effective in that or in other States.

(4) Dissemination of information to assist in the development, organization, and administration of reading programs in local educational agencies and appropriate non-profit private agencies and schools.

Dissemination of information activities conducted pursuant to this paragraph may include:

(i) The distribution of Right to Read materials and other information made available by the Commissioner; and

(ii) Information developed or utilized pursuant to subparagraph (3)(ii) of this paragraph.

(c) *Funding requirements.* Assistance under this subpart shall be subject to the following requirements, and each application for assistance under this subpart must provide information adequate to establish that these requirements will be met:

(1) *Project objectives.* With respect to each of the activities described in paragraph (b) of this section, an application submitted under this subpart must set forth:

(i) Specific and measurable objectives which will contribute to the overcoming of reading deficiencies and the development and improvement of literacy skills within the State;

(ii) A proposed time-frame for accomplishing such objectives;

(iii) An explanation of proposed procedures and strategies for accomplishing such objectives; and

(iv) An evaluation component providing for the collection, verification, and analysis of data to measure the extent to which such objectives are accomplished by the project.

(2) *State agency task force.* (i) The award recipient shall establish a State agency task force consisting of representatives of all programs within the State educational agency involving or related to reading activities.

(ii) The task force shall serve as a means of securing collaboration, with respect to the planning and implementation of the project assisted pursuant to this subpart, among representatives of different programs within the State agency involving or related to reading activities and also as a means for insuring that the project is effectively coordi-

nated with other reading activities of the State educational agency.

(3) *Advisory council.* (i) The award recipient shall appoint an advisory council which is broadly representative of the educational resources of the State and of the general public including persons representative of:

(A) Public and private non-profit elementary and secondary schools;

(B) Institutions of higher education;

(C) Parents of elementary and secondary school children; and

(D) Areas of professional competence relating to instruction in reading.

(ii) If an advisory council has been established for Subparts B or C of this part, that advisory council may constitute the advisory council required by this subparagraph and may be used to perform the advisory council functions under this subparagraph.

(iii) The advisory council shall serve as an advisory body in planning, developing, implementing, and evaluating the project and in providing for its coordination with other reading activities of local educational agencies and other schools within the State.

(4) *Standard of excellence.* (i) The award recipient shall, with the advice of the advisory council, established pursuant to subparagraph (3) of this paragraph, develop a standard of excellence, as described in § 162.27 of this part, defining the elements which ought to be involved in successful reading programs in the State.

(ii) Once it is developed, the standard of excellence shall be utilized in training activities conducted pursuant to paragraph (b)(2) of this section and as a measurement instrument in carrying out any continuing needs assessment activities pursuant to paragraph (b)(1) of this section.

(d) *Subgrants; service contracts.* (1) Reading program activities and services assisted under the project must be directly administered by, or under the supervision of, the award recipient;

(2) Award recipients may not use any Federal funds awarded pursant to this subpart to award subgrants to other entities or persons;

(3) Award recipients may, with Federal funds awarded pursuant to this subpart, enter into contracts with other entities or persons (such as personnel from teacher preparatory institutions or local educational agencies) to secure services which will assist them in carrying out a portion of the program activities, as provided in § 100a.30 of this chapter. These contract agreements are subject to the conditions set forth in § 100a.30 of this chapter which prohibit transfer of responsibility (or conduit arrangements) by the award recipient and require a statement of intention to enter into a service contract in the approved application or an approved amendment thereto.

(20 U.S.C. 1921(a)(3), 1964)

§ 162.62 Evaluation criteria.

The Commissioner will evaluate applications for new projects under this subpart in accordance with:

(a) *General provisions criteria.* The following criteria derived from § 100a.26 (b) of this Chapter (except as repeated in this section, the criteria in § 100a.26 (b) shall be inapplicable to applications under this part):

(1) (15 points) the need for the proposed activity in the area served or to be served by the applicant;

(2) (10 points) Adequacy of qualifications and experience of personnel designated to carry out the proposed project;

(3) (5 points) Adequacy of facilities and other resources;

(4) (15 points) Reasonableness of estimated cost in relation to anticipated results;

(5) (15 points) Sufficiency of size, scope, and duration of the project to secure productive results; and

(6) (10 points) Satisfactory inservice training for SEA staff connected with project services.

(b) *Quality of activities.* The extent to which the project is designed to achieve high quality (beyond meeting minimum requirements) with respect to each of the required activities set forth in § 162.61(b), weighted as follows:

(1) (15 points) Statwide assessment of needs, including personnel needs, relating to reading problems in the State, leading to the development of a needs assessment document described in § 162.-61(b)(1)(ii);

(2) (15 points) Inservice training for reading administrators and instructional personnel in leadership positions pursuant to § 162.61(b)(2);

(3) (15 points) Technical assistance pursuant to § 162.61(b)(3); and

(4) (15 points) Dissemination of information pursuant to § 162.61(b)(4).

(c) *Other criteria.* The extent to which the application includes:

(1) (10 points) Provisions for publicizing the priority of reading through public announcements, State Board of Education resolutions, and other efforts initiated by the State educational agency;

(2) (10 points) High quality organizational provisions within the State educational agency for personnel with administrative responsibility related to reading programs (such as a designated reading administrator, State educational agency reading task force, State Advisory Council for reading, and other interagency personnel engaged in reading related activities);

(3) (10 points) Plans for effective communication and delivery systems with local educational agencies and other schools and educational resources within the State for assisting in the provision of reading programs;

(4) (10 points) Integration of all of the activities described in § 162.61(b) to achieve maximum impact on the planning for and implementation of a statewide project for the improvements of literacy skills within the State; and

(5) (5 points) Information which reflects knowledge of recent research and development in the area of reading.

(20 U.S.C. 1921(a)(3), 1964)

§ 162.63 Project duration.

(a) Projects may be up to three years' duration.

(b) Applications proposing multi-year projects must be accompanied by an explanation of the need for multi-year support, an overview of the objectives and activities proposed, and budget estimates to attain these objectives in any proposed subsequent year.

(c) If the application demonstrates to the Commissioner's satisfaction that multi-year support is needed to carry out the proposed project, the Commissioner may, in the initial notification of award for the project (which shall be for up to a twelve month period) indicate an intention to assist the project on an appropriate multi-year basis through continuation awards.

(d) Continuation awards may be made to projects described in paragraph (c) of this section, subject to the restriction in paragraph (a) of this section and to the availability of funds.

(e) Applications for continuation awards will be reviewed on a non-competitive basis to determine:

(1) If the award recipient has complied with the award terms and conditions, the Act, and any applicable regulation; and

(2) The project's effectiveness to date, or the constructive changes proposed as a result of the ongoing evaluation.

(20 U.S.C. 1921(a)(3), 1964)

§ 162.64 Allowable costs.

Allowable costs under awards pursuant to this subpart shall be determined in accordance with applicable cost principles set forth in the Appendices to Subchapter A of this chapter, subject to the restriction that no more than five percent of the funds supplied under the award may be used for evaluation purposes.

(20 U.S.C. 1921(a)(3), 1964)

APPENDIX A—PART B OF TITLE VII OF PUB. L. 93-380

STATE READING IMPROVEMENT PROGRAMS

STATEMENT OF PURPOSE

SEC. 711. It is the purpose of this part to provide financial assistance to the States to enable them—

(1) To provide financial assistance for projects designed to facilitate reaching the objectives of this title;

(2) To develop comprehensive programs to improve reading proficiency and instruction in reading in the elementary schools of the State;

(3) To provide State leadership in the planning, improving, execution, and evaluation of reading programs in elementary schools; and

(4) To arrange for and assist in the training of special reading personnel and specialists needed in program assisted under this title.

APPLICABILITY AND EFFECTIVE DATE

SEC. 712. (a) The provisions of this part shall become effective only in any fiscal year in which appropriations made pursuant to section 732(a) exceed $30,000,000 and then only with respect to the amount of such excess.

(b) The provisions of this part shall be effective on and after the beginning of fiscal year 1976.

ALLOTMENTS TO STATES

SEC. 713. (a) (1) From the sums appropriated pursuant to section 732(a) for each fiscal year which are available for carrying out this part, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such sums, as he may determine, and shall apportion such amount to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. Of the remainder of such sums, he shall allot an amount to each State which bears the same ratio to the amount available for allotment as the number of school age children (aged 5 to 12, inclusive) in each such State bears to the total number of such children in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. The allotment of a State which would be less than $50,000 under the preceding sentence shall be increased to $50,000, and the total of the increases thereby required shall be derived by proportionately reducing the allotments to the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotments to any such remaining States from being reduced to less than $50,000.

(2) For the purpose of this section, the term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

(b) The amount allotted to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment from time to time, on such dates during that year as the Commissioner may fix, to other states in proportion to the amounts originally allotted among those states under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 732 for any fiscal year shall be deemed part of the amount allotted to it under subsection (a) for that year.

AGREEMENTS WITH STATE EDUCATIONAL AGENCIES

SEC. 714. (a) Any State which desires to receive grants under this part shall, through its State educational agency, enter into an agreement with the Commissioner, in such detail as the Commissioner deeems necessary, which—

(1) Designates the State educational agency as the sole agency for administration of the agreement;

(2) Provides for the establishment of a State advisory council on reading, appointed by the State educational agency, which shall be broadly representative of the educational resources of the State and of the general public, including persons representative of—

(A) Public and private nonprofit elementary school children, and

(B) Institutions of higher education,

(C) Parents of elementary school children, and

(D) Areas of professional competence relating to instruction in reading,

to advise the State educational agency on the formulation of a standard of excellence for reading programs in the elementary schools and on the preparation of, and policy matters arising in the administration of, the agreement (including the criteria for approval of applications for assistance under such agreement) and in the evaluation of results of the program carried out pursuant to the agreement;

(3) Describes the reading programs in elementary schools for which assistance is sought under this part and procedures for giving priority to reading programs which are already receiving Federal financial assistance and show reasonable promise of achieving success;

(4) Sets forth procedures for the submission of applications by local educational agencies within that State, including procedures for an adequate description of the reading programs for which assistance is sought under this part;

(5) Sets forth criteria for achieving an equitable distribution of that part of the assistance under this part which is made available to local educational agencies pursuant to the second sentence of subsection (b) of this section, which criteria shall—

(A) Take into account the size of the population to be served, beginning with preschool, the relative needs of pupils in different population groups within the State for the program authorized by this title, and the financial ability of the local educational agency serving such pupils,

(B) Assure that such distribution shall include grants to local educational agencies having high concentrations of children with low reading proficiency, and

(C) Assure an equitable distribution of funds among urban and rural areas;

(6) Sets forth criteria for the selection or designation and training of personnel (such as reading specialists and administrators of reading programs) engaged in programs assisted under this part, including training for private elementary school personnel, which shall include qualifications acceptable for such personnel;

(7) Provides for the coordination and evaluation of programs assisted under this part;

(8) Provides for technical assistance and support services for local educational agencies participating in the program;

(9) Makes provision for the dissemination to the educational community and the general public of information about the objectives of the program and results achieved in the course of its implementation;

(10) Provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to evaluate the effectiveness of the program and to carry out his other functions under this title;

(11) Provides that not more than 5 per centum of the amount allotted to the State under section 713 for any fiscal year may be retained by the State educational agency for purposes of administering the agreement; and

(12) Provides that programs assisted under this part shall be of sufficient size, scope, and quality so as to give reasonable promise of substantial progress toward achieving the purposes of this title.

(b) Grants for projects to carry out the purposes of this part may be made to local educational agencies (subject to the provision of subsection (e) relating to the participation of private elementary and secondary school pupils), institutions of higher education, and other public and nonprofit private agencies and institutions. Not less than 60 per centum of the amount allotted to a State under section 713 for any fiscal year shall be made available by the State for grants to local educational agencies within that State.

(c) The Commissioner shall enter into an agreement which complies with the provisions of subsection (a) with any State which desires to enter into such an agreement.

(d) The Commissioner's final action with respect to entering into an agreement under subsection (a) shall be subject to the provisions of section 207 of the Elementary and Secondary Education Act of 1965, relating to judicial review.

(e) The provisions of section 141A of the Elementary and Secondary Education Act of 1965 relating to the participation of children enrolled in private elementary and secondary schools shall apply to programs assisted under this part.

(f) The functions of the State advisory council on reading, required to be established by subsection (a) (2) of this section, may be carried out by the State advisory council pursuant to section 705(d) (1).

APPENDIX B—MANUAL OF GUIDELINES FOR THE READING ACADEMY PROGRAM

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AUTHORITY: Sec. 723, Pub. L. 93-380, as amended by Pub. L. 94-194

CHAPTER I—INTRODUCTION

Part 1—Guidelines

SEC. 1.1 *Scope of guidelines.* (a) These guidelines are recommendations and suggestions for meeting the funding requirements and evaluation criteria for reading academy programs under section 723 of Pub. L. 93-380, as amended by Pub. L. 94-194 (20 U.S.C. 1963), and Subpart E of 45 CFR Part 162. The legal requirements include the Act and the regulations (Subpart E of 45 CFR Part 162). The guidelines are not to be construed as requirements; however, where the guidelines set forth a permissible means of meeting a legal requirement, the guidelines may be relied upon.

Projects which do not come within these guidelines will not be prejudiced. Projects are not subject to termination proceedings

or audit exceptions for conduct which is recommended or suggested in the guidelines; and

(b) Where a guideline is issued in connection with or affecting a provision in the regulations, the pertinent regulation will be cited after the citation of legal authority for the guideline, in the parentheses following the guideline. For example, if the legal authority for the guideline is the Act (20 U.S.C. 1963) and the guideline affects § 162.52 of the regulation (45 CFR 162.52), the following citation will be placed on the line immediately following the guideline: (20 U.S.C. 1963) (45 CFR 162.52). If no particular section of the regulation is affected, no citation to the Code of Federal Regulations (CFR) will be made.

(20 U.S.C. 1232(a))

CHAPTER II—GENERAL INFORMATION FOR THE APPLICANT

Part 1—General Information

SEC. 1.1 *General.* The Reading Academy Program provides grants to State and local educational agencies, institutions of higher education, and community and other nonprofit organizations to provide exemplary reading assistance and instruction to functionally illiterate youths and adults not reached through other reading programs. The instruction is to be provided in facilities to be known as reading academies. While there are a variety of ways that an applicant may plan for, and then implement, a reading academy, the following suggestions and guidelines are intended to provide assistance which may help in developing a project to meet the requirements, or in implementing a funded project.

(20 U.S.C. 1963) (45 CFR 162.50)

Part 2—Planning

SEC. 2.1 *General planning information.* The regulations set out several requirements concerning a description of an applicant's proposed project which can be met only if adequate planning has been done for developing the project. In planning, it is generally helpful to go through the following steps:

(a) Identification of the problem (needs assessment);

(b) Analysis of community resources;

(c) Community involvement,

(d) Establishing objectives and strategies to solve the problems, and

(e) Staff development.

(20 U.S.C. 1963) (45 CFR 162.52(a)(1))

SEC. 2.2 *Identification of the problem.* To determine the number and characteristics of youths and adults with reading problems in a given area, and therefore the type of reading academy program which will best solve the problems, the following types of information are relevant:

(a) The yearly percentage of adults and youths who do not finish elementary and secondary school;

(b) The number of youths and adults who may be defined as functionally illiterate;

(c) The age range and sex of target groups (between 16–20, 21–35, over 35);

(d) The ethnic backgrounds of the target groups;

(e) The non-English-speaking populations;

(f) The estimated income levels of target groups (below $3,600, $3,600 to $7,200, and so forth);

(g) Their career goals and employment profiles (number of full-time, part-time, and unemployed; whether skilled, semi-skilled, unskilled); and

(h) Identification of the neighborhoods where the target population lives.

(20 U.S.C. 1963) (45 CFR 162.52(c)(2))

SEC. 2.3 *Identification of community resources.* Knowledge of what educational services are available to adults in their communities is helpful in determining how a reading academy should be structured to supplement existing services or to build bridges between agencies and services. Information may be obtained by making an inventory of community agencies, service organizations, local business and industry, State agencies, local and federally funded programs; and by identifying which agencies might be helpful in identifying and recruiting participants and/or serving as sources of volunteers, providing materials and facilities, providing publicity, offering special expertise in training volunteers, or having the capability of sponsoring or housing reading academy branches in neighborhood facilities convenient to participants.

(20 U.S.C. 1963) (45 CFR 162.53(d)(5) and (6))

SEC. 2.4 *Community involvement.* Involving diverse segments of the community in planning, developing ,and operating a project increases the possibilities for greater project success. Applicants are encouraged to consider developing an effective structure of involvement entailing extensive planning on the part of each applicant (and follow-up planning by each grantee). Recognition of the competence and interest of a variety of groups both within and outside formal educational institutions in planning and operating project activities may result in programs which can best meet the needs of the target population and sustain the interest and support of the community. As one means of ensuring community involvement, the regulations require establishing a unit task force. Further guidance on the unit task force is provided in Part 7 of these guidelines.

(20 U.S.C. 1963) (45 CFR 162.52(c)(6) and (c)(9))

SEC. 2.5 *Establishing objectives.* (a) Section 162.52(a) of the regulations requires the applicant, having identified the needs of functionally illiterate youths and adults in a given area, to develop objectives that relate to the overall project activities. A number of provisions in the regulations also concern the meeting of participants' individual needs (§§ 162.52(c)(4)(i), 162.53(c)(1) and (2)). To do this, it is suggested that participants in a project be involved with their tutors in the formulation of their own learning objectives. Objectives allow participants and staff to see what behaviors must be demonstrated for successful completion of the program, in addition to allowing them to evaluate their own progress toward the successful accomplishment of the objectives. For the project director and the teachers, the objectives serve to identify problems encountered by the learners at various stages, providing the opportunity for revising the learning approaches utilized. Furthermore, clearly stated objectives for individual participants make it possible to evaluate learner progress as well as the instructional design's effectiveness; and

(b) With respect to overall project objectives called for in § 162.52(a) of the regulations, objectives in three areas might be identified: operational objectives, instructional objectives, and product objectives.

(1) Operational objectives refer to the goals for the processes that are necessary to carry out the project, such as recruiting and teaching participants and recruiting and training volunteer and other teaching and administrative staff;

(2) Instructional objectives refer to the goals for changes in students' (and staff members') cognitive and affective behavior (see Part 4—Instructional Program); and

(3) Product objectives refer to goals in developing such material items as criterion-referenced tests, curriculum guides, or reading materials. It is useful to set out time schedules for the production of materials.

The effectiveness of the instructional program is likely to be directly related to the clarity of the operational objectives and the instructional objectives. The operational objectives, in addition to reflecting the total program planning design and the process necessary to carry out the program, are based upon the applicant or grantee agency's philosophy about adult education. The instructional objectives specify the observable results by which the project's activities can be measured. The instructional objectives set the stage for the specific behavioral objectives which will be achieved by the participants. Clarity of the objectives will also facilitate the selection of instructional materials.

(20 U.S.C. 1963) (45 CFR 162.52(a) and (c)(1) and (2); 162.53.(d)(2))

SEC. 2.6 *Staff development.* The regulations set out several requirements designed to ensure that staff have adequate experience and expertise with adult education in non-school settings, literacy education, teacher or tutor training, recruitment of volunteers, administration, and knowledge of community resources. While any one person may not have all of the above experience or expertise, the staff as a whole should have these experiences, which should be enhanced by further training. The regulations do require that the project director assume responsibility for all aspects of the program.

(20 U.S.C. 1963) (45 CFR 162.52(b), (c)(7) and (8) and 162.53(d)(4) and (5))

Part 3—Participant Recruitment and Retention

SEC. 3.1 *Recruitment.* The regulations require developing and implementing a system to identify and recruit participants. Identifying and recruiting youths and adults who are functionally illiterate are sensitive and complicated tasks. Due to the social stigma attached to illiteracy, individuals are often too shy to admit that they cannot read. Many have developed a whole series of protective mechanisms to hide their disability from family and friends. In the past, the school failed to serve them adequately; consequently, they are suspicious of educational programs. It may be that the best way to identify and approach potential participants is to reach them indirectly through commu-community, youth, and social organizations will help to establish awareness of the program. Other agencies such as social service agencies, State employment agencies, and the Department of Motor Vehicles might be encouraged to refer to the academy those persons they have identified as in need of basic reading instruction. In some communities, staff may have to organize door-to-door recruitment campaigns. Volunteers from local organizations have proven in the past to be very effective in these recruitment campaigns. Obviously, it is important to plan well in advance the types of recruitment strategies that are appropriate for a particular service area, to implement these plans as soon as possible after the receipt of the grant award. Applicants and grantees are encouraged to consider whether special emphasis might be given to plans for the participation of out-of-school youths, as experience has shown that this group is the most difficult to recruit into literacy pro-

grams and the most difficult to retain once enrolled.

(20 U.S.C. 1963) (45 CFR 162.52(c) (3) and (6) and 162.53(d) (6))

SEC. 3.2 *Retention.* Attracting functionally illiterate youths and adults to the reading academy project is only part of the effort needed to have a successful project. Keeping their interest with a relevant and interesting curriculum, and providing supportive services are additional elements of a successful program. Youths and adults come to reading programs with a variety of problems. For them, learning is never easy; they are quickly discouraged and need continual encouragement. Many are unemployed and looking for work. Some are employed in physically exhausting labor. Others must rely on public transportation or the generosity of friends in order to reach the academy. An applicant may have a more successful program if the staff is able to anticipate these and other problems which might cause the participant to drop out. Experience with successful adult literacy programs indicates that a project may need to include a referral service to appropriate social service and health agencies, provide help in cutting through red tape to gain a much needed service and, at times, provide minimal funds to offset the cost of transportation. In very isolated areas where public transportation does not exist, some projects have found that it is necessary to provide transportation to the instructional site. Applicants are encouraged to consider and provide for these elements as appropriate.

(20 U.S.C. 1963) (45 CFR 162.53(d) (4), (5), and (6))

Part 4—Instructional Program

SEC. 4.1 *Program.* The regulations require that an exemplary program of reading assistance be developed for teaching the functionally illiterate youth and adult target population. It is hoped that programs will be planned to provide participants with opportunities for immediate reading success, practice of reading and related skills, and positive reinforcement. A more successful program may result where supervisory and teaching staff have an understanding of the process of reading development for adults, of how to assess a participant's reading ability, a working knowledge of available instructional print and other media materials suitable for adults, and the ability to exercise creativity in developing instructional programs. A program more relevant to the needs and interests of the target population may be developed if representatives of the target population and the community are involved in planning and implementing the project.

The Right to Read Office of the U.S. Office of Education does not advocate any one method or set instructional materials; rather, it advocates that instruction be tailored to meet the needs of the individual learner. As a means of facilitating individualization, applicants are urged to adopt a diagnostic/prescriptive approach to instruction. This approach requires that each individual be diagnosed to determine the strengths and the needs he or she has regarding reading. Following the diagnosis, it is then necessary to prescribe a program of experiences utilizing appropriate materials and activities which will meet the needs which have been identified. Participant needs will dictate what kinds of materials should be used in the instructional process; since participants' needs will likely be varied, a variety of materials at different levels of difficulty may be required to provide necessary individualized instruction.

If English as a second language is a component of the instructional program, the participants should be given ample opportunity for practice of oral English.

(20 U.S.C. 1963) (45 CFR 162.52(c) (1) and (5) and 162.53(d) (2), (7) and (8))

SEC. 4.2 *Materials.* Choosing appropriate learning materials is an important part of the program. More learning is likely to take place if the materials are relevant to the backgrounds and immediate reading needs and interests of participants, and if the staff understands how the materials are to be used (and any prerequisites necessary to their use). Both commercially produced materials (adopted or adapted) and relevant teacher-made materials may be used together. The materials, whether commercially produced or teacher-made, should be realistic, practical, functional, usable, and reflective of the needs and interests of the participants.

Whenever appropriate, the native language and culture of the participants should be used as an integral part of the instructional program. Instruction is more meaningful if focused around real-life coping skills such as consumer education and consumer rights, the world of work, job application skills, job or vocation-related skills, and so forth. Teachers may also use a variety of materials such as newspapers, cooking recipes, various types of application forms, signs, or any other printed materials that are interesting and relevant to the adult and youth participants.

(20 U.S.C. 1963) (45 CFR 162.52(c) (1) and (5) and 162.53(d) (2) and (7))

Part 5—Evaluation

SEC. 5.1 *General.* The regulations require an evaluation component for each project providing for the collection, verification, and analysis of data to measure the extent to which the project objectives are accomplished and procedures for measuring the achievement of participants. Both process (formative) and impact (summative) evaluation should be conducted. Process evaluation can be defined as a timely examination of project activities that actually occur with a view to:

(1) How they correspond with what was promised;

(2) To what extent the activities appear to be effective; and

(3) How they can be improved by modification. Within this system, as each modification is implemented, the cycle would start again. In its simplest form, process evaluation can be defined as a management information system. Impact evaluation examines the final results and asks whether the objectives were achieved.

(20 U.S.C. 1963) (45 CFR 162.52(a) and 162.53(d)(1))

Part 6—Project Director and Staff

SEC. 6.1 *Staff.* The regulations require that:

(a) The project director and the staff have specified experiences and expertise in the areas of adult education and in non-school settings, literacy education, administration, teacher or tutor training, recruitment of volunteers, and knowledge of community resources; and

(b) The applicant develop a system whereby the project director assumes responsibility for directing the project and all of its activities, including communication, programming, and evaluation. The following discussion presents some practical considerations which may be helpful in meeting these requirements.

An enormous part of the responsibility for the program rests with the project director, and it is important that he or she spend a major part of his or her time on the project. A suitable candidate for the position of project director should be identified during the planning stage prior to submission of the application so that he or she may be hired as soon as approval is granted and, if possible, be involved in the planning of the program. Other staff, paid and volunteer, should be chosen to complement the experience and expertise of the project director as well as to carry out training and/or teaching functions. In areas with high concentrations of participants of limited or no English-speaking ability, the applicant is encouraged to actively recruit project staff who speak the same language as the participants and who are of the same ethnic background as the participants. The director is responsible for all project activities, evaluations, and communication concerning the project. It is important to establish efficient internal and external communication systems so that feedback to and by project staff, participants, and the community is timely and continuous. A determination should also be made as to which reports should be prepared about the program for the Office of Education according to the General Provisions Regulations (45 CFR Part 100a, Subparts P–R), and what communications might be desirable for informing the public about the existence of the program, its services, and accomplishments.

NOTE: Grantees will be provided with instructions and format for submission of required Office of Education reports.

(20 U.S.C. 1963) (45 CFR 162.52(c)(7) and (8) and 162.53(d)(8))

SEC. 6.2 *Volunteers.* (a) *General.* A review of the literature of volunteers in adult literacy programs and Right to Read program experience suggests that functionally illiterate youths and adults need instruction that is frequent, intensive, and personal. The limited financial resources available to the academy program necessitates that a project use imaginative schemes to insure that an academy offers this type of instruction. One effective way to stretch program funds is to enlist the aid of volunteers. Volunteer tutors, when given appropriate training and support, have been particularly effective in working with adults in reading programs.

Projects which put strong emphasis on the use of volunteers will need to develop detailed plans that include volunteer recruitment, preservice and inservice training, placement of volunteers and supportive services. The guidelines below present recommendations for projects which choose to make use of volunteer staff:

(b) *Recruitment.* If a project determines that it will rely on volunteer tutors, it should estimate the total number and types of volunteers it will need in order to form a resource pool of tutors and then set recruitment goals. Any plan to recruit volunteers should include identification of sources of volunteers (such as service organizations and college work study programs), establish working relationships with these groups, and launch a public awareness program through the media. The recruitment strategy should be designed to continue through the duration of the project and should take into account the traditionally high turnover rate of volunteers in the early part of any project;

(c) *Responsibilities.* It is helpful if job descriptions for volunteers are written and used as a basis for any recruitment campaign. These descriptions might include some indication of the type of commitment that will be expected from a volunteer. For example, "A tutor will teach reading to an individual adult, a minimum of three hours a week for thirty weeks," or "The tutor will participate in x number of preservice training sessions and periodic inservice training sessions"; and

(d) *Training.* Objectives for the training of volunteers should be clearly stated. Gen-

erally, they would include both affective and cognitive behaviors. The training should develop an awareness of, and a sensitivity to, the needs of the target population, orientation to the community and its resources, some basic reading instructional approaches and skills, and a familiarity with the instructional materials. The training program goal is to lead to the establishment of a helping relationship between the tutor and the professional staff. This preservice training sequence could be anywhere from 15 to 45 hours in length and might be followed by inservice training and supportive service offered once the volunteer tutor is in the field. Regularly scheduled contact between the tutor and the professional staff of the academy is important. Inservice training needs will be as varied as the number and types of volunteers and participants involved in the program. General training sessions should be directed toward the resolution of problems common to all literacy programs; the informal followup services should concentrate on the resolution of specific problems.

(20 U.S.C. 1963) (45 CFR 162.52(c)(4) and (6) and 162.53(c) and (d)(7).)

Part 7—The Unit Task Force

SEC. 7.1 *Composition.* The regulations require that a unit task force be established consisting of representatives from the applicant agency, youths and adults from the potential target population, representatives from community groups, other Federal or State programs, and business and industry. Some points that might be considered in selecting members of the unit task force are:

(a) Special care might be taken to select youths who have demonstrated leadership among their peer groups;

(b) Community groups which might be involved include social agencies, adult education programs, local action groups, the public library, youth organizations, labor unions and municipal agencies; and

(c) Federal and State programs might include Adult Basic Education, the Model Cities Program, manpower training programs, Neighborhood Youth Corps, State employment agencies and volunteer organizations, particularly those sponsored by Federal programs (such as the retired senior citizens programs and VISTA).

It is important to keep in mind that while the unit task force should be large enough to represent diverse groups and interests, it should not be so large that its size limits efficient operation. For some projects, a unit task force and several sub-unit task forces might be established. For instance, if several neighborhood facilities are used to provide reading instruction, different sub-unit task forces for each neighborhood facility might be established so that more grassroots involvement and identification are obtained.

(20 U.S.C. 1963) (45 CFR 162.52(c)(9))

SEC. 7.2 *Responsibilities.* The following are examples of functions which might be performed by the unit task force to satisfy the regulation requirement that it play an active role in planning and implementing the project:

(a) Assistance in program planning including the identification of the target population, the assessment of needs, and the selection of project activities and priorities;

(b) Recruitment of volunteers and assistance in the mobilization of community resources;

(c) Assistance in staff development programs for project staff and volunteers;

(d) Assistance in identifying agencies which might serve as sponsors of locations for neighborhood reading academies;

(e) Assistance in the dissemination of information about the project throughout the community; and

(f) Coordination of the project with other community groups, with professional organizations, and with public and private agencies.

(20 U.S.C. 1963) (45 CFR 162.52(c)(9))

CHAPTER III—A MODEL: ACADEMY CENTERS AND SATELLITES

Part 1—The Model

SEC. 1.1 *General.* Several of the funding requirements and evaluation criteria suggest and support the development of a model for a reading academy project. In short summary they are: that low-cost individualized instruction be provided at locations and times convenient to participants; that the community be involved, perhaps by providing community or neighborhood facilities; that because of the difficulty in reaching the target populations, the staff be knowledgeable about providing instruction in nonschool settings and in recruiting volunteers to work with participants. A model is therefore suggested which would include an academy center where planning, programming, staff recruitment, training and evaluation would be conducted, and satellite academies which would be located in facilities in neighborhoods convenient to potential participants where instruction would actually be provided. Volunteer tutors would provide the one-to-one instruction and would individualize attention and assistance to participants.

This model is not given as the exclusive approach to meeting the requirements and criteria contained in the regulations, but as one possible approach recommended for consideration by applicants.

(20 U.S.C. 1963) (45 CFR 162.52(c) (3), (4) (6), and (7) and 162.53(d) (2) and (7)))

SEC. 1.2 *Academy Centers.* Under the model, the reading academy grantee would be responsible not only for carrying out an instructional program for youths and adults in a centralized reading academy, but also for developing a network of neighborhood-based or satellite academies staffed by trained volunteers who would provide instruction in the neighborhoods of the target population. The academy center would be responsible for developing a comprehensive volunteer system which would include recruitment and training of volunteers and placement of volunteer tutors in satellite academies. The academy center would also provide a wide variety of supportive services to the volunteer once he or she starts tutoring an adult, whether the instruction occurs at the center or in a neighborhood satellite academy. Such service might include help for the tutors in material selection, in diagnostic testing and instructional prescription. The center would provide specific services to participants such as education counseling, referral service to appropriate social service or health agencies, and job placement. The academy center, as part of its effort to launch neighborhood-based academies or satellites, would work with various community groups, neighborhood councils and with branch libraries to identify appropriate places to house the instructional programs which are convenient to the target population. It would also mobilize a variety of community resources to support the academy.

(20 U.S.C. 1963) (45 CFR 162.52(c)(3), (4), (6), and (7) and 162.53(d) (2) and (7))

SEC. 1.3 *Satellites.* The satellite academies would take instruction to the places that are most suitable, convenient and easily accessible to the adult participants. They could be housed in libraries, community centers, homes, places of employment, schools, YMCA's or in a variety of other appropriate facilities. The center might adopt any one of a number of strategies to implement the satellite concept. It could establish a satellite academy or a network of academies as a direct outgrowth of its own operation and carry the full responsibility for its management. Under this arrangement the center would identify and obtain community facilities but without further commitment from an organization. In communities with already established literacy programs, the center might establish a cooperative arrangement whereby it would provide certain specified professional services. In other communities the center could work through local organizations which would be willing to sponsor an academy, provide facilities and serve as a source of volunteers. Whichever arrangements are made for the establishment of a satellite academy, it would have a coordinator who would be responsible for recruiting participants who lived in the neighborhood, scheduling sessions with tutors and participants, maintaining a communication link between the tutor and participants, keeping records (attendance, progress charts, test scores), storage of instructional materials, and making sure that facilities are available as scheduled.

(20 U.S.C. 1963) (45 CFR 162.52(c) (3), (4), (6), and (7) and 162.53(d) (2) and (7))

[FR Doc.76-15296 Filed 5-25-76;8:45 am]

Title 49—Transportation

CHAPTER I—DEPARTMENT OF TRANSPORTATION, MATERIALS TRANSPORTATION BUREAU

SUBCHAPTER C—OFFICE OF HAZARDOUS MATERIALS OPERATIONS

[Docket No. HM-109; Amdt. Nos. 173-98, 179-16]

PART 173—SHIPPERS

PART 179—SPECIFICATIONS FOR TANK CARS

Tank Car Tank Head Shields

The amendment to Part 179 of the Hazardous Materials Regulations is to prescribe more flexibility and clarity in the specifications for applying the head shields to DOT 112A and 114A tank car tanks.

This amendment also provides for a change in tank car display so that cars with head shields will display a distinctive specification marking. This will be accomplished by substituting the letter "S" in place of "A" in DOT 112A and DOT 114A cars that have head shields meeting the requirements of Part 179 of the Hazardous Materials Regulations.

On March 11, 1975, the Hazardous Materials Regulations Board published a notice of proposed rule making, Docket No. HM-109; Notice No. 75-1 (40 FR 11362) which proposed this amendment. All written comments received have been considered. The issues raised in the comments are briefly discussed below:

Steel Specifications—Seven commenters pointed out that AAR specification TA 128A is obsolete and unobtainable. Accordingly, this steel has been deleted.

Width of Head Shields—Although it was not proposed to amend the present

minimum 9-foot width requirement, this requirement was questioned by several commuters. A maximum width of six feet was suggested by some, and others felt that the top corners of the shield should not extend beyond the outside profile of the tank. The Bureau believes that the 9-foot minimum width requirement is essential in order to adequately protect the tank head from puncture. However, there may be tanks of smaller diameter on which the outer edges of the 9-foot width shield would extend beyond the tank profile. Therefore, paragraph (a)(2)(ii) in section 179.100-23 has been revised to require a smaller head shield on tank cars having heads less than nine feet in diameter.

Bottom of Shields—Six commenters stated that the head shield should not be required to contact the top of the center sill. We believe that supporting the shield by having it resting atop the center sill will greatly reduce the possibility of producing a stress concentration on the tank head at the mounting brackets.

Specification Markings—Several commenters objected to the placement of an "S" in the tank specification marking, in order to identify cars with head shields. We realize that cars so equipped are easily seen and readily identifiable but believe that a distinctive specification marking provides a more accurate record of cars equipped with head shields particularly in the "UMLER" file.

In order to provide for the use of 112S/114S tank cars, a new sentence has been added in paragraph (a)(3) of § 173.31 which authorizes 112S tank cars to be used when 112A tank cars are authorized and 114S tank cars to be used when 114A are authorized.

One commenter questioned the use of one-half of a tank car tank head as a head shield. The Bureau believes that the configuration of a half head will adequately protect the tank's head and that since the method of attachment is to be in the same manner as the current authorized shield, it will afford similar protection.

Although not addressed in Notice 75-1, comments were received concerning the compliance date for retrofit on existing cars. Due to the severity of the consequences of a tank head puncture, the Bureau believes that safety requires adherence to the retrofit schedule as originally established. It is the purpose of this amendment to permit more design flexibility in adhering to that schedule.

In consideration of the foregoing, §§ 173.31, 179.100 and 179.101 of Title 49 Code of Federal Regulations are amended as follows:

1. § 173.31 paragraph (a)(3) is revised to read as follows:

§ 173.31 Qualification, maintenance, and use of tank cars.

(a) * * *

(3) Unless otherwise specifically provided in Part 173, when class DOT-105AW, 105-ALW, 106A, 109A-ALW, 110AW, 111A, 112AW, or 114AW tank car tanks are prescribed, the same class tanks having higher marked test pressures than those prescribed may also be used. When class DOT-111AW1 tank car tanks are prescribed, class 111AW3 tank car tanks may also be used. When class DOT-112A tank car tanks are prescribed, class DOT-112S tanks having equal or higher marked test pressures than those prescribed may also be used. When class DOT-114A tank car tanks are prescribed, class DOT-114S tanks having equal or higher marked test pressures than those prescribed may also be used.

* * * * *

2. In § 179.100-23 paragraphs (a)(1), (a)(2), (a)(2)(i), (ii), (v), and (vi) are revised; paragraph (a)(2)(vii) is added to read as follows:

§ 179.100-23 Head shields.

(a) * * *

(1) At least ½-inch thick, and made from steel produced in accordance with specifications ASTM A242, A572-GR50, A515-70, A516-GR70, or AAR TC-128B.

(2) In the shape and size of the lower half of the head of the tank car or in the shape of a trapezoid with the following dimensions:

(i) A minimum width at the top of the center sill of four feet six inches, measured in a straight line between extreme edges;

(ii) A minimum width at the top of shield of nine feet measured in a straight line between the extreme edges; (For cars with diameters less than nine feet, the width of the head shield must not extend beyond outermost portion of the head and be not less than three inches from the outermost point of the head.)

* * * * *

(v) All inside edges of the shield chamfered to a minimum of ⅛-inch;

(vi) A minimum height of four feet six inches, and

(vii) Located so that the bottom of the shield touches the top of the center sill.

* * * * *

3. In § 179.101-1, Footnote 12 is added following the table in paragraph (a) and reference thereto is added in the following column headings:

112A200W, 112A340W, 112A3400F,[12] 112A400W, 112A500W, 114A340W, 114A400W

[12] When tank car head shields meeting the requirements of § 179.100 have been applied, an "S" must be substituted for the "A" in the specification marking.

§ 179.101-1 Individual specification requirements.

(a) * * *

Since these amendments relieve restrictions and because of the need for immediate public guidance with respect to the requirements for retrofitting tank cars with head shields, they are being made effective in less than 30 days after publication in the FEDERAL REGISTER.

AUTHORITY: (18 U.S.C. 834, 49 CFR 1.53(g))

Effective date: These amendments take effect on May 26, 1976, except that tank cars with head shields installed before May 26, 1976, need not be marked in accordance with the specification marking requirement of these amendments (see Amendment 3 herein) before August 1, 1976.

Issued in Washington, D.C. on May 20, 1976.

JAMES T. CURTIS, Jr.,
Director,
Materials Transportation Bureau.

[FR Doc.76-15294 Filed 5-25-76;8:45 am]

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Service Order No. 1243]

PART 1033—CAR SERVICE

Regulations for Return of Trailers

At a Session of the INTERSTATE COMMERCE COMMISSION, Railroad Service Board, held in Washington, D.C., on the 19th day of May, 1976.

It appearing, That an acute shortage of insulated trailers equipped with ventilating devices exists on certain railroads in the southeast for transporting melons and other perishable products requiring protection from heat; that shippers are being deprived of the insulated and ventilated trailers required to transport such perishable freight, thus creating spoilage of produce and great economic loss; that insulated, ventilated trailers, after being unloaded are being retained and appropriated for other services which do not result in their return to the major origin areas for perishable freight; that present regulations and practices with respect to the use, supply, control, movement, distribution, exchange, interchange, and return of insulated, ventilated trailers are ineffective. It is the opinion of the Commission that an emergency exists requiring immediate action to promote car service in the interest of the public and the commerce of the people. Accordingly, the Commission finds that notice and public procedure are impracticable and contrary to the public interest, and that good cause exists for making this order effective upon less than thirty days' notice.

It is ordered, That § 1033.1243 Service Order 1243 *Regulations for return of trailers:* be amended to reads as follows:

(a) Each common carrier by railroad subject to the Interstate Commerce Act shall observe, enforce, and obey the following rules, regulations, and practices with respect to its car service:

(1) Remove from general distribution and deliver by rail, on flat cars insulated trailers described in paragraph (i) herein to any of the following railroads:

Louisville and Nashville Railroad Company (L&N), Richmond, Fredericksburg and Potomac Railroad Company (RFP), and Seaboard Coast Line Railroad Company (SCL).

(i) Insulated trailers subject to this order are indentified as follows:

Reporting Marks: RCLZ, REAZ, RLNZ, RSBZ, RSCZ—Series 700000-709999 SBD, SBDZ, SCLZ—Series 2002-2060, 30104-30901, 702002-703150.

(2) Trailers described in part (1) of this section, located on railroads other than the L&N, RFP or SCL, may be loaded with freight requiring protection from heat to any destination to which loading is authorized by Rule 2 of the Code of Trailer Service Rules, published on page 185 of the Official Intermodal Equipment Register, ICC–OIER No. 25, issued by R. G. Hilts, or reissues thereof; or, such trailers may be loaded with any type of freight to any station on the lines of the L&N, RFP or SCL.

(3) Trailers described in part (1) of this section located on the L&N or RFP for which no suitable loading, as defined in part (4) of this section is available, shall be delivered empty, on cars, to the SCL.

(4) Trailers described in part (1) of this section, located on the L&N, RFP or SCL, may be used only for transporting traffic requiring protection from heat.

(b) For the purpose of improving car utilization and the efficiency of railroad operations, or alleviating inequities or hardships, modifications may be authorized by the Acting Director, Bureau of Operations, Interstate Commerce Commission, Washington, D.C. 20423.

(c) No common carrier by railroad subject to the Interstate Commerce Act shall accept from shipper any loaded trailer, described in this order contrary to the provisions of the order.

(d) *Application.* The provisions of this order shall apply to intrastate, interstate and foreign commerce.

(e) *Effective Date.* This order shall become effective at 12:01 a.m., May 21, 1976.

(f) *Expiration Date.* The provisions of this order shall expire at 11:59 p.m., June 15, 1976, unless otherwise modified, changed or suspended by order of this Commission.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15 and 17(2). Interprets or applies Secs. 1(10–17) 15(4) and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4), and 17(2).)

It is further ordered, That a copy of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board, Members Lewis R. Teeple, Thomas J. Byrne and William J. Love.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.76–15362 Filed 5–25–76;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 DEFENSE

Department of the Air Force

[32 CFR Part 1008]

FUNDING CONTRACT OVERRUNS

Air Force Wright Aeronautical Laboratories

The Department of the Air Force proposes to add a new Part to Subchapter W—Air Force Procurement, Part 1008, consisting of Sections 1 through 5.

This new Part establishes the policy and procedures for funding contract overruns resulting from Air Force Wright Aeronautical Laboratories funded contracts and is applicable to all staff agencies and assigned Laboratories.

Interested persons are invited to comment on the proposed rulemaking on or before June 28, 1976. Written data, views, arguments concerning the proposal must be submitted in writing to Assistant for Operations, Air Force Wright Aeronautical Laboratories, Wright Patterson Air Force Base, Ohio 45433. Comments and suggestions submitted will be available for public inspection and copying at the above address.

The propoesd Part will read as follows:

PART 1008—FUNDING CONTRACT OVERRUNS

Sec.

1008.1 Purpose.
1008.2 Overrun Criteria.
1008.3 Funding Contract Cost Overruns.
1008.4 Office of Primary Responsibility.
1008.5 Disposition of Documentation.

§ 1008.1 Purpose.

This Part establishes the policy and procedures for funding contract overruns resulting from Air Force Wright Aeronautical Laboratories funded contracts and is applicable to all staff agencies and assigned Laboratories.

§ 1008.2 Overrun Criteria.

Overruns are defined as any increase in contract funding requirements on cost type contracts which result from technical, schedule, estimating errors, or direct/indirect actions taken by government agencies or persons. Determination of which contract financing requirements are to be considered overruns is the responsibility of the procuring contracting officer based on the recommendations of the administrative contracting officer.

§1008.3 Funding Contract Cost Overruns.

(a) Contract overruns should be funded with appropriations of the same type and year as those originally cited on the contract involved. Contract overruns on contracts citing program control years (current and first prior) appropriations will use locally available funds when available. All requests for funds for contract overruns will be documented with a 12 point letter to Assistant for Operations, Air Force Wright Aeronautical Laboratories, from the Laboratory programming office.

(1) Program Element, Project, Task.

(2) Total contract funding and distribution by year and appropriation.

(3) Total amount of overrun and distribtuion by year and appropriation.

(4) Contractor and location.

(5) Contract number.

(6) Date of original contract.

(7) Date of change applying last fiscal year funds.

(8) Date funds required.

(9) Forecast obligation date.

(10) Statement of funds available and source (reprogramming or expired appropriations).

(11) Auditors report on Contract Funds Status Report.

(12) Reason for overrun, background, impact, steps taken to avoid or correct situations, etc.

(b) For overruns larger than $50,000 or overruns which exceed locally available funds, the letter described in § 1008.3 (a) above must be forwarded to Air Force Systems Command, Programs and Budget, Andrews Air Force Base, Washington, D.C. 20331.

(c) All requests for overrun funding and associated documentation/justification will be reviewed and coordinated by Assistant for Operations, Air Force Wright Aeronautical Laboratories before funding or review by Air Force Systems Command, Programs and Budget.

§ 1008.4 Office of Primary Responsibility (OPR).

Assistant for Operations, Air Force Wright Aeronautical Laboratories is designated the OPR for managing the funding of contract overruns.

§ 1008.5 Disposition of Documentation.

(a) Correspondence and related information maintained by Assistant for Operations, Air Force Wright Aeronautical Laboratories pertaining to the funding of contract overruns will be incorporated with other supporting data and will be destroyed after final payment or when purpose has been served, but no later than one year after final payment. (Authority: Air Force Manual 12–50, Disposition of Air Force Documentation, Table 70–1, Rule 7.)

(b) Correspondence and related information applicable to contract cost overruns forwarded to the appropriate program manager will be incorporated into the official Research and Development case file and retired with the contract to which it relates. (Authority: Air Force Manual 12–50, Table 80–2, Rule 1.)

JAMES L. ELMER,
Major, USAF, Executive,
Directorate of Administration.

[FR Doc.76–15325 Filed 5–25–76;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Federal Insurance Administration

[24 CFR Part 1917]

[Docket No. FI–1140]

APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Proposed Flood Elevation Determinations for the City of Gulf Breeze, Florida

The Federal Insurance Administrator, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 Pub. L. 90–448), 42 U.S.C. 4001–4128, and 24 CFR Part 1917 (§ 1917.4(a)), hereby gives notice of his proposed determinations of flood elevations for the City of Gulf Breeze, Florida.

Under these Acts, the Administrator, to whom the Secretary has delegated the statutory authority, must develop criteria for flood plain management in identified flood hazard areas. In order to participate in the National Flood Insurance Program, the City of Gulf Breeze must adopt flood plain management measures that are consistent with the flood elevations determined by the Secretary.

Proposed flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the proposed flood elevations are available for review at City Hall, Gulf Breeze, Florida.

Any person having knowledge, information, or wishing to make a comment on these determinations should immediately notify Mayor Donald Albert, P.O. Box 640, Gulf Breeze, Florida. The period for comment will be ninety days following the second publication of this notice in a newspaper of local circulation in the above-named community.

The proposed 100-year Flood Elevations are:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)
Pensacola Bay	Entrance to Boy Scout camp	9	Entire road between points 1,440 ft and 2,000 ft north of intersection with U.S. 98.
	Montrose Blvd	9	Entire road east of the point 390 ft east of intersection with Berry Ave.
English Navy Cove	Unnamed road south from Shoreline Dr. 670 ft east of intersection of Shoreline Dr. and South Sunset Dr.	9	Entire road south of the point 730 ft south of intersection with Shoreline Dr.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; and Secretary's delegation of authority to Federal Insurance Administrator 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: May 11, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76–15177 Filed 5–25–76;8:45 am]

[24 CFR Part 1917]

[Docket No. FI–1151]

APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Proposed Flood Elevation Determinations, the Township of Green Brook, New Jersey

The Federal Insurance Administrator, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968, Pub. L. 90–448), 42 U.S.C. 4001–4128, and 24 CFR Part 1917 (§ 1917.4 (a)), hereby gives notice of his proposed determinations of flood elevations for the Township of Green Brook, New Jersey.

Under these Acts, the Administrator, to whom the Secretary has delegated the statutory authority, must develop criteria for flood plain management in identified flood hazard areas. In order to participate in the National Flood Insurance Program, the Township of Green Brook must adopt flood plain management measures that are consistent with the flood elevations determined by the Secretary.

Proposed flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the proposed flood elevations are available for review at Town Hall, 111 Greenbrook Road, Green Brook, New Jersey 08812.

Any person having knowledge, information, or wishing to make a comment on these determinations should immediately notify Mayor Arthur L. Lewis, 111 Greenbrook Road, Green Brook, New Jersey 08812. The period for comment will be ninety days following the second publication of this notice in a newspaper of local circulation in the above-named community.

The proposed 100-year Flood Elevations are:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Green Brook	Rock Ave	56	420	
	Jefferson Ave	53	2,170	
	Washington Ave	52	1,330	
	Warrenville Rd	47	370	
Municipal	Rock Ave	66	65	35
	Jefferson Ave. (extended)	56	235	15

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; and Secretary's delegation of authority to Federal Insurance Administrator 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: May 11, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76–15178 Filed 5–25–76;8:45 am]

[24 CFR Part 1917]

[Docket No. FI–1152]

APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Proposed Flood Elevation Determinations for the Borough of Ridgefield, New Jersey

The Federal Insurance Administrator, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 92–234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968, Pub. L. 90–448, 42 U.S.C. 4001–4128, and 24 CFR Part 1917 (§ 1917.4(a)), hereby gives notice of his proposed determinations of flood elevations for the Borough of Ridgefield, New Jersey.

Under these Acts, the Administrator, to whom the Secretary has delegated the statutory authority must develop criteria for flood plain management in identified flood hazard areas. In order to participate in the National Flood Insurance Program the Borough of Ridgefield must adopt flood plain management measures that are consistent with the flood elevations determined by the Secretary.

Proposed flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the proposed flood elevations are available for review at Borough Hall, 604 Broad Avenue, Ridgefield, New Jersey 07657.

Any person having knowledge, information or wishing to make a comment on these determinations should immediately notify Mayor Vito Vorelli, 604 Broad Avenue, Ridgefield, New Jersey 07657. The period for comment will be ninety days following the second publication of this notice in a newspaper of local circulation in the above-named community.

The proposed 100-year Flood Elevations are:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
Overpeck Creek	U.S. Highway 46	6	1,000	[1] 270
Wolf Creek	Maple Ave	52	40	100
	Slocum Ave	32	70	250
	Day Ave	20	170	100
	Elite Ct	18	180	200

[1] To corporation limits.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; and Secretary's delegation of authority to Federal Insurance Administrator 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: May 11, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76-15179 Filed 5-25-76;8:45 am]

[24 CFR Part 1917]

[Docket No. FI-1153]

APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Proposed Flood Elevation Determinations for the Town of West Orange, New Jersey

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Public Law 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 Pub. L. 90-448), 42 U.S.C 4001-4128, and 24 CFR Part 1917 (§ 1917.4(a)), hereby gives notice of his proposed determinations of flood elevations for the Town of West Orange, New Jersey.

Under these Acts, the Administrator, to whom the Secretary has delegated the statutory authority, must develop criteria for flood plain management in identified flood hazard areas. In order to participate in the National Flood Insurance Program, the Town of West Orange must adopt flood plain management measures that are consistent with the flood elevations determined by the Secretary.

Proposed flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the proposed flood elevations are available for review at Town Hall, 66 Main Street, West Orange, New Jersey 07052.

Any person having knowledge, information, or wishing to make a comment on these determinations should immediately notify Mayor William F. Cuozzi, Town Hall, 66 Main Street, West Orange, New Jersey 07052. The period for comment will be ninety days following the second publication of this notice in a newspaper of local circulation in the above-named community.

The proposed 100-year Flood Elevations are:

Source of flooding	Location	Elevation in feet above mean sea level	Width from shoreline or bank of stream (facing downstream) to 100-yr flood boundary (feet)	
			Right	Left
West Branch Rahway River.	Northfield Ave	338	60	100
	Old Indian Rd	361	240	280
	Mont Pleasant Ave	367	60	100
West Fork of East Branch Rahway River.	Mitchell St	175	60	[1]
	Central Ave	175	80	[1]
	Valley Rd	177	70	[1]
East Fork of East Branch Rahway River.	Meekner St	150	200	[1]
	Tremont St	151	460	[1]
	Union St	152	450	[1]
Peckman River	Woodland Ave	372	100	300
	Forest Ave	406	40	30
North Branch Wigwam Brook.	Washington Ave	183	300	200
	Whittelsey St	193	420	380
	Franklin Ave	208	240	280
	Ashwood Ter	236	120	60

[1] Corporation limit.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; and Secretary's delegation of authority to Federal Insurance Administrator 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: May 10, 1976.

HOWARD B. CLARK,
Acting Federal Insurance Administrator.

[FR Doc.76-15180 Filed 5-25-76;8:45 am]

[24 CFR Part 1917]

[Docket No. FI-1154]

APPEALS FROM FLOOD ELEVATION DETERMINATION AND JUDICIAL REVIEW

Proposed Flood Elevation Determination for the Town of North Hempstead, Nassau County, New York

The Federal Insurance Administrator, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 Pub. L. 90-448), 42 U.S.C. 4001-4128, and 24 CFR Part 1917 (§ 1917.4(a)) hereby gives notice of his proposed determinations of flood elevations for the Town of North Hempstead, Nassau County, New York.

Under these Acts, the Administrator, to whom the Secretary has delegated the statutory authority, must develop criteria for flood plain management in identified flood hazard areas. In order to participate in the National Flood Insurance Program, the Town must adopt flood plain management measures that are consistent with the flood elevations determined by the Secretary.

Proposed flood elevations (100-year flood) are listed below for selected locations. Maps and other information showing the detailed outlines of the flood-prone areas and the proposed flood elevations are available for review at the office of the Town Clerk, 200 Plandome Road, Manhasset.

Any person having knowledge, information, or wishing to make a comment on these determinations should immediately notify Mr. Michael J. Tulley, Jr., 220 Plandome Road, Manhasset, New York 11030. The period for comment will be ninety days following the second publication of this notice in a newspaper of local circulation in the above-named community.

The proposed 100-year Flood Elevations are:

Source of flooding	Location	Elevation in feet above mean sea level	Width in feet from shoreline to 100-yr flood boundary
Manhasset Bay (east shore)	Unincorporated area of Port Washington.	14	At border within incorporated area of Port Washington North, 340 ft; at Webster Ave. (extended), 170 ft; Pine Dr. (extended), 320 ft; at border within incorporated area of Plandome Manor, 440 ft.
	Unincorporated area of Manhasset		At Shoreview Ave. (extended) 160 ft; at Bayview Ave. (extended), 110 ft; at Tompson Shore Dr. (extended), 100 ft.
Tidal flooding from Manhasset Bay into Manhasset Creek and Whitney Lake.	Unincorporated area of Manhasset.	14	At Manhasset Creek Rd., 130 ft; at Northern Blvd., 40 ft; at Lake Whitney, 420 ft.
Hempstead Harbor (east shore).	Unincorporated area of Port Washington.	14	At Shore Rd., town boundary intersection, 70 ft; north of Motts Cove, 420 ft.
Hempstead Harbor (west shore).	do	14	At border within incorporated area of Sands Point, 50 ft; at Bar Beach, 1,950 ft; at border within incorporated area of Roslyn Harbor, 700 ft.
Little Neck Bay	Unincorporated area of Harbor Hills.	14	Varies from 40 ft at the northern limit to 280 ft at the southern limit.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001-4128; and Secretary's delegation of authority to Federal Insurance Administrator 34 FR 2680, February 27, 1969, as amended by 39 FR 2787, January 24, 1974.)

Issued: May 7, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-15181 Filed 5-25-76;8:45 am]

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

[36 CFR Part 606]

OFFICIAL COMMEMORATIVE LICENSING PROGRAM

Termination of ARBA Licensing Program

The American Revolution Bicentennial Administration (ARBA) intends to discontinue the issuance of licenses for "officially recognized commemoratives of the ARBA" in view of the provisions of Public Law 93-179 that the ARBA shall terminate on or before June 30, 1977. Accordingly, notice is hereby given that such ARBA licenses will be issued only with respect to applications therefor received by ARBA on or before June 30, 1976.

Interested persons are invited to submit written comments to the General Counsel, American Revolution Bicentennial Administration, 2401 E Street NW., Washington, D.C. 20276. Comments received on or before June 18, 1976, will be considered before final action is taken on the proposal. Copies of all written comments will be available for examination by interested parties in Room 7240, Columbia Plaza Office Building, 2401 E Street NW., Washington, D.C.

It is proposed to amend 36 CFR Part 606 by the addition of the following sentence to the end of § 606.101:

§ 606.101 [Amended]

* * * Such licenses will be issued only with respect to applications therefor received by ARBA on or before June 30, 1976.

JOHN W. WARNER,
Administrator.

MAY 19, 1976.

[FR Doc.76-15322 Filed 5-25-76;8:45 am]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 1111]

[Ex Parte No. 282 (Sub-No. 1)]

RAILROAD CONSOLIDATION PROCEDURES

Various Transactions

General.—The purpose of this proceeding is the revision of the Commission's regulations, which appear as Part 1111 of Title 49 of the Code of Federal Regulations, implementing the provisions of section 5 (2 and 3) of the Interstate Commerce Act (the "Act"). Section 5 requires Commission approval for various transactions involving railroads, such as control, merger, leases, acquisitions, coordination projects and trackage rights. For simplicity, the term "consolidation" shall be used in this Notice to encompass all transactions subject to section 5.

The revision of the Commission's current regulations is made necessary by enactment, on February 5, 1976, of sections 402 and 403 of the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, which added a new subdivision (g) to section 5(2) and a new paragraph (3) to section 5 of the Act. The new legislation requires extensive modification of the Commission's procedures for consolidations and also contains certain substantive changes. Section 5(2)(g) imposes extremely tight time limits on the Commission's processing of all rail consolidation proceedings. New section 5(3) provides an expedited procedure for handling railroad consolidations and requires that the Commission act in an even shorter time than required under section 5(2).

Because of the statutory time limits within which rail consolidation proceedings must now be processed and decided, the Commission deems it essential that substantially all the evidence to be relied upon by the applicants, carriers seeking to be included in a transaction, or persons making alternative proposals, be

submitted in writing at as early a point in the proceeding as possible rather than during the course of oral hearings. The regulations here being proposed are designed to meet their need. The information which they would require to be filed is, therefore, intended to establish a complete record from which all the issues normally raised in a rail merger or other consolidation proceeding can be developed, analyzed, and resolved.

The present and proposed regulations.—In the present regulations, 49 C.F.R. Part 1111, the procedures and filing requirements for railroad and water carrier consolidation proceedings are intermingled. The proposed regulations deal only with railroad proceedings. Regulations governing water carrier consolidation proceedings will be published, without major substantive change, as a separate Part. Until their publication, water carrier applications will be accepted provided that they conform to the requirements of Part 1111 in its present form.

Generally speaking, the proposed regulations follow those which are currently in effect insofar as their organization is concerned. However, there are changes in numbering, and significantly more stringent requirements are imposed insofar as the materials which must accompany an application are concerned. Section 1111.1 of the proposed regulations sets out the contents of applications filed under section 5(2) or 5(3) of the Act, regardless of the type of transaction or its financial and operational significance. This section generally contains materials which now appear in 1111.1 of the current regulations.

The new section 5(3)(c) requires the Commission to transmit to various Governors and the United States Attorney General, the Secretary of Labor and Secretary of Transportation a notice of the filing of an application thereunder. The notice must include a summary of the proposed transaction and the "proposing party's reasons and public interest justifications therefor". Section 1111.1(e) would require the submittal of that information as part of the application.

Section 1111.2 of the proposed regulations sets forth the various exhibits which must be filed with consolidation applications. The number and scope of the required exhibits vary with the class of railroad and nature of the proceeding. Essentially, those proceedings which appear to be of the greatest significance and which are likely to create the most controversy carry requirements for the fullest presentation of the applicants' case at the time of filing the application. It is the Commission's view that all applications filed under the new expedited merger procedures provided by section 5(3) of the Act will fall into this category, and all such applications will be required to include all of the materials listed in section 1111.2(b) of the proposed rules, in addition to the general exhibits of paragraph (a). All other consolidation applications involving at least one class I railroad will also be included in this category. (A class I railroad is defined by the Commission's regulations in 49 C.F.R. 1240.1, as amended at 40 F.R. 51642, as one which has annual transportation revenues of $10 million or more.) All applications involving trackage rights or joint use of rail lines which involve 100 miles or more would also be placed in this category.

Public comment is requested upon the the classification of the different rail consolidation applications of varying financial and operational significance, and suggestions are sought for making the proper breakdown between these applications insofar as the data filing requirements are concerned.

In addition to hte universal exhibit requirements of section 1111.2(a), other exhibits are required for differing types of applications. The data requirements of paragraph (c) of this section apply only to applications under section 5(2)(a)(i) of the Act which involve two or more Class II railroads; those of paragraph (d) apply to applications for trackage rights or joint use of track in which the total trackage involved extends for less than 100 miles.

Section 1111.3 of the proposed regulations governs the form and style of consolidation applications.

Proposed section 1111.4 contains the procedures to be followed in handling applications seeking authorization for the various types of transactions for which Commission approval is required under section 5 of the Act.

Generally required exhibits.—The proposed regulations modify and expand certain of the informational requirements for applications filed under section 5. The exhibits required under section 1111.2 must be submitted with the application to permit informed participation by all interested parties and to allow compliance with the statutory time frames. Certain of the modified and expanded exhibits are discussed below in general terms.

Section 1111.2(a)(10) of the proposed regulations will require expanded information bearing upon carrier employee protection. Over the past several yaers the interests of carrier employees and the imposition of conditions for the protection of affected employees have developed into issues of substantial importance. Section 5(2)(f) of the Act, as amended, envisions greater attention to the need for employee protection. Accordingly, the proposed regulation will require the applicants to submit a copy of any agreement or agreements with employee organizations which were entered into as a result of the proposed transaction. Additionally, the applicants must provide a breakdown of the number of jobs which will be affected by the transaction, and for each job change, the cost saving to applicants shall be submitted. Finally, applicants must disclose the approximate dates upon which the job changes will be effectuated, indicating when any job protection agreement will become effective.

Section 1111.2(a)(12) refers to, and requires compliance with, the Commission's regulations requiring the filing of information concerning the environmental impact of a proposed transaction. These regulations will be found in 49 C.F.R. 1108.

Exhibits required in transactions of major financial or operational significance.—The requirements of section 1111.2(b) apply only to an application seeking approval of a transaction having major financial or operational significance. These are defined as: (1) transactions under section 5(2)(a)(i) of the Act—which covers mergers, purchases, acquisition of common control, and lease of rail properties—provided that at least one of the parties involved is a Class I railroad; (2) transactions under section 5(2)(a)(ii) of the Act—which covers the acquisition of trackage rights, joint use, or joint ownership of rail lines—provided that the lines involved exceed 100 miles in length; and (3) all transactions under the expedited procedures provided by section 5(3) of the Act.

Exhibit A–13 provides that applicants shall submit revenue carload density charts for the latest calendar year preceding the filing of the application, revenue carload interchange data, and revenue carload origin and destination data. The density charts will be particularly useful in determining the flow of revenue traffic handled by the railroad. They will allow analysis of the overall operations of a carrier, the principal service routes and gateways of that carrier, the areas where diversion of traffic from connections is likely to occur, and the relative importance of the carrier's operations to the communities it serves, in terms of the volume of traffic and operations moving to, from, and through the communities.

Interchange data is critical to the determination of traffic flows between applicants and their connecting carriers. This data will reveal the principal sources of interline business, the dependence or lack of dependence of connecting carriers, and, in some instances, the influence applicants can exert on interchange traffic.

To complete the necessary traffic flow evidence, details of important origin and destination points on applicants' lines are required. This information will provide a basis for determining applicants' competitive strength at points served in common with intersecting railroads.

A new exhibit A–14 will require extensive information regarding freight rail car fleets, revenue freight traffic, carload commodity group tonnage, and carload commodity group revenue. This information is to be set forth in four separate tables. The required data will indicate the carrier's services, operational characteristics, and dependency, if any, on any one or more groups of commodities for the bulk of its tonnage and revenues. The 10-year period is necessary in order to establish any trends and "flatten out" any unusual years which the carrier may have encountered.

In previous rail merger proceedings, the total number of exhibits submitted in connection with traffic studies ex-

ceeded that submitted on any other single issue. Additionally, the time required to cross-examine witnesses approximately equaled the total cross-examination time consumed for all other issues, because the parties submitting traffic studies did not follow uniform standards. Considerable time was devoted to cross examining the methodology employed in the various probability and judgment sampling procedures. To remember this situation, exhibit A–15 requires that all traffic studies be prepared in conformity with the standards and methodology set forth therein. All parties submitting traffic studies must comply with the provisions of proposed exhibit A–15.

Exhibit A–15 does not require the submission of waybills. Rather, the exhibit requires that waybills be used to develop the traffic study, and that the information shown on the study waybills be completely reproduced in an abstract of all data utilized in the traffic study. Traffic studies which utilized probability sampling techniques must contain a full explanation of the sample utilized, as described in *Guidelines for the Presentation of the Results of Sample Studies*, published February 1971, by the Commission's Bureau of Economics, or any superseding publication. Traffic studies which utilize other methods, for example judgmental selection of movements, shall provide a description of the criteria utilized for the selection of such movement for the study. In this way an informed determination on the traffic study can be made by the opposing parties in the proceeding and also by the Commission.

Details of the information to be included in these traffic studies are found in section 1111.2(b)(3). The regulations are quite explicit and therefore, do not require any detailed interpretation. Failure to supply this detailed information would result in the inability of the Commission to formulate a final decision on the merits of these proceedings in the time limits prescribed by the Act. The filing of Exhibit A–15 will not be required where a Class II railroad is acquiring a line which the Commission has authorized to be abandoned or where non-connecting Class II carriers are involved.

Applicants proposing transactions of major financial and operational significance will be required to submit as Exhibit A–16 (section 1111.2(b)(4)), a complete operating plan for the proposed consolidation. The proposed operating plan should address the operations as they would exist during the early phases of implementation of the transaction, considering the impact of yard and routing adjustments, the timing of the construction of new connections, and the upgrading activities on principal routes. Significant changes in operating patterns should be detailed up to the point at which the anticipated "normal" operating plan will be in effect.

The details of the proposed operating plan will be critical in assessing the consolidated carrier's ability to achieve the financial results presented in the application. These details will also be necessary in evaluating the statements of the applicants and any protesting parties regarding the impact that the consolidated operation is likely to have on competition in the area served.

Applications involving major trackage rights would not require such complete system-wide plans, but would have to include details of the operation of the combined segments. Data requirements for such transactions, to be submitted as Exhibit A–17, are described in proposed paragraph 1111.2(b)(5).

Section 1111.2(b)(6) through (9) of the proposed regulations describes the financial data which must be filed with the application. For transactions other than those involving trackage rights, applicants would be required by section 111.2(b)(6) to submit, as Exhibit A–18, general balance sheet data and pro forma balance sheet data. General balance sheet data will be required from both transferor and transferee and their subsidiaries, as well as transferee's parent company, if any, on a consolidated and corporate entity basis. Also required will be a pro forma balance sheet statement giving effect to the proposed transaction as of the date of the balance sheet submitted. These requirements would be substantially reduced in the case of trackage rights applications (section 1111.2(b)(7)).

Section 1111.2(b)(8) would require submission, as Exhibit A–20, of income statements of transferor and transferee and their subsidiaries, and of transferee's parent, for each of the 3 calendar years preceding the filing of the application, and for the prior months of the current year. Also required will be a pro forma income statement showing applicants' best estimate of revenues, expenses, and income for the first 3 years following consummation of the transaction. Finally, applicants will be required to provide a statement of the sources and application of funds for the current year, and a forecast of the sources and application of funds for the surviving carrier for the year following consummation. Again, these requirements would be reduced for transactions involving trackage rights alone (section 1111.2(b)(9)).

Exhibits required in transactions involving minor financial and operational significance.—Subsection 1111.2(c) establishes data requirements for applications involving two or more Class II railroads. In general, applicants in such proceedings would be required to furnish carload interchange data, although in lesser detail than in an application involving a Class I carrier; origin and destination data; commodity group traffic and revenue data; a traffic study, except where non-connecting carriers are involved; operational information; balance sheet data; and income statement data.

Applications for trackage rights, joint use or joint ownership filed under section 5(2)(a)(ii) where the lines involved are less than 100 miles in length are covered by section 1111.2(d) of the proposed regulations. The information required to be submitted by applicants in such proceedings would generally be limited to operational, balance sheet, and income statement data.

Typographical specifications.—Section 1111.3 of the proposed regulations remains unchanged from the present regulations. It simply refers to the typographical specifications and other specifications for documents filed with the Commission which are contained in Rule 15 of the Commission's General Rules of Practice (49 C.F.R. 1100.15).

Procedures.—Proposed section 1111.4 differs substantially from the present regulations governing the filing and processing of section 5 applications. These changes are necessitated by the recent amendments to section 5. The proposed section 1111.4 is divided into three paragraphs: paragraph (a) is applicable to all applications filed under section 5(2) or 5(3), paragraph (b) is applicable only to applications filed under section 5(2), and paragraph (c) is applicable only to those filed under section 5(3).

Proposed paragraphs (a)(1) through (4) contain provisions governings the preparation, filing, and service of applications. They do not differ materially from similar provisions in the present rules. Proposed paragraph (a)(5) requires that related applications, such as those for authority to construct a new line of railroad, to abandon an existing line, or to issue securities, be filed concurrently with the section 5 application. Paragraph (a)(6) provides that traffic studies are required to be prepared in accordance with the instructions in section 1111.2(b)(3) and may be rejected if they fail to conform. It should be noted that this requirement applies to all traffic studies submitted by any party to the proceeding.

New section 1111.4(b) would impose the following requirements with respect to the filing and processing of applications filed pursuant to section 5(2) of the Act:

Paragraph (1) provides for service on governors, State public utility commissions, the Secretary of the United States Department of Transportation, and the Attorney General of the United States.

Paragraph (2) provides for the publication of notice of the application in the Federal Register, as required by section 5(2)(g)(i) of the Act.

Paragraph (3) provides for the filing of written comments and for intervention by the Secretary of Transportation and the Attorney General, implementing section 5(2)(g)(ii) and (iii) of the Act.

Paragraph (4) provides for the filing and publication of inconsistent applications. Paragraph (5) provides for the filing of petitions for inclusion in the proposed transaction. These provisions implement section 5(2)(g)(iv) of the Act. Those filing inconsistent applica-

tions or petitions for inclusion are required by these paragraphs to include with their filing all information and exhibits required to be filed with an initial application under the proposed regulations.

Paragraph (6) provides for the conduct of evidentiary proceedings and implements subparagraph 5(2)(g)(v) of the Act. It also provides that the Secretary of Transportation shall have standing to appear before the Commission in a section 5(2) proceeding and to propose modifications of the transaction, pursuant to section 5(2)(h).

Paragraph (7) provides for the rejection of incomplete applications, pursuant to section 5(2)(g)(i) of the Act.

New section 1111.4(c) would impose the following requirements with respect to the filing and processing of applications filed pursuant to section 5(3) of the Act:

Paragraph (1) sets forth the conditions which must be met by applicants under section 5(3).

Paragraph (2) provides for the filing of a sufficient number of applications with the Commission to allow the Commission to furnish copies in accordance with section 5(3)(c).

Paragraph (3) provides for publication of notice of the filing of the application in the Federal Register.

Paragraph (4) requires the submission of a report on the application by the Secretary of Transportation, as provided in section 5(3)(f)(v) of the Act.

Paragraph (5) provides for the filing of written comments within 30 days of the publication of notice of the application.

Paragraph (6) outlines the procedures to be followed in processing the application in accordance with the provisions of section 5(3)(d) and (e) of the Act.

Paragraph (7) provides for the rejection of incomplete applications. While section 5(3) of the Act does not contain a provision specifically permitting the rejection of incomplete applications, section 5(3)(c) does provide that the Commission may prescribe the form, content and documentation for applications. Section 5(3)(c) further provides that a proposing party shall submit its application in accordance with such prescribed requirements. Accordingly, non-conforming applications will be subject to rejection.

Section 1111.4(c) which contains procedures for applications under Section 5(3) does not provide for the filing of inconsistent applications or petitions for inclusion. This present absence reflects the lack of provision for such filings in section 5(3) of the Act.

The Commission invites all interested persons to participate in this proceeding. Specific information and procedures with respect to such participation are contained in the ordering paragraphs which appear at the end of this Notice. It should be noted that the proposed regulations may be modified in light of the comments received.

In consideration of the foregoing, it is proposed to amend the Chapter X of Title 49, Code of Federal Regulations as follows:

PART 1111—RAILROAD ACQUISITION, CONTROL, MERGER, CONSOLIDATION, COORDINATION PROJECT, TRACKAGE RIGHTS AND LEASE PROCEDURES

Sec.

1111.1 Contents of application.
1111.2 Required exhibits.
1111.3 Form and style.
1111.4 Procedure.

§ 1111.1 Contents of application.

Applications under section 5(2) and 5(3) of the Interstate Commerce Act (the Act) involving more than one common carrier by railroad shall show in the title thereof the nature of the proposed transaction and shall set forth, in the sequence indicated, the following information:

(a) Identification of applicant,[1] showing:

(1) Full and correct name of applicant and the business address of applicant (street and number, city, county, state and zip code).

(2) Whether applicant is an individual, firm, partnership, corporation, company, association, joint stock company, trustee, receiver, assignee, or other personal representative, and trade name or style, if any, under which applicant is doing business.

(3) Whether applicant is a carrier subject to Part I of the Act.

(4) State or States in which any part of the property of the applicant involved is situated.

(5) The name, title and business address of the officer or officers to whom correspondence with respect to the application should be addressed.

(6) Whether applicant or a subsidiary is affiliated with a motor or water carrier subject to the Act; also the following information with respect to rail, motor or water operations, where applicable: the date of the certificate, permit, or temporary authority; and the number of the Commission's docket assigned to the application upon which such certificate, permit, or temporary authority was issued or granted; or if application to engage in interstate or foreign commerce has been made but is still pending, date of the application and the docket number.

(b) Information respecting applicant, as follows:

(1) If applicant is a corporation:

(i) Date of incorporation[2] and Government, State, or Territory of incorporation.

(ii) Name and business address of directors.

(iii) Name, title and business address of officers.

(iv) Name and business address of 10 principal stockholders as of last record date and their respective holdings.

(2) If applicant is a partnership:

(i) Date on which partnership was formed; and State and county in which it was formed.[2]

(ii) Name and business address of all present partners, including limited or silent partners and their respective interests.

(3) If applicant is an association or other form of organization, other than a corporation:

(i) Date or organization and place of organization.

(ii) Full description of the nature and objectives of the organization.

(iii) Name, title and business address of officers and directors, or trustees.

(iv) Name and business address of applicant's 10 principal stockholders or owners.

(4) If applicant is a trustee, receiver, assignee, or a personal representative of the real party in interest:

(i) The name and address of the court, if any, under the direction of which applicant is acting.

(ii) Nature of the proceedings, if any, in which applicant was appointed.

(iii) With respect to the real party in interest: The information required under paragraphs (b)(1), (2), or (3) of this section, whichever is applicable.

(5) If paragraphs (1), (2), (3), and (4) are not applicable, indicate identity, structure, statutory or charter powers.

(6) If applicant is not a carrier, the type of business in which it is engaged, the length of time so engaged, and particulars of its present and prospective activities which have or may have a relation to transportation subject to the Act.

(7) Whether applicant is controlled by any other corporation or corporations, and, if such control is held, state the name of the controlling corporation or each of such corporations, the form of control, whether sole or joint, direct or indirect, and its extent.

(8) The measure of control of ownership if any, now exercised by applicant over any carrier subject to the Act, or over the properties of such carrier.

(9) If applicant, or the real party in interest, is part of a system or group of corporations or other persons, the relationship of the applicant, or of the real party in interest, to the members of such system or group, including the form and extent of such relationship, direct or indirect.

(10) Whether there are any intercorporate relationships, not disclosed in responses to prior instructions, through

[1] The term "applicant" is used throughout Part 1111 as a general reference to persons initiating an application under section 5(2) or (3) and in behalf of whom an application is initiated. In all instances, except as noted immediately below, the term covers the actual initiating party, whether or not a carrier, and *all* carriers with properties directly involved in the proposed transaction. In all applications under section 5(3) in which the Secretary of Transportation is the proposing party, the term "applicant" shall refer only to the carriers with properties directly involved in the proposed transaction.

[2] If the applicant is incorporated or organized under the laws of, or authorized to operate in, more than one State, Territory, or Federal District, give all pertinent facts as to such incorporation, organization, or authorization.

holding companies, ownership of securities, or otherwise, direct or indirect, between applicant and any carrier or person affiliated with any carrier, or between any person affiliated with applicant and any carrier or person affiliated with any carrier, at the time of making the application; if so, the nature and extent of such relationship; and, if applicant owns securities of a carrier corporation or corporations subject to the Act, the name of the corporation, a description of securities, the par value of each class of securities held, and the percentage of total ownership.

(11) Whether any applicant or any of its affiliates has officers or directors in common with any other applicant or its affiliates; and, if so, a reference to the Commission's order or orders, if any, authorizing the holding of such positions in common, with the names of such officers or directors and the position held in each corporation.

(12) The amount of applicant's outstanding capital stock, by classes, and in connection therewith the par value or stated value of each share, its voting rights, if any, the total number of stockholders of record, and the voting rights of all security holders.

(c) Information respecting the nature of the transaction proposed and the terms and conditions thereof as follows:

(1) The nature of the transaction, e.g. merger, control, coordination project, trackage rights.

(2) Briefly, the terms and conditions of the contract or agreement pursuant to which the proposed transaction is to be effected, including the manner in which it is proposed to consummate the transaction and the consideration, in money or otherwise, to be paid by applicant.

(3) Whether there is any financial or other relationship, direct or indirect, not disclosed in responses to prior instructions, existing at the present time between applicant and other parties and affiliates involved in the proposed transaction; and, if so, a full explanation of such relationship.

(4) The route, termini, and mileage of all involved lines, the principal points of interchange, and the main line mileage and branch line mileage shown separately.

(5) Whether the property involved in the proposed transaction includes all the property of the applicant and, if not, describe what property is included in the proposed transaction.

(6) Value of each of the properties involved in the proposed transaction as found by the Commission or if such value has not been found by the Commission, as independently appraised for the purposes of the proposed transaction; and, separately, the net cost of additions and betterments made after the date of valuation or appraisal.

(7) The policy and practice followed by applicant with respect to reserves for depreciation and similar reserves, including rates by classes of property.

(8) The market value of any securities acquired or proposed to be acquired in consummating the proposed transaction; or, if there be no ascertainable market value, the estimated value, giving the basis of the estimate.

(9) If any of the property covered by the application is encumbered and applicant has agreed to assume obligation or liability in respect thereof:

(i) A description of the property encumbered.

(ii) Amount of encumbrance and full description thereof, including maturity, interest rate, and other terms and conditions.

(iii) Amount of encumbrance assumed or to be assumed by applicant.

(10) If a consolidation or merger is proposed:

(i) The name of the company resulting from the consolidation or merger, and the State or Territory under the laws of which the consolidated company is to be formed or the merged company is to file its certificate of amendment.

(ii) The capitalization proposed for the company resulting from the consolidation or merger; and, separately, the amount and character of capital stock and other securities to be issued.

(d) Facts and circumstances relied upon to show that the proposed transaction is within the scope of section 5(2) or 5(3) of the Act, will be consistent with the public interest, and will otherwise be within the requirements of section 5, particularly:

(1) To establish that the transaction covered by the application will be consistent with the public interest.

(2) To explain and properly support the financial consideration involved in the proposed transaction, including an explanation of economies, if any, to be effected in operations, and increase, if any, in traffic, revenues, earnings available for fixed charges, and net earnings, expected to result from the consummation of the proposed transaction.

(3) To show the effect of the proposed transaction upon adequate transportation service to the public.

(4) To establish that the increase, if any, of total fixed charges resulting from the proposed transaction would not be contrary to the public interest.

(5) To establish that any guaranty or assumption of payment of dividends or fixed charges contemplated in the transatcion is not inconsistent with the public interest.

(6) To show the effect upon the public interest of the inclusion, or the failure to include, other railroads in the territory involved in the proposed transaction.

(7) To indicate the effect upon the interest of carrier employees resulting from the proposed transaction. (In the event full responses to the items listed above are contained in the exhibits specified in section 1111.2, the required responses to these items should be brief and an appropriate reference to the underlying exhiibts should be made.)

(e) Applications filed under section 5(3) of the Act shall include the following information, which shall be set apart from the previously requested information:

(1) A summary of the proposed transaction; and

(2) The proposing party's reasons and public interest justifications in support of the application.

§ 1111.2 Exhibits.

(a) Required exhibits for all applications.[3]

(1) As Exhibit 1, one or more of the following documents as may be appropriate:

(i) One copy each of the charter or articles of incorporation, and the bylaws and amendments thereof, of each applicant, duly certified by the appropriate public officer.

(ii) A properly authenticated copy of the articles of partnership, if any, of each partnership which is a party to the transaction.

(iii) A properly authenticated copy of articles of association, trust agreement, or other similar document of each association or other form of organization, except a corporation, which is a party to the transaction.

(iv) A properly authenticated copy of the order of the court or instrument appointing each trustee, receiver, assignee, or personal representative which is a party to the transaction.

(v) If (i), (ii), (iii), and (iv) are not applicable, submit appropriate organizational or authorizing document or indicate why none is available or necessary.

(2) As Exhibit 2, a properly authenticated copy of the annual report, if any, to stockholders or shareholders for each of the two calendar or fiscal years preceding the filing of the application.

(3) As Exhibit 3, a copy of all resolutions of directors of each applicant, authenticated by a proper executive officer, authorizing the proposed transaction and, where applicable, the making of the application to the Commission for its approval and authorization; and, if the charter or bylaws of the applicant require approval of the stockholders, a copy of the resolution of stockholders authorizing the proposed transaction and the making of the application; all such resolutions to be accompanied by sufficient transcripts of the minutes of meetings of the stockholders or directors of the applicant to show the number of shares entitled to vote, the number of shares voted for and against the resolutions, and the number of share/votes required to adopt the resolution.

(4) As Exhibit 4, a copy of all resolutions of stockholders or directors of the

[3] Where two or more exhibits bear the same number, distinguish them by giving the second and each additional exhibit a distinguishing letter as, Exhibit 1, Exhibit 1–a, Exhibit 1–b, etc.

If documents here requested have been previously filed in connection with an application under section 1a, 1(18), 5, or 20a of part I of the Act, it will be sufficient to make reference to the docket number under which filed, provided that any change or changes occurring in such documents since the filing thereof shall be shown in an exhibit identified to correspond with the specific exhibit requested.

applicant, or duly authorized committee thereof, authenticated by a proper executive officer of the applicant, designating by name and for that purpose the executive officer by whom the application is signed and verified, and filed on behalf of the applicant.

(5) As Exhibit 5, if an organization other than a corporation is an applicant, documentary evidence showing authorization and designation of the individual or individuals signing, verifying, and filing on behalf of the applicant.

(6) As Exhibit 6, if a trustee, receiver, assignee, or personal representative of the real party in interest is an applicant, a certified copy of the order, if any, of the court having jurisdiction, authorizing the contemplated action.

(7) As Exhibit 7, opinion of counsel of applicant that the transaction described in the application meets the requirements of the law and will be legally authorized and valid, if approved by the Commission with specific reference to any specially pertinent provisions of applicant's charter or articles of incorporation.

(8) As Exhibit 8, a general or key map indicating clearly, in separate colors, or otherwise on a suitable scale, preferably not smaller than 20 miles to the inch, the line or lines of applicant, parts of the line or lines of each applicant in their true relation to each other, short-line connections, other rail lines in the territory, and the principal geographic points of the region traversed. Whenever possible, this map should not be over 30 inches in its largest dimension. There shall also be furnished three copies of the map, unbound, for the use of the Commission.

(9) As Exhibit 9, a copy of any contract or other written instrument entered into, or proposed to be entered into pertaining to the transaction covered by the applition.

(10) As Exhibit 10, the following:

(i) A copy of any agreement or agreements with employee organizations entered into as a result of the proposed transaction;

(ii) A breakdown of the number of jobs for each applicant, by craft, which under the proposed transaction are to be abolished, transferred or created at each point, and point or points to which jobs will be transferred and the number of such jobs;

(iii) For each of the job changes in item (ii) the cost and savings to applicant in accomplishing such changes, broken down for each of the three years following consummation of the proposed transaction;

(iv) The approximate date(s) on which each job abolishment, transfer, or creation (set forth under (ii) above) is to be effectuated, and indicating where appropriate any implementing agreement which is necessary before such job changes are to be put into effect.

(11) As Exhibit 11, a proposed notice of filing which shall contain a brief summary of the proposed transaction, including as applicable:

(i) The name and address of applicant and applicant's attorney;

(ii) The nature of the proposed transaction, e.g. merger, control, consolidation, coordination project, trackage rights;

(iii) A brief geographical description (including, as applicable, route descriptions) of (A) the operations sought to be performed, and (B) the operations presently performed;

(iv) A brief description of the involved line (or lines) of railroad, including city or county and State location, termini, and approximate distance in miles;

(v) The final paragraph of the draft notice for proposed transactions filed under section 5(2) of the Act shall read as follows:

Interested persons may participate in a proceeding by submitting written comments regarding the application. Such submissions shall indicate the proceeding designation (F.D. No. ____), and the original and two copies thereof shall be filed with the Interstate Commerce Commission, Washington, D.C. 20423, not later than 45 days after the date notice of the filing of the application is published in the FEDERAL REGISTER. Such written comments shall include the following: the person's position, e.g. party protestant or party in support, regarding the proposed transaction; specific reasons why approval would or would not be in the public interest; and a request for oral hearing if one is desired.

Persons submitting written comments to the Commission shall, at the same time, serve copies of such written comments upon the applicant, the Secretary of Transportation and the Attorney General.

(vi) The final paragraph of the draft notice for proposed transactions filed under section 5(3) of the Act shall read as follows:

Interested persons, other than those whose participation is specifically governed by section 5(3) of the Act, may make known to the Commission their intention to participate in the proceeding by submitting written comments regarding the application. Such submissions shall indicate the proceeding designation (F.D. No. ____), and the original and two copies thereof shall be filed with the Interstate Commerce Commission, Washington, D.C. 20423, not later than 30 days after the date notice of the filing of the application is published in the FEDERAL REGISTER. Such written comments shall include the following: the person's position, e.g. party protestant or party in support, regarding the proposed transaction and specific reasons why approval would or would not be in the public interest. Persons submitting written comments to the Commission shall, at the same time, serve copies of such written comments upon the applicant, the Secretary of Transportation, the Attorney General, and the Secretary of Labor.

(12) As Exhibit 12, information and data with respect to environmental matters prepared in accordance with the regulations in part 1108 of this title of the Code of Federal Regulations.

(b) Required exhibits, in addition to those required under section 1111.2(a), for (A) applications filed pursuant to section 5(2)(a)(i) of the Act involving one or more Class I railroads; (B) applications filed under section 5(2)(a)(ii) of the Act to acquire trackage rights, joint use or joint ownership, where the line or aggregate lines involved in the transaction exceed 100 miles in length; or (C) applications filed under section 5(3) of the Act, shall be as follows:

(1) As Exhibit A–13, the following data to be submitted by each applicant and any rail carrier seeking inclusion in the proposed transaction:

(i) Revenue carload traffic density charts which shall contain a map geographically showing principal lines (those handling 5,000 or more revenue carloads or 5 percent of total revenue carloads, whichever is smaller, annually) and respective densities, expressed in the annual number of revenue carloads, in each direction, in segments of such lines between major freight yards and terminals, including major interchange points, using the corporate or political subdivision name of the points shown as well as the railroad station name. The mileage of each segment of line should be shown on the chart. Data shown in the density chart shall be for the latest full calendar year preceding the filing of the application.

(ii) Revenue carload interchange data between applicant and connecting line-haul rail carriers (deleting intermediate switching railroads, if any) setting forth in a table, designated table A, the gateway involved, each connecting line-haul railroad, and for each connecting line-haul railroad the number of interchange carloads originating on applicant's line, the number of interchange carloads terminating on applicant's line, the overhead traffic delivered or received by applicant, and a separate total of overhead traffic and the total cars interchanged. Gateways to be listed shall be those handling 5,000 or more revenue carloads or 5 percent of total revenue carloads, whichever is smaller, annually. Gateways shown in Table A should follow a geographical sequence, e.g., east to west, in the applicant railroad's system. Where two or more gateways are contiguous or nearly contiguous, they should be totaled (as examples, Dallas-Ft. Worth, Minneapolis-St. Paul, Omaha-Council Bluffs, etc.) If necessary, such grouped gateways may also be shown separately in supporting tables. Data shown in the interchange tables shall be for the latest full calendar year preceding the filing of the application. In a separate table, designated table B, for each of the gateways listed in table A described above, there shall be shown for each connecting carrier the origin state and the destination state and the revenue carloads interchanged. An example of Tables A and B follow:

Table A data shall be organized as shown in the following sample table:

TABLE A.—*Revenue carloads interchanged, calendar year ____*

Gateway	Connecting line-haul railroad	Applicant's revenue carloads: Originated on applicant's line	Terminated on applicant's line	Overhead (bridge): Delivered by applicant	Overhead (bridge): Received by applicant	Overhead (bridge): Total	Total cars interchanged
Point A	Carrier X	1,000	1,000	1,000	1,000	2,000	4,000
	Carrier Y		50	6,000		6,000	6,050
	Carrier Z	5,000	4,000				9,000
Point A	Total	6,000	5,050	7,000	1,000	8,000	19,050
Point B	Carrier M	2,000	4,000	1,000	100	1,100	7,100
Point C	Carrier R	1,000	500	500	500	1,000	2,500
	Carrier X			5,000	5,000	10,000	10,000
Point C	Total	1,000	500	5,500	5,500	11,000	12,500

Table B data shall be organized as shown in the following sample table:

TABLE B.—*Revenue carloads interchanged, State-to-State movements, by gateway*

(Name) Gateway

Connecting line-haul carrier	Origin State	Destination State	Revenue carloads
Carrier R	Alabama	New York	400
Do	do	Ohio	100
Do	do	Pennsylvania	500
Do	do	Vermont	500
Do	Pennsylvania	Alabama	600
Do	do	Georgia	400
Carrier X	Alabama	New Jersey	5,000
Do	New York	Florida	2,500
Do	do	Georgia	2,500

(iii) Revenue carload origin and destination data for the latest full calendar year preceding the filing of the application, listing the following:

(A) Points of origin of 5,000 or more revenue carloads, or 5 percent or more of applicant's total originated revenue carloads, whichever is smaller, broken down to show originations of local and interline carloads for each point.

(B) Points of destination of 5,000 or more revenue carloads, or 5 percent or more of applicant's total terminated revenue carloads, whichever is smaller, broken down to show terminations of local and interline carloads for each point.

(iv) The above-listed data shall include all of applicant's carloads at each point originated or terminated, as the case may be, by a line-haul, terminal or switching railroad or by a motor carrier performing pickup or delivery service.

(v) Where a carrier other than a railroad performed a line-haul service prior or subsequent to applicant's line-haul, the point of interchange with applicant shall be considered an origin or destination point of such traffic for applicant.

(2) As Exhibit A–14, the following data:

(i) A summary table showing the freight car fleet cars owned and leased by applicant indicating by year for the 10-year period preceding filing of the application the number of box, flat (including rack cars), gondola, open hopper, covered hopper, refrigerator, stock, tank, miscellaneous and total number of cars owned and leased, and the aggregate capacity of these cars.

(ii) A table showing the applicant's revenue freight traffic, indicating by year, for the 10-year period preceding filing of the application, the number of local, interline originated, interline terminated, overhead, total carloads, total revenue tons, revenue ton-miles, and total freight revenue.

(iii) A table showing commodity group tonnage at the two-digit level of the Standard Transportation Commodity Code (STCC) as a percentage of total tonnage, for the 10-year period preceding filing of the application, indicating by year the various commodity groups, the tonnage attributable to each group, and the percentage of that group tonnage as it relates to total tonnage.

(iv) A table showing commodity group revenue (at the two-digit level of the STCC) as a percentage of total revenue, for the 10-year period preceding filing of the application, indicating by year the various commodity groups, the revenues attributable to each group, and the percentage of that group revenue as it relates to total revenue.

(3) As Exhibit A–15,[4] a copy of a traffic study detailing estimated gains in traffic and revenues expected to result from the consummation of the proposed transaction. The traffic studies shall be prepared in conformity with the following instructions:

(i) The period covered by the traffic studies shall be for the latest full calendar year preceding the filing of the application.

(ii) At a minimum, the traffic studies shall be based on the complete data shown on the waybills covering the movements studied. The complete data on these waybills, together with all other information regarding the movement relied upon for determining the gains in traffic and revenue shall be reproduced totally in an abstract of all the study movements. The amount of such gains shall be shown for each movement abstract on which a gain has been determined. The initials of the person or persons making the determinations shall be shown on all abstracts. Only two copies of the abstract of the study movements shall be filed with the original application.

A conformed copy of such abstract shall be maintained at applicant's principal place of business and shall be made available, upon request, to parties of the involved proceeding. Copies of the abstract need not be included as part of the exhibits to the copies of the application furnished to the Commission or served upon designated persons.

(iii) The traffic study shall include a statement showing the name and title of (A) the person or persons making the initial determination of gains, if any; (B) the person or persons making the final determination; and (C) the method used to resolve conflicting determinations, if any.

(iv) Traffic studies utilizing probability sampling techniques shall include a full explanation of the sample as described in Guidelines for the Presentation of the Results of Sample Studies, February 1971, by the Commission's Bureau of Economics, or superseding publications, if any. Traffic studies which do not utilize probability sampling techniques but which instead rely on surveys of 100 percent or less of the involved traffic made on the basis of judgmental selection of movements shall provide a description of the criteria utilized for selecting the movements for study (for example, traffic moving over particular route or through specific gateways). If the judgmental survey contains less than 100 percent of the involved traffic, a detailed description of the representativeness of the studied traffic compared to all of the involved traffic shall be included.

(v) The traffic study shall include the written instructions, if any, for determining the amount of gains. All instances where those instructions were not followed but were subordinated to other, unwritten instructions shall be clearly shown, together with references in each instance to the appropriate movement set forth in the abstract of movements under section 111.2(b)(3)(ii), (Exhibit A–15). Applicants shall furnish the unwritten instructions and the reasons for the deviation.

(vi) Where specific percentages (less than 100 percent) are applied to represent the amount of gains on movements, the criteria used to arrive at such percentages shall be stated precisely.

(vii) The estimates of gains in traffic and revenues shall be broken down sepa-

[4] This exhibit is not required in applications involving the acquisition of a line of railroad by a Class II carrier from a Class I or Class II carrier where the line to be acquired has been authorized by the Commission to be abandoned.

rately for each connecting carrier from which the traffic is gained, as follows:

(A) Applicant's interline originated traffic by off-junction with connecting carrier.

(B) Applicant's interline terminated traffic by on-junction with connecting carrier.

(C) Applicant's overhead traffic, by on or off-junction with connecting carrier.

(viii) The traffic study shall contain a statement showing the revenue gains, the cost of handling the gained traffic, and the net gain thus derived, including a detailed description of the methods used to compute the costs of handling the gained traffic.

(4) As Exhibit A–16 (not applicable to trackage rights applications), a complete description of the proposed operating plan to be effectuated upon approval of the transaction. This exhibit shall provide data, projected at least 3 years following consummation of the proposed transaction, describing the following aspects of the operating plan:

(i) The patterns of service on the properties, including the proposed principal routes, proposed consolidations of mainline operations, and the anticipated traffic density and traffic mix on all main and secondary lines in the system.

(ii) The basic operating and train blocking plan of the system, including the identification of system classification yards, and the anticipated workload of such yards, supported by a proposed blocking plan based on projected origin-destination traffic data.

(iii) The location of existing shops and repair facilities, an identification of major installations to be discontinued, and a description of the system repair function of each remaining facility.

(iv) If commuter or other passenger services are operated over the lines of applicant, detail any impacts anticipated on such services, including delays which may be occasioned because a line is scheduled to handle increased traffic due to route consolidations.

(v) The equipment requirements of the proposed system, including locomotives, rolling stock by type, and maintenance-of-way equipment; plans for acquisition and retirement of equipment; and projected improvements in equipment utilization, together with an explanation of the operating changes that will cause such improvements.

(vi) The extent to which deferred maintenance or delayed capital improvements applying to any road or equipment properties involved, and the schedule for eliminating such deferrals. Also details of system rehabilitation and upgrading plans including proposed yard and terminal modifications, together with an estimate of anticipated service improvements or operating economies associated with such projects.

(5) As Exhibit A–17 (applies only to trackage rights applications) data, projected at least 3 years following the consummation of the proposed transaction, describing the following aspects of the operating plan:

(i) Any significant changes in patterns of service.

(i) Traffic level and density on lines proposed for joint operations.

(iii) Impact on the use of yards or shop facilities and any necessary modifications to yards or terminals.

(iv) Impacts on commuter or other other passenger service operated over a line which is to be downgraded or operated on a consolidated basis.

(v) Operating economies.

(vi) Any associated discontinuances or abandonments.

(6) As Exhibit A–18 (not applicable to trackage rights applications), general balance sheets, as appropriate, of the following:

(i) Transferee[5] on a corporate entity basis;

(ii) Transferee's parent company on a corporate entity basis;

(iii) Each subsidiary of transferee and transferor,[6] on a corporate entity basis;

(iv) Transferee and subsidiaries on a consolidated basis.

(v) Transferor on a corporate entity basis; and

(vi) Tranferor and subsidiaries on a consolidated basis.

All such statements requested in (i)–(vi) shall show the late st available date, not exceeding six months prior to the filing of the application.

(vii) Where the transaction involves a proceeding oth r than a control, a pro forma balance sheet statement giving effect to the proposed transaction as of the date of the balance sheets required above. The pro forma data shall be presented in columnar form showing in the first column the balance sheet of transferee on a corporate entity basis, in the second column a balance sheet of transferor, on a corporate entity basis, in the third column pro forma adjustments and eliminations so as to indicate and in the fourth column, transferee's balance sheet "giving effect" to consummation of the proposed transaction. Each adjustment and elimination shall be properly footnoted and fully explained.

(viii) Where the transaction involves a control, a pro forma balance sheet of the acquiring carrier.

(7) As Exhibit A–19 (applies only to trackage rights applications), general balance sheet of the following:

(i) Applicant on a corporate entity basis;

(ii) Aplicant's parent company on a corporate entity basis;

(8) As Exhibit A–20 (not applicable to trackage rights applications), income statements, as appropriate, of the following:

(i) Transferee on a corporate entity basis;

(ii) Transferee's parent company on a corporate entity basis;

(iii) Each of transferee's subsidiaries on a corporate entity basis;

(iv) Transferee and subsidiaries on a consolidated basis;

(v) Transferor on a corporate entity basis;

(vi) Transferor and subsidiaries on a consolidated basis.

All statements requested in items (i)–(vi) are to be for each of the immediately preceding 3 calendar years, and for the months of the current year for which the amounts are available (preferably to the date of the balance sheet).

(vii) Where the transaction involves a proceeding other than a control, a pro forma income statement showing transferee's estimate of revenues, expenses and net income for the three years following consummation of the transaction. The pro forma data shall be presented in columnar form, the first column showing transferee's actual income statement on a corporate entity basis for the latest available period extended to a 12 month period, the second column a similar income statement for the transferor, the third column forecasted adjustments to the combined revenues, expenses and net income to reflect increases or decreases anticipated under the unified operation and the fourth column a compilation of the first three columns into a pro forma income statement forecasting operations during the first year following consummation and each of the two succeeding years. The adjustments are to be supported by a statement explaining the basis used in determining the estimated changes in revenues, expenses and net income appearing in the third column.

(viii) where the transaction involves control, a pro forma income statement showing transferor's and transferee's best estimate of revenues, expenses, and net income for the three years following consummation of the transaction prepared in columnar form prescribed above.

(ix) Transferor's and transferee's statement of sources and application of funds for the current year, and a forecast of source and application of funds for each carrier (if a merger or consolidation, the surviving or resulting corporation) for the year following consummation of the proposed transaction, the form and content of these statements to be constructed in accordance with Schedule 309, Statement of Changes in Financial Position required in the Annual Report R–1 for Class I Railroads.

(9) As Exhibit A–21 (applies only to trackage rights applications), income statements, of the following:

(i) Lessee's on a corporate entity basis;

(ii) Lessee's parent company on a corporate entity basis (if effected);

All statements are to be for each of the immediately preceding 3 calendar

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[5] The term "Transferee" as used in these exhibits includes the following persons, e.g. in a control proceeding, the acquiring corporation; in a merger proceeding, the surviving corporation; in a consolidation, the resulting corporation; in a lease, the lessee; and in an acquisition, the purchaser.

[6] The term "Transferor" as used in these exhibits includes the following persons, e.g. in a control proceeding, the corporation being acquired; in a merger proceeding, the merging corporations; in a consolidation, all corporations to be consolidated; in a lease, the lessor; and in a purchase, the seller.

years, and for the months of the current year for which the amounts are available (preferably to the date of the balance sheet).

(iii) Lessee's pro forma income statement showing its best estimate of revenues, expenses and net income for one year following consummation of the transaction, giving effect to the acquisition of the trackage rights.

(c) Required exhibits, in addition to those required under section 1111.2(a), for applications filed under section 5(2)(a)(i) of the Act involving two or more Class II railroads, shall be as follows:

(1) As Exhibit B–13, that revenue carload data requested in section 1111.2(b)(1)(ii) (except table B) and (iii).

(2) As Exhibit B–14, that revenue and commodity information required in section 1111.2(b)(2)(ii), (iii), and (iv).

(3) As Exhibit B–15, that traffic study information required in section 1111.2(b)(3)(i) through (viii), however such exhibit is not required in applications involving non-connecting carriers or as noted in note 4.

(4) As Exhibit B–16, that operational information required in section 1111.2(b)(4)(i) through (vi), as applicable.

(5) As Exhibit B–17, that balance sheet data required in section 1111.2(b)(6)(i) through (viii).

(6) As Exhibit B–18, that income statement data required in section 1111.2(b)(8)(i) through (viii).

(d) Required exhibits, in addition to those required under section 1111.2(a), for applications filed under section 5(2)(a)(ii) of the Act to acquire trackage rights, joint use or joint ownership, where the line or aggregate lines involved in the transaction are 100 miles or less in length, shall be as follows:

(1) As Exhibit C–13, that operational information required in section 1111.2(b)(5)(i) through (vi).

(2) As Exhibit C–14, that balance sheet data required in section 1111.2(b)(7)(i) and (ii).

(3) As Exhibit C–15, that income statement data required in section 1111.2(b)(9)(i) through (iii).

Exhibits C–13, 14 and 15 apply also to joint use and joint ownership applications filed under this paragraph.

§ 1111.3 Form and style.

The application and exhibits shall conform with Rule 15 of the General Rules of Practice (section 1100.15 of this chapter).

§ 1111.4 Procedures.

(a) Procedures for applications and other submissions filed under section 5(2) or 5(3) of the Act.

(1) The original application shall be signed in ink by the applicant, if an individual; by all partners, if a partnership; and if a corporation, association or other similar form or organization, by its president, or such other executive officer having knowledge of the matters therein contained and duly designated for that purpose by the applicant, and shall be made under oath. The application shall contain an appropriate certification (if a corporation by its Secretary) showing that the affiant is duly authorized to verify and file the application.

(2)(i) There shall be filed with the Secretary of the Commission, Washington, D.C., the original application and, in filings under section 5(2), seven copies thereof and in filings under section 5(3), 19 copies thereof, for the use of the Commission. A copy of the application shall also be furnished to the Rail Services Planning Office and each of the Regional Directors of the Bureau of Operations, Interstate Commerce Commission, in which are located the headquarters of the carriers involved in the application.

(ii) Applicant should also be prepared to furnish copies of the application to intervenors or extra copies to the Commission upon request. Each copy shall conform in all respects to the original and shall be complete in itself except that the signature in the copies may be stamped or typed and notarial seal omitted. In like manner where certified copies of documents are filed with the original application, conformed copies thereof, showing certification in stamped or typewritten form, will be sufficient to accompany the additional copies of the application.

(3) All applications required to be filed with the Commission or served on designated persons shall include all exhibits, except as otherwise specifically noted.

(4) The applicant shall submit such addiitional information to support its application as the Commission may require.

(5) Applicant shall file concurrently with applications under section 5(2) or (3) all directly related applications, e.g., those seeking authority to construct or abandon rail lines or to issue securities.

(6) All traffic and diversion studies submitted by any party shall be prepared in conformity with the instructions contained in section 1111.2(b)(3) (Exhibit A–15). Non-conforming studies are subject to rejection.

(b) Procedures pertinent to applications filed pursuant to section 5(2) of the Act.

(1) Service of applications under section 5(2) of the Act. In addition to the application service requirements set forth in section 1111.4(a)(2) and (3), applicant shall serve by first class mail, and shall so certify to the Commission, (i) a conformed copy of the application on the Governor, or executive officer, and the public service commission of each State in which any part of the properties of the carriers involved in the proposed transaction is situated and (ii) a conformed copy of the application, on the Secretary of the United States Department of Transportation and the Attorney General of the United States.

(2) Notice. Subject to section 1111.4(b)(7), within 30 days after the date on which an application is filed with the Commission, and certification received by the Commission as to the service of applications described in the preceding paragraph, notice will be published in the FEDERAL REGISTER.

(3)(i) Written comments, intervention by the Secretary of Transportation and the Attorney General, and replies.

(ii) Persons intending to participate in a proceeding shall submit written comments regarding the application. Such submissions shall indicate the proceeding designation (F.D. No. ____). The original and two copies thereof shall be filed with the Interstate Commerce Commission, Washington, D.C. 20423, not later than 45 days after the date notice of the filing of the application is published in the FEDERAL REGISTER. Such written comments shall include the following: the person's position, e.g. party protestant or party in support, regarding the proposed transaction, specific reasons why approval would or would not be in the public interest, and a request for oral hearing if one is desired.

(iii) Persons submitting written comments to the Commission shall, at the same time, serve copies of any such written comments upon the applicant, Secretary of Transportation and the Attorney General.

(iv) In the event written comments are submitted, the Secretary of Transportation and the Attorney General shall be afforded 60 days from the date notice of the filing is published in the FEDERAL REGISTER to inform the Commission whether they will intervene as a party to the proceeding, and if so, to submit preliminary views on such application.

(v) Written replies to such written comments may be filed with the Commission within 20 days after the final date for filing such written comments, and copies of such replies shall be served on the applicant, the person filing the written comments, the Secretary of Transportation, and the Attorney General.

(4) Inconsistent applications. (i) All applications which are inconsistent, in whole or in part, with the initial application submitted under section 5(2) of the Act, shall be filed with the Commission within 90 days from the date notice of the filing of the initial application is published in the FEDERAL REGISTER.

(ii) Persons submitting inconsistent applications shall file and serve such applications in the manner specified in section 1111.4(a)(2) and (3) and (b)(1). Additionally, a copy of such application shall also be served upon the applicant, in the initial application, at the time of filing with the Commission.

(iii) Inconsistent applications shall include all information and exhibits required to be filed with an application under these regulations. In addition to fully supporting the alternate relief sought, inconsistent applications shall also address any inadequacies of the original application which would be remedied by the inconsistent application.

(iv) Subject to section 1111.4(b)(7) notice of the filing of an inconsistent application shall be published in the FEDERAL REGISTER, within 30 days of its filing.

(v) Written comments, intervention by the Secretary of Transportation and the

Attorney General, and replies to the inconsistent application shall be governed by the requirements of section 1111.4(b)(3).

(5) Petitions for inclusion. (i) Petitions for inclusion in a proposed transaction arising under section 5(2) of the Act shall be filed with the Commission within 90 days from the date notice of the filing of an application is published in the FEDERAL REGISTER.

(ii) Petitions for inclusion shall contain specific information in support thereof and the public interest justifications therefor. Additionally, petitions for inclusion shall contain all information and exhibits required to be filed with an application under these regulations, insofar as such information and exhibits are pertinent to the individual petition. The required information and exhibits should be prepared to reflect fully the effect upon the proposed transaction as a result of petitioner's inclusion or non-inclusion, the effect which inclusion or non-inclusion in the proposed transaction would have upon petitioner, and any inadequacies in the original application which would be remedied by such inclusion.

(iii) Persons submitting such petitions to the Commission shall, at the same time, serve copies upon all parties to the proceeding, including, if applicable, the Secretary of Transportation, the Attorney General, and persons submitting written comments to the initial application.

(iv) Written replies to such petitions may be filed with the Commission within 30 days after the final date for filing such petitions, and copies of such replies shall be served on all parties to the proceeding.

(6) Evidentiary proceedings under section 5(2) of the Act. (i) The Commission may order an oral public hearing or a hearing by written submission with regard to applications filed pursuant to section 5(2) of the Act. The determination will be made on the basis of written comments, inconsistent applications, and petitions for inclusion received which contain information indicating a need for such hearing. Generally, such designation will be made following the last date for filing inconsistent applications or petitions for inclusion or the last date for filing written comments or replies thereto.

(ii) The Commission will conclude the oral hearing, hearing by written submission, or other evidentiary proceeding within 240 days following the date notice of filing of the initial application is published in the FEDERAL REGISTER, except where the transaction involves the merger or control of two or more Class I railroads, which evidentiary hearing shall be concluded not more than 24 months following the date of notice of filing in the FEDERAL REGISTER.

(iii) The Secretary of Transportation may propose any modification of any transaction filed under section 5(2) of the Act involving a carrier by railroad, and shall have standing to appear before the Commission in support of any such proposed modification.

(7) Rejection of applications filed under section 5(2) of the Act. (i) The Commission reserves the right to reject those applications which do not conform to the regulations prescribed herein regarding form, content, and documentation. Upon the filing of an application, the Commission will review the submitted application and determine whether it conforms with all applicable regulations. If the application is incomplete, or otherwise defective, the Commission may reject said application by order (which order will be administratively final) within 30 days from the date of filing of the application. Thereafter, a revised application may be submitted, and the Commission will determine whether the resubmitted application conforms with all prescribed regulations. The resubmission or refiling of an application shall be considered a de novo filing for the purpose of computation of the time periods prescribed under section 5(2) of the Act, provided that such resubmitted application is deemed complete.

(c) Procedures pertinent to applications filed pursuant to section 5(3) of the Act.

(1) Initiating transactions under section 5(3) of the Act. Any common carrier by railroad subject to Part I of the Act or the Secretary of Transportation may utilize the procedures pursuant to section 5(3) of the Act provided:

(i) That the transaction involves a merger, consolidation, unification or coordination project (as described in section 5(c) of the Department of Transportation Act), joint use of tracks or other facilities, or acquisition or sale of assets;

(ii) That the transaction has been proposed (A) by the Secretary of Transportation, with the consent of the common carriers by railroad which are parties to the transaction or (B) by any such carrier which, not less than 6 months prior to such submission to the Commission, submitted the proposed transaction to the Secretary of Transportation for evaluation pursuant to section 5(3)(f) of the Act; and

(iii) That the application is filed on or before December 31, 1981. At the time an application is filed with the Commission pursuant to section 5(3), notice of the filing of the application shall be furnished to the Secretary of Transportation by the proposing party (except where the Secretary is the proposing party).

(2) Applications to be filed with the Commission. In addition to the application filing and service requirements set forth in section 1111.4(a)(2), applicant shall submit, at the time of filing with the Commission, a sufficient number of complete applications to permit the Commission to furnish copies of the application to:

(i) The Governor, or executive officer, and public service commission of each State in which any part of applicant's properties is situated,

(ii) The Attorney General,

(iii) The Secretary of Labor, and

(iv) The Secretary of Transportation (except where the Secretary of Transportation is the proposing party).

(v) Said applications will be forwarded to the above-designated persons within 10 days of the filing of the application, together with a summary of the proposed transaction involved, and the proposing party's reasons and public interest justifications therefor.

(vi) Such summary and other information is to be prepared by applicant in accordance with section 1111.1(e).

(3) Notice. Subject to section 1111.4(c)(7), upon receipt of the original application, and the requested conformed copies, the Commission will review the draft notice submitted by applicant, in accordance with section 1111.2(a)(11) (Exhibit 11) and enter the assigned docket number and the date filed. Notice of the filing of the application will be given by publication in the FEDERAL REGISTER.

(4) Report of the Secretary of Transportation. The Secretary of Transportation shall submit a written report on the proposed transaction to the Commission in accordance with section 5(3)(f)(v) of the Act, within 10 days from the date of submission of an application to the Commission.

(5) Written comments and replies. (i) Interested persons, other than those whose participation is specifically governed by section 5(3) of the Act, may make known to the Commission their intention to participate in the proceeding by submitting written comments regarding the application. Such submissions shall indicate the proceeding designation (F.D. No. ____), and shall be filed with the Interstate Commerce Commission, Washington, D.C. 20423, not later than 30 days from the date notice of the filing of the application is published in the FEDERAL REGISTER. Such written comments shall include the following: the person's position, e.g. party protestant or party in support, regarding the proposed transaction and specific reasons why approval would or would not be in the public interest. Persons submitting written comments to the Commission shall, at the same time, serve copies of such written comments upon the applicant, the Secretary of Transportation, the Attorney General, and the Secretary of Labor.

(ii) Replies to such written comments may be filed within 20 days after the final date for filing such written comments, and copies of such replies shall be served on the applicant, the person filing the written comment, the Secretary of Transportation, the Attorney General, and the Secretary of Labor.

(6) Required public hearings on applications filed pursuant to section 5(3) of the Act.

(i) The Commission shall commence a public hearing on each application filed under this section within 90 days after the date of receipt of such complete application. Such hearing shall be held before a panel of the Commission duly designated by the Commission.

(ii) Upon referral of the application to the designated panel, and upon its receipt thereof, the panel shall request the views of (A) the Secretary of Transportation, regarding the effect of the proposed transaction upon the National Transportation Policy as stated by the Secretary, (B) the Attorney General, regarding the competitive or anticompetitive effect of the proposed transaction, and (C) the Secretary of Labor, regarding the effect of the proposed transaction on railroad employees and whether employee protection provisions contained in the proposal are adequate.

(iii) Within 35 days after receipt of said request or within such other reasonable time as the panel may prescribe, the views of the three above-named persons shall be submitted to the Commission in written report form. At the same time each such report of the Secretary of Transportation, the Attorney General and the Secretary of Labor is submitted to the Commission, the persons submitting such report shall serve, by first-class mail, and shall so certify to the Commission, a copy of the report upon all parties of record to the proceeding.

(iv) The designated panel shall complete the public hearing within 180 days after the date of referral of an application to the panel, and the panel may, in order to meet the requirements of the statute, prescribe rules and make such rulings as may tend to avoid unnecessary cost or delay.

(v) Such panel shall recommend a decision and certify the record to the full Commission for final decision within 90 days after the termination of such hearing. The full Commission shall hear oral argument on the matter so certified, and it shall render a final decision within 120 days after receipt of the certified record and recommended decision of such panel. The Commission may, in its discretion, extend any time period set forth in this paragraph, except that the final decision of the Commission shall be rendered not later than the second anniversary of the date of receipt of such an application by the Commission.

(7) Rejection of applications filed under section 5(3) of the Act. (i) The Commission reserves the right to reject those applications which do not conform to the regulations prescribed herein regarding form, content, and documentation. Upon the filing of an application, the Commission will review the submitted application and determine whether it conforms with all applicable regulations. If the application is incomplete, or otherwise defective, the Commission may reject said application by order of the Commission. Thereafter a revised application may be submitted, and the Commission will determine whether the resubmitted application conforms with all prescribed regulations. The resubmission or refiling of an application shall be considered a de novo filing for the purpose of computation of the time periods prescribed under section 5(3) of the Act, provided that such resubmitted application is deemed complete.

It is ordered, That a proceeding be, and it is hereby, instituted with the objective of promulgating an amended version to the regulations in 49 CFR Part 1111;

It is further ordered, That any interested person may participate in this proceeding by submitting the original and 19 copies of written facts, views, and arguments concerning the proposals detailed in this notice and order on or before July 7, 1976; that copies of all written submissions be made available for inspection by interested persons in Room 1221, Interstate Commerce Commission, 12th and Constitution Avenue, N.W., Washington, D.C. 20423; that notice be hereby given that the proposals may be modified in light of the comments received; and that no oral hearing be scheduled for the taking of testimony unless a need therefore should later appear;

And it is further ordered, That a copy of this Notice and Order be served upon all railroads subject to Part I and water carriers subject to Part III of the Interstate Commerce Act, and upon the Secretary of Transportation, the Secretary of Labor, the Attorney General, the United States Railway Association, all the Governors, state public service commissions, and state Departments of Transportation, the National Association of Regulatory Utility Commissioners, the Association of American Railroads, and the Short Line Railroad Association; and that a copy be deposited in the Office of the Secretary, Interstate Commerce Commission, Washington, D.C. 20423, for public inspection; and that statutory notice of the institution of this proceeding be given to the general public by delivering a copy thereof to the Director, Office of the Federal Register, for publication therein.

This is not a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969.

[Authority: 24 Stat. 380 and 383 as amended, 49 U.S.C. 5 and 17(1); 54 Stat. 933, 49 U.S.C. 904(a).]

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.76-15363 Filed 5-25-76;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

[45 CFR Part 100]

OFFICE OF EDUCATION PROGRAMS

General Provisions

Pursuant to the authority contained in sections 417, 422, and 440 of the General Education Provisions Act (20 U.S.C. 1226c, 1231a and 1232i), notice is hereby given that the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, proposes to amend Part 100 of Title 45 of the Code of Federal Regulations by adding a new Subpart C to read as set forth below.

Section 100.20 sets out the scope of the subpart as applying to all programs for which the Commissioner of Education has administrative responsibility (including all direct grant and contract programs, State-administered programs, and student financial assistance programs).

Section 100.21 requires each entity receiving funds under the programs set forth in § 100.20 to cooperate in any evaluations of the programs which may be conducted by the Secretary or the Commissioner, by establishing control groups or schools, facilitating the administration of questionnaires or other instruments, providing access to required records, and providing other assistance, as appropriate.

Sections 100.22–100.27 implement section 440 of the General Education Provisions Act, as added by Public Law 93–380. Section 440 states:

> Except as provided in section 438(b)(1)(D) of this Act, the refusal of a State or local educational agency or institution of higher education, community college, school, agency offering a preschool program, or other educational institution to provide personally identifiable data on students or their families, as a part of any applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students or their parents, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Such a refusal shall also not constitute sufficient grounds for a denial of, a refusal to consider, or a delay in the consideration of, funding for such a recipient in succeeding fiscal years. In the case of any dispute arising under this section, reasonable notice and opportunity for a hearing shall be afforded the applicant.

Section 100.22 provides that if a dispute arises between an educational agency or institution and the Office of Education as to whether data may be withheld under section 440 and the matter cannot be resolved through informal means, the agency or institution will be given notice and an opportunity for a hearing to resolve the dispute.

Sections 100.23–100.27 set forth the hearing procedures which will be used and describe the Hearing Panel, the notice requirement, procedural rules, the initial and final decisions, and the effect of any decision.

These regulations do not apply to data collection activities by the Office of Civil Rights (OCR) since section 440 does not restrict the ability of OCR to obtain personally identifiable data in connection with the enforcement of civil rights requirements.

Interested persons are invited to submit written comments, suggestions, or objections regarding the proposed rules to: Office of Planning, Office of Education, Room 4057, 400 Maryland Avenue, S.W., Washington, D.C. 20202. All relevant material received on or before June 25, 1976, will be considered. Comments received will be available for

public inspection at the above office Monday through Friday between 8:30 and 4:00 p.m.

Dated: April 6, 1976.

T. H. BELL,
U.S. Commissioner of Education.

Approved: May 19, 1976.

DAVID MATHEWS,
Secretary of Health, Education, and Welfare.

Part 100 of Title 45 of the Code of Federal Regulations is amended by adding a new Subpart C, reading as follows:

Subpart C—Evaluations and Data Gathering by the Office of Education

§ 100.20 Scope.

This subpart applies to all programs for which the Commissioner has responsibility for administration, either as provided by statute or by delegation pursuant to statute.

(20 U.S.C. 1221(c), 1226b, 1230, 1231a)

§ 100.21 Cooperation with evaluations.

(a) Each agency, institution, and organization which receives Federal funds under a program described in § 100.20, whether under grant, contract, or other arrangement (including subgrant or subcontract) shall, as a condition for receiving the funds, cooperate in evaluations of that program undertaken by the Secretary and the Commissioner.

(b) In conducting evaluations, the Secretary or the Commissioner may require the agency, institution, or organization to:

(1) Establish and maintain control groups (or control schools);

(2) Facilitate the administration of questionnaires, achievement tests, and other evaluation instruments by Federal officials (or contractors) to administrators, principals, teachers, students, program or project staff, and community members;

(3) Conduct or arrange for personal interviews;

(4) Provide access to necessary records or data or to establish records or collect data; and

(5) Assist in the organization and administration of the evaluation, including record keeping.

(c) All evaluation activities shall take place at reasonable times and places.

(d) The rights of privacy of all persons who might be affected shall be protected in accordance with applicable law and regulations, including § 100a.263 and Parts 5b and 99 of this title.

(e) Where determined to be appropriate by the Commissioner, participation in an evaluation may be considered fulfillment of the evaluation requirements applicable to the program being evaluated, including § 100a.276 of this chapter.

(20 U.S.C. 1226c, 1231a(a))

§ 100.22 Disputes regarding alleged violations of privacy rights.

(a) Under section 440 of the General Education Provisions Act, an educational agency or institution may refuse to provide personally identifiable data on students or their families on the grounds that providing the data would constitute a violation of the right to privacy and confidentiality of students or their families, except when the information is sought in connection with a student's application for, or receipt of financial aid. (See section 438(b)(1)(D) of GEPA)

(b) If there is a dispute between the agency or institution and the Federal government as to whether the data may be withheld under section 440, and the matter cannot be resolved through informal means, the agency or institution will be afforded reasonable notice and opportunity for a hearing to resolve the dispute.

(20 U.S.C. 1232i)

§ 100.23 Hearing Panel.

The Commissioner will appoint a Hearing Panel consisting of not less than three persons to conduct any hearing under § 100.22(b).

(20 U.S.C. 1232i)

§ 100.24 Notice of hearing.

The Panel will provide reasonable notice of the hearing to the institution or agency and to the Federal officials who are parties to the dispute.

(20 U.S.C. 1232i)

§ 100.25 Procedural rules.

(a) With respect to hearings under § 100.22 where the Panel determines that oral testimony would not materially assist the resolution of disputed facts, the Panel shall take appropriate steps to afford to each party to the proceeding an opportunity for presenting the case, at the option of the Panel:

(1) In whole or in part in writing, or

(2) In an informal conference before the Panel which shall afford each party:

(i) Sufficient notice of the issues to be considered (where such notice has not previously been afforded); and

(ii) An opportunity to be represented by counsel.

(b) With respect to hearings where the Panel determines that oral testimony would materially assist the resolution of disputed facts, the Panel shall afford each party, in addition to provisions required by paragraph (a)(2) of this section:

(1) An opportunity to obtain a record of the proceedings;

(2) An opportunity to present witnesses on the party's behalf; and

(3) An opportunity to cross-examine witnesses either orally or through written interrogatories.

(20 U.S.C. 1232i)

§ 100.26 Initial decision; final decision.

(a) The Panel shall prepare an initial written decision which shall include findings of fact and conclusions based thereon.

(b) Copies of the initial decision shall be mailed promptly by the Panel to each party (or to the party's counsel) and to the Commissioner, with a notice affording each party an opportunity to submit written comments regarding the decision to the Commissioner within a specified reasonable time.

(c) The initial decision of the Panel transmitted to the Commissioner shall become the final decision of the Commissioner unless, within 25 days after the expiration of the time for receipt of written comments, the Commissioner advises the Panel in writing of his determination to review the decision.

(d) In any case in which the Commissioner modifies or reverses the initial decision of the Panel, he shall accompany that action with a written statement of the grounds for the modification or reversal.

(e) Review of any initial decision by the Commissioner shall be based upon the decision; the written record, if any, of the Panel's proceedings; and written comments or oral arguments by the parties to the proceeding.

(f) No decision under this section shall become final until it is served on the educational institution or agency involved or its attorney.

(20 U.S.C. 1232i)

§ 100.27 Effect of the decision.

(a) Section 440 of the General Education Provisions Act provides, in part, that "except as provided in section 438(b)(1)(D) of this Act, the refusal (by an educational agency or institution) to provide personally identifiable data on students or their families, as a part of any applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students or their parents, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Such a refusal shall also not constitute sufficient grounds for denial of, a refusal to consider, or a delay in the consideration of, funding for such a recipient in succeeding fiscal years."

(b) If the final decision of the Commissioner is that section 440 does not authorize the educational agency or institution to withhold data, the provision quoted in paragraph (a) does not apply.

(c) All findings and determinations in any decision made under section 440 of the General Education Provisions Act shall be binding on the educational agency or institution and the Federal Government in any other administrative proceedings, including proceedings to withhold or terminate funds.

(20 U.S.C. 1232i)

[FR Doc.76-15297 Filed 5-25-76;8:45 am]

Food and Drug Administration

[21 CFR Part 606]

[Docket No. 76N-0109]

CURRENT GOOD MANUFACTURING PRACTICE FOR BLOOD AND BLOOD COMPONENTS

Recordkeeping Requirements and Submission; Clarification of Deadline for Comments

In FR Doc. 76-12864, appearing at page 18095, in the FEDERAL REGISTER of Friday, April 30, 1976, the Food and Drug Administration (FDA) proposed to amend § 606.160 Records (21 CFR 606.160) of the good manufacturing practice regulations for blood and blood components to require certain new recordkeeping and submission of data to FDA. The deadline for comments on the proposal was incorrectly given as July 12, 1976; the intended deadline was June 14, 1976.

A correction of the proposal was published in the FEDERAL REGISTER of Wednesday, May 12, 1976, at page 19349. The correction changed the comment deadline to June 14, 1976, the date originally intended in the proposal submitted for publication.

Because of confusion created by the different comment deadlines in the original proposal and the correction to the proposal, the Commissioner of Food and Drugs affirms the comment deadline of July 12, 1976, as published in the FEDERAL REGISTER of April 30, 1976, as being the operative deadline.

Dated: May 21, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15580 Filed 5-25-76;11:05 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

MERCANTILE NATIONAL BANK

Suspension of Trading

It appearing that an extension of the Order, issued May 13, 1976, suspending trading in the securities of Mercantile National Bank, Atlanta, Georgia, on the over-the-counter market is required in the public interest and for the protection of investors;

Therefore, pursuant to sections 12(i) and 12(k) of the Securities Exchange Act of 1934, the suspension of trading in the securities of Mercantile National Bank, Atlanta, Georgia, on the over-the-counter market is hereby extended for the ten-day period commencing at midnight (e.d.t.) on May 22, 1976, and terminating at midnight (e.d.t.) on June 1, 1976.

Dated: May 21, 1976.

JAMES E. SMITH,
Comptroller of the Currency.

[FR Doc.76-15373 Filed 5-25-76;8:45 am]

[Public Debt Series, No. 14-76]

Office of the Secretary

TREASURY NOTES OF SERIES D-1980

Interest Rates

MAY 19, 1976.

In the matter of United States of America Treasury Notes of Series D-1980, dated and bearing interest from June 10, 1976, due June 30, 1980.

I. INVITATION FOR TENDERS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders on a yield basis for $2,000,000,000, or thereabouts, of notes of the United States, designated Treasury Notes of Series D-1980. The interest rate for the notes will be determined as set forth in Section III, paragraph 3, hereof. Additional amounts of these notes may be issued at the average price of accepted tenders to Government accounts and to Federal Reserve Banks for themselves and as agents of foreign and international monetary authorities. Tenders will be received up to 1:30 p.m., Eastern Daylight Saving time, Thursday, June 3, 1976, under competitive and noncompetitive bidding, as set forth in Section III hereof.

II. DESCRIPTION OF NOTES

1. The notes will be dated June 10, 1976, and will bear interest from that date, payable on a semiannual basis on December 31, 1976, and thereafter on June 30 and December 31 in each year until the principal amount becomes payable. They will mature June 30, 1980, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of $1,000, $5,000, $10,000, $100,000 and $1,000,000. Book-entry notes will be available to eligible bidders in multiples of those amounts. Interchanges of notes of different denominations and of coupon and registered notes, and the transfer of registered notes will be permitted.

5. The notes will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20226, up to the closing hour, 1:30 p.m., Eastern Daylight Saving time, Thursday, June 3, 1976. Each tender must state the face amount of notes bid for, which must be $1,000 or a multiple thereof, and the yield desired, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a yield. In the case of competitive tenders, the yield must be expressed in terms of an annual yield, with two decimals, e.g., 7.11. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed $500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from banking institutions for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government accounts. Tenders from others must be accompanied by payment of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and yield range of accepted bids. Those submitting competitive tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those with the lowest yields will be accepted to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, a coupon rate will be determined at a $\frac{1}{8}$ of one percent increment that translates into an average accepted price close to 100.000 and a lowest accepted price above 99.000. That rate of interest will be paid on all of the notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price corresponding to the yield bid. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept tenders for more or less than the $2,000,000,000 of notes offered, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for $500,000 or less without stated yield from any one bidder will be accepted in full at the average price[1] (in three decimals) of accepted competitive tenders.

IV. PAYMENT FOR AND DELIVERY OF NOTES

1. Settlement for accepted tenders in accordance with the bids must be made

[1] Average price may be at, or more or less than 100.000.

or completed on or before June 10, 1976, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. Payment must be in cash, in other funds immediately available to the Treasury by June 10, 1976, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is submitted to it, which must be received at such Bank or at the Treasury no later than: (1) Monday, June 7, 1976, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in the case of the Treasury, or (2) Thursday, June 3, 1976, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with the tender up to 5 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States.

2. Delivery of notes in bearer form will be made on or about June 16, 1976. Purchasers of bearer notes may elect to receive interim certificates on June 10, 1976, which will be exchangeable for the notes when available at any Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. The interim certificates must be returned at the risk and expense of the holder.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

WILLIAM E. SIMON,
Secretary of the Treasury.

[FR Doc.76-15272 Filed 5-25-76;8:45 am]

[Public Debt Series, No. 13-76]

TREASURY NOTES OF SERIES M-1918

Interest Rates

MAY 20, 1976.

The Secretary of the Treasury announced on May 19, 1976, that the interest rate on the notes described in Department Circular—Public Debt Series—No. 13-76, dated May 14, 1976, will be 7⅛ percent per annum. Accordingly, the notes are hereby redesignated 7⅛ percent Treasury Notes of Series M-1978. Interest on the notes will be payable at the rate of 7⅛ percent per annum.

DAVID MOSSO,
Fiscal Assistant Secretary.

[FR Doc.76-15273 Filed 5-25-76;8:45 am]

DEPARTMENT OF DEFENSE

Department of the Air Force

USAF SCIENTIFIC ADVISORY BOARD

Meeting

MAY 12, 1976.

The USAF Scientific Advisory Board Foreign Technology Division (FTD) Advisory Group, Air Force Systems Command, will hold meetings on June 30, 1976 from 8 a.m. to 5 p.m. and July 1, 1976 from 8 a.m. to 1 p.m., at Wright-Patterson Air Force Base, Ohio, in Conference Room No. 276, Building 828.

The Group will receive classified briefings and participate in classified discussions relative to automated data processing support to FTD's foreign technology assessment process as well as review FTD's assessments of foreign laser research and development.

The meetings concern matters listed in section 552(b) of Title 5, United States Code, specifically subparagraph (1) thereof, and accordingly the meetings are closed to the public.

For further information contact the Scientific Advisory Board Secretariat at 202-697-8404.

JAMES L. ELMER,
Major, USAF, Executive, Directorate of Administration.

[FR Doc.76-15324 Filed 5-25-76;8:45 am]

USAF SCIENTIFIC ADVISORY BOARD

Meeting

MAY 18, 1976.

The dates for the USAF Scientific Advisory Board ad hoc Committee on Cruise Missile Technology meeting published in the FEDERAL REGISTER on May 4, 1976, Volume 41, Number 87, have been changed from May 25-28, 1976 to June 14-17, 1976.

For further information contact the Scientific Advisory Board Secretariat at (202) 697-4811.

JAMES L. ELMER,
Major, USAF, Executive, Directorate of Administration.

[FR Doc.76-15323 Filed 5-25-76;8:45 am]

Office of the Secretary

ADVISORY GROUP ON ELECTRON DEVICES

Advisory Committee Meeting

Working Group A (Mainly Micowave Devices) of the DoD Advisory Group on Electron Devices (AGED) will meet in closed session at 201 Varick Street, New York, New York 10014 on June 17, 1976.

The purpose of the Advisory Group is to provide the Director of Defense Research and Engineering, the Director, Defense Advanced Research Projects Agency and the Military Departments with technical advice on the conduct of economical and effective research and development programs in the area of electron devices.

The Working Group A meeting will be limited to review of research and development programs which the Military Departments propose to initiate with industry, universities or in their laboratories. The microwave area includes programs on developments and research related to microwave tubes, solid state microwave, electronic warfare devices, millimeter wave devices, and passive devices. The review will include details of classified defense programs throughout.

In accordance with section 10(d) of Appendix I, Title 5, United States Code, it has been determined that this Advisory Group meeting concerns matters listed in section 552(b) of Title 5 of the United States Code, specifically subparagraph (1) thereof, and that accordingly, this meeting will be closed to the public.

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

MAY 19, 1976.

[FR Doc.76-15285 Filed 5-25-76;8:45 am]

DEPARTMENT OF JUSTICE

Law Enforcement Assistance Administration

NATIONAL ADVISORY COMMITTEE ON CRIMINAL JUSTICE STANDARDS AND GOALS

Meeting

This is to provide notice of meeting of the Organized Crime Task Force of the National Advisory Committee on Criminal Justice Standards and Goals.

The Organized Crime Task Force will be meeting at the Ramada Inn, 1900 N. Ft. Myer Drive, Board Room, Arlington, Virginia on June 23 and 24, 1976. The meeting will be open to the public.

Discussion will focus on the recommendations made by the National Advisory Committee on Criminal Justice Standards and Goals and the review of the entire Report of the Organized Crime Task Force.

Meetings Times: June 23—9 a.m.-8 p.m., June 24—9 a.m.-5 p.m.

For further information, contact William T. Archey, Director, Policy Analysis Division, Office of Planning and Management, 633 Indiana Avenue, NW., Washington, D.C.

JAY A. BROZOST,
Attorney-Advisor, Office of General Counsel.

[FR Doc.76-15327 Filed 5-25-76;8:45 am]

NATIONAL ADVISORY COMMITTEE ON CRIMINAL JUSTICE STANDARDS AND GOALS

Meeting

This is to provide notice of meeting the Private Security Task Force of the National Advisory Committee on Criminal Justice Standards and Goals.

The Private Security Task Force will be meeting from 9 a.m. to 4 p.m. at the Peachtree Plaza Hotel, 229 Peachtree Street, N.E., Atlanta, Georgia on July 9, 1976. (If the Task Force members feel that the items on the agenda have not been adequately addressed by the time of adjournment on Friday, July 9, the meeting will reconvene on Saturday, July 10, 1976 at 9 a.m.). The meeting will be open to the public.

Discussion will focus on the review of the final draft of the Private Security Task Force Report and the review of recommendations made by the National Advisory Committee regarding selected Standards and Goals statements.

For further information, contact William T. Archey, Director, Policy Analysis Division, Office of Planning and Management, 633 Indiana Avenue, NW., Washington, D.C.

JAY A. BROZOST,
Attorney-Advisor,
Office of General Counsel.

[FR Doc.76-15328 Filed 5-25-76;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OUTER CONTINENTAL SHELF OFFSHORE THE MID-ATLANTIC STATES

Availability of Final Environmental Impact Statement Regarding Proposed Oil and Gas Lease Sale

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a final environmental impact statement relating to a proposed Outer Continental Shelf (OCS) oil and gas lease sale of 154 tracts of submerged lands on the Outer Continental Shelf offshore New Jersey and Delaware (OCS Sale No. 40).

Single copies of the final environmental statement can be obtained from the Manager, New York Outer Continental Shelf Office, Bureau of Land Management, Six World Trade Center, Suite 600D, New York, New York 10048, and from the Office of Public Affairs, Bureau of Land Management (130), Department of the Interior, Washington, D.C. 20240.

Copies of the final environmental statement will also be available for review in the main branches of the following public libraries: New York Public Library, 5th Avenue and 42nd Street, New York City; Nassau Library System, Garden City, Long Island, New York; Suffolk Cooperative Library System, Bellport, Long Island, New York; Free Library of Philadelphia, Logan Square, Philadelphia, Pennsylvania; Wilmington Institute Free Library and New Castle County Free Library, Wilmington, Delaware; Rehoboth Beach Public Library, Rehoboth Beach, Delaware; Enoch Pratt Free Library, Baltimore, Maryland; Eastern Shore Area Library, Salisbury, Maryland; Trenton Free Public Library, Trenton, New Jersey; Atlantic City Free Public Library, Atlantic City, New Jersey; and Norfolk Public Library System, Norfolk, Virginia.

Approved: May 20, 1976.

GEORGE L. TURCOTT,
Associate Director,
Bureau of Land Management.

STANLEY D. DOREMUS,
Deputy Assistant Secretary of the Interior.

[FR Doc.76-15274 Filed 5-25-76;8:45 am]

[OR 11258]

OREGON

Termination of Proposed Withdrawal and Reservation of Lands

MAY 13, 1976.

Notice of a United States Forest Service application, OR 11258, for withdrawal and reservation of lands within the Wallowa-Whitman National Forest as a scenic and recreation area was published as FEDERAL REGISTER Document No. 73-23284 on page 30114 of the issue for November 1, 1973. The applicant agency has cancelled its application involving the lands described in the FEDERAL REGISTER publication referred to above. Therefore, pursuant to the regulations contained in 43 CFR 2091.2-5(b)(1) such lands will be at 10:00 a.m. on June 18, 1976 relieved of the segregative effect of the above-mentioned application.

All of the lands involved in this termination are now included in the Hells Canyon National Recreation Area, established by Public Law 94-199 on December 31, 1975.

VIRGIL O. SEISER,
Acting Chief, Branch of Lands and Minerals Operations.

[FR Doc.76-15268 Filed 5-25-76;8:45 am]

Office of the Secretary

[INT DES 76-17]

ORME DAM AND RESERVOIR

Availability of Draft Environmental Statement

Pursuant to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, the Department of the Interior has prepared a draft environmental statement for the Orme Dam and Reservoir, a feature of the Central Arizona Project, Arizona-New Mexico.

The environmental statement concerns construction of Orme Dam and Reservoir to regulate Colorado River water conveyed by the Granite Reef Aqueduct, conserve portions of the floodflows of the Salt and Verde Rivers, provide protection to the Phoenix Metropolitan area from the flood hazards of the Salt-Verde River system, provide increased water-based recreation, and other purposes as described in the draft statement. Written comments may be submitted to the Regional Director (address below) within 45 days of this notice.

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

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

Division of Engineering Support, Technical Services and Publications Branch, E&R Center, Denver Federal Center, Denver, Colorado 80225. Telephone 303-234-3006, FTS 234-3006.

Office of the Regional Director, Bureau of Reclamation, P.O. Box 427, Boulder City, Nevada 89005. Telephone 702-293-7464, FTS 598-7464.

Office of the Projects Manager, Arizona Projects Office, Bureau of Reclamation, Suite 2200, Valley Center Building, 201 N. Central Avenue, Phoenix, Arizona 85073. Telephone 602-261-3106, FTS 261-3106.

Single copies of the draft statement may be obtained on request to the Commissioner of Reclamation or the Regional Director. In addition, copies may be purchased from the Document Service, Environmental Law Institute, 1346 Connecticut Avenue, NW., Washington, D.C. 20036. Please refer to the statement number above.

Dated: May 21, 1976.

STANLEY D. DOREMUS,
Deputy Assistant Secretary of the Interior.

[FR Doc.76-15360 Filed 5-25-76;8:45 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

GRAIN STANDARDS

North Dakota Grain Inspection Point

Statement of considerations. Williston, North Dakota, is assigned to the Minot Grain Inspection, Inc., Minot, North Dakota, as a designated inspection point, in accordance with the provisions of § 26.99 of the regulations (7 CFR 26.99) under the U.S. Grain Standards Act (7 U.S.C. 71 et seq.). By definition, a designated inspection point is a city, town, or other location assigned under the regulations to an official inspection agency for the conduct of official inspection and within which the official inspection agency, or one or more of its licensed inspectors, is located (7 CFR 26.1(b)(13)). Williston, North Dakota, was assigned to Minot Grain Inspection, Inc., as an inspection point in June 1974 after it was established that there was a trade need for inspection services at Williston. Since that time, the expected volume of business has not developed; and as a result, there is not sufficient volume to justify the continued stationing of a licensed inspector at that point. Accordingly, Minot Grain Inspection, Inc., proposes that the assignment of Williston,

North Dakota, as a designated inspection point be revoked effective June 1, 1976. After June 1, 1976, Minot Grain Inspection, Inc., will provide official sampling services at Williston, North Dakota, and official inspection service at Minot, North Dakota.

It appears that through no fault of the Minot Grain Inspection, Inc., the low volume of inspections no longer warrants stationing a licensed inspector at Williston. Accordingly, the Agricultural Marketing Service proposes to revoke the assignment of Williston as a designated inspection point without prejudice to the Minot Grain Inspection, Inc.

Opportunity is hereby afforded all interested persons to submit written views and comments with respect to the proposed revocation to the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250. All material submitted should be in duplicate and mailed to the Hearing Clerk not later than June 25, 1976. All materials submitted pursuant to this notice will be made available for public inspection at the Office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)). Consideration will be given to the views and comments so filed with the Hearing Clerk and to all other information available to the U.S. Department of Agriculture before final determination is made with respect to this matter.

Done in Washington, D.C. on: May 21, 1976.

DONALD E. WILKINSON,
Administrator.

[FR Doc.76-15316 Filed 5-25-76;8:45 am]

Farmers Home Administration

[Designation Number A 344]

ARKANSAS

Designation of Emergency Areas

The Secretary of Agriculture has determined that farming, ranching, or aquaculture operations have been substantially affected in Lee County, Arkansas, as a result of drought conditions from August 1, 1975, through October 25, 1975, and cool weather from September 1, 1975, through September 25, 1976.

Therefore, the Secretary has designated this area as eligible for emergency loans pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Pub. L. 94-68, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor David Pryor that such designation be made.

Applications for emergency loans must be received by this Department no later than July 12, 1976, for physical losses and February 10, 1977, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans.

The urgency of the need for loans in the designated area makes it impracticable and contrary to the public interest to give advance notice of proposed rulemaking and invite public participation.

Done at Washington, D.C. this 19th day of May, 1976.

FRANK W. NAYLOR, Jr.,
Acting Administrator,
Farmers Home Administration.

[FR Doc.76-15317 Filed 5-25-76;8:45 am]

[Designation Number A346]

SOUTH DAKOTA

Designation of Emergency Areas

The Secretary of Agriculture has determined that farming, ranching, or aquaculture operations have been substantially affected in the following South Dakota Counties as a result of the natural disasters shown below:

Bon Homme—Drought from June 1, 1975, to September 15, 1975.
Douglas—Drought from July 1, 1975 to October 1, 1975.
Union—Drought from July 1, 1975, to November 1, 1975.

Therefore the Secretary has designated these areas as eligible for emergency loans pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Pub. L. 94-68, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor Richard F. Kneip that such designation be made.

Applications for emergency loans must be received by this Department no later than July 12, 1976, for physical losses and February 10, 1977, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans. The urgency of the need for loans in the designated areas makes it impracticable and contrary to the public interest to give advance notice of proposed rulemaking and invite public participation.

Done at Washington, DC, this 18th day of May, 1976.

DENTON E. SPRAGUE,
Acting Administrator,
Farmers Home Administration.

[FR Doc.76-15318 Filed 5-25-76;8:45 am]

[Designation Number A 345]

WISCONSIN

Designation of Emergency Areas

The Secretary of Agriculture has determined that farming, ranching, or aquaculture operations have been subsubstantially affected in La Crosse County, Wisconsin, as a result of drought beginning July 1, 1975, to August 15, 1975; and a hailstorm and windstorm occurring on August 24, 1975.

Therefore, the Secretary has designated this area as eligible for emergency loans pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Pub. L. 94-68, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor Patrick J. Lucey that such designation be made.

Applications for emergency loans must be received by this Department no later than July 12, 1976, for physical losses and February 10, 1977, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans.

The urgency of the need for loans in the designated area makes it impracticable and contrary to the public interest to give advance notice of proposed rulemaking and invite public participation.

Done at Washington, DC, this 19th day of May, 1976.

FRANK W. NAYLOR, Jr.,
Acting Administrator,
Farmers Home Administration.

[FR Doc.76-15319 Filed 5-25-76;8:45 am]

Forest Service

TIMBER MANAGEMENT PLAN, BIENVILLE 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, Bienville National Forest, USDA-FS-R8-DES-ADM 76-13.

The Bienville National Forest is one of six National Forests in Mississippi containing 177,073 acres in Jasper, Newton, Scott, and Smith Counties.

Management actions include timber harvesting and other timber management activities, road construction and reconstruction, prescribed burning and the use of pesticides.

This Draft environmental statement was transmitted to CEQ on May 19, 1976. Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service, South Agriculture Bldg, Room 3230, 12th St. & Independence Ave, SW, Washington, DC 20250.
USDA, Forest Service, 1720 Peachtree Rd, NW, Room 804, Atlanta, GA 30309.
USDA, Forest Service, 350 Milner Bldg, Box 1291, Jackson, MS 39205.

A limited number of single copies are available upon request to Forest Supervisor, B. F. Finison, Box 1291, Jackson, Mississippi, 39205.

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 B. F. Finison, Forest Supervisor, Box 1291, Jackson, MS

39205. Comments must be received by July 15, 1976 in order to be considered in the preparation of the final environmental statement.

THOMAS W. SEARS,
Acting Regional Environmental Coordinator.

MAY 19, 1976.

[FR Doc.76-15266 Filed 5-25-76;8:45 am]

ROCK CREEK ADVISORY COMMITTEE

Meeting

The Rock Creek Advisory Committee will meet at 7 p.m. on Tuesday, June 29, 1976. Meeting place will be Drummond, Montana, in the St. Michael's Catholic Church basement.

The purpose of this meeting is to complete the review of management alternatives for the Lower Rock Creek Planning Unit and discuss procedures and schedule for public review of alternatives and preparation of the Draft Environmental Statement for the Lower Rock Creek Planning Unit.

The meeting will be open to the public. Any member of the public who wishes to do so shall be permitted to file a written statement with the Committee before or after the meeting. To the extent that time permits, the Committee Chairman may permit interested persons to present oral statements at the meeting.

General participation by members of the public or questioning of Committee members or other participants shall not be permitted unless approved by the majority of Committee members.

Dated: May 19, 1976.

CHARLES B. TRIBE,
Program Officer—Planning, Lolo National Forest.

[FR Doc.76-15321 Filed 5-25-76;8:45 am]

DEPARTMENT OF COMMERCE

Domestic and International Business Administration

STANFORD UNIVERSITY, ET AL.

Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Special Import Programs Division, Office of Import Programs, Washington, D.C. 20230, on or before June 15, 1976.

Amended regulations issued under cited Act, (15 CFR 301) prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Special Import Programs Division, Department of Commerce, Washington, D.C. 20230.

Docket number: 76-00404. Applicant: Stanford University, School of Medicine, Room S142, Stanford, California 94305. Article: Nikon Model M inverted microscope and accessories. Manufacturer: Nikon Optical Co., Japan. Intended use of article: The article is intended to be used for the study of the parasitic disease of man, schistosomiasis to obtain an understanding of the basic mechanisms of host-parasite interactions between the immature stages of the parasites and the fresh-water snails in which they develop. The article will also be used directly in the advanced training of postdoctoral fellows and other students. Application received by Commissioner of Customs: May 11, 1976.

Docket number: 76-00405. Applicant: The Wistar Institute, 36th and Spruce Streets, Philadelphia, Pennsylvania 19104. Article: Electron Microscope, Model EM-10 and accessories. Manufacturer: Carl Zeiss, West Germany. Intended use of article: The article is intended to be used for investigations relating to membrane structure, virus material, and surveys of aging cells. The large variety of experiments to be conducted will include the following: (1) investigation of the structure, formation, and dynamics of membrane specializations of the nuclear envelope and the endoplasmic reticulum, (2) investigation of the sequence of events of pore formation, (3) analysis of the dynamics of the pore by the freeze-etching methods, and (4) virus research. Application received by Commissioner of Customs: May 11, 1976.

Docket number: 76-00406. Applicant: S.I.U. School of Medicine, Box 3926, Springfield, Illinois 62708. Article: Electron Microscope, Model EM 201 and accessories. Manufacturer: Philips Electronics Instruments NVD, The Netherlands. Intended use of article: The article is intended to be used for clinicians, students and residents learning techniques to be used in both the study of Pathology as well as instruction in research in many diverse areas of medicine. Application received by Commissioner of Customs: May 11, 1976.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director, Special Import Programs Division.

[FR Doc.76-15271 Filed 5-25-76;8:45 am]

VIRGINIA INSTITUTE OF MARINE SCIENCES

Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder as amended (15 CFR 301).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Import Programs, Department of Commerce, Washington, D.C. 20230.

Docket number: 76-00326. Applicant: Virginia Institute of Marine Science, Route 17, Gloucester Point, Virginia 23062. Article: SDM-22 Marine Sensor, with extra Lamp. Manufacturer: Spectrum Electric Ltd., Canada. Intended use of article: The article is intended to be used for measuring the suspended sediment of thick fluid mud on the floor of estuaries and rivers which is discharged from dredge pipes.

Comments: No comments have been received with respect to this application.

Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States.

Reasons: The application relates to accessories for an instrument that had been previously imported for the use of the applicant institution. The article is being furnished by the manufacturer which produced the instrument with which the article is intended to be used and is pertinent to the applicant's purposes.

The Department of Commerce knows of no similar accessories being manufactured in the United States, which is interchangeable with or can be readily adapted to the instrument with which the foreign article is intended to be used.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials.)

RICHARD M. SEPPA,
Director, Special Import Programs Division.

[FR Doc.76-15270 Filed 5-25-76;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[Docket No. 76D-0162]

FREEDOM OF INFORMATION SUMMARIES

Availability of Revised Guideline

The Food and Drug Administration (FDA) announces the availability of a revised guideline developed by the Bureau of Veterinary Medicine. The guideline is used to prepare a summary, which is available to the public, of the safety and effectiveness data and information submitted to support approval of an original or supplemental new animal drug application (NADA).

Public information regulations published in the FEDERAL REGISTER of December 24, 1974 (39 FR 44602) included § 135.33a (now § 514.11 (21 CFR 514.11) pursuant to recodification published in

the FEDERAL REGISTER of March 27, 1975 (40 FR 13802)), which deals with confidentiality of data and information in a new animal drug application file and the availability for public disclosure of certain data and information after an approval has been published in the FEDERAL REGISTER. Section 514.11(e)(2)(ii) provides that for an NADA approved on or after July 1, 1975, a summary of safety and effectiveness data and information shall be prepared in one of two alternative ways and is immediately available for public disclosure, unless extraordinary circumstances are shown, when the approval of the NADA is published in the FEDERAL REGISTER.

In a notice published in the FEDERAL REGISTER of June 27, 1975 (40 FR 27286), FDA stated that it elected to require the NADA sponsor to prepare the summary and announced the availability of a guideline for use in preparing the summary. The guideline has now been revised because summaries submitted by NADA sponsors using the guideline frequently have not been adequate and have required revision.

The revised guideline, which will result in more informative summaries of safety and effectiveness data and information, may be obtained from the Food and Drug Administration, Bureau of Veterinary Medicine, Industry Information Branch (HFV-410), 5600 Fishers Lane, Rockville, MD 20852. Use of the revised guideline for NADA approvals shall start as soon as possible, but no later than August 24, 1976.

A copy of the revised Freedom of Information Summary Guideline is on file in the office of the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852.

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15290 Filed 5-25-76;8:45 am]

[Docket No. 76N-0166]

GRAS SAFETY REVIEW OF CARNAUBA WAX AND JAPAN WAX

Public Hearing

The Food and Drug Administration is announcing that a public hearing will be held on June 28, 1976 so that data, information, and views can be presented orally on the safety of carnauba wax and Japan wax as food ingredients to determine if they are generally recognized as safe (GRAS) or subject to a prior sanction.

In the FEDERAL REGISTER of February 10, 1976 (41 FR 5862) and February 13, 1976 (41 FR 6787), the Commissioner of Food and Drugs issued notices advising the public that an opportunity would be provided for the oral presentation of data, information, and views at public hearings to be conducted by the Select Committee on GRAS Substances of the Life Sciences Research Office, Federation of American Societies for Experimental Biology (the Select Committee), concerning the safety of the following nine categories of food ingredients and the Select Committee's tentative determination that they are GRAS or subject to a prior sanction:

Beeswax, Carnauba wax, Hydrogenated fish oil, Inositol, Japan wax, Malic acid, Sorbic acid, Tallow and stearic acid, and Tocopherols.

No requests were received in response to the opportunity for hearing on hydrogenated fish oil, inositol, malic acid, sorbic acid, tallow and stearic acid, and tocopherols; therefore, no hearing will be held on these food ingredients.

The Select Committee received requests from the following organizations asking for an opportunity to appear and to make an oral presentation at a public hearing on carnauba wax:

American Wax Importers and Refiners Association, Inc., 225 West 34th St., New York, NY 10001.

National Confectioners Association of the United States, 36 South Wabash Ave., Chicago, IL 60603.

Film Division, Olin Corp., Pisgah Forest, NC 28768.

The request for a hearing on carnauba wax from the National Confectioners Association of the United States was later withdrawn.

The Select Committee received requests from American Wax Importers and Refiners Association, Inc., 225 West 34th St., New York, NY 10001, for an opportunity to appear at a public hearing on beeswax and on Japan wax. The request for a hearing on beeswax was subsequently withdrawn.

No other requests for hearing on carnauba wax, beeswax, and Japan wax were received. Written statements in lieu of oral presentations will be submitted on carnauba wax by Michelman Chemicals, Inc., 9089 Shell Rd., Cincinnati, OH 45236, and on beeswax by the Honey Industry Council of America, Inc., James Powers, Chairman, Route 2, Parma, ID 83660.

In accordance with the procedures set forth in the February 10 and 13, 1976 FEDERAL REGISTER notices, the following announmement is made:

1. A public hearing on carnauba wax will be held at 10 a.m., June 28, 1976, in the Holiday Inn, 8120 Wisconsin Ave., Bethesda, MD 20014. Those who have requested an opportunity to make oral presentations will be expected to complete their presentations within the periods requested and in accordance with the following schedule:

American Wax Importers and Refiners Association, Inc.—30 minutes.
Film Division, Olin Corp.—30 minutes.

2. A public hearing on Japan wax will be held at 2 p.m., June 28, 1976, in the Holiday Inn, 8120 Wisconsin Ave., Bethesda, MD 20014. American Wax Importers and Refiners Association, Inc., will be expected to complete its presentation within the 30 minutes requested.

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.15291 Filed 5-25-76;8:45 am]

[FDA-225-76-4009]

INSPECTION OF DELAWARE MEDICATED FEED MILLS AND LIVESTOCK PRODUCERS

Memorandum of Understanding With the Delaware Department of Agriculture

The Food and Drug Administration is announcing that a Memorandum of Understanding has been executed with the Delaware Department of Agriculture on April 22, 1976 renewing their agreement concerning certain related objectives in carrying out their respective responsibilities. The purpose of the memorandum is to set forth the working arrangements to be followed concerning inspection of Delaware medicated feed mills and livestock producers of mutual obligation.

Pursuant to the announcement published in the FEDERAL REGISTER of October 3, 1974 (39 FR 35697) that future memoranda of understanding between the orandum of understanding between the Food and Drug Administration and others would be published in the FEDERAL REGISTER, the Commissioner of Food and Drugs is issuing this notice. The Memoranum of Understanding with the Delaware Department of Agriculture reads as follows:

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DELAWARE DEPARTMENT OF AGRICULTURE
AND THE
PHILADELPHIA DISTRICT,
FOOD AND DRUG ADMINISTRATION

I. *Purpose.* It will be the purpose of this understanding to provide more effective consumer protection through more efficient investigational coverage of Delaware medicated feed mills and animal producers in an attempt to prevent the presence of drug and chemical residues in animal flesh and products marketed for human consumption.

II. *Work-sharing program.* A. Goals and Responsibilities:

1. The Delaware Department of Agriculture and FDA Philadelphia District Investigations Branch will share the responsibility for the inspection of all Delaware medicated feed mills to determine the level of industry compliance with current good manufacturing practices regulations.

2. Delaware Agriculture will inspect animal producers mixing and using medicated feeds to determine possible sources of misuse of medicated feeds and to educate producers regarding their responsibility for proper feed usage to prevent contamination of animal tissue and products with drug and chemical residues.

B. Commitment: 1. Inspection Inventory: An inventory of mills and mixer-users to be covered by this understanding, hereafter referred to as the cooperative establishment inventory (CEI), will be reviewed jointly and updated as necessary by FDA's data processing unit (DPU).

2. Inspection Commitment: The Delaware Department of Agriculture will conduct the number of feed mill inspections as required under its current contract with FDA.

III. *General Provisions.* A. Information Exchange: There will be a complete interchange of information between the agencies with respect to the CEI and to all areas of mutual obligation.

1. Inspection Reports: Both agencies will report inspectional findings on form FD-2481 to be supplied by FDA. All such reports will be exchanged in a timely fashion not to exceed 30 days from the date of inspection.

2. Correspondence: All written correspondence relating to this program will be exchanged in a timely fashion.

3. Data Retrieval: To provide for inclusion of inspectional data into FDA's data system for use by both agencies, information will be submitted on forms FD-481 and FD-481(a) attached to the inspection report and also supplied by FDA.

B. Work Planning: 1. Inspection Scheduling: Mills included in the CEI will be scheduled for routine surveillance inspection at least once every 2 years.

2. Accomplishments: A summary of accomplishment will be prepared by FDA periodically for State use.

C. Compliance Follow-Up: 1. Responsibility: It will be the responsibility of the agency which discovers a violation during a mill or producer inspection to determine the impact required to achieve compliance and to follow through to accomplish correction of the violation.

2. Impact Actions: The responsible agency may elect to use one of several types of impact available to it under tis respective law. If it determines that an impact for achieving compliance can best be brought about under its partner agency's legal authority, referral to its partner would be the action of choice.

D. Residue Investigations: Response to USDA residue reports and requests for investigation will be handled as provided in a separate memorandum of understanding.

E. Commissioning: To permit Delaware Agriculture inspectors to operate with the authority given by the Federal Food, Drug, and Cosmetic Act for medicated feed mill inspection, FDA will take the necessary steps to commission such inspectors and to issue them FDA identification and credentials.

F. Training: FDA will provide the state with the formal and on-the-job training considered necessary for qualification as FDA commissioned agents.

G. Program Review: Joint planning sessions will be held semi-annually to review this understanding, discuss the cooperative program, evaluate accomplishments, and plan future cooperative work. Sessions will alternate between the two agencies. Each session will be arranged for and moderated by FDA's Region III Assistant Food and Drug Director for Intergovernmental Affairs.

H. Performance Evaluation: Performance evalution procedures as set forth in the FDA Field Management Directive #76 will be followed under this understanding.

IV. *Term of Understanding.* This understanding will expire on April 30, 1977, unless renewed and signed by the heads of both cooperating agencies to continue it in effect for another year.

This understanding in its entirety, or in part, may be revised in writing by mutual consent or terminated upon 30 days written notice by either agency.

Approved and accepted for the Delaware Department of Agriculture:

M. MARTIN ISAACS,
Secretary, Department of Agriculture, State of Delaware.

Date: April 22, 1976.

Approved and accepted for the Food and Drug Administration:

LOREN Y. JOHNSON,
Deputy Regional Food and Drug Director, Food and Drug Administration. Philadelphia District.

Date: April 20, 1976.

Effective date. **This Memorandum of Understanding became effective April 22, 1976.**

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15293 Filed 5-25-76;8:45 am]

[FDA-225-76-4008]

INSPECTION OF WEST VIRGINIA FOOD STORAGE WAREHOUSES AND MEDICATED FEED MILLS

Memorandum of Understanding With the West Virginia Department of Agriculture

The West Virginia Department of Agriculture (WVDA) and the Food and Drug Administration (FDA) have renewed their agreement concerning certain related objectives in carrying out their respective responsibilities. The memorandum of understanding, which was executed on April 19, 1976, sets forth the working arrangements to be followed concerning inspection of West Virginia food storage warehouses and medicated feed mills of mutual obligation.

Pursuant to the publication of his statement in the FEDERAL REGISTER of October 3, 1974 (39 FR 35697) that future memoranda of understanding between the Food and Drug Administration and others would be published in the FEDERAL REGISTER, the Commissioner of Food and Drugs is issuing this notice.

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CONSUMER PROTECTION DIVISION, WEST VIRGINIA DEPARTMENT OF AGRICULTURE
AND THE
BALTIMORE DISTRICT, FOOD AND DRUG ADMINISTRATION

I. *Purpose.* It will be the purpose of this understanding to provide more effective consumer protection through more efficient coverage of the West Virginia feed and food storage industries.

II. *Work-sharing program.* A. Goals and Responsibilities: WVDA, Consumer Protection Division, and FDA, Baltimore Investigations Branch, will share the responsibility for the inspection of all West Virginia Medicated Feed Mills and Food Storage Warehouses. Close coordination and communication will be maintained and joint planning and work scheduling will be performed to assure that manpower is efficiently utilized and regulatory efforts are properly meshed to achieve a high level of industry compliance.

B. Inspection Inventory: An inventory of firms covered by this agreement, hereinafter referred to as the cooperative establishment inventory (CEI) as prepared by both agencies will be maintained by FDA's data processing unit (DPU) and updated continuously as data is received from both agencies.

III. *General Provisions.* A. Information Exchange: There will be a complete interchange of information between the agencies with respect to the CEI and to all areas of mutual obligation.

1. CEI Inspections: All inspection reports, assay reports, and correspondence pertaining to firms in the CEI will be exchanged in a timely fashion.

a. WVDA Inspection Reports: All inspection reports will be submitted with an FD-481 (cover sheet) and an FD-481a (endorsement sheet).

(1) Medicated Feed Reports: Form FD-2481 will be used for reporting all inspection of feed mills and animal producers.

(2) Food Storage Warehouse Reports: FDA Form FD-2679, food warehouse inspection report, will be used for reporting inspections of food storage warehouses. A suitable modification of the form may be used.

b. FDA Inspection Reports: All inspection reports will be submitted with FD-481 and FD-481a. The list of observations (FD-483) will be mailed by the FDA investigator to the State upon completion of the inspection.

(1) Medicated Feed Reports: Form FD-2481 will be used for reporting all inspections of feed mills and animal producers.

(2) Food Storage Warehouse Reports:

(a) NAI Inspections: The inspector will submit a summary of findings on the FD-481a. No additional narrative report will be required. Endorsement will consist of the supervisor's classification, follow-up date, signature, and date of endorsement.

(b) VAI and OAI Inspections: Regular FDA reporting procedures requiring a narrative report and supervisor's endorsement will be followed.

2. Samples: Copies of reports of analysis of violative out-of-state food products sampled by WVDA will be forwarded to FDA for appropriate follow-up. In addition, each agency's assay reports of CEI firms' products will be exchanged for information purposes.

3. Complaints: a. Received by WVDA: Consumer complaints involving out-of-state products will be investigated by WVDA and submitted to FDA for further follow-up. FDA will contact the home district of the involved manufacturer to request follow-up and feedback. All information received pertaining to the complaint investigation will be furnished to WVDA.

b. Received by FDA: FDA will refer complaints involving interstate products which investigation reveals were contaminated while in storage in West Virginia to WVDA for follow-up.

B. Work Planning: 1. Inspection Scheduling: DPU will prepare a listing of CEI firms scheduled for inspection for a particular month by the 15th of the preceding month. The list will be sent to the assistant director, WVDA, Consumer Protection Division, who will discuss assignment of the inspections with the Baltimore District Supervisory Investigator responsible for FDA programs in West Virginia. A final listing showing firms to be inspected by WVDA will be mailed to WVDA by the first of the month assigned.

2. Accomplishments: A cumulative monthly summary of WVDA's inspectional activities under this understanding will be provided to WVDA by the 15th of each month.

C. Compliance Follow-Up: 1. Responsibility: Compliance problems will be handled on a case-by-case basis. It will be the responsibility of the agency which discovers a violation to determine the impact required for achieving compliance and to follow through.

2. Impact Actions: The responsible agency may elect to use one of several types of impact—reinspection, sample collection, embargo or seizure, product recall, warning letter, joint inspection, hearing, prosecution, referral to the other agency, etc. The partner agency will cooperate within its authority with the responsible agency if compliance follow-up is requested. If referral is selected for impact, it will then become the responsibility of the agency to which referred to pursue the violation to achieve compliance.

D. Recall and Emergency: The agencies will cooperate to the fullest extent possible in handling emergency public health problems and in checking effectiveness of product recalls.

1. Disaster Work: Problems involving food contamination caused by such disasters as flood, fire, hurricane, train or truck wreck, etc., will be handled jointly. The Consumer Protection Division Director or his assistant will promptly notify the FDA Charleston resident inspector or Baltimore District Supervisory Investigator for West Virginia of the situation and request help as needed. The West Virginia Department of Health's General Environmental Control Section will be informed of disaster activities among all three agencies.

2. Recall: Each Agency will cooperate with the other in checking the effectiveness of product recalls. The recall initiator will request the assistance of the partner agency, if necessary.

E. Commissioning: 1. WVDA: State inspectors will continue to be commissioned by FDA to operate under the Federal Food, Drug, and Cosmetic Act and participate in the cooperative medicated feed program. It will be the responsibility of Baltimore District to maintain the status of commissioned inspectors by requesting commission renewals well in advance of the expiration date and to assist in the issuance of new commissions, as needed.

2. FDA: The FDA West Virginia resident inspector(s) will be designated by the Commissioner of the West Virginia Department of Agriculture as his authorized agent(s) and will be issued credentials granting authority "to detain, embargo, or quarantine agriculture products [1] when suspected of or found to be in violation of the provisions of Chapter 19, article 2, section 6 (1920) of the agricultural laws of West Virginia."

The commissioned inspector(s) will call the office of the Director of the Consumer Protection Division of the West Virginia Department of Agriculture when a violative lot(s) of agricultural products is (are) encountered to discuss the need to embargo before placing such lot(s) under embargo. If he is not able to contact the director or his assistant, he will place the lot(s) under embargo and immediately wire the office of the commissioner to notify him of the action taken.

F. Program Review: Joint planning sessions will be held semi-annually to review this agreement, discuss the cooperative program, evaluate accomplishments, and plan future cooperative work. During the first meeting a review of the inspection commitments will be made and adjustments made, if necessary. A new inspection commitment for the year beginning May 1 will be made at the second meeting. The FDA Assistant Regional Food and Drug Director for Intergovernmental Affairs will be responsible for organizing and conducting the sessions. The sessions will be alternately held in West Virginia and Baltimore.

G. Training: Training is considered essential for the maintenance of effective inspectional units. It will be discussed and planned for at each planning session.

1. Formal: Formal training courses sponsored by either agency will be made available whenever possible for the other's personnel.

2. On-the-Job: Joint inspections will be used frequently for training inspectors of both agencies. It will be the responsibility of the inspection unit head to recognize inspectional weaknesses and request joint inspection, when indicated.

H. Performance Evaluation: Evaluation of the quality of each agency's inspectional performance is necessary to assure that its responsibility for enforcing its respective laws is being carried out. Performance evaluation will be a continual process in which the following three techniques will be used.

1. Scheduled Joint Evaluation Inspection: Each WVDA inspector and each FDA investigator reguarly performing inspections of CEI firms will be evaluated periodically during a joint inspection to provide one measure of his performance. Scheduling of these inspections will be the responsibility of the Baltimore District Supervisory Investigator for West Virginia.

a. Evaluation of FDA Investigators: The director or assistant director of WVDA's Consumer Protection Division may accompany each FDA investigator assigned regular inspection of CEI firms periodically to observe and evaluate his performance. An evaluation memo will be prepared and submitted to the director of Baltimore District's Investigations Branch who will be responsible for correcting any deficiencies.

b. Evaluation of WVDA Inspectors: The director of Baltimore District's Investigations Branch or a mutally acceptable designee will accompany each WVDA inspector regularly assigned inspections of CEI firms periodically to observe and evaluate his performance. An evaluation memo will be prepared and submitted to the WVDA Consumer Protection Division Director who will be responsible for correcting any deficiencies.

2. Rotational Coverage of Firms: As coverage of firms rotates between the two agencies, areas neglected by one agency will be brought to the attention of the other's inspection unit head who will be responsible for correcting the deficiency in his agency's coverage.

3. Report Review: As each agency reviews inspection reports submitted by its partner agency, inadequate reporting and/or handling of the inspection can be determined. Such inadequacies will be reported by the reviewer to the responsible inspection unit head to prevent recurrence.

IV. *Term of Understanding.* This understanding will expire on April 30, 1977, unless renewed by both agencies to continue it in effect until the following April 30.

This understanding in its entirety, or in part may be revised by mutual consent or terminated upon 30 days written notice by either agency.

Approved and accepted for the West Virginia Department of Agriculture:

GUS R. DOUGLASS,
Commissioner, West Virginia Department of Agriculture.

Dated: April 19, 1976.

Approved and accepted for the Food and Drug Administration:

M. L. STRATT,
Deputy Regional Food and Drug Director, Food and Drug Administration, Baltimore, District.

Dated: April 12, 1976.

Effective date. This Memorandum of Understanding became effective April 19, 1976.

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15292 Filed 5-25-76;8:45 am]

[1] Article 2, Section 1, Paragraph b, defines agricultural products as "livestock and livestock products, poultry and poultry products, fruits and fruit products, vegetables and vegetable products, grains and hays and the products derived therefrom, tobacco, syrups, honey and other products derived from the business of farming; including such other products as may be manufactured, derived, or prepared from agricultural products, raw or processed, which are used as food for man or other animals."

NEUROLOGIC DRUGS ADVISORY COMMITTEE

Meeting Location Change

Pursuant to the Federal Advisory Committee Act of October 6, 1972 (Pub. L. 92-463, 86 Stat. 770-776 (5 U.S.C. App. I)), the Food and Drug Administration announced, in a notice published in the FEDERAL REGISTER of May 19, 1976 (41 FR 20606), public advisory committee meetings and other required information in accordance with provisions set forth in section 10(a)(1) and (2) of the act.

Notice is hereby given that the meeting location of the Neurologic Drugs Advisory Committee, scheduled for June 21 and 22, 1976 in Conference Rm. G, Parklawn, Bldg., Rockville, MD, has been changed. It will meet in Conference Rm. A, Parklawn Bldg., Rockville, MD at 9:30 a.m.

Dated: May 20, 1976.

SAM D. FINE,
Associate Commissioner for Compliance.

[FR Doc.76-15289 Filed 5-25-76;8:45 am]

Office of Education

PUBLIC SERVICE EDUCATION FELLOWSHIPS

Closing Date for Receipt of Applications From Institutions of Higher Education

Notice is hereby given that pursuant to the authority contained in section 941 of Title IX, Part C of the Higher Education Act of 1965, applications for an allocation of fellowships to support the graduate or professional study of persons planning to pursue a career in public service are being accepted from institutions of higher education.

Applications munst be received by the U.S. Office of Education Application Control Center on or before June 28, 1976.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Grants and Procurements Management Division, Application Control Center, 400 Maryland Avenue, SW., Washington, D.C. 20202, Attention: 13.555. An application sent by mail will considered to received on time by the Application Control Center if:

(1) The application was sent by registered or certified mail not later than June 23, 1976, as evidence 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 mailrooms in Washington, D.C. (In establishing the date of receipt, the Commissioner will rely on the time-date stamp of such mailrooms 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 8:00 A.M. and 4:00 P.M. Washington, D.C. time except Saturdays, Sundays, or Federal holidays. Applications will not be accepted after 4:00 P.M. on the closing date.

C. *Program information and forms.* Information and application forms may be obtained from the Division of Training and Facilities, Bureau of Postsecondary Education, Office of Education, Room 3060, 7th and D Streets, SW., Washington, D.C. 20202.

D. *Applicable regulations.* Funding criteria which will govern the allocation of fellowships among institutions of higher education under the Public Service Education Fellowship Program are published in this issue of the FEDERAL REGISTER.

(20 U.S.C. 1134i–1134m)

(Catalog of Federal Domestic Assistance, Number 13.555; Public Service Education Fellowships)

Dated: April 16, 1976.

DUANE J. MATTHEIS,
Acting U.S. Commissioner of Education.

[FR Doc.76–15301 Filed 5–25–76;8:45 am]

PUBLIC SERVICE EDUCATION FELLOWSHIPS

Interim Final Criteria for Funding Applications for Fiscal Year 1976

Pursuant to the authority contained in Title IX, Part C of the Higher Education Act of 1965, as amended (20 U.S.C. 1134i et seq.), notice is hereby given that the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, will evaluate applications submitted for fiscal year 1976 by institutions of higher education under section 943 of Title IX, Part C of the Act on the basis of the criteria set forth below.

(1) *Description of Program.* Section 941(a) of Part C of Title IX authorizes a fellowship program for graduate or professional study for persons who plan to pursue a career in public service. Fellowships for this purpose will be allocated to institutions of higher education which are approved on the basis of the criteria set forth below. Institutions of higher education receiving such an allocation shall recommend eligible students to the Commissioner for his selection.

(2) *Publication as Interim Final Notice of Rulemaking.* The funding criteria in this notice are needed to make fellowship awards for the 1976–1977 academic year. By law, funds appropriated for these awards must be obligated by the Office of Education on or before September 30, 1976 (see Pub. L. 94–94 and section 204 of Pub. L. 93–554). However, the award of public service fellowships for the 1976–77 academic year should be made as soon as possible for programmatic reasons. Colleges and universities normally offer fellowships early in April of each year to attract high quality people and so that these recipients may have sufficient time to plan for the next academic year. Furthermore, delay makes it exceedingly difficult to make contacts with students because the academic year has ended and potential fellows have graduated and have left campus for the summer.

Before a fellowship award can be made the following procedures must be completed:

(1) Submission of application for a fellowship allocation by institutions of higher education;

(2) Notification by the Commissioner of the allocation among institutions of higher education of fellowship based on finalized funding criteria;

(3) Recruitment by these institutions of highly qualified applicants;

(4) Submission by these institutions to the Office of Education of the names and addresses of students nominated as prime candidates or as alternates for the fellowships;

(5) Approval of these nominations in the form of individual award letters to the students from the Commissioner.

Furthermore, the funding criteria set forth in this notice are subject to the delayed effective date provisions contained in section 431(d) of the General Education Provisions Act ("GEPA"; 20 U.S.C. 1232(d)). While the period of delay specified in section 431(d) is forty-five days, a delay of up to eighty-four days can occur as a result of the provisions therein concerning Congressional adjournment. Resort to proposed rulemaking procedures under section 431(b)(2)(A) of the GEPA and 5 U.S.C. 553 would entail an additional delay in the effective date of this notice of (1) thirty days for the receipt of comments, and (2) a further period for the consideration of comments and republication of the notice.

Considering the time required to receive public comment on the funding criteria set forth in this notice, the time needed to prepare and publish a final funding criteria document responding to any comment received, and the delayed effective date provisions of section 431(d) (discussed above), it appears that a final funding criteria could not take effect, following proposed rulemaking procedures, in time to govern timely awards of assistance for the coming school year.

It should also be noted that (except as noted below) the funding criteria are similar to the criteria utilized in fiscal year 1975 which were subject to public comment. These public comments were considered in the publication of the final funding criteria for FY 1975. The only important change in the attached funding criteria is the provision of priority to institutions which are asking for a fellowship allocation to support fellows currently receiving assistance under this program who are continuing their studies. This provision was unnecessary in FY 1975 because that was the first year the program was funded.

In view of all the foregoing, the Commissioner of Education for good cause finds that resort to proposed rulemaking procedures with respect to this notice would be impracticable, unnecessary and contrary to the public interest within the meaning of 5 U.S.C. 553(b).

(3). *Invitation for Public Comment.* As stated above, these funding criteria are being published as interim criteria to be used by the Commissioner for fiscal year 1976 only. Interested parties are invited to submit written comments, suggestions or objections regarding the use of these criteria for future fiscal years to the Division of Training and Facilities, Bureau of Postsecondary Education, U.S. Office of Education, 7th and D Streets, SW., Room 3060–ROB 3, Washington, D.C. 20202. The Commissioner will publish a notice of proposed rulemaking in the near future which will provide permanent regulations, including funding criteria, for this program. All comments regarding the criteria set forth below which are received on or before June 25, 1976 will be considered in the development of the notice of proposed rulemaking. Comments received will be available for public inspection at the above office Monday through Friday between 8 a.m. and 4:30 p.m.

(4) *Funding criteria.* The Commissioner will approve programs of study at institutions of higher education and allocate fellowships under Title IX, Part C of the Higher Education Act, as amended, on the basis of the following criteria:

(a) The extent to which a significant long-term need for public service education is addressed by the program;

(b) The extent to which relevant, supervised practicum and internship experiences are integrated into the program;

(c) The extent to which the institution will establish arrangements with government agencies or jurisdictions, or other nonprofit agencies for such activities as program development, personnel exchange, and field work;

(d) The extent to which the multidisciplinary background, education, research interests, and experience of the faculty and administrative staff of the institution qualify them to plan and implement a successful program of public service education;

(e) The extent to which the program will involve other graduate units of the institution in supportive, collaborative, or allied efforts of practical benefit to public service education;

(f) The extent to which the director of the program has clear responsibilities and sufficient time to devote to the program;

(g) The extent to which other institutional resources (such as facilities, equipment, libraries, etc.) are adequate to support the program;

(h) The extent to which there is substantial evidence of a commitment to

public service education by those most involved in the program, including the institution's administrative staff;

(i) The extent to which specific evidence is provided which demonstrates past success of graduates, if any, from the program in achieving leadership and management positions in public service careers;

(j) The extent to which procedures are planned to measure the effectiveness and success of the program;

(k) The extent to which the curriculum is sufficient to support a high quality program;

(l) The extent to which the allocation will provide, as far as practicable, an equitable distribution of these fellowships throughout the United States; and

(m) In addition to the above criteria, priority will be given to applications which:

(i) Will be used to support fellows who are currently receiving assistance under Part C of Title IX of the Act and who are continuing their graduate studies in the approved program;

(ii) Are for master's degree programs not exceeding 24 months in duration;

(iii) Are for on-going public service education programs which are given strong support by the institution of which they are a part. However, consideration will be accorded to applications from institutions which are establishing new programs if a convincing case can be made for their establishment in meeting a particular local, State, regional, or national need for public service education;

(iv) Are for programs to prepare persons for leadership and management positions, particularly in local and State government, and for positions in program administration involving intergovernmental relations. In addition, a few selected exemplary programs may be funded to prepare persons for careers in international service;

(v) Are for programs of an especially imaginative or innovative nature and which give promise of leading to significant improvement in the nature and character of public service education;

(vi) Are for programs designed to place graduates in fields and areas where delivery of public service is not effective; and

(vii) Are for programs which link other schools or departments of the institution, or two or more institutions, in collaborative efforts in fulfilling the above priorities.

(20 U.S.C. 1134K(1), (2))

(5) Effective date: Pursuant to section 431(d) of the General Education Provisions Act, as amended (20 U.S.C. 1232(d)), these criteria have been transmitted to the Congress concurrently with the publication of this document in the FEDERAL REGISTER. That section provides that regulations subject thereto shall become effective on the forty-fifth day following the date of such transmission, subject to the provisions therein concerning Congressional action and adjournment.

(Catalog of Federal Domestic Assistance Number 13.555; Public Service Education Fellowships)

Dated: May 12, 1976.

T. H. BELL,
U.S. Commissioner of Education.

Approved May 18, 1976.

MARJORIE LYNCH,
Acting Secretary of Health, Education, and Welfare.

[FR Doc.76-15299 Filed 5-25-76;8:45 am]

PUBLIC SERVICE EDUCATION INSTITUTIONAL GRANTS

Closing Date for Receipt of Applications

Notice is hereby given that pursuant to the authority contained in section 902 of Title IX, Part A of the Higher Education Act of 1965, applications are being accepted from institutions of higher education for Public Service Education Institutional Grants.

Applications must be received by the U.S. Office of Education Application Control Center on or before June 28, 1976.

A. *Applications sent by mail.* An application sent by mail should be addressed as follows: U.S. Office of Education, Grants and Procurement Management Division, Application Control Center, 400 Maryland Avenue, SW., Washington, D.C. 20202. Attention: 13.555. 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 June 23, 1976, 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 reply 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, S.W., 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 the Division of Training and Facilities, Bureau of Postsecondary Education, Office of Education, Room 3060, 7th and D Streets, SW., Washington, D.C. 20202.

D. *Applicable regulations.* Funding criteria which will govern awards under the Public Service Education Institutional Grant Program are published in this issue of the FEDERAL REGISTER.

(20 U.S.C. 1134–1134c)

(Catalog of Federal Domestic Assistance, Number 13.555; Public Service Education Institutional Grants)

Dated: April 16, 1976.

DUANE J. MATTHEIS,
Acting
U.S. Commissioner of Education.

[FR Doc.76-15300 Filed 5-25-76;8:45 am]

PUBLIC SERVICE EDUCATION INSTITUTIONAL GRANTS

Interim Final Criteria for Funding Applications for Fiscal Year 1976

Pursuant to the authority contained in Title IX, Part A of the Higher Education Act of 1965, as amended (20 U.S.C. 1134 et seq.), notice is hereby given that the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, will evaluate applications submitted for fiscal year 1976 by institutions of higher education under section 902 of Title IX, Part A of the Act on the basis of the criteria set forth below.

(a) *Description of Program.* Section 901(a)(2) of Part A of Title IX authorizes the Commissioner of Education to make financial assistance available to institutions of higher education to establish, strengthen, and improve programs designed to prepare graduate and professional students for public service. Applications for assistance submitted by institutions of higher education will be evaluated on the basis of the criteria set forth below.

(b) *Publication as Interim Final Notice of Rulemaking.* The funding criteria in this notice are needed to make grant awards for the 1976–1977 academic year. By law, funds appropriated for these grants must be obligated by the Office of Education on or before September 30, 1976 (see Pub. L. 94–94 and section 204 of Pub. L. 93–554). However, these awards should be made as soon as possible in order to give institutions receiving a grant sufficient lead time to make plans, hire staff and acquire necessary materials and equipment.

Before a grant award can be made the following procedures must be completed:

(1) Submission of applications for institutional grants from institutions of higher education;

(2) Review by the Office of Education of these applications based on finalized funding criteria;

(3) Award of the institutional grants by the Office of Education.

Furthermore, the funding criteria set forth in this notice are subject to the delayed effective date provisions contained in section 431(d) of the General Education Provisions Act ("GEPA"; 20 U.S.C. 1232(d)). While the period of delay specified in section 431(d) is forty-five days, a delay of up to eighty-

four days can occur as a result of the provisions therein concerning Congressional adjournment. Resort to proposed rulemaking procedures under section 431(b)(2)(A) of the GEPA and 5 U.S.C. 553 would entail an additional delay in the effective date of this notice of (1) thirty days for the receipt of comments, and (2) a further period for the consideration of comments and republication of the notice.

Considering the time required to receive public comment on the funding criteria set forth in this notice, the time needed to prepare and publish a final funding criteria document responding to any comment received, and the delayed effective date provisions of section 431 (d) (discussed above), it appears that final funding criteria could not take effect, following proposed rulemaking procedures, in time to govern timely awards of assistance for the coming school year.

It also should be noted that (except as described below) the funding criteria are similar to the criteria utilized in fiscal year 1975 which were subject to public comment. These public comments were considered in the publication of final funding criteria for FY 1975. The only important change in the funding criteria for this year is the provision of priority to institutions which have received assistance under this program during the current fiscal year and which are applying for funds to continue the project. This provision was unnecessary in FY 1975 because that was the first year the program was funded.

In view of all of the foregoing, the Commissioner of Education for good cause finds that resort to proposed rulemaking procedures with respect to this notice would be impracticable, unnecessary and contrary to the public interest within the meaning of 5 U.S.C. 553(b).

(c) *Invitation for Public Comment.* As stated above, these funding criteria are being published as interim criteria to be used by the Commissioner for fiscal year 1976 only. Interested parties are invited to submit written comments, suggestions or objections regarding the use of these criteria for future fiscal years to the Division of Training and Facilities, Bureau of Postsecondary Education, U.S. Office of Education, 7th and D Streets SW., Room 3060–ROB 3, Washington, D.C. 20202. The Commissioner will publish a notice of proposed rulemaking in the near future which will provide permanent regulations, including funding criteria, for this program. All comments regarding the criteria set forth below which are received on or before June 25, 1976, will be considered in the development of the notice of proposed rulemaking. Comments received will be available for public inspection at the above office Monday through Friday between 8 a.m. and 4:30 p.m.

(d) *Funding criteria.* The Commissioner will evaluate applications under Title IX, Part A of the Higher Education Act, as amended, on the basis of the following criteria, in addition to the criteria set forth in 45 CFR 100a.26(b):

(1) The extent to which the proposed activities to be funded under Title IX, Part A are likely to result in the establishment, strengthening, and improvement of a program which prepares graduate and professional students for public service;

(2) The extent to which a significant long-term need for public service education is addressed by the institution of higher education in a specific program which is designed to prepare graduate or professional students for public service (hereinafter called "the program");

(3) The extent to which relevant, supervised practicum and internship experiences are integrated into the program;

(4) The extent to which the institution, as part of its program, has established arrangements with government agencies or jurisdictions, or other nonprofit agencies, for such activities as program development, personnel exchange, and field work;

(5) The extent to which the multidisciplinary background, education, research interests, and experience of the faculty and administrative staff of the program qualify them to plan and implement a successful program of public service education;

(6) The extent to which the curriculum is sufficient to support a high quality program;

(7) The extent to which the program will involve other graduate or professional education units of the institution in ways which will be of practical benefits to public service education;

(8) The extent to which the director of the program has clear responsibilities and sufficient time to devote to the program;

(9) The extent to which other institutional resources (such as facilities, equipment, liberaries, etc.) are adequate to support the program;

(10) The extent to which there is substantial evidence of a commitment to education for the public service by those most involved in the program, including the institution's administrative staff;

(11) The extent to which specific evidence is provided which demonstrates past success of graduates, if any, from the program in achieving leadership and management positions in public service careers;

(12) In addition to the above criteria, priority will be given to applications from institutions of higher education which have:

(i) Established, on-going public service education programs which are given strong support by the institution of which they are a part. However, consideration will be accorded to applications from institutions which are establishing new programs if a convincing case is made for their establishment in meeting a particular local, State, regional, or national need for public service;

(ii) Programs to prepare persons for leadership and management positions, particularly in local and State government, and for positions in program administration involving intergovernmental relations. In addition, a few selected exemplary programs may be funded to prepare persons for careers in international service;

(iii) Programs of an especially imaginative or innovative nature which give promise of leading to significant improvement in the nature of public service education;

(iv) Programs designed to place graduates in fields and areas where delivery of public services is not effective;

(v) Programs which link other schools or departments of the institution, or two or more institutions, in collaborative efforts in fulfilling the above priorities;

(vi) Received assistance for the current fiscal year and which are applying for funds to continue the project. Requests for continuation awards will only be approved if there is an indication that there is a continuing need for the project and that satisfactory progress has been made in achieving the approved goals and objectives of the project;

(vii) Indicated that it is unlikely that the proposed project activities would be supported from other Federal funding.

(20 U.S.C. 1134a; 1134b(a))

(e) *Effective date.* Pursuant to section 431(d) of the General Education Provisions Act, as amended (20 U.S.C. 1232 (d)), these criteria have been transmitted to the Congress concurrently with the publication of this document in the FEDERAL REGISTER. That section provides that regulations subject thereto shall become effective on the forty-fifth day following the date of such transmission, subject to the provisions therein concerning Congressional action and adjournment.

(Catalog of Federal Domestic Assistance Number 13.555; Public Service Education Institutional Grants)

Dated: May 12, 1976.

T. H. BELL,
U.S. Commission of Education.

Approved: May 19, 1976.

MARJORIE LYNCH,
Acting Secretary of Health, Education, and Welfare.

[FR Doc.76–15298 Filed 5–25–76;8:45 am]

NURSE TRAINING

Delegations of Authority

Notice is hereby given that the following delegation and redelegation have been made under Title VIII of the Public Health Service Act, as amended by the Nurse Training Act of 1975 (Public Law 94–63):

1. Delegation from the Secretary to the Assistant Secretary for Health to perform the authorities vested in the Secretary of Health, Education, and Welfare under Title VIII of the Public Health Service Act, as amended by the Nurse Training Act of 1975, (Public Law 94–63), except for the authority to issue regula-

tions and the authority under Section 851 relating to the establishment and the selection of members to the National Advisory Council on Nurse Training.

Previous delegations made by the Secretary of authorities under Title VIII of the Public Health Service Act are hereby superseded. Previous redelegations made under the Secretary's previous delegations may continue for not more than 90 days from the date of signature of this document, but only to the extent that they are consistent with this delegation.

2. Redelegation from the Assistant Secretary for Health to the Administrator, Health Resources Administration, with authority to redelegate, to perform the authorities delegated to the Assistant Secretary for Health under Title VIII of the Public Health Service Act, as amended by the Nurse Training Act of 1975 (Public Law 94-63).

Previous delegations made by the Assistant Secretary for Health of authorities under Title VIII of the Public Health Service Act are hereby superseded. Previous redelegations, made under the previous delegations by the Assistant Secretary for Health, may continue for not more than 90 days from the date of signature of this delegation, but only to the extent that they are consistent with this delegation.

The above delegation and redelegation were effective on May 7, 1976.

Dated: May 17, 1976.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.76-15306 Filed 5-25-76;8:45 am]

Office of the Secretary

TRANSPORTATION DEMONSTRATION GRANT PROGRAM

Announcement of Program

The Assistant Secretary for Human Development will award up to five two year demonstration grants by January 14, 1977, aimed at determining the feasibility of coordinating and/or consolidating existing transportation resources within several Office of Human Development (OHD) programs at the sub-State level. These programs address the needs of the transportation disadvantaged, with emphasis on the elderly, handicapped, developmentally disabled, Head Start eligibles and other children from low income families, and Native Americans.

Pre-applications for determining grantee and program concept eligibility must be received by each Assistant Regional Director (ARD) for Human Development by July 27, 1976. Completed applications from accepted pre-applicants must be submitted to the Assistant Secretary for Human Development in Washington, D.C. by December 31, 1976.

A. *Background.* There are a large number and variety of Federal programs which provide transportation services, each with its own statutory and regulatory provisions for program administration. These independent, categorical operations often result in transportation services in any given community which may be highly fragmented, duplicative or potentially underutilized.

Each categorical program often funds its own transportation system (single vehicles or mini-systems), or purchases transportation services from public or private providers for clients needing access to community facilities and services. Other mechanisms used by categorical programs to provide transportation services include client, staff or volunteer reimbursement.

In addition to the problem of bringing together social service agencies at the local level to work out a means for providing transportation services on a unified basis, there is the more difficult problem of linking social service agencies and public or private transit or paratransit systems.

B. *Program goal.* Given these concerns, therefore, the Office of Human Development set forth the following Goal:

For the purpose of affecting national policy and programming, the Office of Human Development (OHD) will demonstrate the feasibility of coordination and/or consolidating transportation resources serving OHD target populations at the sub-State level.

The basic assumption of these demonstrations is that service efficiency (i.e., transportation services for a given dollar level) and service effectiveness (ie., accessibility to services) will increase under a coordinated/consolidated special transportation system.

C. *Program objectives.* 1. Encourage OHD and other human service programs which provide transportation services to develop practical approaches to coordination and/or consolidation of transportation services at the local level.

2. Explore and test transportation service delivery systems and organizational methods which could lead to more integrated or centralized (hence more cost effective) transportation services.

3. Develop and test methods for greater coordination of existing public transportation providers in the bus and taxi modes with human service agency services.

4. Identify statutory, regulatory or administrative barriers to implementing coordinated and/or consolidated approaches to the organization and financing of transportation services, including public transportation programs.

To implement these objectives, OHD is soliciting interest from existing transportation providers nationwide for a limited amount of funding (in the range of $25,000-$100,000 per grant each year) to encourage interagency coordination/consolidation.

D. *Eligible applicants.* Eligible applicants for this program are:

1. A State, area or local public or nonprofit agency which administers one or more of the following Office of Human Development programs:

(a) Vocational Rehabilitation
(b) Titles III and/or VII of the Older Americans Act
(c) Developmental Disabilities
(d) Head Start
(e) Native American Programs

2. A nonprofit public purpose or private organization with existing transporation service responsibilities, such as a public or private transit authority, or a unit or combination of units of general purpose governments or a Health and Welfare Council.

Any proposed application must include the participation of at least three OHD programs as noted in Number 1(a)-(e) above.

E. *Program information and pre-application forms.* Project Guidelines are available to eligible applicants from each Office of the Assistant Regional Director of Human Development (ARD). These forms may be requested from the appropriate Assistant Regional Director for Human Development, as follows:

REGION I

Mrs. Rheable M. Edwards, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, John F. Kennedy Federal Building, Boston, Massachusetts 02203, Telephone: (617) 223-3236.

REGION II

Mr. John F. Devine, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 26 Federal Plaza, New York, New York, 10007, Telephone: (212) 264-4016.

REGION III

Mr. William A. Crunk, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, P.O. Box 13716, Philadelphia, Pennsylvania 19108, Telephone: (215) 596-6818.

REGION IV

Mr. L. Bryant Tudor, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 50 Seventh Street, NE., Atlanta, Georgia 30323, Telephone: (404) 526-5478.

REGION V

Mr. Philip A. Jarmack, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 300 South Wacker Drive, Chicago, Illinois 60606, Telephone: (312) 353-4698.

REGION VI

Mr. Tommy B. Sullivan, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 1507 Pacific Avenue, Room 500, Dallas, Texas 75201, Telephone: (214) 749-2491.

REGION VII

Dr. A. Kenton Williams, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 601 East 12th Street, Kansas City, Missouri 64106, Telephone: (816) 374-5819.

REGION VIII

Mr. Edward Y. Okazaki, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 1961 Stout Street, Denver, Colorado 80202, Telephone: (303) 837-2622.

REGION IX

Dr. C. Bruce Lee, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, 50 Fulton Street, San Francisco, California 94102, Telephone: (415) 556-4027.

REGION X

Mr. William L. Hayden, Assistant Regional Director for Human Development, Department of Health, Education, and Welfare, Dexter Harton Bldg., 710 Second Avenue, Seattle, Washington 98101, Telephone: (206) 442-2430.

F. *Application process.* The application process is as follows:

1. Each applicant shall submit a pre-application, based upon OMB Form FMC-47 and supplemental instructions, to the Assistant Regional Director for Human Development for that Region, as appropriate. An original and two copies shall be submitted to the Regional Office (RO) by July 27, 1976. (Selection criteria, and indicators and weighting for those criteria will be appended to these forms.)

2. Each ARD, with the cooperation of Regional HD Program Units and Regional UMTA, FHWA, and DoT offices as appropriate, shall review the submitted pre-applications and recommend not more than three to OHD/CO as potential grantees for each region by August 17, 1976.

3. The HD Central Office shall review the pre-applications recommended by the ARDs and select up to 10 potential grantees by September 1, 1976.

4. The HD Central Office shall notify potential grantees of selection or non-selection by no later than September 10, 1976.

5. The HD Central Office shall then provide project application forms, based on the OMB Form DHEW-606T and supplemental instructions, to all applicants. (These forms will contain selection criteria for these proposals. Indicators and a weighing scheme will be provided to all applicants upon development.)

6. Each applicant, upon notification of pre-selection as a potential grantee, shall file a notice of pre-application with their appropriate A-95 and Metropolitan Planning Organization (MPO).

7. The HD Central Office, through a technical assistance contractor, will provide assistance to potential grantees on project development and application submission.

8. Each applicant shall then develop a project application using the OHD application forms and instructions.

9. Each applicant shall submit an original and two copies of the completed application to OHD, including all required A-95 and local clearances, by December 31, 1976.

10. OHD, with the cooperation of DoT, shall review project applications and recommend selection of five grantees to the ASHD by January 17, 1977.

11. The ASHD shall make up to five demonstration awards by January 21, 1977.

12. OHD will notify all applicants of selection/non-selection by January 28, 1977.

G. *Mail applications.* 1. A pre-application sent by mail will be considered to be received on time if:

(a) The pre-application was sent by registered or certified mail not later than July 27, 1976 as evidenced by the U.S. Postal Service Postmark, or on the original receipt from the U.S. Postal Service; or

(b) The pre-application is received on or before the closing date at the appropriate Regional Office Mailroom.

2. A completed application sent by mail will be considered to be received on time if:

(a) The application was sent by registered or certified mail not later than December 31, 1976 as evidenced by the U.S. Postal Service Postmark, or on the original receipt from the U.S. Postal Service; or

(b) The application is received on or before the closing date of either the Department of Health, Education, and Welfare or the Office of Human Development Mailrooms in Washington, D.C.

(In establishing the date of receipt for both pre-applications and completed applications, consideration will be given to the time date stamps of such mailrooms or other documentary evidence of receipt maintained by the Department of Health, Education, and Welfare, or the Office of Human Development.)

H. *Hand delivered applications.* 1. A pre-application to be hand delivered must be taken to the appropriate Regional Office of the Assistant Regional Director for Human Development.

2. A completed application to be hand delivered must be taken to the Office of the Assistant Secretary for Human Development, Room 5700 DHEW North Building, 330 Independence Avenue SW., Washington, D.C. 20201.

(Hand delivered pre-applications or completed applications will be accepted during normal working hours. Pre-applications and completed applications will be accepted no later 5 p.m. on the closing date.)

(Catalog of Federal Domestic Assistance Numbers as follows):

13.600—Child Development—Head Start.
13.612—Native American Programs.
13.627—Rehabilitation Research and Demonstrations.
13.631—Development Disabilities — Special Projects.
16.636—Programs for the Aging—Research and Demonstration.

Dated: May 20, 1976.

STANLEY B. THOMAS, Jr.,
Assistant Secretary for Human Development.

[FR Doc.76-15302 Filed 5-25-76;8:45 am]

Public Health Service

CENTER FOR DISEASE CONTROL

Statement of Organization, Functions, and Delegations of Authority

Part 9 (Center for Disease Control) of the Statement of Organization, Functions, and Delegations of Authority for the Department of Health, Education, and Welfare (39 FR 1461, January 9, 1974, as amended) is amended to: (1) expand the scope of the functions of the Procurement and Materiel Management Office in the Office of Administrative Management to include responsibility for grants management policies and procedures on a Centerwide basis, and to change the name of the Procurement and Materiel Management Office to Procurement and Grants Office; (2) transfer coordination of the grants management functions in the National Institute for Occupational Safety and Health (NIOSH) from the Office of Extramural Coordination and Special Projects to the Office of Administrative and Management Services; (3) change the statement for the Office of Administrative Management to reflect the relationship of that office with other administrative offices of the Center; and (4) change the order of succession of officials to act as Center Director during the absence or disability of the Director.

Section 9-B *Organization and Functions*, is hereby amended as follows:

Under the heading entitled "OFFICE OF THE DIRECTOR (9A00)":

(1) delete the statement for the Office of Administrative Management (9A19) in its entirety and substitute the following:

Office of Administrative Management (9A19). Under the direction of the Executive Officer: (1) Assists and advises in the development, coordination, direction, and assessment of management activities throughout the Center and assures consideration of management implications in program decisions; (2) conducts the Center's activities in the areas of financial management, personnel management, management analysis, computer systems, engineering services, general services, grants management, procurement and materiel management, publications management, library, legislation reference, and other delegated authorities as may be assigned; (3) directly and/or through the individual staff offices of the Center, provides leadership, guidance, and evaluation of administrative management services performed for or by Bureaus, Institutes, and other components of the Center; (4) maintains liaison with officials of the Office of the Assistant Secretary for Health and the Office of the Secretary on management matters; (5) provides financial data and systems development in support of overall planning and budgeting systems; (6) participates in the development of the Center's goals and objectives.

(2) delete the statement for the *Procurement and Materiel Management Office (9A1909)* in its entirety and substitute the following:

Procurement and Grants Office (9A1909). (1) Advises the Director, CDC, and his staff, and provides leadership and direction for CDC procurement, grants, and materiel management activities; (2) plans and develops Centerwide policies, procedures, and practices in procurement, grants management, and materiel management areas;

(3) plans and directs the procurement of research and development, technical services, equipment and supplies, and the personal property, transportation, and warehousing operation; (4) executes, administers, and terminates negotiated and formal advertised contracts and purchase orders; (5) maintains a continuing review of Center-wide procurement, grants management, and materiel management operations to insure adherence to FPR, HEW, PHS, and CDC policies and standards; (6) maintains liaison with HEW, PHS, GSA, and other Federal agencies on procurement, grants, and materiel management policy, procedure and operating matters.

Under the heading entitled "NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH (9C00)":

(1) amend item 2 in the statement for the *Office of Administrative and Management Services (9C19)* to read as follows: (2) coordinates management activities in the areas of financial management, administrative services, grants, procurement, printing, and facilities.

(2) amend item 4 in the statement for the *Office of Extramural Coordination and Special Projects (9C24)* to read as follows: (4) conducts in-depth review of research, training, and demonstration grants applications by use of consultant expert panels, as appropriate.

Section 9-C *Order of Succession*, is hereby amended to delete the list of officials, and substitute the following list: (1) Deputy Director; (2) Assistant Director for Program; (3) Assistant Director for Operations; (4) Executive Officer.

Dated: May 17, 1976.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.76-15305 Filed 5-25-76;8:45 am]

PUBLIC HEALTH SERVICE; FOOD AND DRUG ADMINISTRATION

Statement of Organization, Functions, and Delegations of Authority

Part 6 (Food and Drug Administration) of the Statement of Organization, Functions, and Delegations of Authority of the Department of Health, Education, and Welfare (35 FR 3685-92, dated February 25, 1970, as amended) is amended in Section 6-B to reflect the reorganization of the Bureau of Veterinary Medicine.

* * * * *

(m) *Bureau of Veterinary Medicine* (6A12). Develops and recommends the veterinary medical policy of the Food and Drug Administration with respect to the safety and efficacy of animal drugs, feed additives, and devices. Evaluates, for animal safety and efficacy, proposed and marketed animal drugs and feed additives and marketed devices for animal use.

Coordinates the veterinary medical aspects of the FDA inspection and investigational programs and provides veterinary medical opinions in drug hearings and court cases.

Plans, directs, and evaluates FDA's surveillance and compliance programs relating to animal drugs, animal feeds, and other veterinary medical matters.

(m-1) *Office of the Director* (6A1201). Directs overall Bureau activities and coordinates and establishes Bureau policy in the areas of research, management, scientific evaluation, compliance, and surveillance

Directs systems for planning, programming, and budgeting and provides administrative, statistical, and informational support for the Bureau.

Approves new animal drug applications and feed additives.

(m-2) through (m-4) Reserved.

(m-5) *Division of Veterinary Medical Research* (6A1204). Conducts studies to aid in validating data supporting the safety and efficacy of animal drugs and feed additives.

Directs intermural and extramural research projects.

Develops methods for studying the pharmacokinetics and effects of drugs and feed additives in food animals.

Directs the development of experimental methods for inducing various disease conditions in animals; develops models for establishing safety and efficacy or toxicity of animal drugs and feed additives.

Conducts studies to evaluate the safety and efficacy of diagnostic agents and devices for animal use.

Conducts experiments on residues resulting from the use of animal drugs, feed additives, and adulterants, including the development and evaluation of methods for detecting such residues.

Conducts acute and chronic studies in domestic animals to evaluate the toxicity of food and feed contaminants or adulterants.

Develops actual evidence, based on animal experimentation, to support legal action under the Federal Food, Drug, and Cosmetic Act.

Maintains colonies of animals for experimental tests and studies.

(m-6) *Division of Drugs for Avian Species* (6A1207). Evaluates, for animal safety and efficacy, applications for new animal drugs and petitions for feed additives intended for use in avian species.

Reviews and determines the adequacy of information submitted for proposed use of investigational drugs and feed additives in avian species.

Determines the safety and efficacy of drugs and feed additives proposed for use in avian species, as that use relates to the safety of food from these species, and their effect on the environment.

Evaluates proposed labeling to assure that it clearly indicates the uses and limitations of the product and provides other required information.

Evaluates the manufacturing facilities and procedures described in the application to confirm that the manufacturing controls are adequate to ensure the identity, strength, quality, the purity of the product.

Recommends procedures to establish the safety and efficacy of drugs and feed additives for avian species and provides such information to investigators and manufacturers of the product.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives for avian species.

Participates in the development and implementation of regulations and policies pertaining to drugs and feed additives intended for use in avian species.

(m-7) *Division of Drugs for Ruminant Species* (6A1208). Evaluates, for animal safety and efficacy, applications for new animal drugs and petitions for feed additives intended for use in ruminant species.

Reviews and determines the adequacy of information submitted for proposed use of investigational drugs and feed additives in ruminant species.

Determines the safety and efficacy of drugs and feed additives proposed for use in ruminant species, as that use relates to the safety of food from these species, and their effect on the environment.

Evaluates proposed labeling to assure that it clearly indicates the uses and limitations of the product and provides other required information.

Evaluates the manufacturing facilities and procedures described in the application to confirm that the manufacturing controls are adequate to ensure the identity, strength, quality, and purity of the product.

Recommends procedures to establish the safety and efficacy of drugs and feed additives for ruminant species and provides such information to investigators and manufacturers of the product.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives for ruminant species.

Participates in the development and implementation of regulations and policies pertaining to drugs and feed additives intended for use in ruminant species.

(m-8) *Division of Drugs for Swine and Minor Species* (6A1209). Evaluates, for animal safety and efficacy, applications for new animal drugs and petitions for feed additives intended for use in swine and minor species.

Reviews and determines the adequacy of information submitted for proposed use of investigational drugs and feed additives in swine and minor species.

Determines the safety and efficacy of drugs and feed additives proposed for use in swine or minor species, as that use relates to the safety of food from these species, and their effect on the environment.

Evaluates proposed labeling to assure that it clearly indicates the uses and

limitations of the product and provides other required information.

Evaluates the manufacturing facilities and procedures described in the application to confirm that the manufacturing controls are adequate to ensure the identity, strength, quality, and purity of the product.

Recommends procedures to establish the safety and efficacy of drugs and feed additives for swine and minor species and provides such information to investigators and manufacturers of the product.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives for swine and minor species.

Participates in the development and implementation of regulations and policies pertaining to drugs and feed additives intended for use in swine and minor species.

(m-9) *Division of Drugs for Non-Food Animals* (6A1210). Evaluates, for animal safety and efficacy, applications for new animal drugs and petitions for feed additives intended for use in non-food species.

Reviews and determines the adequacy of information submitted for proposed use of investigational drugs and feed additives in non-food species.

Determines the effect on the environment of drugs and feed additives proposed for use in non-food species.

Evaluates proposed labeling to assure that it clearly indicates the uses and limitations of the product and provides other required information.

Evaluates the manufacturing facilities and procedures described in the application to confirm that the manufacturing controls are adequate to ensure the identity, strength, quality, and purity of the product.

Recommends procedures to establish the safety and efficacy of drugs and feed additives for non-food species and provides such information to investigators and manufacturers of the product.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives for non-food species.

Participates in the development and implementation of regulations and policies pertaining to drugs and feed additives intended for use in non-food species.

(m-10) *Division of Compliance* (6A1212). Recommends Bureau policy concerning FDA's regulatory responsibilities for all animal drugs, feeds, devices, and non-drug substances.

Develops and evaluates compliance and surveillance programs for regulated industries in animal drugs, feeds, feed additives, devices, and related areas.

Develops and reviews regulations and standards for good manufacturing practices in animal feed and drug industries.

Provides support and guidance to the Field/District Offices on legal actions and provides Headquarters support in case development, coordination, and contested case assistance.

Coordinates replies to routine inquires from consumers, State governments, and industry and answers to complicated veterinary medical questions after consultation with appropriate professionals.

Coordinates requests and activities pertaining to the Freedom of Information Act, Privacy Act, National Environmental Policy Act, and the Executive Order on Inflationary Impact Statements.

Reviews and evaluates antibiotic investigational and new animal drug applications for assay methodology pertaining to residue in edible products, bioavailability, and manufacturing controls; reviews and evaluates certifiable antibiotics for adherence to the certifiable antibiotic monograph regulations.

Coordinates the investigative and regulatory followup of all compliance programs, recalls, and drug residue reports.

Develops, reviews, and coordinates all FEDERAL REGISTER publications pertaining to Bureau functions.

Performs administrative document reviews to insure compliance with Agency policy and guidelines; advises on legal, regulatory, and administrative issues involving drugs, medicated feeds, feed additives, and other veterinary medical matters.

(m-11) *Division of Surveillance* (6A-1213). Evaluates the safety and efficacy of marketed animal drugs, medicated feeds, and devices and recommends action to correct deficiencies resulting from inadequate directions for use, warnings, and cautionary information.

Reviews and makes recommendations concerning label revisions, regulatory supplements, and withdrawal of approval of new animal drug applications.

Conducts continuing surveillance and veterinary medical evaluation of clinical experience and required reports.

Reviews establishment inspection reports, labeling, and other findings to determine whether animal drugs and devices are being marketed in accordance with the Federal Food, Drug, and Cosmetic Act and Agency policy and regulations.

Reviews and evaluates compliance and surveillance programs covering regulated industries in animal drugs, devices, and related areas.

Obtains and evaluates clinical and industry reports of adverse animal drug reactions and reviews consumer and veterinary practitioner complaints and reports.

Monitors and evaluates advertising and labeling to determine veracity of claims.

Provides medical and scientific advisory opinions on animal drugs and devices not covered by new animal drug applications.

Provides veterinary medical support for regulatory actions and obtains expert witnesses.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives.

(m-12) *Division of Animal Feeds* (6A1214). Reviews medicated feed applications to ascertain that feed composition, manufacturing procedures, labeling, and equipment meet specifications for approval of the use of the drug and comply with appropriate Agency regulations.

Reviews proposed drug premix, medicated, and pet feed labeling and regulations.

Recommends compliance programs involving the safety and labeling of animal feeds and provides medical and scientific support for regulatory actions.

Recommends and implements policies brought about by new information or programs related to animal feeds.

Evaluates the safety of animal feeds and feed ingredients and recommends programs concerning their adulteration and contamination.

Provides medical and scientific opinions on the toxic principles of contaminants of animal feeds for regulatory actions and compliance programs.

Makes recommendations toward the development of feed additive protocols and reviews feed additive data for safety.

Recommends, and may participate in, intramural and extramural research projects to be conducted or coordinated by the Division of Veterinary Medical Research to gain further information on drugs and feed additives.

Administers the drug residue information and monitoring programs.

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Dated: May 17, 1976.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.76-15304 Filed 5-25-76;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Interstate Land Sales Registration

GULF HARBORS WOODLANDS

[Docket No. N-76-543; OILSR No. 0-4584-09-1132, No. ED-76-9-IS]

Hearing

Notice is hereby given that: 1. Gulf Harbors Woodlands, Lindrick Corporation, its officers and agents, hereinafter referred to as "Respondent", being subject to the provisions of the Interstate Land Sales Full Disclosure Act (Pub. L. 90-448) (15 U.S.C. 1701 et seq.) received a Notice of Suspension dated April 30, 1976, which was sent to the developer pursuant to 15 U.S.C. 1706(b) and 24 CFR 1720.45(a) informing the developer that its amended Statement of Record

submitted for Lindrick Corporation and Gulf Harbors Woodlands, was not effective pursuant to the Act, and the regulations contained in 24 CFR Part 1710.

2. The Respondent filed an Answer dated May 17, 1976, in answer to the allegations of the Notice of Suspension dated April 30, 1976.

3. In said Answer the Respondent requested a hearing on the Suspension Order.

4. Therefore, pursuant to the provisions of 15 U.S.C. 1706(e) and 24 CFR 1720.165(b), *it is hereby ordered*, That a public hearing for the purpose of taking evidence on the propriety of the Suspension Order will be held before Judge James W. Mast, in Room 7146, Department of HUD, 451 7th Street, S.W., Washington, D.C., on June 2, 1976 at 2 p.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 May 28, 1976.

6. The Respondent is hereby notified that failure to appear at the above scheduled hearing shall be deemed a default, and the proceedings shall be determined against Respondent, the allegations of which shall be deemed to be true, and the Suspension Order shall be continued in effect.

This Notice shall be served upon the Respondent forthwith pursuant to 24 CFR 1720.440.

By the Secretary.

Dated: May 20, 1976.

JAMES W. MAST,
Administrative Law Judge.

[FR Doc.76-15374 Filed 5-25-76;8:45 am]

[Docket No. N-76-542 OILSR No. 0-3067-36-145]

PONDEROSA PINES

Hearing

Notice is hereby given that:

1. Ponderosa Pines, El Dorado Land Corporation, and James C. Manatt, President, authorized agent and officers, hereinafter referred to as "Respondent" being subject to the provisions of the Interstate Land Sales Full Disclosure Act (Pub. L. 90-448) (15 U.S.C. 1710 et seq.), received a Notice of Proceedings and Opportunity for Hearing issued February 24, 1976, which was sent to the developer pursuant to 15 U.S.C. 1706(d), 24 CFR 1710.45(b)(2) and 1720.125 informing the developer of information obtained by the Office of Interstate Land Sales Registration alleging that the Statement of Record and Property Report for Ponderosa Pines, and the El Dorado Land Corporation located in Otero County, New Mexico, contain untrue statements of material fact or omit to state material facts required to be stated herein or necessary to make the statements therein not misleading.

2. The Respondent filed an Answer received May 4, 1976, in response to the Notice of Proceedings and Opportunity for Hearing.

3. In said Answer the Respondent requested a hearing on the allegations contained in the Notice of Proceedings and Opportunity for Hearing.

4. Therefore, pursuant to the provisions of 15 U.S.C. 1706(d) and 24 CFR 1720.160(d), *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 Judge James W. Mast, in Room 7146, Department of HUD, 451 7th Street, SW., Washington, D.C., on June 25, 1976 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 June 3, 1976.

6. The Respondent is hereby notified that failure to appear at the above scheduled hearing shall be deemed a default and the proceedings 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 CFR 1710.45(b)(1).

The Notice shall be served upon the Respondent forthwith pursuant to 24 CFR 1720.440.

By the Secretary.

Dated: May 18, 1976.

JAMES W. MAST,
Administrative Law Judge.

[FR Doc.76-15375 Filed 5-25-76;8:45 am]

AMERICAN INDIAN POLICY REVIEW COMMISSION

HEARINGS CANCELLATION

Notice is hereby given pursuant to the provision of the Joint Resolution establishing the American Indian Policy Review Commission (Pub. L. 93-580), as amended, that hearings related to their proceedings previously scheduled on May 29 and 30 in Scottsdale, Arizona outside Phoenix have been cancelled. Despite the cancellation of the formal hearings, anyone wishing to submit written testimony to the Commission on the following subjects may do so.

1. The effectiveness of federal agencies in promoting economic development among the Indian people.

2. The alternatives to the present method of promoting development.

3. The problems of Indian development of resources.

4. The problems of state taxation of Indian resources.

5. Issues raised by the Alaskan Native Claims Settlement Act as regards Native development and control of their resources.

All testimony and additional documents for the record will be incorporated into the permanent records of the Commission. The Commission will submit recommendation for legislation to Congress on January 20, 1977.

Testimony should be sent to the American Indian Policy Review Commission, HOB Annex No. 2, 2nd and D Streets SW., Washington, D.C. 20515.

Dated: May 21, 1976.

KIRKE KICKINGBIRD,
General Counsel.

[FR Doc.76-15376 Filed 5-25-76;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket 26324 etc.; Order 76-5-92]

AIRLIFT INTERNATIONAL, INC.

United States-Latin America All-Cargo Service Investigation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 21st day of May, 1976.

Application of Airlift International, Inc., for amendment of its certificates of public convenience and necessity—Docket 26324.

Application of Airlift International, Inc., for an exemption pursuant to section 416(b) of the Federal Aviation Act of 1958, as amended—Docket 27994.

United States-Latin America All-Cargo Service Investigation—Docket 29295.

ORDER INSTITUTING INVESTIGATION

On June 23, 1975, Airlift International, Inc., for an exemption pursuant to ant to section 416(b) of the Federal Aviation Act of 1958, as amended (Act), for an exemption to conduct scheduled operations in foreign air transportation of property and mail between the coterminal points New York, Miami, Houston, and San Juan, on the one hand, and, Bogota and Cali, Colombia;[1] Quito and Guayaquil, Ecuador; Iquitos and Lima, Peru; and Santa Cruz, Bolivia, on the other hand (docket 27994). The carrier requests that the authority be made effective pending final decision on its certificate application in docket 26324.[2] Finally, Airlift requests that the Board set its certificate amendment application for hearing.

In support of its exemption application, Airlift alleges, *inter alia*, that: purely domestic all-cargo operations have never been profiitable;[3] Airlift has,

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[1] On Mar. 31, 1976, Airlift filed Amendment No. 1 to its exemption request, in which the carrier added Barranquilla to the list of Colombian points for which authority is being sought.

[2] In docket 26324 Airlift requests authority to provide service between Atlanta, Dallas, Detroit, Chicago, Houston, Los Angeles, Miami, New Orleans, New York, and San Juan, on the one hand, and a point or points in Argentina, Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, Haiti, Mexico, Nicaragua, Panama, Peru, and Venezuela, on the other.

[3] Airlift indicates that the basic problem with domestic all-cargo operations is that they are restricted by demand to only 5 days per week, so that Airlift must depend on non-scheduled services for weekend periods. However, such services are affected by the 2 percent rule, which limits the carrier to approximately 120,000 miles per year.

despite its lack of international authority, ssubstantially improved its economic posture over the past 3 fiscal years; however, with even more fuel price increases expected, Airlift will be unable to continue its financial recovery or even maintain its existing posture by further internal efficiencies and rate increases; the limited authority requested will provide additional needed high-yield utilization for its aircraft, increase domestic segment loads, and expedite the reinstitution of service at cities on its domestic system which are currently suspended; [4] there is currently little U.S.-flag all-cargo service to Central and South America and none to the points for which temporary authority is sought; the Central and South American air cargo markets have reached or are reaching a level of maturity comparable to that which existed at the time of initial certification of U.S.-flag all-cargo service in the other two international areas now served by U.S. all-cargo carriers; and there woud be a distinct improvement in air service to shippers in the affected areas with no significant adverse impact upon any other carrier.

In support of its motion for hearing of its certificate application, Airlift states that delay of action on its application has had and continues to have a serious adverse impact on a substantial segment of the shipping public; that delay will also have the effect of denying to a certificated carrier a source of financial strengthening which is immediately available to it and which could be granted without adverse effect on any other carrier; that the last examination of the all-cargo service needs of Central and South America was the *Airlift-ASA Acquisition/ASA Renewal Case*, which was decided by the Board in 1968 and which had as its primary focus the financial posture of the two carriers; that by contrast, the all-cargo service needs of the Pacific area were resolved in 1968, with awards which met with instantaneous, unqualified success; and that since there are three distinct market areas and three all-cargo carriers, it would appear reasonable to put Airlift on a par with the other two all-cargo carriers by permitting it to enter the only remaining major geographical area not receiving U.S.-flag scheduled all-cargo service.

The City of Houston and the Houston Chamber of Commerce filed an answer supporting the exemption and certificate requests. Answers in opposition to the exemption request and motion for hearing of Airlift's certificate application were filed by Pan American World Airways, Braniff Airways, and Trans International Airlines and World Airways (combined answer). Eastern Air Lines filed an answer in opposition to the request for hearing. The opposing carriers contend that there is no statutory basis for grant of the requested exemption authority; that Airlift has failed to demonstrate that there is any real need for the proposed services; and that Airlift has provided no valid justification for hearing of its certificate application. Pan American further states that the exemption sought would change the character of Airlift's system and nearly double the number of points served by that carrier; that since the result of Airlift's proposed operations would be losses for all carriers providing services in today's declining cargo market, grant of Airlift's application wou'd not be in the public interest; and that Airlift's forecasts are unduly optimistic.

Airlift filed a reply to the answers, stating that newly available 1974 Department of Commerce data indicate that air cargo between the United States and the countries to which it seeks to provide service has grown at an even faster pace than in prior years, and therefore its forecasts are probably understated.

Upon consideration of the various pleadings and of all relevant facts, we have decided to (1) deny Airlift's application for an exemption, and (2) institute an investigation to consider whether the public convenience and necessity require the amendment of the certificates of one or more U.S. carriers so as to permit direct all-cargo service between Miami, Houston, and San Juan, on the one hand, and Mexico City, Mexico; Managua, Nicaragua; Port-au-Prince, Haiti; Santo Domingo, Dominican Republic; Bogota, Colombia; Caracas, Venezuela; Guayaquil and Quito, Ecuador; Rio de Janeiro and Sao Paulo, Brazil; and Buenos Aires, Argentina, on the other hand.[5]

The issue of all-cargo service between the United States and Latin America has not been considered in a formal evidentiary hearing since 1968, and, as pointed out by Airlift, the emphasis in the *Airlift-ASA Acquisition and Renewal Case* was the financial condition of ASA and Airlift at the time of the proposed acquisition. The Board in the *U.S.-Caribbean-South American Service Investigation* specifically excluded the issue of all-cargo service in that area. Thus, the all-cargo needs of the Caribbean and Central and South America have not been investigated in a number of years, and therefore the area is ripe for analysis of the potential cargo-generating ability of the countries involved and the need for certification of U.S.-flag all-cargo service to meet the specialized requirements of the shipping public.

The basis for our determination that a hearing is warranted in this case lies also in the tremendous growth which has taken place in air cargo exchanged with Latin American countries during the past several years. Overall, imports and exports transported by air between the United States and the countries involved herein increased at an average annual rate of 25.6 percent between 1971 and 1974, compared with an average rate of 10 percent for the Pacific and the Atlantic. Three of the nine countries—Mexico, Colombia, and Ecuador—receive no U.S.-flag all-cargo service, and foreign-flag carriers provide the bulk of service, both combination and all-cargo, in a large majority of the markets herein. Under all of these circumstances, we find that an investigation in this area is warranted, and that Airlift's certificate application in docket 26324 should be consolidated therein.

With regard to Airlift's exemption application, we are of the view that the carrier's request is too complex for informal processing and requires the benefit of a formal evidentiary record. The application raises several complex and controversial issues which cannot be determined on the basis of the limited evidence now before us. Furthermore, grant of Airlift's exemption request would have the effect of doubling its route system. Airlift has not shown that enforcement of the provisions of the Act, insofar as they would preclude the operations it proposes, would be an undue burden on it by reason of the limited extent of, or unusual circumstances affecting, its operations, and would not be in the public interest.

Finally, Airlift has not submitted sufficient information for us to determine the environmental consequences of its certificate amendment application at this time. Therefore, we will require the carrier to file the information set forth in Part 312 of the Board's Procedural Regulations. In view of the relatively complex nature of Airlift's request, we will allow Airlift and all other carriers filing applications in this proceeding 60 days from the service date of this order to file their environmental evaluations.

Accordingly, *it is ordered*, That:

1. A proceeding to be known as the United States-Latin America All-Cargo Service Investigation, docket 29295, be and it hereby is instituted and shall be set down for hearing before an Administrative Law Judge of the Board at a time and place hereinafter designated, as the orderly administration of the Board's docket permits;

[4] Airlift is presently suspended at Boston, Tampa, West Palm Beach, New Orleans, Hartford-Springfield, and St. Louis, on route 120, and at St. Thomas on route 109. Indianapolis service was reinstituted on October 20, 1975, and Orlando service was reinstituted on July 1, 1975. Airlift serves Philadelphia by trunk through New York.

[5] In order to limit the scope of the proceeding instituted herein, we have restricted the domestic coterminals to Miami, Houston, and San Juan, since they are the southernmost points of entry and departure of air freight on Airlift's system between the United States and South America. Also, it is logical to assume that an all-cargo carrier would consolidate shipments at those points rather than provide direct service to numerous interior points. Further, we have selected only those countries listed in Airlift's application which exchanged at least 20 million pounds of freight with the United States in 1974. Finally, we have designated specific points in each country, since the certificates of carriers presently serving South America are in this form. The points listed are major hubs in the respective countries.

2. The proceeding instituted in paragraph 1, above, shall include consideration of the following issues:

a. Do the public convenience and necessity require, and should the Board authorize, the certification of an air carrier or air carriers to engage in foreign air transportation of property and mail between the coterminal points Miami, Fla., Houston, Tex., and San Juan, P.R., on the one hand, and Mexico City, Mexico; Managua, Nicaragua; Port-au-Prince, Haiti; Santo Domingo, Dominican Republic; Bogota, Colombia; Caracas, Venezuela; Guayaquil and Quito, Ecuador; Rio de Janeiro and Sao Paulo, Brazil; and Buenos Aires, Argentina, on the other hand?

b. If the answer to (a) is in the affirmative, (i) which air carrier(s) should be authorized to engage in such service, and (ii) what conditions, if any, should be placed on the operations of such carrier(s)?

3. The motion of Airlift International, Inc., for hearing of its application in docket 26324 be and it hereby is granted;

4. The application of Airlift International, Inc., in docket 27994 be and it hereby is denied;

5. Insofar as it conforms to the scope of this proceeding, the application of Airlift International in docket 26324 be and it hereby is consolidated with the proceeding instituted in paragraph 1, above, and to the extent not consolidated, the foregoing application be and it hereby is dismissed without prejudice;

6. Applications, motions to consolidate, and petitions for reconsideration of this order shall be filed 20 days from the service date of this order, and answers thereto shall be filed 10 days thereafter;

7. Airlift International and all other carriers filing applications in this proceeding shall file an environmental evaluation pursuant to section 312.12 of the Board's Procedural Regulations within 60 days of this order; [6] and

8. A copy of this order shall be served upon persons listed in Airlift's certificate of service in docket 26324 and the following: The Departments of State, Interior, Transportation, Commerce, and Housing and Urban Development; the National Aeronautics and Space Administration; the Federal Aviation Administration; the General Services Administration; and the Environmental Protection Agency.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.76-15352 Filed 5-25-76;8:45 am]

[6] To the extent the above-established procedure does not comply with Part 312 of the Board's Procedural Regulations, we hereby waive the requirement of Part 312 that applications contain an environmental evaluation for those carriers requesting consolidation with this proceeding.

[Docket 29055; Order 76-5-99]

FRONTIER AIRLINES, INC.

Deletion of Intermediate Routes

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 21st day of May, 1976.

Application of Frontier Airlines, Inc., for amendment of its certificate of public convenience and necessity for route 73 so as to delete Borger, Tex., and St. Joseph, Mo., therefrom—Docket 29055.

This decision does not constitute a major Federal action significantly affecting the quality of the human environment (see n. 4).

ORDER TO SHOW CAUSE

By application filed on March 29, 1976, in docket 29055, Frontier Airlines, Inc., has requested amendment of its certificate of public convenience and necessity for route 73 so as to delete therefrom the intermediate points Borger, Tex., and St. Joseph, Mo. Concurrently, Frontier filed a petition requesting that the deletion be accomplished by show-cause procedures and that the exemption authority granted by order 74-6-7, which authorizes Frontier to serve Borger through Amarillo Air Terminal, be extended until final Board determination on its deletion request.[1]

By order E-5322, dated April 24, 1951, the Board granted Central Airlines temporary exemption authority to serve Borger, Tex. Central inaugurated service on May 15, 1951. Subsequently, Borger was certificated on Central's route 81 in the *Central Renewal Proceeding*, 16 C.A.B. 843 (195). As a result of Frontier's merger with Central, Borger became a point on Frontier's route in 1967. Despite the fact that Frontier's service to Borger remained constant and equipment was upgraded, poor traffic response and uneconomic operations forced Frontier in January 1970 to seek authority to serve Borger, as a hyphenated point with Amarillo, through the Amarillo Air Terminal. By order 70-5-121, May 26, 1970, the Board granted Frontier's request for exemption authority for a period of 2 years.[2] Subsequently on December 14, 1972, Frontier received a copy of a letter written to the Board by the manager of the Hutchinson County Airport serving Borger. The manager indicated that it was the desire of the City of Borger to be deleted from Frontier's certificate, rather than being served as a hyphenated point through Amarillo. Consequently, Frontier requested in its route realignment case that Borger be deleted. However, the Board concluded that matters of deletion were outside the general purview of a route realignment and that they should be dealt with by separate applications to amend Frontier's certificate (order 75-7-5, p. 13).

St. Joseph, Mo., on the other hand, was initially certificated in 1959 on Frontier's route 73 in the *Seven States Area Investigation*, 28 C.A.B. 680 (1958). Frontier inaugurated service on March 1, 1959. Due primarily to St. Joseph's proximity to Kansas City and the much greater airline frequency available at the latter point, poor traffic response forced Frontier in January 1970 to seek permission to serve St. Joseph through the Kansas City Airport. By order 70-4-22, April 7, 1970, the Board granted Frontier's request noting that Frontier could better serve its passengers by concentrating its efforts at one airport. Since the issuance of order 70-4-22, Frontier and all other certificated carriers have moved their operations from Kansas City Municipal Airport (51 miles from St. Joseph) to Kansas City International Airport (30 miles and 40 minutes) driving time from St. Joseph via Interstate 29). This move has substantially improved the accessibility of St. Joseph passengers to Kansas City air services. Frontier likewise requested the deletion of St. Joseph in its route realignment case. As in the case of Borger, the Board concluded that the matter should be dealt with by a separate certificate amendment application.

In support of its requests, Frontier alleges that it has served Borger through Amarillo and St. Joseph through Kansas City for over 6 years; that, as a result, the public has received improved service, the Government's subsidy payments have been reduced, and Frontier has benefited from improved operational ability; and that the same conditions which warranted approval of authority to serve Borger and St. Joseph through nearby airports dictate that they should now be deleted from Frontier's certificate. The carrier alleges further, with regard to St. Joseph, that the move of Frontier's operations from Kansas City Municipal Airport to Kansas City International Airport has substantially improved the accessibility of St. Joseph passengers to Kansas City services and further augments the diseconomy of serving St. Joseph as a separate point. Finally, Frontier submits that since neither Borger nor St. Joseph objected to deletion in Frontier's route realignment proceeding, approval of its motion for a show-cause order is in the public interest.

No answers to Frontier's request have been received.

Upon consideration of the foregoing and all the relevant facts, we have decided to issue an order to show cause why the requested deletion of St. Joseph and Borger should not be granted. Accordingly, we tentatively find and conclude that the public convenience and necessity require the amendment of Frontier's certificate for route 73 so as

[1] The carrier has invoked the automatic extension provisions of 5 U.S.C. 558(c) so as to continue the authority granted by order 74-6-7 beyond May 26, 1976, its present termination date.

[2] This authority was subsequently renewed by order 72-4-130, Apr. 25, 1972, and order 74-6-7, June 3, 1974.

to delete Borger, Tex., and St. Joseph, Mo.[3]

In support of our ultimate conclusion, we make the following tentative findings and conclusions. Borger is only 45 miles and 60 minutes' driving time from Amarillo, and St. Joseph is only 30 miles and 40 minutes' driving time from Kansas City International Airport over interstate highways. Thus, both communities receive a multitude of schedules through reasonably convenient air service hubs. Moreover, both Borger and St. Joseph were low traffic-generating points on Frontier's system prior to being served through Amarillo and Kansas City, averaging only 2.16 and 1.36 passengers per departure, respectively, during the last 4 years of Frontier's service. Thus, if Frontier were required to reinstate service at the points, it would incur substantial startup costs and a subsidy need wholly disproportionate to the needs of the traveling public. Moreover, Frontier can continue to better serve its passengers by concentrating its manpower and facilities at Kansas City and Amarillo. No other carrier is certificated to serve these points, and the proposed action herein is simply a technical matter of conforming Frontier's certificate to conditions as they actually exist today. Finally, the absence of civic opposition to Frontier's request lends support to our decision that the show-cause procedure is appropriate.[4]

Interested persons will be given 30 days following the date of service of this order to show cause why the tentative findings and conclusions set forth herein should not be made final. We expect such persons to support their objections, if any, with detailed answers, specifically setting forth the tentative findings and conclusions to which objection is taken. Such objections should be accompanied by arguments of fact or law and should be supported by legal precedent or detailed economic analysis. If any evidentiary hearing is requested, the objector should state in detail why such a hearing is considered necessary and what relevant and material facts he would expect to establish through such a hearing that cannot be established in written pleadings. General, vague, or unsupported objections will not be entertained.

Accordingly, *it is ordered*, That: 1. All interested persons are directed to show cause why the Board should not issue an order making final the tentative findings and conclusions stated herein and amending the certificate of public convenience and necessity of Frontier Airlines, Inc., for route 73 so as to delete Borger, Tex., and St. Joseph, Mo., therefrom;

2. Any interested person having objections to the issuance of an order making final any of the proposed findings, conclusions, or certificate amendments set forth herein shall, within 30 days after the date of service of this order, file with the Board and serve upon all persons listed in paragraph 6, below, a statement of objections together with a summary of testimony, statistical data, and other evidence expected to be relied upon to support the stated objections; answers to objections shall be due 10 days thereafter; [5]

3. If timely and properly supported objections are filed, full consideration will be accorded the matters and issues raised by the objections before further action is taken by the Board;

4. In the event no objections are filed, all further procedural steps will be deemed to have been waived, and the Board may proceed to enter an order in accordance with the tentative findings and conclusions set forth herein;

5. The request of Frontier Airlines, Inc., for a waiver of the requirement of Part 312 that it file an environmental evaluation be and it hereby is granted; and

6. A copy of this order shall be served upon Frontier Airlines, Inc.; Mayors, Cities of Borger and St. Joseph; Governors, States of Missouri and Texas; Texas Aeronautics Commission; Director, Division of Aviation, Missouri Department of Transportation; Manager, Hutchinson County Airport; Manager, Rosecrans Field; and the Postmaster General.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.76-15351 Filed 5-25-76;8:45 am]

[3] We also tentatively find that Frontier is fit, willing, and able properly to perform the air transportation authorized by the certificate proposed to be issued herein and to conform to the provisions of the Act and the Board's rules, regulations, and requirements thereunder.

[4] We further tentatively find and conclude that our action herein does not constitute a major Federal action significantly affecting the quality of the environment within the meaning of the National Environmental Policy Act of 1969. Inasmuch as Frontier has no flight operations at Borger and St. Joseph at this time, the ultimate deletion of Frontier at Borger and St. Joseph will maintain the *status quo*, and, therefore, the requirement that Frontier file an environmental evaluation in accordance with Sec. 312.12 will be waived.

[5] All motions and/or petitions for reconsideration shall be filed within the period allowed for filing objections, and no further such motions, requests, or petitions for reconsideration of this order will be entertained.

[Order 76-5-95; Docket 27813; Agreement C.A.B. 25570; R-1 through R-4, R-6 through R-12, R-15, R-16, R-18, R-19, R-23, R-25, R-31 through R-34, R-36; Agreement C.A.B. 25711, R-1 through R-19; Agreement C.A.B. 25761, R-1 and R-2; Agreement C.A.B. 25768, R-1 and R-2; Agreement C.A.B. 25779, R-1 through R-3]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Passenger Fares

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 21st day of May, 1976.

Agreements have been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers, and other carriers embodied in the resolutions of the Traffic Conferences of the International Air Transport Association (IATA). The agreements, adopted either at the 1975 Cannes Composite Passenger Traffic Conference, the February 1976 San Diego reconvened Passenger Traffic Conference, a March 1976 New York Resolution 015 Meeting, or by mail vote, have been assigned the above C.A.B. agreement numbers.

Insofar as transportation to and from the United States and its territories is concerned, Agreements C.A.B. 25570 and C.A.B. 25711 would establish new fare structures over the South Pacific and to/from Guam and American Samoa through March 31, 1977.[1] On the South Pacific, first-class and promotional fares would generally be increased approximately ten percent, and normal economy fares would be increased approximately seven percent. Group inclusive-tour (GIT) fares to/from Tahiti and New Caledonia would be increased by only five percent. Normal first-and economy-class fares to/from American Samoa would be increased in amounts ranging from 8 to 12 percent, and promotional fares in amounts ranging from 8 to 13 percent. Normal fares to/from Guam would generally be increased 8 percent and promotional fares 11 percent. Additionally, the agreements would simplify and standardize the payment and ticketing procedures relating to certain intra-Pacific and South Pacific GIT fares, introduce new Guam-Jakarta normal and excursion fares, and adjust South and North/Central Pacific proportional fares to reflect recent U.S. domestic-fare increases.

In response to Order 76-3-4, March 1, 1976, Pan American World Airways, Inc. (Pan American), the only U.S.-flag carrier providing South Pacific service, has submitted justification for the South Pacific agreement. No other comments have been received. The carrier states that the proposed agreement will provide $2.5 million in additional revenue, 3.6 percent above that otherwise forecast for the year ending March 1977.[2] Pan

[1] Order 76-3-120, March 17, 1976, disposed of Agreement C.A.B. 25570 insofar as it related to traffic wholly between foreign points.

[2] Pan American states that its forecast includes U.S.-Pago Pago and military Category A and Z traffic, neither of which is affected by the agreement. For this reason, the actual impact will be less than the amount of the increase. Elasticity of demand is also alleged to be an important factor in its forecast of revenue improvement. However, we are unable to accept Pan American's elasticity argument. We note that fare increases are but one of many factors affecting traffic growth and would expect that a fare increase would actually depress the volume of traffic only when it exceeds the general inflation in all consumer prices, considering also the impact of changes in disposable income. International operations invariably include traffic originating at foreign points where the above considerations and their impact are not so easily reviewed as is the case in domestic transportation. Accordingly, we have eliminated the elasticity factor from Pan American's forecast.

American has provided a financial statement of historical results in South Pacific scheduled passenger service for calendar year 1975, and forecasts of results for the year ending March 1977 under both present and proposed fares. The carrier states that it experienced an operating loss of $3.7 million and a return on investment (ROI) of −2.54 percent during the historical period; that it anticipates an operating loss of $3.4 million and an ROI of −1.73 percent in the forecast year under present fares, and an operating loss of $ 9 million and an ROI of 1.17 percent under the proposed forces. These results are based upon load factors of 43.84 percent during the historical period, 40.59 during the forecast period at present fares, and 38.98 percent forecast at proposed fares.

In response to the Board's expressed concern over continuation of certain promotional fares at discounts from normal economy fares in excess of fifty percent, Pan American contends that the agreement would, except in the case of a few GIT and affinity-group fares, set promotional fares at discounts which will not exceed fifty percent. The carrier also maintains that this agreement is considered to be an interim measure, since the carriers have agreed to meet again to restructure South Pacific fare relationships for the fall of 1976, and that it expects the results of that meeting will resolve the Board's concerns.

Upon full consideration of Pan American's economic justification, and other relevant matters, the Board has decided to approve the agreement in light of the carrier's evident need for additional revenue.[2] While Pan American forecasts a growth in traffic of 12.3 percent under present fares, this forecast is reduced to 7.9 percent under the proposed fares due to the elasticity factor it applies. However, this traffic growth is more than offset by a forecast increase of 21.3 percent in capacity, stemming from greater use of B–747 aircraft and introduction of 747SP aircraft. As a result, a load factor of 40.59 percent is postulated if present fares are continued, and 38.98 percent under the proposed fares. These low forecast load factors, together with the carrier's disappointing historical load factor of 43.84 percent, strongly suggest that Pan American should reassess the planned allocation of its capacity. In any event, for purposes of evaluating the agreement, we have adjusted Pan American's forecast traffic to reflect its historical load factor (see Appendix). The adjusted figures indicate that, for the forecast period, the carrier would achieve an ROI of 1.92 percent under present fares, and 7.30 percent under the proposed fares—well under the Board's 12 percent guideline.

As previously indicated, the Board is not persuaded that load factors in the range of 45 percent reflect efficient operations over the longer term.[4] Pan American postulates load factors ranging from 39 percent to 41 percent under differing fare assumptions, well below its most recent historical load factor of 43.8 percent. At the time the 1975 IATA agreement was before us, its experienced load factor was 46.3 percent. Thus we see a continuing decline in passenger load factor from 46.3 percent in 1974 to 43.8 percent in 1975, and to a projected 39 percent to 41 percent for 1976 even though Pan American is the only U.S. carrier operating on the South Pacific route, and notwithstanding that it anticipates traffic growth in the upcoming year.

The projected decline in load factor stems in part from Pan-American's decision to replace narrow-body aircraft with wide-body B–747's, which have a lower break-even load factor. We recognize that Pan American does not appear to be operating excess frequencies and that competition, as well as considerations of long-run, operational efficiencies, may justify the equipment which Pan American has chosen to use in this market. However, while we will approve the instant agreement on the basis of the carrier's revenue need, the Board is not prepared to approve future increases in normal passenger fares in this or in any other worldwide market based on unduly low-seat occupancy factors. Rather, we will expect revenue needs to be met through higher load factors and we will evaluate future fare agreements most carefully to insure that passengers are not burdened by the costs of excessive unoccupied seats.

Although the agreement appears to narrow somewhat the spread between the level of normal economy fares and of promotional fares, a number of group fares to/from Honolulu are still discounted in excess of 50 percent. Furthermore, the same relationships which prompted our recent disapproval of normal economy fares over the North Atlantic in Order 76–4–175, April 30, 1976, prevail over the South Pacific as well. Nevertheless we will approve the agreement for its one-year term because of Pan American's obvious revenue need in this area. The carrier is in the midst of a transition in equipment used to service this route and the Board has not previously focused publicly and specifically on the level of economy fares and their relationship to other fares in this market as it has in the North Atlantic. However, we again emphasize that we will not approve future IATA agreements which burden normal fare passengers because of excessively discounted promotional fares and/or unduly low load factors.

The Board, acting pursuant to the Federal Aviation Act of 1958, and particularly Sections 102, 204(a) and 412 thereof, makes the following findings:

1. It is not found that the following resolutions, incorporated in the agreements indicated, are adverse to the public interest or in violation of the Act provided approval is subject, where applicable, to conditions previously imposed or imposed herein by the Board:

[2] The Board will approve the increases proposed in fares to/from Guam and American Samoa and will likewise approve the other agreements as outlined earlier in the text.

[4] Order 75–7–80, July 17, 1975.

Agreement CAB	IATA No.	Title	Application
25711:			
R–1	001b	South Pacific Special Effectiveness Resolution	3/1
R–2	001f	Special Emergency Escape for JT31 (South Pacific) Agreement (revalidating and amending).	3/1
R–3	002	Standard Revalidation Resolution	[1] 3/1
R–4	015a	South Pacific Proportional Fares North America (revalidating and amending).	3/1
R–5	022g	JT31 (South Pacific) Special Rules for Sales of Passenger Air Transportation (revalidating and amending).	3/1
R–6	022t	do	3/1
R–7	023a	Rounding-off Passenger Fares (amending). Provided that, with respect to rounding-off U.S. dollar fares under Resolution 023a, such rounding shall be accomplished by dropping amounts less than 50c and increasing amounts of 50c or more. Round-trip fares in U.S. currency shall not exceed twice the 1-way fare.	[1] 3/1
R–8	056a	South Pacific 1st-Class Fares	3/1
R–9	066a	South Pacific Economy-Class Fares	3/1
R–10	070b	South Pacific 28-Day Excursion Fares (revalidating and amending)	3/1
R–12	079p	South Pacific 23- and 30-Day Excursion Fares (revalidating and amending)	3/1
R–13	071j	JT31 Advance-Purchase Excursion Fares, South Pacific (revalidating and amending).	3/1
R–15	076u	JT31 South Pacific Affinity/Own-Use Incentive Group Fares (revalidating and amending).	3/1
R–16	080d	South Pacific 23-Day Individual Inclusive-Tour Fares (revalidating and amending).	3/1
R–17	080m	South Pacific 35-Day Individual Inclusive-Tour Fares (revalidating and amending).	3/1
R–19	084dd	JT31 South Pacific Group Inclusive-Tour Fares (revalidating and amending).	3/1

[1] South Pacific.

Agreement CAB	IATA resolution	Application
25761:		
R–1	300 (Mail 14) 084kk	3
R–2	300 (Mail 14) 084z	3

Agreement CAB	IATA No.	Title	Application
25768:			
R-1	015a	North American Proportional Fares, South Pacific (amending)	3/1
R-2	015b	North American Proportional Fares, North/Central Pacific (amending)	3/1

Agreement CAB	IATA resolution	Application
25779:		
R-1	300 (Mail 17) 053	3
R-2	300 (Mail 17) 063	3
R-3	300 (Mail 17) 070a	3

2. It is not found that the following resolutions, incorporated in Agreement C.A.B. 25570 as indicated, are adverse to the public interest or in violation of the Act insofar as they would apply in air transportation to/from American Samoa and Guam, provided that approval is subject, where applicable, to conditions previously imposed by the Board:

Agreement CAB	IATA No.	Title	Application
15570:			
R-1	001b	TC 3 Special Effectiveness Resolution (tie-in)	3
R-2	002	Standard Revalidation Resolution	3
R-3	004d	Restriction of Applicability-Papua New Guinea (revalidating and amending).	3
R-4	004f	Restriction of Application for Travel Solely Between Australia/Papua New Guinea and New Zealand (revalidating and amending).	3
R-6	014a	Construction Rule for Passenger Fares (revalidating and amending)	3
R-7	014t	Special TC3 Construction Rule, Australia/Papua New Guinea/New Zealand (revalidating and amending).	3
R-8	022e	TC3 Special Rules for Sales of Passenger Air Transportation (revalidating and amending).	3
R-9	022n	TC3 Special Rules for Sales of Passenger Air Transportation (revalidating and amending).	3
R-10	053	TC3 1st-Class Fares	3
R-11	063	TC3 Economy-Class Fares	3
R-12	070a	TC3 Excursion Fares (revalidating and amending)	3
R-15	071L	TC3 Australia-Fiji Advance-Purchase Excursion Fares (new)	3
R-16	072a	TC3 Special Round- and Circle-Trip Excursion Fares within the South West Pacific (revalidating and amending).	3
R-18	075f	Public Group Fares, Australia-Fiji (new)	3
R-19	076e	TC3 Affinity-Group Travel (revalidating and amending)	3
R-23	077f	TC3 Individual Fares for Ships' Crews (revalidating and amending)	3
R-25	080e	TC3 Individual Inclusive-Tour Fares (revalidating and amending)	3
R-31	084kk	TC3 Group Inclusive-Tour Fares, Asia/South West Pacific (revalidating and amending).	3
R-32	084L	TC3 28- and 35-Day Group Inclusive-Tour Fares (revalidating and amending).	3
R-33	084u	Group Inclusive-Tour Fares, Australia-Fiji (new)	3
R-34	084z	TC3 Group Inclusive-Tour Fares, South West Pacific (revalidating and amending).	3
R-36	102a	Passenger Expenses en route, TC3 Filing Procedure (new)	3

3. It is not found that the following resolutions, incorporated in the agreements as indicated and which have indirect application in air transportation as defined by the Act, are adverse to the public interest or in violation of the Act:

Agreement CAB	IATA No.	Title	Application
25711:			
R-11	070dd	South Pacific 45-Day Excursion Fares, via Papeete (revalidating and amending).	3/1
R-14	076s	JT31 South Pacific Group Fares (revalidating and amending)	3/1
R-18	084d	JT31 South Pacific Group Inclusive-Tour Fares (revalidating and amending).	

Accordingly, it is ordered, That: 1. Those portions of Agreements C.A.B. 25570, C.A.B. 25711, C.A.B. 25761, C.A.B. 25768, and C.A.B. 25779 set forth in finding paragraphs one, two and three above be and hereby are approved subject to conditions previously imposed, where applicable, or imposed herein by the Board;

2. The carriers are hereby authorized to file tariffs implementing the approved agreements on not less than one day's notice for effectiveness not earlier than June 1, 1976. The authority granted in this paragraph expires June 31, 1976; and

3. Tariffs implementing the approved agreements shall be marked to expire March 31, 1977.[5]

[5] Dissenting statements filed as part of the original document.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.76-15354 Filed 5-25-76;8:45 am]

[Order 76-5-91; Docket 27573; Agreement C.A.B. 25850]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Commodity Rates

Issued under delegated authority May 20, 1976.

An agreement has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers, and other carriers embodied in the resolutions of the Joint Traffic Conferences of the International Air Transport Association (IATA), and adopted pursuant to the provisions of Resolution 590 dealing with specific commodity rates.

The agreement names an additional specific commodity rate as set forth below, reflecting reductions from general cargo rates, and was adopted pursuant to unprotested notices to the carriers and promulgated in IATA letter dated May 12, 1976.

Specific commodity item No.	*Description and rate*
9089	Empty gelatine capsules for medicine 225c/kg, minimum weight 500 kgs, from Bombay to New York.

Pursuant to authority duly delegated by the Board in the Board's Regulations, 14 CFR 385.14, it is not found that the subject agreement is adverse to the public interest or in violation of the Act, provided that approval is subject to the conditions hereinafter ordered.

Accordingly, *it is ordered* That: Agreement C.A.B. 25850 is approved, provided that approval shall not constitute approval of the specific commodity description contained therein for purposes of tariff publications; provided further that tariff filings shall be marked to become effective on not less than 30 days' notice from the date of filing.

Persons entitled to petition the Board for review of this order, pursuant to the Board's Regulations, 14 CFR 385.50, may file such petitions within ten days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

JAMES L. DEEGAN,
Chief Passenger and Cargo Rates Division, Bureau of Economics.

PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.76-15353 Filed 5-25-76;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[FRL 549-5; OPP-50156]

CHEVRON CHEMICAL CO.

Issuance of Experimental Use Permit

Pursuant to section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), an experimental use permit has been issued to Chevron Chemical Company, Richmond, California 94804. Such permit is in accordance with, and subject to, the provisions of 40 CFR Part 172; Part 172, was published in the FEDERAL REGISTER on April 30, 1975 (40 FR 18780), and defines EPA pro-

cedures with respect to the use of pesticides for experimental purposes.

This experimental use permit (No. 239-EUP-61) allows the use of 146.5 pounds of the insecticide Acephate (O,S-dimethyl acetylphosphoramidothioate) for household spot treatments (not while food is exposed) to evaluate control of American and German cockroaches. The program is authorized only in the States of Alabama, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Iowa, Kansas, Massachusetts, Mississippi, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Washington. The experimental use permit is effective from April 16, 1976, to April 16, 1977.

Interested parties wishing to review the experimental use permit are referred to Room E-315, Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M St., S.W., Washington, D.C. 20460. It is suggested that such interested persons call 202/755-4851 before visiting the EPA Headquarters Office, so that the appropriate permit may be made conveniently available for review purposes. These files will be available for inspection from 8:30 a.m. to 4:00 p.m. Monday through Friday.

Dated: May 20, 1976.

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

[FR Doc.76-15263 Filed 5-25-76;8:45 am]

[FRL 549-1; OPP-50153]

ELANCO PRODUCTS CO.

Issuance of Experimental Use Permit

Pursuant to section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), an experimental use permit has been issued to Elanco Products Company, Indianapolis, Indiana 46206. Such permit is in accordance with, and subject to, the provisions of 40 CFR Part 172; Part 172 was published in the FEDERAL REGISTER on April 30, 1975 (40 FR 18780), and defines EPA procedures with respect to the use of pesticides for experimental purposes.

This experimental use permit (No. 1471-EUP-55) allows the use of 15 pounds of the fungicide α-(2-chlorophenyl)-α-(4-chlorophenyl)-5 - pyrimidinemethanol on grapes to evaluate control of powdery mildew. A total of 30 acres is involved; the program is authorized only in the State of California. The experimental use permit is effective from April 16, 1976, to April 16, 1977. Any crops treated under this permit will be destroyed or used for research purposes only.

Interested parties wishing to review the experimental use permit are referred to Room E-315, Registration Division (WH-567), Office of Pesticide Programs, Environmental Protection Agency, 401 M St. SW., Washington, D.C. 20460. It is suggested that such interested persons call 202/755-4851 before visiting the EPA Headquarters Office, so that the appropriate permit may be made conveniently available for review purposes. These files will be available for inspection from 8:30 a.m. to 4:00 p.m. Monday through Friday.

Dated: May 20, 1976.

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

[FR Doc.76-15260 Filed 5-25-76;8:45 am]

[FRL 549-2; OPP-50154]

FOREST SERVICE

Issuance of Experimental Use Permit

Pursuant to section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), experimental use permit has been issued to the U.S. Forest Service of the U.S. Department of Agriculture, Washington, D.C. 20250. Such permit is in accordance with, and subject to, the provisions of 40 CFR Part 172; Part 172 was published in the FEDERAL REGISTER on April 30, 1975 (40 FR 18780), and defines EPA procedures with respect to the use of pesticides for experimental purposes.

This experimental use permit (No. 27586-EUP-15) allows the use of 7.1 pounds of an insecticidal formulation containing α-cubebene; 4-methyl-3-heptanol; and α-multistriatin (pheromone baited traps) in urban and forest situations; this insecticide will be used to evaluate control of the European elm bark beetle, and correspondingly, reduction of bettle-vectored cases of Dutch elm diseases. A total of 21,884.2 acres is involved; the program is authorized only in the States of California, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Massachusetts, Mississippi, New York, North Carolina, Rhode Island, South Carolina, Vermont, Virginia, and Wisconsin. The experimental use permit is effective from April 16, 1976, to April 16, 1977.

Interested parties wishing to review the experimental use permit are referred to Room E-315, Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M St., S.W., Washington, D.C. 20460. It is suggested that such interested persons call 202/755-4851 before visiting the EPA Headquaters Office, so that the appropriate permit may be made conveniently available for review purposes. These files will be available for inspection from 8:30 a.m. to 4:00 p.m. Monday through Friday.

Dated: May 20, 1976.

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

[FR Doc.76-15261 Filed 5-25-76;8:45 am]

[FRL 548-3; OPP-50152]

MOBIL CHEMICAL CO.

Issuance of Experimental Use Permit

Pursuant to section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), an experimental use permit has been issued to Mobile Chemical Company, Richmond, Virginia 23261. Such permit is in accordance with, and subject to, the provisions of 40 CFR Part 172; Part 172 was published in the FEDERAL REGISTER on April 30, 1975 (40 FR 18780), and defines EPA procedures with respect to the use of pesticides for experimental purposes.

This experimental use permit (No. 2224-EUP-14) allows the use of 72 pounds of the herbicide Bifenox (Methyl 5 - (2,4 - dichlorophenoxy) - 2 - nitrobenzoate) on tobacco to evaluate control of broadleaf weeds. A total of 45 acres is involved; the program is authorized only in the States of Florida, Georgia, Kentucky, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Virginia. The experimental use permit is effective from April 16, 1976, to April 16, 1977.

Interested parties wishing to review the experimental use permit are referred to Room E-315, Registration Division (WH-567), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW, Washington, D.C. 20460. It is suggested that such interested persons call 202/755-4851 before visiting the EPA Headquarters Office, so that the appropriate permit may be made conveniently available for review purposes. These files will be available for inspection from 8:30 a.m. to 4:00 p.m. Monday through Friday.

Dated: May 20, 1976.

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

[FR Doc.76-15259 Filed 5-25-76;8:45 am]

[FRL 549-4; OPP-50155]

OLIN CHEMICALS

Issuance of Experimental Use Permit

Pursuant to section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended (86 Stat. 973; 7 U.S.C. 136), an experimental use permit has been issued to Olin Chemicals, Stamford, Connecticut 06904. Such permit is in accordance with, and subject to, the provisions of 40 CFR Part 172; Part 172 was published in the FEDERAL REGISTER on April 30, 1975 (40 FR 18780), and defines EPA procedures with respect to the use of pesticides for experimental purposes.

This experimental use permit (No. 1258-EUP-10) allows the use of 700 pounds of the fungicide calcium hypochlorite in swimming pools to evaluate control of bacteria which may be the cause of infection. The program is au-

thorized only in the States of Florida, California, and Arizona. The experimental use permit is effective from April 16, 1976, to April 16, 1977.

Interested parties wishing to review the experimental use permit are referred to Room E-315, Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M St., S.W., Washington, D.C. 20460. It is suggested that such interested persons call 202/755-4851 before visiting the EPA Headquarters Office, so that the appropriate permit may be made conveniently available for review purposes. These files will be available for inspection from 8:30 a.m. to 4:00 p.m. Monday through Friday.

Dated: May 20, 1976.

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

[FR Doc.76-15262 Filed 5-25-76;8:45 am]

[FRL 548-3]

MARINE SANITATION DEVICE STANDARD

Receipt of Petition

Notice is hereby given that the State of California has petitioned the Administrator of the U.S. Environmental Protection Agency to determine that adequate facilities for the safe and sanitary removal and treatment of sewage from all vessels are reasonably available for that portion of San Diego Bay that is less than 30 feet deep at mean lower low water (MLLW), Mission Bay, Oceanside Harbor, and Dana Point Harbor. This action is requested pursuant to section 312(f)(3) of Pub. L. 92-500.

The petition states that the exclusion area for San Diego Bay is to be determined from the most recent National Oceanic and Atomspheric Administration chart. The petition lists six pump-out facilities for San Diego Bay, which include Harbor Police, Pearson Standard, Union Oil, Harbor Island Marina, Marina Cortez, and Coronado Cay's Marina, two pump-out facilities for Mission Bay, one pump-out facility in Oceanside Harbor, and two pump-out facilities for Dana Point Harbor. The pump-out facilities in San Diego Bay have an adjacent water depth of at least 10 feet and the Harbor Police facility has an approximate water depth of 20 feet. One of the facilities at Mission Bay has an adjacent water depth of 20 feet, which is the depth of the dredged entrance channel. The other pump-out facility in Mission Bay has an adjacent water depth of eight feet. The Harbor District pump-out station in Oceanside harbor is located immediately adjacent to the entrance channel, which is dredged to approximately 19 feet.

Both of the pump-out facilities located in Dana Point Harbor have adjacent water depths of approximately 10 feet, which is the depth of the Harbor and which will accommodate all boats that can use the other Harbor facilities. Each bay or harbor has at least one pump-out facility that is available for use on a 24-hour basis. Other privately operated facilities normally are available during daylight hours. The pump-out rates of the dockside facilities vary between five and ten gallons per minute and all of the pumping units discharge directly to the sanitary sewer and to a treatment facility that meets State and Federal requirements. A survey conducted by the California Regional Water Quality Control Board revealed no evidence of boat overcrowding at any pump-out facility. Most boats require only five minutes to empty the holding tank.

Comments and views regarding this requested action may be filed on or before July 9, 1976. Such communications or requests for a copy of the applicant's petition should be addressed to the Director, Criteria and Standards Division (WH-585), Office of Water Planning and Standards, OWHM, U.S. Environmental Protection Agency, Washington, D.C. 20460.

Dated: May 19, 1976.

JOHN A. RHETT,
Acting Assistant Administrator
for Water and Hazardous Materials.

[FR Doc.76-15264 Filed 5-25-76;8:45 am]

[FRL 548-6]

STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES (NSPS) AND NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS (NESHAPS)

Delegation of Authority to State of California on Behalf of Ventura County and Northern Sonoma County Air Pollution Control Districts

On December 23, 1971 (36 FR 24876) and March 8, 1974 (39 FR 9308), pursuant to Section 111 of the Clean Air Act, as amended, the Administrator promulgated regulations in 40 CFR Part 60 establishing standards of performance for twelve categories of new stationary sources (NSPS). In addition, on April 6, 1973 (38 FR 8820), pursuant to Section 112 of the Clean Air Act, as amended, the Administrator promulgated in 40 CFR Part 61 national emission standards for three hazardous air pollutants (NESHAPS). Sections 111(c) and 112(d) require the Administrator to delegate authority to implement and enforce the standards to any State which submits an adequate procedure. Nevertheless, the Administrator retains concurrent authority to implement and enforce the standards following delegation of authority to a State.

On August 19, 1973, the Regional Administrator, Region IX forwarded to the States in his Region information setting forth the requirements for an adequate procedure for implementing and enforcing the NSPS and NESHAPS. On July 10, 1975, William Simmons, then Executive Officer of the State of California Air Resources Board, submitted a request on behalf of the Ventura County and Northern Sonoma County Air Pollution Control Districts for delegation of authority to implement and enforce the NSPS and NESHAPS. Included in that request were copies of the NSPS and NESHAPS regulations adopted by the Ventura County and Northern Sonoma County Air Pollution Control Districts and citations to State law and District regulations which provide the State and District with the requisite authority to implement and enforce the NSPS and NESHAPS.

After a thorough review of the request for delegation, the Regional Administrator has determined that for the source categories set forth in paragraphs (A), (B) and (C) of the following official letter to Mr. Lewis, now Executive Officer of the California Air Resources Board, delegation is appropriate subject to the conditions set forth in paragraphs (1) through (11) of that letter dated February 2, 1976:

Mr. WILLIAM H. LEWIS, Jr., Executive Officer, California Air Resources Board, 1709 11th Street, Sacramento, CA 95814.

DEAR MR. LEWIS: This is in response to William Simmons letters of July 10, 1975, requesting delegation of authority for implementation and enforcement of the Standards of Performance for New Stationary Sources (NSPS) and the National Emission Standards for Hazardous Air Pollutants (NESHAPS) to the State of California on behalf of the Ventura County Air Pollution Control District and the Northern Sonoma County Air Pollution Control District.

We have reviewed the pertinent laws of the State of California and the rules and regulations of the Ventura County and Northern Sonoma County Air Pollution Control Districts, and have determined that they provide an adequate and effective procedure for implementation and enforcement of the NSPS and NESHAPS by the Air Pollution Control Districts and the State of California. Therefore, we hereby grant delegation of the NSPS and NESHAPS to the State of California on behalf of the Ventura County and Northern Sonoma County Air Pollution Control Districts as follows:

A. Authority for ten categories of new source's located in the Ventura County Air Pollution Control District subject to the standards of performance for new stationary sources promulgated in 40 CFR Part 60 as of the date of the request for delegation. The categories of new sources covered by the delegation are incinerators; nitric acid plants; sulfuric acid plants; asphalt concrete plants; petroleum refineries; storage vessels for petroleum liquids; secondary lead smelters; secondary brass and bronze ingot production plants; iron and steel plants, and sewage treatment plants.

B. Authority for twelve categories of new sources located in the Northern Sonoma County Air Pollution Control District subject to the standards of performance for new stationary sources promulgated in 40 CFR Part 60 as of the date of the request for delegation. The categories of new sources covered by the delegation are fossil fuel-fired steam generators; incinerators; portland cement plants; nitric acid plants; sulfuric acid plants; asphalt concrete plants; petroleum refineries; storage vessels for petroleum liquids; secondary lead smelters; secondary brass and bronze ingot production plants; iron and steel plants; and sewage treatment plants.

C. Authority for all sources located in the Ventura County and Northern Sonoma County Air Pollution Control Districts subject to the national emission standards for three hazardous air pollutants promulgated in 40 CFR Part 61 as of the date of the re-

quest for delegation. The hazardous air pollutants covered by the delegation are asbestos; beryllium; and mercury.

This delegation is based upon the following conditions:

1. Semi-annual reports will be submitted to EPA by the Ventura County and Northern Sonoma County Air Pollution Control Districts through the State of California Air Resources Board as specified in the State's Request for Delegation.

2. Enforcement of the NSPS and NESHAPS in the Ventura County and Northern Sonoma County Air Pollution Control Districts will be the primary responsibility of the Districts and the State of California Air Resources Board. If either of the Districts and the State determine that such enforcement is not feasible and so notify EPA, or where either of the Districts or the State act in a manner inconsistent with the terms of this delegation, EPA will exercise its concurrent enforcement authority pursuant to Section 113 of the Clean Air Act, as amended, with respect to sources within the appropriate District subject to the NSPS and NESHAPS.

3. Acceptance of this delegation of NSPS and NESHAPS does not commit the State of California and the Ventura County and Northern Sonoma County Air Pollution Control Districts to request or accept delegation of future standards and requirements. However, delegation of additional NSPS or NESHAPS standards or requirements, not in effect as of the State's Request of July 10, 1975, would require a new request for delegation.

4. The State of California and the Ventura County and Northern Sonoma County Air Pollution Control Districts are not requesting delegation of authority over Federal facilities within the Districts which are subject to the NSPS and NESHAPS. However, this does not relieve Federal facilities of the responsibility of complying with all applicable State laws and Ventura County or Northern Sonoma County District regulations.

5. The Ventura County and Northern Sonoma County Air Pollution Control Districts will at no time grant a variance from compliance with either Rule 72 or 73 of the Ventura County District, or Rule 70 or 71 of the Northern Sonoma County District, respectively, except as provided in this paragraph. Should either District grant such a variance, EPA will consider the source receiving the variance to be in violation of the applicable Federal regulation and may initiate enforcement action against the source pursuant to Section 113 of the Clean Air Act. The granting of such variances by a District shall also constitute grounds for revocation of delegation by EPA. However, if the Ventura County or Northern Sonoma County District in the future amends either Rule 72 or 73, or Rule 70 or 71, respectively, so as to make the District regulation more stringent than the applicable Federal regulation, the District may grant variances from the more stringent District regulation, if such variances do not relieve subject sources of the responsibility of complying with standards equally as stringent as those contained in the applicable Federal regulations.

6. The Ventura County and Northern Sonoma County Air Pollution Control Districts will utilize only the methods specified in 40 CFR Parts 60 and 61 in performing source tests pursuant to their NSPS and NESHAPS regulations. Any use by a District of test methods to determine compliance with NSPS or NESHAPS not in accordance with the terms and conditions of this delegation shall constitute grounds for revocation of delegation by EPA.

7. The Air Resources Board and EPA will develop a system of communication sufficient to guarantee that each office is always fully informed regarding the current compliance status of subject sources in the Ventura County and Northern Sonoma County Air Pollution Control Districts and regarding interpretation of applicable regulations.

8. If at any time there is a conflict between a State or Ventura County or Northern Sonoma County Air Pollution Control District regulation and a Federal regulation (40 CFR Part 60 or 61), the Federal regulation must be applied if it is more stringent than that of the State or District. In the event of such a conflict, if either the Air Resources Board or a District determine that it is unwilling or unable to apply the more stringent Federal regulation, it will so notify EPA. EPA, in consultation with the Air Resources Board and the District, will then modify or revoke the terms of this delegation to the extent it determines to be appropriate.

9. If the Regional Administrator determines that a State or Ventury County or Northern Sonoma County Air Pollution Control District procedure for enforcing or implementing the NSPS or NESHAPS is inadequate, or is not being effectively carried out, this delegation may be revoked in whole or in part. Any such revocation shall be effective as of the date specified in a Notice of Revocation to the Air Resources Board.

10. As of the date of this delegation, sources subject to the NSPS or NESHAPS located within either the Ventura County or Northern Sonoma County Air Pollution Control Districts are required to submit all reports pursuant to the NSPS and NESHAPS to the appropriate Air Pollution Control District and to EPA, Region IX.

11. The Ventura County Air Pollution Control District shall ensure that all sources subject to the NSPS and NESHAPS located within the District shall comply with all requirements contained in 40 CFR Part 60 (except Subparts D and F) and Part 61 which have not been officially adopted by the District as Rules 72 and 73 of the Rules and Regulations and which have been promulgated as of the date of the request for delegation (i.e. test methods and emission monitoring requirements). When the District completes an appendix to its Rules and Regulations which sets forth the above requirements, such Appendix shall be submitted to EPA for review and approval. Any disparity between the requirements set forth in the Appendix and the federally promulgated requirements shall constitute grounds for revocation of delegation by EPA if not corrected.

A Notice announcing this delegation will be published in the FEDERAL REGISTER in the near future. The Notice will state, among other things, that, effective immediately, all reports required pursuant to the Federal NSPS and NESHAPS by sources located in the Ventura County Air Pollution Control District shall be submitted to the Air Pollution Control District Office at 625 E. Santa Clara Street, Ventura CA 93001, and that all such reports by sources located in the Northern Sonoma County Air Polution Control District shall be submitted to the Air Pollution Control District Office at 3313 Chanate Road, Santa Rosa CA 95404, as well as to EPA, Region IX.

Since this delegation is effective immediately, there is no requirement that the State notify EPA of its acceptance. Unless EPA receives from the State written notice of objections within 10 days of the date of receipt of this letter, the State and Districts will be deemed to have accepted all of the terms of the delegation.

Sincerely,

PAUL DE FALCO, Jr.,
Regional Administrator.

cc: Ventura County Air Pollution Control District and Northern Sonoma County Air Pollution Control District

Therefore, pursuant to authority delegated to him by the Administrator, the Regional Administrator notified Mr. Lewis on February 2, 1976 that authority to implement and enforce the NSPS NESHAPS was delegated to the State of California on behalf of the Ventura County and Northern Sonoma County Air Pollution Control Districts.

Copies of the request for delegation of authority and the Regional Administrator's letter of delegation are available for public inspection at the following addresses:

California Air Resources Board, 1709 11th Street, Sacramento, CA 95814.

Environmental Protection Agency, Region IX, Enforcement Division, 100 California Street, San Francisco, CA 94111.

Division of Stationary Source Enforcement, Waterside Mall, Room 3202, 401 "M" Street, S.W., Washington, D.C. 20460.

Effective immediately, all reports required pursuant to the NSPS and NESHAPS by sources located in the Ventura County Air Pollution Control District should be submitted to the office of the Air Pollution Control District, located at 625 E. Santa Clara Street, Ventura, CA 93001, as well as to EPA, Region IX. Also effective immediately, all reports required pursuant to the NSPS and NESHAPS by sources located in the Nothern Sonoma County Air Pollution Control District should be submitted to the office of the Air Pollution Control District, located at 3313 Chante Road, Santa Rosa, CA 95404, as well as to EPA, Region IX.

Dated: April 14, 1976.

L. RUSSELL FREEMAN,
Acting Regional Administrator, Region IX, EPA.

[FR Doc.76-15257 Filed 5-25-76;8:45 am]

[FRL 548-7; OPP-30000/3]

PESTICIDE PROGRAMS

Notice of Presumption Against Registration and Continued Registration of Pesticide Products Containing Chlorobenzilate

The Deputy Assistant Administrator of the Office of Pesticide Programs, Environmental Protection Agency (EPA), has determined that a rebuttable presumption exists against registration and continued registration of all pesticide products containing chlorobenzilate as an ingredient for all uses.

The EPA amended 40 CFR 162 by promulgation on July 3, 1975, of its new regulations on the registration, reregistration and classification of pesticides (40 FR 28242). Section 162.11 of these regulations provides that a rebuttable presumption against registration or continued registration shall arise if it is determined that a pesticide meets or exceeds any of the criteria for risk set forth in 40 CFR 162.11(a)(3). If it is determined that such a presumption against registration or continued registration of a pesticide has arisen, the regulations require that the registrant be notified, by

certified mail, that he has the opportunity to submit evidence in rebuttal of the presumption in accordance with § 162.11(a)(4). The Agency is taking this opportunity to inform affected registrants, and applicants, as well as the public at large, of the presumption against registration and continued registration of pesticide products containing chlorobenzilate and to solicit comments from interested parties relevant to the presumption.

A notice of a rebuttable presumption against registration or continued registration of a pesticide is not to be confused with notice of intent to cancel a pesticide. The latter is issued when it is determined that the pesticide may generally cause unreasonable adverse effects on the environment. A notice of a rebuttable presumption is issued, on the other hand, when the pesticide meets or exceeds the indicated criteria for risk. As is discussed below, this presumption may be rebutted. In addition, a party, seeking registration or continued registration, may submit evidence as to whether the economic, social and environmental benefits from use of the pesticide outweigh the risks. Thus, issuance of a notice of rebuttable presumption will not necessarily lead to a notice of intent to cancel or to deny the registration of a pesticide.

Pesticide products containing chlorobenzilate as an ingredient meet or exceed the following risk criteria, set forth in 40 CFR 162.11, for presuming against the registration of a pesticide product under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended:

(I) Chronic Toxicity.

(A) Oncogenic Effects.

40 CFR 162.11(a)(3)(ii)(A) provides that "(a) rebuttable presumption shall arise if a pesticide's ingredient(s) * * * [i]nduces oncogenic effects in experimental mammalian species or in man as a result of oral, inhalation or dermal exposure * * *" Available data indicate that chlorobenzilate induces oncogenic effects in mice as a result of oral exposure. A study published by J. R. M. Innes, et al., Bioassay of Pesticides and Industrial Chemicals for Tumorigenicity in Mice: Preliminary Note, 42 J. National Cancer Institute 1101 (1969), reports the results of a long-term study on the oncogenic effects of chlorobenzilate on both sexes of two strains of mice. The test chemical was given by stomach tube from age 7 days until age 4 weeks and was mixed directly with the diet thereafter. The dosage rate for all test animals was 603 ppm. All animals were sacrificed after 83 weeks. The published results of this report indicate that chlorobenzilate induced a statistically significant increase in hepatomas in male test mice of both strains compared to the control group (P0.01). Hepatomas were reported in no female mice.

A study published by H. J. Horn, et al., Toxocology of chlorobenzilate, 3 Agricultural and Food Chemistry 752 (1955), reports the results of a long-term study on the chronic effects of chlorobenzilate on both sexes of Carworth Farms rats. The test chemical was mixed directly with the diet from weaning until age 104 weeks. Twenty male and 20 female rats were fed 0 ppm; 20 male rats were fed 50 ppm; and 20 male and 20 female rats were fed 500 ppm. "Tissues from the brain, pituitary, thyroid, lung, stomach, large and small intestine, liver, testes, spleen, pancreas, kidneys, adrenals, bone, and muscle were pre-served from a representative number of animals in each group for microscopic examination. Histopathological observations were only made on animals surviving the full 104 weeks. Three adenofibromas were observed in female rats fed 0 ppm and one adenofibroma was observed in female rats fed 500 ppm (no female rats were fed 50 ppm). Several other tumors were observed in the examined mice, but the report gives no indication whether they were observed in the control animals or the test animals. In order to perform a thorough re-evaluation of this study, the Deputy Assistant Administrator is presently requesting the tissue slides and other information upon which this report is based.

An additional study may indicate that chlorobenzilate is oncogenic in rats as a result of oral exposure. By telephone conversation of May 14, 1976, Ciba-Geigy, Corporation has advised this Agency that it considers the contents of this study a trade secret under Section 10(b) of FIFRA. Ciba-Geigy is being notified pursuant to Section 10(c) of FIFRA that the Deputy Assistant Administrator proposes to release this study for public inspection after 30 days.

For the foregoing reasons, the Deputy Assistant Administrator has determined that a rebuttable presumption exists against registration and continued registration of pesticide products containing chlorobenzilate as an ingredient for all uses. The registrants or applicants for registration may rebut this presumption by sustaining the burden of proving: (1) That when considered with proposed restrictions on use and widespread and commonly recognized practices of use, the pesticide will not concentrate, persist or accrue to levels in man or the environment likely to result in any significant chronic adverse effects; or (2) that the determination by the Agency that the pesticide meets or exceeds the chronic risk criteria set forth in 40 CFR 162.11(a)(3)(ii) was error.

At the time that a registrant or applicant for registration submits evidence in rebuttal of the presumption, he may also submit evidence as to whether the economic, social and environmental benefits of the use of chlorobenzilate as an ingredient outweigh the risk of use.

Registrations currently in effect for the following products containing chlorobenzilate as an ingredient are:

Registrant	EPA Registration No.	Product
Aceto Chemical Co., Inc., 126-02 Northern Blvd., Flushing, N.Y. 11368.	2749-155	Chlorobenzilate 4E Miticide.
Agan Chemical Manufacturers, Ltd., Ashdod c/o Solcoor, Inc., 415 Madison Ave., New York, N.Y. 10017.	11603-12	Chlorobenzilate Technical.
AR Chemical Corp., 1514 11th St., Portsmouth, Ohio 45662	7122-95	Guardian Chlorobenzilate WE Miticide 25%.
Ciba-Geigy Corp., Agricultural Division, P.O. Box 11422, Greensboro, N.C. 27409.	100-332	Geigy Chlorobenzilate 25W.
	100-424	Geigy Chlorobenzilate 4% Dust.
	100-458	Geigy Chlorobenzilate 4E.
	100-490	Spectracide Rose & Flower Spray.
	100-533	Acaraben 94T.
Crystal Manufacturing Corp., 1525 North Post Oak Rd., Houston, Tex. 77055.	9663-23	Chlorobenzilate 4 EC.
Hahn Exterminating Service, 161 North Trimble Rd., Mansfield, Ohio 44906.	996-1	Hahn's Spida-Kill.
Makhteshim Beer Sheva Chemical Works, Ltd., c/o Solchem, Inc., 415 Madison Ave., New York, N.Y. 10017.	11678-13	Chlorobenzilate Technical.
	11678-31	Benzilan 4E
Selco Supply Co., Collins Ave. and Railroad, Eaton, Colo. 80615.	1348-149	Selco Chlorobenzilate 25 EC Miticide (25% Emulsifiable Solution).
Shanna Co., Inc., 130 Route 22, North Plainfield, N.J. 07060	20178-1	Chlorobenzilate Technical.
Thompson-Hayward Chemical Co., P.O. Box 2383, Kansas City, Kans. 66110.	148-1164	Mitrol E-4.
Tower Chemical Co., P.O. Box 585, Clermont, Fla. 32711	9518-2	Benz-O-Chlor 4-E.
Trans Chemic Industries, Inc., 1 Penn Plaza, New York, N.Y. 10001.	9618-15	Chlorobenzilate Technical.
	9618-21	Chlorobenzilate Technical II.

Current applicants for registration for products containing chlorobenzilate as an ingredient are:

Applicant	EPA file symbol/ state regulation no.	Product
Aceto Chemical Co., Inc., 126-02 Northern Blvd., Flushing, N.Y. 11368.	2749-GUU	Chlorobenzilate Technical.
Agrico Chemical Co., Crop Protection Chemical Division, P.O. Box 3451, Tulsa, Okla. 74101.	FL St. 3238-9137	Standard Brand Chlorobenzilate 4-E.
American Refining & Manufacturing Co., P.O. Box 332, Miami, Fla. 33147.	FL St. 34164-9254	Mitrol.
Consolidated Chemical Co., Subsidiary of Colorado International Corp., P.O. Box 7257, Denver, Colo. 80207.	38329-R	Chlorobenzilate Technical.
Helena Chemical Co., 5100 Poplar Ave., Clark Tower, Suite 2904, Memphis, Tenn. 38137.	FL St. 5905-3102	Chlorobenzilate 4E.
	FL St. 5905-7081	Cybenzilate.
	FL St. 5905-7880	Helena Chlorobenzilate 4E.
Rose Ext. Co., 2122 East 2d St., Cleveland, Ohio 44115	OH St. 30257-8881	Chlorobenzilate Miticide.
Tex Ag Co., Inc., P.O. Box 633, Mission, Tex. 78572	TX St. 33722-3270	Rid-A-Mite.

The above registrants and applicants for registration are being notified by certified mail of the rebuttable presumption existing against registration and continued registration of their products.

The registrants and applicants for registration shall have until June 28, 1976, to submit evidence in rebuttal of

the presumption. However, the Administrator may, for good cause shown, grant an additional 60 days in which such evidence may be submitted. Notice of such an extension, if granted, will appear in the FEDERAL REGISTER.

During the time allowed for submission of rebuttal evidence, any member of the public or any other federal agency is invited to submit written comments and other information relevant to the presumption against registration and continued registration contained in this notice to the Federal Register Section, Technical Services Division (WH-569), Office of Pesticide Programs, Rm. 401, East Tower, 401 M St. SW, Washington DC 20460. Three copies of the comments should be submitted to facilitate the work of the Agency and others interested in inspecting them. The comments should bear the identifying notation "OPP-30000/3". Comments and information received within the specified time limit shall be considered before it is determined whether a notice shall be issued in accordance with 40 CFR 162.11(a)(5)(ii). Comments received after the specified time period will be considered only to the extent feasible consistent with the time limits imposed by 40 CFR 162.11(a)(5)(ii). 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 4:00 p.m. during normal working days.

Dated: May 14, 1976.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.76-15258 Filed 5-25-76;8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

MEXICAN STANDARD BROADCAST STATIONS

Notification List

List of new stations, proposed changes in existing stations, deletions, and corrections in assignments of Mexican standard broadcast stations, modifying the assignments of Mexican broadcast stations contained in the Appendix to the Recommendations of the North American Regional Broadcasting Agreement Engineering Meeting, January 30, 1941.

Mexican list No. 276, Apr. 1, 1976

Call letters	Location	Power (watts)	Antenna radiation (mv/m/kw)	Schedule	Class	Antenna height (feet)	Ground system		Proposed date of change or commencement of operation
							Number of radials	Length (feet)	
XEWA	Monterrey, N. L., N 25°40'15", W. 100°18'30".	540 kHz .500	ND-U-175	U	II	118	120	455	Immediately.
(New)	Cd. Guzman, Jal., N. 19°43'14", W. 103°27'54".	550 kHz .200	ND-D-175	D	III	358	120	358	Sept. 30, 1976.
(New)	Chetumal, Q. R., N. 18°29'39", W. 88°17'56".	560 kHz .200	ND-D-175	D	III	352	120	352	Do.
(New)	Villa Juarez, Pue., N. 20°17'17", W. 97°58'48".	570 kHz .250	ND-D-190	D	III	432	120	432	Do.
(New)	Palenque, Chis., N. 17°33'10", W. 91°58'10".	600 kHz .500D/.100N	ND-U-175	U	III	328	120	345	Do.
XEEL	Fresnillo, Zac., N. 23°10'35", W. 102°51'35".	610 kHz 1.000D/.150N	ND-U-175	U	III	323	120	323	Immediately.
XEBU	Chihuahua, Chih., N. 28°41'27", W. 105°07'15".	620 kHz 5.000D/.250N	ND-U-185	U	III	377	120	394	Do.
XEJB	Guadalajara, Jal., N. 20°41'58", W. 103°25'21".	630 kHz .500	ND-U-175	U	III	361	120	328	Do.
XETK (antenna shared with XERJ, 1380 kHz).	Mazatlan, Sin., N. 23°11'55", W. 106°25'20".	630 kHz 1.000D/.250N	ND-U-175	U	III	312	120	328	Do.
(New)	Naolingo, Ver., N. 19°39'15" W. 96°51'52".	640 kHz 1.000	DA-D	D	II				Sept. 30, 1976.
XERPM (PO 10,kWD, 5.0kWN).	Mexico, D.F., N. 19°29'13", W. 99°02'35".	660 kHz 50.000D/5.000N	ND-D-190 DA-N	U	II	367	120	328	Do.
(New)	Atoyac de Alv., Gro., N. 17°10'00", W. 100°25'40".	660 kHz .500	ND-D-190	D	II	367	120	367	Do.
XENE	Tepic, Nay., N. 21°30'12" W. 104°52'25"	680 kHz .250	ND-D-190	D	II	362	120	362	Do.
XETRAN	Pregreso, Unc., N. 21°18'00", W. 89°39'30".	690 kHz 50.000	DA-2	U	II				Do.
XEDP	Cd. Cuauhtemoc, Chih., N. 28°30'00", W. 106°56'16".	710 kHz 5.000	ND-D-190	D	II	335	120	347	Immediately.
XEX	Leon, Gto., N. 21°07'28", W. 101°41'01".	710 kHz .500D/.200N	ND-U-190	U	II	347	120	347	Do.
(New)	Hermosillo, Son., N. 29°04'30", W. 110°57'37".	740 kHz .500	ND-D-190	D	II	333	120	333	Sept. 30, 1976.
XEABC (PO 5.000kW U, DA-2).	Los Reyes, Mex., N. 19°28'19", W. 98°58'35".	760 kHz 20.000D/ 5.000N	DA-2	U	II				June 30, 1976.
XEML (PO 0.250kWD)	Apatzingan, Mich., N. 19°03'30", W. 102°15'05".	770 kHz 1.000	ND-D-175	D	II	320	140	230	July 30, 1976.
XEMV	Los Mochis, Sin., N. 25°47'00", W. 109°00'00".	770 kHz 2.500	ND-D-190	D	II	322	120	322	Immediately.
XEZN (PO 0.250kWD)	Celaya, Gto., N. 20°31'24", W. 100°48'55".	780 kHz .500	ND-D-175	D	II	157	120	131	Sept. 30, 1976.
XERSV (PO 5kWD)	Cd. Obregon, Son. N. 27°30'50", W. 109°56'26".	810 kHz 5.000D/.250N	ND-D-190 DA-N	U	II	299	90	262	Do.
XEBA (PO 1kWD, ND-D-177, 289, 120, 230).	Guadalajara, Jal. N. 20°43'20", W. 103°18'29".	820 kHz 10.000	DA-D	D	II				Do.

Call letters	Location	Power watts	Antenna radiation mv/m/kw	Schedule	Class	Antenna height (feet)	Ground System		Proposed date of change or commencement of operation
							Number of radials	Length (feet)	
		880 kHz							
XEVQ (PO Navolato, Sin. *N 24 46 25 W 107 39 32*).	Culiacan, Sin., N. 24°48'36", W. 107°23'57".	1.000	ND-D-184	D	II	297	90	297	Do.
		840 kHz							
XEMY (PO 0.500kWD)	Cd. Mante, Tam., N. 22°44'30", W. 98°58'24".	1.000	ND-D-176	D	II	*157*	120	*104*	Do.
		860 kHz							
XERPN	Cd. Juarez, Chih., N. 31°42'45", *W. 106°25'38"*.	1.000D/.500N	ND-D-190 DA-N	U	II	196	90	286	Immediately.
		910 kHz							
XEAO	Mexicali, BCN, N. 32°38'33", W. 115°30'23".	.250	ND-U-175	U	*III*	203	120	203	Do.
		910 kHz							
(New)	Mascota, Jal., N. 20°31'15", W. 104°47'00".	.500D/.250N	ND-U-190	U	III	270	120	270	Sept. 30, 1976.
		910 kHz							
XEHO	Cd. Obregon, Son., N. 27°28'30", W. 109°58'00".	1.000D/.250N	ND-U-175	U	*III*	221	90	221	Immediately.
		920 kHz							
XELT (PO 1.000kWD, 0.250 kWN, ND-U-190).	Guadalajara, Jal. N. 20°39'44", W. 103°23'47".	*50.000D/.250N*	*DA-D* ND-N-190	U	III	267	120	267	Sept. 30, 1976.
		930 kHz							
XEMAB	Cd Del Carmen, Camp. *N. 18°39'05"*, *W. 91°48'50"*.	.250	ND-U-175	U	III	*264*	*120*	*264*	Immediately.
		950 kHz							
XEYJ (PO 1kWD, 0.100 kWN).	Nueva Rosita, Coah. N. 27°55'23", W. 101°14'45".	*10.000D/.100N*	ND-U-*180*	U	III	264	90	264	Sept. 30, 1976.
		960 kHz							
XEROO	Chetumal, Q.R., *N. 18°31'24"*, *W. 88°17'36"*.	1.000D/.500N	ND-U-175	U	III	*246*	90	246	Immediately.
		970 kHz							
XEEZ (PO 1.000kWD, 0.100kWN).	Caborca, Son., N. 30°43'00", W. 112°35'09".	*.500D/.100N*	ND-U-175	U	III	223	90	227	Sept. 30, 1976.
		970 kHz							
(New)	Juchipila, Zac., N. 21°24'31", W. 103°07'01".	1.000	DA-D	D	III				Do.
		990 kHz							
XEOL (PO 0.500kWD, 0.100kWN).	Teziutlan, Pue., N. 19°48'53", W. 97°22'32".	1.000D/.200N	ND-U-175	U	II	*224*	90	*224*	Do.
		990 kHz							
XEUM (PO 0.500kWD, 0.250kWN).	Valladolid, Yuc., N. 20°40'40", W. 88°12'32".	1.000D/.250N	ND-U-190	U	II	249	120	249	Do.
		1000 kHz							
XEMV	Matamoros, Tam., N 25°52'45", W. 97°31'09".	.500	DA-D	D	II				Do.
		1010 kHz							
XEHL (PO 10kWD, 5kWN)	Guadalajara, Jal., N. 20°40'27", W. 103°23'15".	50.000D/ 5.000N	ND-U-187	U	II	243	120	230	Do.
		1020 kHz							
(New)	Chetumal, Q.R., *N. 18°29'39"*, *W. 88°17'55"*.	1.000	ND-D-190	D	II	241	120	241	Do.
		1030 kHz							
(New)	Motozintla, Chis., N. 15°22'11", W. 92°15'00".	10.000	ND-D-190	D	II	215	90	215	Do.
		1030 kHz							
(New)	Cd. Madero, Tam., N. 22°16'30", W. 97°48'00".	1.000	DA-D	D	II				Do.
		1070 kHz							
(New)	Nazatlan, Sin., N. 23°11'55", W. 106°25'20".	1.000	ND-D-175	D	II	267	90	207	Do.
		1080 kHz							
(New)	Vallarta, Jal., N. 20°36'56", W. 105°14'42".	5.000	ND-D-224	D	II	410	120	228	Do.
		1080 kHz							
(New)	Cancum, Q. R., N. 21°04'52", W. 86°40'18".	.500	*DA-D*	D	II				Do.
		1080 kHz							
XEXK (PO 0.250kWD)	Poza Rica, Ver., N. 20°32'05", W. 97°25'28".	.500	ND-D-175	D	II	*205*	90	*205*	Do.
		1090 kHz							
XEPRS	Rosarito, BCN, *N. 32°26'35"*, *W. 117°06'00"*.	50.000	ND-D-272 DA-N	U	I-B	230	120	230	Immediately.
		1090 kHz							
(New)	Torreon, Coah., N. 25°32'18", W. 103°27'55".	.500	ND-D-190	D	II	226	120	226	Sept. 30, 1976.
		1100 kHz							
(New)	Tapachula, Chis., N. 14°54'00", W. 92°16'09".	.750	ND-D-175	D	II	179	120	179	Do.
		1100 kHz							
(New) (assignment deleted)	Naranjos, Ver.	.250	ND-D-190	D	II				
		1110 kHz							
XEVS (PO 0.250kWD)	Villa de Seris, Son., N. 29°03'30", W. 110°58'40".	*1.000*	ND-D-187	D	II	221	120	207	Do.
		1110 kHz							
(New) (assignment deleted)	Alamo, Ver.	.250	ND-D-190	D	II				
		1120 kHz							
(New)	Cancun, Q.R., N. 21°04'52", W. 86°40'18".	.250	*DA-D*	D	II				Do.
		1140 kHz							
(New)	Morelia, Mich., N. 19°42'14", W. 101°06'28".	.250	ND-D-175	D	II	166	90	166	Do.
		1150 kHz							
XEJP (*antenna shared with XECMR, 1320 kHz*).	Mexico, D.F., N. 19°28'47", W. 99°04'09".	10.000	ND-D-190 DA-N	U	III	236	90	236	Immediately.
		1150 kHz							
(New)	Tulum, Q.R., N. 20°12'34", W. 87°25'47".	.200	ND-D-190	D	III	214	120	214	Sept. 30, 1976.
		1182 kHz							
XEYI	Cancun, Q.R., N. 21°04'52," W. 86°46'18".	1.000	*DA-D*	D	II				Do.
		1190 kHz							
XECT	Monterrey, N.L., N. 25°41'10", W. 100°18'07".	.500	ND-D-175	D	II	*265*	*180*	*207*	Immediately.
		1190 kHz							
(New)	Tampico, Tam., N. 22°13'00", W. 97°51'19".	5.000/*.250N*	*DA-2*	U	II				Sept. 30, 1976.

Call letters	Location	Power watts	Antenna radiation mv/m/km	Schedule	Class	Antenna height (feet)	Ground System		Proposed date of change or commencement of operation
							Number of radials	Length (feet)	
		1200 kHz							
(New)	Cosolapa, Oax., N. 18°34'54", W. 96°39'06".	.250	ND-D-190	D	II	205	120	205	Do.
		1200 kHz							
XEWT	Culiacan, Sin., N. 24°48'36", W. 107°23'57".	1.000	ND-D-190	D	II	208	120	208	Do.
		1210 kHz							
(New)	Isla Mujeres, Q.R., N. 21°14'00", W. 86°44'00".	.500	DA-D	D	II				Do.
		1270 kHz							
(New)	Teloloapan, Gro., N. 18°22'06", W. 99°52'31".	2.000	ND-D-190	D	III	195	120	195	Do.
		1270 kHz							
XENX	Mazatlan, Sin., *N. 23°11'55", W. 106°25'20"*.	3.000D/.250N	ND-U-175	U	III	175	90	175	Immediately.
		1270 kHz							
XERRT	Cd. Madero, Tam., N. 22°14'30", W. 97°50'10".	5.000D/.200N	DA-D ND-N-*192*	U	III	*175*	*90*	*175*	Do.
		1270 kHz							
XEYW	Uman, Yuc., N. 20°52'30", W. 89°44'00".	2.500D/.500N	ND-U-190	U	III	194	120	194	Sept. 30, 1976.
		1290 kHz							
XEDB (PO 1kWD, 0.250kWN).	Tonala, Chis., N. 16°05'42", W. 93°45'42".	*2.500D*/.250N	ND-U-178	U	III	197	90	164	Do.
		1310 kHz							
XEYE	La Paz, BCS, N. 24°09'41", W. 110°20'44".	10.000	ND-D-190	D	III	188	120	188	Do.
		1310 kHz							
XEQN (PO 5.000kWD, 0.250-kWN).	Torreon, Coah., N. 25°38'43" W. 103° 28'17".	10.000D/.250N	ND-U-203	U	III	262	120	262	Do.
		1310 kHz							
XEHY (PO 1kWD, ND-D-175).	Villa de la C, Qro., N. 20°08'10", W. 100°08'30".	*5.000D/.100N*	*DA-D* ND-N-175	U	III	112	120	188	Do.
		1320 kHz							
XECMQ (PO N. 19°28'50", W. 99°12'05", ND-U-186) (antenna shared with XEJP, 1150 kHz).	Mexico, D.F., N. 19°28'47", W. 99°04' 09".	10.000D/ 1.000N	ND-U-*192*	U	III	*205*	*120*	*205*	July 30, 1976.
		1320 kHz							
XESF	Montemorelos, N.L., N. 25°11'34", W. 99°49'31".	1.000D/ .100N	ND-U-175	U	III	230	120	230	Immediately.
		1320 kHz							
XERJ (PO N. 23°11'55", W. 106°26'20", .5kWD, .5kWD, ND-U-175) (antenna shared with XETK, 630 kHz).	Mazatlan, Sin., N. 23°11'55", W. 106° 25'20".	*5.400D*/ .500N	ND-U-224	U	III	*312*	*120*	*328*	Sept. 30, 1976.
		1340 kHz							
XEYR	Teapa, Tab., *N. 17°33'07", W. 92°57' 18"*.	.500D/.150N	ND-U-150	U	IV	*206*	90	197	Immediately.
		1360 kHz							
XEIK	Piedras Negras, Coah., N. 28°42'25", W. 100°31'02".	.500D/.250N	ND-U-175	U	*III*	197	90	197	Sept. 30, 1976.
		1360 kHz							
XEY	Celaya, Gto. *N. 20°31'24", W. 100°48' 55"*.	1.000D/ .250N	ND-U-190	U	III	180	120	180	Immediately.
		1360 kHz							
XEQY (PO 0.500kWD, DA-D).	Toluca, Mex., N. 19°17'04", W. 99°40'09".	.500D/*.500N*	DA-2	U	III				Sept. 30, 1976.
		1360 kHz							
(New)	Cd Valles, S.L.P., N. 21°59'04", W. 99°00'58".	5.000	ND-D-175	D	III	295	120	295	Do.
		1380 kHz							
XEZY	Cd Hidalgo, Chis., N. 14°40'57", W. 92°08'55".	1.000D/.250N	ND-U-175	U	III	178	90	178	Do.
		1380 kHz							
(New) (assignment deleted).	Atoyac de Alvar, Gro., N. 17°10'00", W. 100°25'40".	5.000	ND-D-190	D	III	178	120	178	
		1380 kHz							
XEZP	Las Cruces, Gro., *N. 16°58'41", W. 99°28'08"*.	1.000	ND-D-190	D	III	178	120	178	Do.
		1390 kHz							
XEZG	Ixmiquilpan, Hgo., N. 20°29'04", W. 99°13'05".	.500	ND-D-175	D	III	177	90	177	Immediately.
		1420 kHz							
XEEY	Jalpa, Zac., *N. 21°37'30", W. 102°59'23"*.	.250	ND-D-190	D	III	*175*	120	173	Sept. 30, 1976.
		1440 kHz							
XEFCD	Cd Camargo, Chih., N. 27°41'49", W. 105°10'09".	5.000D/1.000N	ND-U-175	U	III	197	90	197	Do.
		1440 kHz							
(New)	Zapotlanejo, Jal., N. 20°37'24", W. 103°03'49".	.500D/.100N	ND-U-190	U	III	171	120	171	Do.
		1440 kHz							
XEHW	Rosario, Sin., N. 23°03'53", W. 105°50'46".	.250D/*.250N*	ND-U-216	U	III	300	90	180	Immediately.
		1450 kHz							
XEIE	Matehuala, S.L.P., *N. 23°37'23"*, W. 100°38'26".	1.000D/.200N	ND-U-*175*	U	IV	*164*	*120*	*121*	Sept. 30, 1976.
		1470 kHz							
(New)	Reforma, Chis., N. 17°59'02", W. 93°09'40".	.500 *1470 kHz*	ND-D-190	D	III	167	120	167	Do.
XECU (PO 0.250kWU, ND-U-184).	Los Mochis, Sin., N. 25°44'20", W. 109°02'43".	*1.000D*/.250N	ND-U-*185*	U	III	167	90	167	Do.
		1470 kHz							
XEHJ (PO 1.000kWD)	Cd Miguel A. Tam., N. 26°20'20", W. 99°05'55".	*3.000D*/.250N	ND-U-196	U	III	197	120	164	Do.
		1480 kHz							
XEXU	Villa Frontera, Coah., N. 26°56'02", W. 101°26'28".	1.000D/*.100N* *1480 kHz*	ND-U-175	U	III	*100*	*120*	*166*	Do.
		1480 kHz							
XETKR (PO 1kWD, 0.5-kWN, ND-U-180).	V. de Guadalupe, N.L., N. 25°41'48", W. 100°12'05".	*5.000D*/.500N	ND-U-*190*	U	III	*166*	*120*	*166*	
		1480 kHz							
(New)	Cancun, Q.R. N. 21°04'52", W. 86°46'18".	.250	ND-D-175	D	III	133	120	139	Do.

Call letters	Location	Power watts	Antenna radiation mv/m/kw	Schedule	Class	Antenna height (feet)	Ground System: Number of radials	Ground System: Length (feet)	Proposed date of change or commencement of operation
		1490 kHz							
XEIB	Todos Santos, BCS, N. 23°26'45", W. 110°14'30".	.250	ND-U-175	U	IV	197	120	197	Do.
		1490 kHz							
XEPOP (PO 0.250kW U)	Puebla, Pue., N. 19°03'04", W. 98°12'05".	.450D/.250	ND-U-175	U	IV	148	90	148	June 30, 1976.
		1500 kHz							
(New)	Melchor Ocampo, Mich., N. 17°57'37", W. 102°08'39".	.500	ND-D-175	D	II	148	90	148	Sept. 30, 1976.
		1530 kHz							
XEGQ (PO 0.500kW D)	Los Reyes, Mich., N. 19°35'00", W. 102°28'00".	1.000	ND-D-190	D	II	161	120	161	Do.
		1540 kHz							
XEIC	Cuernavaca, Mor., N. 18°54'54", W. 99°14'14".	1.000	DA-2	U	II				Do.
		1540 kHz							
XEGP	Poza Rica, Ver., N. 20°32'14", W. 97°29'14".	1.000	ND-D-190	D	II	160	120	160	Do.
		1550 kHz							
(New)	Pachuca, Hgo., N. 20°07'44", W. 98°43'54".	1.000	DA-D	D	II				Do.
		1550 kHz							
(New) (previously Tonala, Jal., N. 20°37'20", W. 103°14'38").	Zapopan, Jal., N. 20°40'34", W. 103°23'12".	.500	ND-D-190	D	II	159	120	159	Do.
		1590 kHz							
XEHC	Ensenada, BCN, N. 31°51'10", W. 116°38'09".	1.000D/1.000N	ND-U-175	U	III	197	120	197	Immediately.
		1590 kHz							
XEYX	Mexicali, BCN, N. 32°40'00", W. 115°27'00".	10.000	ND-D-175	D	III	148	90	148	Sept. 30, 1976.

[SEAL]

WALLACE E. JOHNSON,
Chief, Broadcast Bureau,
Federal Communications Commission.

[FR Doc.76-15218 Filed 5-25-76;8:45 am]

FEDERAL POWER COMMISSION

[Docket Nos.: CP74-160, CP74-207, and CP75-83-3]

Availability of Staff Draft Environmental Impact Statement

PACIFIC INDONESIA LNG CO. AND WESTERN LNG TERMINAL CO.

MAY 26, 1976.

Notice is hereby given in the above dockets that on May 26, 1976, as required by Section 2.82(b) of Commission Order No. 415-C, a draft environmental impact statement (DEIS) prepared by the staff of the Federal Power Commission was made available for comments. This DEIS deals with applications by Pacific Indonesia LNG Company requesting authorization pursuant to Sections 3 and 7 of the Natural Gas Act to import (CP74-160) liquefied natural gas (LNG) from the Republic of Indonesia to a proposed LNG terminal in Oxnard, California, and to sell (CP74-207) the imported natural gas to Southern California Gas Company. Concurrent with these applications, Western LNG Terminal Company filed an application seeking certification (CP75-83-3) pursuant to Section 7 of the Natural Gas Act to construct and operate certain facilities necessary to unload, store, revaporize, and transport the revaporized gas. This latter application seeks approval for the construction and operation of an unloading dock and trestle, two 550,000-barrel LNG storage tanks, seawater vaporizer units, 12.2 miles of 42-inch pipeline, and other appurtenant facilities.

This statement has been circulated for comments to Federal, state and local agencies, has been placed in the public files of the Commission, and is available for public inspection both in the Commission's Office of Public Information, Room 1000, 825 North Capitol Street, NE., Washington, D.C., and at its regional office located at 555 Battery St., San Francisco, CA 94111. Copies of the DEIS are available in limited quantities from the Federal Power Commission's Office of Public Information, Washington, D.C. 20426.

Any person who wishes to do so may file comments on the draft statement for the Commission's consideration. All comments must be filed on or before July 12, 1976.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15424 Filed 5-25-76;8:45 am]

[Docket No. RP74-94-3]

ARKANSAS LOUISIANA GAS CO.

Notice of Extension of Time

MAY 12, 1976.

On May 3, 1976, Arkansas Louisiana Gas Company (City of Winfield, Kansas) to extend the date for filing briefs on exceptions to the initial decision of the Presiding Administrative Law Judge issued April 8, 1976, in the above designated matter.

The motion states that the parties have been notified and have no objection.

Upon consideration, notice is hereby given that the date for filing briefs on exceptions in the above matter is extended to and including May 24, 1976, and briefs opposing exceptions to and including June 14, 1976.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15313 Filed 5-25-76;8:45 am]

[Docket No. E-7775]

APPALACHIAN POWER CO.

Extension of Time and Postponement of Hearing Date

MAY 19, 1976.

On May 7, 1976, Appalachian Power Company filed a motion to extend the procedural dates fixed by order issued December 24, 1975, as most recently modified by notice issued April 9, 1976, in the above-designated proceeding.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff Testimony, June 30, 1976.
Service of Intervenor Testimony, July 30, 1976.
Service of Company Rebuttal, August 18, 1976.
Hearing, September 15, 1976 (10:00 A.M., e.d.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15315 Filed 5-25-76;8:45 am]

[Docket No. ES76-53]

IOWA ELECTRIC LIGHT AND POWER CO.

Application

MAY 18, 1976.

Take notice that on May 10, 1976, the Iowa Electric Light and Power Company (Applicant) filed an application pursuant to section 204 of the Federal Power Act with the Federal Power Commission seeking authority to issue and sell to certain institutional investors, 75,000 shares of Cumulative Preference Stock.

Applicant is incorporated under the laws of the State of Iowa and is authorized to do business in the States of Iowa, Minnesota, Colorado and Nebraska

with its principal business office at Cedar Rapids, Iowa. Applicant is engaged primarily in the generation, transmission and sale at retail of electric energy in 55 counties in the State of Iowa.

The Cumulative Preference Stock will be issued on approximately June 30, 1976. The Cumulative Preference Stock is subject to the prior rights and preferences of the existing outstanding classes of the Company's Cumulative Preferred Stock.

According to the Applicant, the purpose for which the Preferred Stock is to be issued is for the repayment of outstanding long-term promissory notes, which notes were issued to obtain funds for the Company's construction program, principally the construction of a nuclear-fueled generating station near Palo, Iowa, during 1972–1974. (The station was placed in service in June, 1974.)

Any person desiring to be heard or to make protest with reference to this Application should on or before June 4, 1976 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.76-15310 Filed 5-25-76;8:45 am]

[Docket No. ES76-42]

PACIFIC POWER & LIGHT CO.

Order Authorizing Guaranty of Notes

MAY 13, 1976.

Before Commissioners: Richard L. Dunham, Chairman; Don S. Smith, John H. Holloman III, and James G. Watt.

Pacific Power & Light Company (Applicant), on March 8, 1976, filed an application with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, for an order (1) authorizing it to assume liability for payment of up to $215,000,000 in an aggregate principal amount of Interim Notes to be issued by the Wyodak Construction Company, Inc., a Wyoming Corporation (Construction Company) to certain Banks under a Loan Agreement for which Banks Manufacturers Hanover Trust Company (MHTC) is acting as agent, to fund the construction of the Wyodak Steam Electric Generating Project (Wyodak Project); (2) authorizing it upon purchase or the Wyodak Project from the Construction Company under the Purchase Agreement, to issue five-year term promissory notes to finance such purchase of the Wyodak Project by paying the Interim Notes issued by Construction Company in an amount not exceeding $215,000,000 in an aggregate principal amount pursuant to the Loan Agreement; and (3) disclaiming jurisdiction with respect to the proposed sale to the Construction Company and the proposed repurchase of the Wyodak Project, pursuant to the Purchase Agreement.

Applicant is incorporated under the laws of the State of Maine, with its principal business office at Portland, Oregon and is engaged primarily in the generation, transmission, distribution and sale of electrical energy in the States of Oregon, Wyoming, Washington, California, Montana and Idaho.

Applicant and Black Hills Power & Light Company (Black Hills) are jointly constructing a coal-fired, steam-electric generating plant having an expected aggregate capacity of 330,000 KW and associated equipment and facilities, excluding transmission facilities, on a site near Gillette, Wyoming (such equipment, facilities and site being referred to herein as the "Wyodak Project"), adjacent to coal reserves owned by Wyodak Resources Development Corp., a coal-mining subsidiary of Black Hills. It is contemplated that Applicant will be entitled to 90 percent of the output of the Wyodak Project and Black Hills 10 percent of the output upon completion with Black Hills having the right, upon certain conditions being satisfied, to increase its participation in the Wyodak Project.

To facilitate the financing of the construction of the Wyodak Project, Applicant and Black Hills intend to convey all their right, title and interest in and to the Wyodak Project to Construction Company, a wholly owned subsidiary of BEDCO Leasing Company, Inc., which is a wholly owned subsidiary of Blyth Eastman Dillon & Company, Inc., a Delaware Corporation engaged in the investment banking business. Neither Applicant nor Black Hills has any ownership interest in Blyth. The Articles of Incorporation of Construction Company will prohibit it from owning or operating an operational electric generating facility and the Purchase Agreement will require that Construction Company sell the Wyodak Project before it is operational.

Construction Company will finance all of the costs of the financing and construction of the Wyodak Project through borrowings by Construction Company. Such borrowings will be made through the Loan Agreement with the Banks pursuant to which the Banks will commit to lend the Construction Company up to $215,000,000 to finance construction of the Wyodak Project. These loans will be evidenced by promissory notes of Construction Company. To induce the Banks to enter into the Loan Agreement with Construction Company, Applicant and Black Hills will have an unconditional several (but not joint) obligation under the terms of the Purchase Agreement to purchased an undivided 90 percent and 10 percent interest, respectively, in the Wyodak Project. Payment of the purchase price of the Wyodak Project by Applicant and Black Hills must be made regardless of whether Construction Company performs its obligations under the Purchase Agreement, including its obligation to sell the Wyodak Project. Through the unconditional and noncancellable obligation to purchase the Wyodak Project or cause it to be purchased under the Purchase Agreement, the Applicant and Black Hills will guarantee the obligations of Construction Company evidenced by such Interim Notes to the Banks in their several respective percentage shares. The guaranty is to be absolute and unconditional and it will apply notwithstanding any default on the part of Construction Company or any compromise, settlement, modification, amendment, release or termination of any or all of the obligations, covenants or agreements of Construction Company.

The electric energy which the Wyodak Project will make available to the Applicant's system will increase the liability of service to its customers and is, therefore, desirable and compatible with the public interest. In addition, financing construction of the Wyodak Project by the Construction Company affords the Applicant greater financial flexibility, leaving intact its other alternative sources of borrowing, i.e., lines of credit, commercial paper and Eurodollar facility. Consequently, the proposed assumption of liability as guarantor by Applicant of Interim Notes in the amounts of $215,000,000, to be issued by Construction Company, to fund the construction of the Wyodak Project is desirable and will serve the public interest.

In addition, Applicant seeks authorization, if it and Black Hills are unable to cause a third party to purchase the Wyodak Project from Construction Company, for use by applicant and Black Hills, by lease or otherwise, to issue five-year term promissory notes in an aggregate principal amount not to exceed $215,000,000 to finance such purchase of the Wyodak Project. The Purchase Agreement provides in pertinent part that Applicant and Black Hills will together have an unconditional obligation to purchase the Wyodak Project, if a sale to a third party or a lease cannot be arranged. The Term Loans shall be made on the date on which Applicant and Black Hills purchase the Wyodak Project from Construction Company, but in no event later than December 15, 1978. Each Term Note shall (i) be appropriately executed and delivered, (ii) be payable to the order of the Bank making the term loan evidenced thereby, (iii) be dated the date the term loans are made, (iv) be stated to mature in ten (10) consecutive semi-annual installments, each as nearly equal as may be, and (v) bear interest from the date thereof at a rate per annum equal to 125 percent of the MHTC Rate, provided that any amounts not paid when due shall thereafter be payable at a rate per annum equal to the sum of 2 percent plus 125 percent of the MHTC Rate until such amount shall be paid in full. Interest on each Term Note shall be payable quar-

terly during the term thereof and upon payment in full of the unpaid principal amount thereof.

It is our view that Applicant's request for authorization to issue $215,000,000 in Term Notes for the possible repurchase of the Wyodak Project is premature since these notes will not be needed until mid 1978. It is contemplated by the parties that Construction Company will sell the Wyodak Project to a lessor for the use of Applicant and Black Hills under a lease or other similar arrangement. If a sale to a third party cannot be arranged, the Applicant and Black Hills, together, have an unconditional obligation to purchase the Wyodak Project. Since Applicant's obligation to purchase the Wyodak Project is contingent upon the Construction Company not selling to a third party, we are dismissing that portion of Applicant's petition which requests authorization to issue term notes without prejudice to be refiled at the appropriate time pursuant to section 204 of the Federal Power Act.

Applicant further seeks an order of the Commission disclaiming jurisdiction over the proposed transfer of the Wyodak Project to Construction Company. The planned financing of the project calls for the conveyance by Applicant and Black Hills of all their right, title and interest in and to the Wyodak Project to Construction Company. The Articles of Incorporation of the Construction Company will prohibit it from owning or operating an operational electric generating facility and the Purchase Agreement will require that Construction Company sell the Wyodak Project either to Applicant or others before it is operational.

Section 201(b) of the Federal Power Act, 16 U.S.C. 824(b), exempts generating facilities from the jurisdiction of the Commission except as specifically provided in Parts II and III of the Act. Section 203 makes no exception to this exemption regarding the disposition of facilities. The facilities proposed to be transferred are confined to non-operational electric generating facilities. By the proposed transaction, Applicant will not be transferring facilities which are subject to the jurisdiction of the Commission, within the meaning of section 203 of the Federal Power Act. Duke Power Company v. Federal Power Commission, 401 F. 2d 930 (CADC, 1968); Arizona Public Service Company, 32 FPC 1525 (1964).

Written notice of the application has been given to the Public Utility Commission of Oregon, the Public Service Commission of Wyoming, the Utilities and Transportation Commission of Washington, the Public Utilities Commission of California, the Public Service Commission of Montana, the Public Utilities Commission of Idaho and to the Governor of each of those States.

Notice has also been given by publication in the FEDERAL REGISTER, stating any person desiring to be heard or to make any protest with reference to said application should on or before April 9, 1976, file petitions or protests with the Federal Power Commission, Washington, D.C. 20426. No protest, petition or request to be heard in opposition to the granting of the application has been received.

The Commission finds: (1) Applicant, a corporation, is a public utility within the meaning of section 204 of the Federal Power Act, subject to the jurisdiction of the Commission as heretofore determined and set forth in the Commission's Order issued March 28, 1962, Pacific Power & Light Company, Docket No. E-7025.

(2) The proposed guaranty by Applicant of Interim Notes to be issued by the Wyodak Construction Company will constitute on assumption of liability as guarantor within the purview of section 204 of the Federal Power Act.

(3) The proposed assumption of liability as guarantor by Applicant will be for a lawful object, within the corporate purposes of the Applicant and compatible with the public interest which is appropriate for and consistent with the proper performance by Applicant of service as a public utility, and which will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purposes.

(4) By the proposed transaction, Applicant will not be transferring facilities which are subject to the jurisdiction of the Commission, within the meaning of section 203 of the Federal Power Act.

(5) Applicant's petition for authorization to issue $215,000,000 in term notes to be utilized for the possible repurchase of the Wyodak Project is dismissed without prejudice to be refiled at the appropriate time pursuant to Section 204 of the Federal Power Act.

(6) The period of public notice given in this matter is reasonable.

The Commission orders: (A) the proposed guaranty by Applicant of Interim Notes to be issued in the principal amount of $215,000,000 by the Wyodak Construction Company, as described above, is hereby authorized subject to the provisions of this order.

(B) The foregoing authorization is without prejudice to the authority of this Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determinations of cost, or any other matter which is now pending or which may come before this Commission.

(C) Nothing in this order shall be construed to imply any guaranty or obligation on the part of the United States with respect to any security to which this order relates.

(D) Applicant shall, at such time, that a lease back arrangement is entered into file such Agreement with the Commission, so that a determination can be made of whether or not such lease back constitutes a sale for resale subject to the jurisdiction of the Commission.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15311 Filed 5-25-76;8:45 am]

[Project No. 199]

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Order Modifying Prior Order, Terminating Investigation and Dismissing Applications

MAY 13, 1976.

Before Commissioners: Richard L. Dunham, Chairman; Don S. Smith, John H. Holloman III, and James G. Watt.

By order issued March 13, 1975,[1] the Commission found, inter alia, that South Carolina Public Service Authority (SCPSA), licensee for the Santee-Cooper Project No. 199, was required to make application to the Commission for approval of construction activities involving the use or alteration of project works, lands or waters prior to initiation of such activities by any person, and that unauthorized construction activities involving the use and alteration of project works, lands or water taking place. The Commission ordered, inter alia, that SCPSA forthwith cease or cause to have ceased all construction activities which had not been specifically approved by the Commission, and further ordered that SCPSA submit within 90 days revised exhibits and information for all completed construction activity which involved the use and alteration or project works, lands or waters not previously approved by the Commission.

On April 7, 1975, SCPSA filed a pleading entitled an application for rehearing and clarification of the March 13, 1975, order. By order of May 7, 1975, this application was dismissed on the ground, inter alia, that no final order had been entered for which rehearing would lie. The Commission stated:

> The cessation of all [construction] activities was ordered precisely because we do not have sufficient information to determine whether these changes are substantial or what particular activities may require our approval. Our intent was to maintain this project in its approved status until we are able to make a preliminary review of all potential violations of Articles 3, 4, and 9 of this license. This investigation will be expedited and completed as promptly as the adequacy of SCPSA's submissions will permit.[2]

On June 6, 1975, SCPSA filed with the United States Court of Appeals for the Fourth Circuit a petition for review of the Commission's Order to Cease Construction Activities.[3]

The Santee-Cooper Project No. 199 occupies portions of Berkeley, Calhoun,

[1] Order to Cease Construction Activities and Consolidating Proceedings, South Carolina Public Service Authority, Project No. 199, Docket No. E-9110, issued March 13, 1975, 53 F.P.C. ____ (1975) (hereinafter Order to Cease Construction Activities).

[2] Order Dismissing Application for Rehearing of Order to Cease Construction Activities, South Carolina Public Service Authority, Project No. 199, Docket No. E-9110, issued May 7, 1975, 53 F.P.C. ____ (1975).

[3] South Carolina Pub. Serv. Auth. v. FPC, No. 75-1559, 4th Cir. June 6, 1975. Currently pending before the Court is a motion to dismiss SCPSA's petition, filed by the Commission on July 11, 1975.

Clarendon, Orangeburg, and Sumter Counties in southeastern South Carolina. The project includes, inter alia, Lake Marion, a 90,775-acre[4] reservoir adjacent to the Santee River, and Lake Moultrie, a 60,400-acre reservoir adjacent to the headwaters of the Cooper River. Project lands above elevation 76.8 feet msl (measured at Santee Dam) total 41,825 acres, and 476 miles of shoreline encircle project waters.

Among the developments included within the Project No. 199 boundary are residential subdivisions containing, according to the application for new license filed by SCPSA on September 4, 1973,[5] 3,289 lots, 3,007 of which have been leased to private groups or individuals.[6] We have before us applications filed by SCPSA on behalf of lessees of lots located on projects reservoirs or tributaries.[7] These applications include: (1) application for construction of boat house and slip, filed on behalf of Dr. Carl H. Weaver on July 9, 1975; (2) application for construction of a pier, filed on behalf of Clyde S. Owens on August 18, 1975; (3) application for construction of a pierhead at the end of an existing pier, filed on behalf of Thomas C. Douglas on August 20, 1975; (4) application for construction of a pier, filed on behalf of Hampton W. Wickert on September 16, 1975; (5) application for construction of a pier, filed on behalf of John D. Wimberly on October 10, 1975; (6) application for construction of a pier and boat ramp, filed on behalf of Thomas M. Richardson on October 30, 1975; (7) application for construction of a pier, filed on behalf of Dr. John M. Wilson on October 31, 1975; (8) application for construction of a pier, filed on behalf of Mrs. Mary E. Sprawls on November 21, 1975; and (9) application for construction of a pier, filed on behalf of Dr. Howard Snyder on December 8, 1975, (10) application for construction of a pier, filed on behalf of Fred W. Nardin on February 27, 1976; (11) application of excavation and construction of a pier, filed on behalf of Carol L. Miles on March 22, 1976; (12) application for construction of a pier, filed on behalf of David H. Bass on March 31, 1976; and (13) application for construction of a pier, filed on behalf of C. H. Jordan on April 18, 1976. Each of these applications asks for Commission approval of the proposed construction or, in the alternative, a Commission order finding that the proposed construction would not constitute a substantial alteration of the Project No. 199 project works.

Motion by SCPSA

Also before us is a motion in the form of a letter filed by SCPSA on October 28, 1975.[8] In its letter, SCPSA states that pursuant to the Order to Cease Construction it has endeavored to halt every type of construction activity carried on by SCPSA, its lessees, and other owners of property within the project boundaries. SCPSA feels that the absolute ban on every type of construction activity imposed by the March 13, 1975, order has worked hardships with respect to several matters which SCPSA feels are not related to the actual issues which prompted the Commission's Order to Cease Construction. Specifically, SCPSA states that a number of lessees and lot-owners have foregone the construction of such improvements as boat slips, piers, and retaining walls for erosion control purposes. SCPSA feels that the Commission's primary concern in issuing the Order to Cease Construction was not minor improvements by individual lessees or lot-owners, but construction—such as dredging and filling, the building of canals, the placement of effluent outfall lines, or construction of bulkheads which would substantially alter the existing reservoir shoreline—that would significantly alter or otherwise affect the project works, lands or waters.

Conceding the Commission's jurisdiction over these major construction activities, SCPSA requests that the Commission modify its Order to Cease Construction to allow, without individual Commission approval, the construction of improvements on leased lots; associated piers, boat docks, and boat ramps; embankments and bulkheads to prevent further erosion of the existing shoreline; public recreational facilities such as picnic areas, boat ramps, docks, and parking and sanitary facilities; spur roads to provide access to existing roads from leased lots; and utility lines to provide services to property owners and lessees within the project boundaries.

By letter filed November 28, 1975, the Society of Law & Ecology for Wyboo (LEW) commented on SCPSA's proposal.[9] LEW opposes each of SCPSA's proposed modifications of the Order to Cease Construction. LEW states its opposition to: construction of improvements on leased lots because the proposal is vague and indefinite, and would appear to give unlimited authority for any and all construction activities on those lots; construction of piers, boat docks, boat ramps, embankments, and bulkheads until a detailed construction procedure, including consideration of environmental factors, has been established; construction of recreational facilities in a piecemeal and uncontrolled fashion, without planning or consideration of the quality of project waters and proper leased areas without sufficient lands use development plans or safeguards against sediment run-off into project waters; and provision of utility services to property owners or lessees if such services include sewage or waste disposal. LEW requests that a public hearing be held before the Commission orders any modifications in the Order to Cease Construction.[10]

Commission Investigation

On February 12, 1976, prompted by reports that unauthorized construction activities had taken place at Project No. 199, we ordered an investigation of SCPSA's compliance with our Order of March 13, 1975, and the project license. The investigation revealed that extensive construction had taken place since March 13, 1975; that such construction was in violation of the Commission's order of that date; and that such violation or violations were directly attributable to SCPSA's inadequate inspection and control procedures. By order issued March 19, 1976, we required SCPSA to file "a detailed plan calculated to correct the inadequacies of its current efforts to detect and control unauthorized activities within or affecting the project * * *."[11] The plan was to relate not only to the Order to Cease Construction Activities, but also to SCPSA's motion filed October 28, 1975.[12]

SCPSA filed its response on March 27, 1976. The filing describes an Inspection and Control program, summarized as follows:

1. SCPSA has reorganized certain staff positions to place all responsibility for administration of project lands and waters under one manager.[13] The manager will supervise five sections: Inspection and Compliance; Developed Land; Undeveloped Land; Environmental Control; and Utilization Planning. Each section will have its own area of responsibility, as suggested by the section names.

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[4] This acreage, like those for Lake Moultrie, project lands and project shoreline, is according to the application for new license for Project No. 199 filed by SCPSA on September 4, 1973.

[5] The original license for Project No. 199 was issued to Columbia Navigation Co. on April 2, 1926. Transfer of the license to SCPSA was approved by the Commission April 4, 1939. The license expired on April 1, 1976, and the project is being maintained and operated under an annual license.

[6] In its letter filed October 28, 1975, see note 8, infra, SCPSA indicated that 3,050 lots at existing subdivisions were under lease as of that date.

[7] All of the applications discussed below were filed after the March 13, 1975, Order to Cease Construction Activities.

[8] Letter from William J. Madden, Jr., Attorney for SCPSA, to Kenneth F. Plumb, Secretary, Federal Power Commission, dated October 28, 1975.

[9] LEW is a party to this proceeding by virtue of the Commission's Order Granting Intervention, South Carolina Public Service Authority, Project No. 199, issued February 3, 1975; and Order to Cease Construction Activities and Consolidating Proceedings, note 1, supra.

[10] SCPSA on December 8, 1975, filed a "Response" to LEW's comments, and LEW in turn filed a "Reply" to SCPSA's "Response" on January 9, 1976. These additional, unsolicited filings add nothing of substance to this proceeding.

[11] Initial Order Upon Investigation, issued March 19, 1976, 55 F.P.C. —— (1976).

[12] A Staff report on the investigation, copies of which were attached to the Initial Order upon Investigation, stated:

Given SCPSA's current lack of control over construction at the project, it appears that to grant SCPSA's pending request for authorization to allow certain construction without prior Commission approval * * * would be to give lessees carte blanche to undertake practically any construction.

[13] Previously, responsibility for management of project lands was shared by two departments.

2. SCPSA has begun a detailed inventory of all existing structures, including canals, on project lands and waters. The inventory involves the recording of information respecting each lot on a form designed for that purpose. The forms will be filed and used to detect new construction by comparing current inventory forms with those on file.

3. SCPSA has authorized the hiring of two additional employees, whose principal responsibility will be to inspect project lands and waters on a continuing basis.

4. SCPSA has adopted for the present a program of inspecting project lands and waters, consisting of: overflights of the project at least once a month, primarily to detect construction activity; after completion of the inventory program, an inspection of the project by boat once every three months; prompt inspection of the sites of possible unauthorized construction activities; inspection of proposed sites for construction of boat docks, piers, retaining walls, and similar structures, prior to SCPSA's approval of such activity; notification of other governmental agencies of unauthorized construction activities; and periodic communications to lessees, including a remainder of the necessity for prior approval of construction activities. Such a notice was mailed by SCPSA to each commercial, residential, and marginal lessee on February 20, 1976.

SCPSA states that following full implementation of the Inspection and Control Plan, modifications may be necessary from time to time. SCPSA states that it will advise the Commission if such modifications become necessary.

DISCUSSION

We believe that SCPSA's plan for inspection and control of project lands and waters is adequate, and necessary if SCPSA is to adhere to its commitment to "do its best to prevent construction of any canal, and dredging operation, the placement of any effluent outfall lines, or the construction of any bulkhead which will substantially alter the existing reservoir shoreline," as stated in its filing of October 28, 1975. The discussion which follows is predicted upon SCPSA's implementation and maintenance of that program.

The primary concern that motivated our Order to Cease Construction in this proceeding was that activities were taking place affecting the Commission's jurisdiction responsibilities under the Federal Power Act (Act) and the National Environmental Policy Act of 1969 for which the Commission had given no approval and of which, in many cases, it had no information other than that provided in Army Corps of Engineers' notices of applications for construction permits. In order to meet those jurisdictional responsibilities, we ordered SCPSA not only to cease or cause to have ceased all construction activities, but also to file for Commission approval revised exhibits and other information reflecting any changes in project works, lands or waters not previously approved by the Commission, pursuant to Section 9(a) of the Act and Articles 3, 4, and 9 of the license for Project No. 199.

We have reviewed the applications, listed above, filed by SCPSA on behalf of individual lessees or lot-owners for construction of piers, boat ramp, boathouse, slip, and slough, and considered the October 28, 1975, filing of SCPSA and the comments thereon by LEW. In certain respects SCPSA is correct in asserting that some proposed construction activities do not comprise substantial alteration of or additions to project works, lands or waters, and therefore should not require prior Commission approval. SCPSA points out, for example, that in licenses recently issued the Commission has authorized licensees to grant permits for the construction of wharves, access roads, landings, and other similar facilities within project boundaries, subject to specified conditions.[14]

LEW presents no persuasive argument to support its opposition to modification of the Order to Cease Construction Activities to authorize the construction of piers, boat ramps, boathouses, slips, and similar and appurtenant structures on leased lots. Although LEW states that a "detailed procedure for the construction of" such facilities should be established, it does not recommend or propose additions to the existing procedure. SCPSA employs a permit system for approval of these structures, and has prescribed specifications for their construction. Full implementation of the inspection and control procedures proposed by SCPSA will adequately ensure the compliance of the lessees. Moreover, we believe that the recreational benefits of the proposed structures for lessees and for the general public, as hereinafter provided, will outweigh the minor effects upon the project environment which may be caused. Accordingly, by this order we modify our Order to Cease Construction Activities to authorize the construction of piers, boat docks, boat ramps, and similar structures at lots leased prior to the date of this order. This authorization is conditioned upon the requirements that each lessee procure from SCPSA a permit for proposed structures, that such permits shall require multiple occupancy and use of such facilities, where feasible, and that the facilities shall be constructed and maintained in such manner as to be consistent with shoreline aesthetic values.

In its comments, LEW also opposes the construction of embankments and bulkheads to prevent further erosion at the project shoreline until a detailed program is presented which includes a discussion of environmental considerations. Again LEW fails to suggest the content of such a program or to explain how a program would further enhance the mitigation of the immediate problem of shoreline erosion. Moreover LEW's opposition to erosion-control structures appears inconsistent with the concern expressed elsewhere in its comments on sediment run-off deterimental to the quality of project waters.

Construction of embankments and bulkheads will control sediment run-off, mitigate erosion problems, and stabilize the project shoreline. By this order we further modify our Order to Cease Construction to authorize the construction of bulkheads, embankments, retaining walls, or similar structures on the project shoreline for erosion control purposes. We emphasize, however, that this approval extends only to bulkheads or retaining walls constructed to protect the existing shoreline, and that no reservoir or shoreline encroachment is authorized without prior Commission approval.[15] We also require by this order that in issuing permits for erosion-control structures on the project shoreline, SCPSA shall consider whether the planting of vegetation will be adequate to control erosion at the site in question, in lieu of bulkhead or other structures. Implementation of SCPSA's inspection program should ensure compliance with these requirements.

With respect to SCPSA's request for authorization to construct, without prior Commission approval, recreational facilities such as picnic areas, boat ramps, boat docks and parking and sanitary facilities provided by the Authority for the public, we approve of SCPSA's desire to undertake such construction but have difficulty ascertaining the possible scope of such authorization. It is not clear, for example, whether SCPSA proposes building these facilities at existing residential subdivisions for the private use of the lessees, or intends that either new public recreation areas would be developed or that existing public use areas at the project would be improved. Nor is it clear how such authorization would relate to the recreational use plan proposed in SCPSA's Exhibit R, filed September 4, 1973. Therefore, by this order we authorize construction of facilities for outdoor recreational use only at existing improved recreational sites. Any sanitary facilities constructed at these sites shall comply with appropriate State and local health regulations, and SCPSA shall ensure that effluent lines from those sanitary facilities shall not discharge into, nor adversely affect the quality of, project waters.

SCPSA also seeks authorization to permit the construction or installation of houses, cottages, mobile homes, or other residential structures on leased lots, spur roads to provide access to existing roads from leased lots, and utility lines to provide services to leased lots. In its filing of October 28, 1975, SCPSA indicated that there were roughly 2,150 leases outstanding for lots on which no improvements had been made, and it anticipated that relatively few residences would be built on those lots. However, in recent responses to questions by Staff relating to SCPSA's application for new

[14] See, e.g., Order Issuing License (Major), Indiana & Michigan Electric Co., Project No. 2551, issued December 15, 1975, 54 F.P.C. ____ (1975) (Article 30); Order Issuing License (Major), Pacific Gas and Electric Co., Project No. 2661, issued October 29, 1975, 54 F.P.C. ____ (1975) (Article 28).

[15] Staff's report of March 4, 1976, stated that Staff members encountered several examples of bulkheads built beyond the reservoirs' low water mark and backfilled, thus encroaching upon the lakes and extending the lessees' usable land.

license, SCPSA has indicated that there are only about 1,000 leased, unimproved lots, but on the other hand that they are not certain how many of these lots would be improved in the event Commission authorization were granted. We assume for purposes of this discussion that the more recent statements are correct.

LEW opposes construction of improvements on leased lots because it feels the request is vague and indefinite, and might allow construction of all sorts, including dredging on the leased property. It is our understanding and, we are certain, SCPSA's understanding as well, that any dredging at Project No. 199 must have the prior specific approval of the Commission. As to residential structures, SCPSA's request regards leased lots in existing subdivisions; as SCPSA states, new subdivisions are either the subject of applications pending before the Commission, or included in the Exhibit R. Structures to be built will be in developed areas, in many cases next to or near existing residential structures. Moreover, the leases for the lots in question were executed prior to March 13, 1975: what LEW would have us do is to deny lessees of unimproved lots the opportunity to do what they executed the leases (and are paying rent thereon) for: to construct houses or cottages for recreational purposes. We do not find LEW's objection to this construction to be meritorious.

By this order we grant SCPSA's request for authorization to permit the construction of homes, cottages, mobile homes, or other residential structures on lots leased prior to March 13, 1975. SCPSA shall require each lessee to procure a permit for the construction of any residential facility. We condition this authorization to require that any permit issued for construction of houses, cottages, or other land-based facilities shall require the lessee to maintain a buffer zone and a set back between maximum high water level (elevation 76.8 feet msl at Santee dam) and the proposed structure of sufficient width to protect the scenic, aesthetic, public recreational, and other environmental values of the reservoir shoreline. In no case shall the buffer zone be less than 30 feet. Lessees shall comply with the appropriate State and local health regulations in the construction of sanitary facilities on project lands, and shall prevent the discharge from any effluent line from sanitary facilities into project waters.

By this order we also approve the construction, without individual Commission approval, of short spur roads or driveways to provide access to subdivision lots from existing subdivision roads. Larger roads to be constructed for general public use will continue to require prior Commission approval. As to utility lines, SCPSA shall require that such utility lines conform to the relevant provisions of the Commission's Order No. 414, issued November 27, 1970.[16]

The construction authorized by this order may be undertaken by SCPSA or, with the prior approval of SCPSA, by third parties. Construction of any such facilities in navigable waters of the United States shall also be done to the satisfaction of the District Engineer, Department of the Army, in charge of the locality.

LEW's request for a public hearing prior to modification of the Order to Cease Construction must be denied insofar as it relates to the construction authorized by this order. LEW has posed no issue of substance with respect to the construction activities herein authorized. Moreover, the Order to Cease Construction required SCPSA to submit the appropriate applications for the use and alteration of project works, lands and waters to the Commission for review and approval. This SCPSA has done, and we have determined that the activities authorized herein are not those for which the Project No. 199 license requires individual Commission approval. Provision is made hereinafter for the dismissal as moot of the applications for construction of piers and similar structures filed by SCPSA on behalf of certain individuals. Other applications filed by SCPSA are being processed by Commission Staff and we take no action on those applications by this order.

The maintenance and repair of existing facilities at Project No. 199 is of course permitted without prior approval.[17] However, Commission approval for any construction not specifically authorized by this order must be obtained prior to commencement of such construction. This includes, but is not limited to, dredging or dragline operations within the project boundary, and the removal of earthen plugs between project waters and canals that have already been constructed.[18]

The authorization conferred by this order is consistent with the terms and conditions of SCPSA's license for Project No. 199. Thus, this order is not a "major Federal action" within the meaning of Section 102 of the National Environmental Policy Act of 1969.[19] Moreover, only limited construction activities are herein authorized, and any adverse environmental impacts of such activities will be minor and short-term in nature. The construction of bulkheads and retaining walls along project shorelines will control erosion and stabilize reservoir boundaries. Accordingly, a detailed statement of the environmental impact of these construction activities need not be prepared.

The Commission finds: (1) This order is not a major Federal action nor will the activities authorized by this order have a significant adverse effect upon the Project No. 199 environment. A detailed statement of the environmental impact of the construction activities hereinafter authorized need not be prepared.

(2) Certain construction activities, hereinafter specified, do not significantly alter or affect the Santee-Cooper Project No. 199 project works, lands or waters, and individual Commission approval for such construction should not be necessary.

(3) The Commission's Order to Cease Construction Activities at Project No. 199 of March 13, 1975, should be modified to permit, without individual Commission approval, the construction of: (A) piers, boat docks, boat ramps, and similar structures on lots leased prior to the date of that order: *Provided,* That SCPSA shall require each lessee to procure a permit from SCPSA for construction of any such facility to be constructed on or over project lands and waters after the date of this order; *Provided, further,* That SCPSA shall, concerning permits for piers, boat docks, and similar structures, require multiple occupancy and use of such facilities, where feasible; *Provided, further,* That SCPSA shall ensure that such facilities are constructed and maintained in a manner consistent with shoreline aesthetic values; (B) bulkheads and retaining walls on existing project shoreline, for erosion control purposes only: *Provided,* That in issuing permits for bulkheads and retaining walls, consideration shall be given to whether the planting of vegetation will adequately control erosion at the site in question in lieu of bulkhead or retaining wall; (C) recreational facilities such as picnic areas, parking facilities, sanitary facilities, boat ramps, and boat docks for public recreational use at existing improved recreational sites in residential subdivisions and at public or quasi-public recreational areas, *Provided,* That any sanitary facilities constructed at these sites shall comply with appropriate State and local health regulations; *Provided, further,* That any effluent lines from those sanitary facilities shall not discharge into, nor adversely affect the quality of project waters; (D) houses, cottages, mobile homes, or other single-family residential structures on project lands on lots in existing subdivisions leased for such purposes prior to March 13, 1975: *Provided,* That as a condition of any permit issued to construct houses, cottages, or other land-based facilities, the lessee shall be required to maintain a buffer zone and a set-back between high water level (elevation 76.8 feet msl at Santee dam) and the proposed structure of sufficient width to protect the scenic, aesthetic, public recreational, and other environmental values of the reservoir

[16] Protection and Enhancement of Natural Historic, and Scenic Values in the Design, Location, Construction, and Operation of Project Works, 44 F.P.C. 1491 (1970).

[17] Cf. Section 9(c) of the Act, 16 U.S.C. § 803(c).

[18] See Report to the Commission, supra note 12.

[19] 42 U.S.C.A. § 4332.

shoreline, but in no case shall the buffer zone be less than thirty feet; *Provided, further,* That sanitary facilities constructed in connection with such residential structures shall comply with State and local health regulations; *Provided, further,* That effluent lines from such sanitary facilities shall not discharge into, nor affect the quality of, project waters; (E) short driveways or spur roads to provide access to leased lots within existing subdivisions from existing subdivisions roads; and (F) utility lines to provide services to lots within existing subdivisions; *Provided,* That such utility lines conform to the requirements of the relevant provisions of the Commission's Order No. 414, issued November 26, 1970.

(4) The authorization conferred by this Order is conditioned upon South Carolina Public Service Authority's implementation and maintenance of the plan for inspection and control of project lands and waters, filed with the Commission on March 27, 1976, to ensure compliance of lessees with the conditions of this order and to detect and control both authorized and unauthorized activities within the project boundary or affecting project lands or waters.

(5) The construction activities described in paragraph (3) above, may be undertaken by the South Carolina Public Service Authority or, with the approval of SCPSA, by third parties. The construction of any such facilities in navigable waters of the United States should be done to the satisfaction of the District Engineer, Department of the Army, in charge of the locality.

(6) No construction except that specifically described in paragraph (3), above, is authorized by this order.

(7) The Society of Law & Ecology for Wyboo presents no issue of substance with respect to the construction activities authorized by this order. LEW's request for a public hearing prior to modification of the March 13, 1975 Order to Cease Construction Activities should be denied insofar as it relates to construction authorized by this order.

(8) The applications for approval of construction filed by the South Carolina Public Service Authority on behalf of the following named individuals should be dismissed as moot: application for construction of a boathouse and slip, filed on behalf of C. H. Weaver on July 9, 1975; application for construction of a pier, filed on behalf of C. S. Owens on August 18, 1975; application for construction of a pierhead at the end of an existing pier, filed on behalf of T. C. Douglas on August 20, 1975; application for construction of a pier, filed on behalf of H. W. Wickert on September 16, 1975; application for construction of a pier, filed on behalf of J. D. Wimberly on October 10, 1975; application for construction of a pier and boat ramp, filed on behalf of T. M. Richardson on October 30, 1975; application for construction of a pier, filed on behalf of J. M. Wilson on October 31, 1975; application for construction of a pier, filed on behalf of Mary E. Sprawls on November 21, 1975; application for construction of a pier, filed on behalf of Dr. Howard Snyder on December 8, 1975; application for construction of a pier, filed on behalf of Fred W. Nardin on February 27, 1976; application for excavation and construction of a pier, filed on behalf of Carol L. Miles on March 22, 1976; application for construction of a pier, filed on behalf of David H. Bass on March 31, 1976; and application for construction of a pier, filed on behalf of C. H. Jordan on April 18, 1976.

The Commission orders: (A) The Commission's March 13, 1975, Order to Cease Construction Activities at Project No. 199 is hereby modified to authorize, without individual Commission approval, the construction activities described in finding paragraph (3), (4), (5), and (6), above.

(B) The request of Society of Law & Ecology for Wyboo for a public hearing in this proceeding is hereby denied insofar as it relates to the authorization conferred by this order.

(C) The application described in finding paragraph (8), above, are hereby dismissed as moot.

(D) The investigation initiated by the Commission's Notice and Order of Investigation issued February 12, 1976, is hereby terminated.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15312 Filed 5-25-76;8:45 am]

[Project No. 199; Docket No. E-9110]

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY AND JAMES H. QUACKENBUSH, JR.

Order Granting Motion for Consolidation

MAY 10, 1976.

Before Commissioners: Richard L. Dunham, Chairman; John H. Holloman III, and James G. Watt.

By order issued July 30, 1974, the Commission, among other actions, set for hearing, and consolidated for the purpose of hearing and decision, all pending matters pertaining to Santee-Cooper Project No. 199, stating, with respect to its obligation under section 10(a) of the Federal Power Act to assure that the project "will be best adapted to a comprehensive plan for * * * beneficial public uses",

> "[W]e are concerned with the practice of allowing increased use of project lands and waters on a piecemeal basis rather than being related to a comprehensive consideration of their capacity to serve known and foreseeable proposed uses which might be imposed upon them.

On September 25, 1974, the so-called "Mill Creek" application was filed seeking approval of a residential development which would consist of 60 single family homesites, 70 mobile homesites, 129 condominium units, six community docks, a convenience store, a laundromat, a service station, four public areas (including public boat ramps, swimming facilities and/or picnic areas) and a nature trail on a 111 acre tract. Sewage from the development would undergo tertiary treatment in a waste treatment plant at the development area. Effluent would be discharged at the bottom of the original riverbed of the Santee River through a six-inch diameter outfall line.

On May 5, 1975, the so-called "Clarendon Shores" application was filed seeking approval of a residential development which would consist of 249 single family homesites, three community docks, three public areas (including public boat ramps, facilities and natural areas) and a nature trail on a 169 acre tract. A 100,000 g.p.d. tertiary waste treatment plant for processing waste from the development would discharge effluent into Lake Marion, one of the project waters, at a point 800 feet from the high water elevation by a diffuser located at the end of a weighted four-inch diameter polythylene outfall line.

Public notice of the Mill Creek and Clarendon Shores applications was given, and two petitions to intervene in connection with the latter application were filed and granted.

In a reply filed by the Commission Staff on December 4, 1975, in response to a motion to sever one of the consolidated matters, the Staff moved to consolidate the Mill Creek and Clarendon Shores applications with the other consolidated matters for the purpose of hearing and decision. But by order issued February 17, 1976, the Commission denied that motion to consolidate without prejudice because it was not acceptably within the scope of the motion to sever then under consideration, and because the parties may not have been fairly apprised of the pendency of the Staff's motion to consolidate.

On April 16, 1976, the Staff again moved to consolidated the Mill Creek and Clarendon Shores applications with the other consolidated matters: (1) an application filed by the South Carolina Public Service Authority for a new license for Santee-Cooper Project No. 199; (2) an application to authorize the construction of an effluent outfall line in Lake Marion; (3) an application seeking approval of the so-called "Pintail Island" residential development which would consist of 92 single family homesites, five public areas, roadways, including an access causeway, and a 40,000 g.p.d. waste treatment plant; (4) a complaint alleging preferential leasing of project lands by the South Carolina Public Service Authority and (5) a complaint in Docket No. E-9110 alleging illegal dredging.

The Staff, in its motion, calls attention to the foregoing quotation from the Commission's order of July 30, 1974, and to the further statement therein that "[t]o avoid duplicative and time consuming procedures, we will consolidate these [pending] matters and issues and any applications of a similar nature into a single proceeding [Footnote omitted and emphasis added by the Staff]." A review of the Mill Creek and Clarendon Shores applications in consolidation with the other consolidated matters would permit the comprehensive study of the cumula-

tive interrelated effects of those proposed actions on Project No. 199 and avoid a piecemeal approach, the Staff asserts, and, consequently, it is including the proposed Mill Creek and Clarendon Shores developments in the draft environmental impact statement which is currently being prepared. And finally, the Staff asserts, counsel for all parties have been contacted and have authorized the Staff to express their concurrence in the Staff's motion.

The Commission finds: The Mill Creek and Clarendon Shores applications involve questions of law and/or fact in common with the matters which have been consolidated by the Commission's prior orders herein, and it is appropriate and in the public interest to grant the motion of the Commission Staff filed April 16, 1976, to consolidate the said Mill Creek and Clarendon Shores applications with the other consolidated matters herein for the purpose of hearing and decision.

The Commission orders: The motion of the Commission Staff filed April 16, 1976, to consolidate the Mill Creek and Clarendon Shores applications with the other consolidated matters herein for the purpose of hearing and decision, is granted.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-15314 Filed 5-25-76;8:45 am]

GENERAL ACCOUNTING OFFICE

REGULATORY REPORTS REVIEW

Receipt of Report Proposals

The following requests for clearance of reports intended for use in collecting information from the public were received by the Regulatory Reports Review Staff, GAO, on May 20, 1976. See 44 U.S.C. 3512 (c) & (d). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public of such receipt.

The list includes the title of each request received; the name of the agency form number, if applicable; and the frequency with which the information is proposed to be collected.

Written comments on the NRC and FCC submissions are invited from all interested persons, organizations, public interest groups, and affected businesses. Because of the limited amount of time GAO has to review the proposed forms, comments (in triplicate) must be received on or before June 14, 1976, and should be addressed to Mr. Carl F. Bogar, Assistant Director, Office of Special Programs, United States General Accounting Office, Room 5216, 425 I Street, NW., Washington, D.C. 20548.

Further information may be obtained from Patsy J. Stuart of the Regulatory Reports Review Staff, 202-376-5425.

NUCLEAR REGULATORY COMMISSION

NRC requests approval of a new Form NRC-314, "Certificate of Disposition of Materials." Form NRC-314 is completed by NRC licensees whose licenses are expiring and who do not file an application for renewal of their licenses. Form NRC-314 is reviewed by the NRC to determine whether the licensee has materials on hand which must be transferred or otherwise disposed of prior to expiration of the license and, if materials have been transferred or disposed of, to determine whether transfer or disposition of the materials is in accordance with the NRC's regulations. Respondents are firms, institutions, and individuals licensed to possess and use radioactive materials under NRC licenses. Each certificate requires approximately 20 minutes to prepare. Approximately 900 respondents each file one certificate annually.

FEDERAL COMMUNICATIONS COMMISSION

FCC requests clearance of a revision of FCC Form 402, Application for License in the Private Operational Fixed Microwave Radio Service. The use of this form is required by Section 94.27(a) of the Commission's Rules. It is required to be filed when applying for a new station authorization, for a modification of station license, or for a new authorization to operate one or more fixed stations at temporary locations in the private operational fixed microwave radio service. The revised Form 402 has been redesigned to incorporate Form 402-S, Supplemental Technical Information into Form 402. Burden is estimated to range from 1 to 19 hours depending upon the nature of the Application. The FCC anticipates receiving approximately 3,850 applications during the coming year.

NORMAN F. HEYL,
Regulatory Reports Review Officer.

[FR Doc. 76-15286 Filed 5-25-76;8:45 am]

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice 76-47]

NASA SPACE PROGRAM ADVISORY COUNCIL (SPAC)

Applications Committee Meeting

The NASA SPAC Applications Committee will meet on June 18, 1976, in room 404, Building 180 at the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California. Members of the public will be admitted to the meeting beginning at 9:00 a.m. on a first-come, first-served basis up to the seating capacity of the room which will accommodate about 15 persons. Visitors will be requested to sign a visitor's register.

The NASA SPAC Applications Committee serves in an advisory capacity only. It is concerned with the total range of applications of space-derived, space-related technology including communications, meteorology, earth resources survey (includes agriculture/forestry, cartography, geography, geology/hydrology, oceanography), earth and ocean physics, solar energy conversion, space processing, and other technology applications. Currently the Committee comprises 7 members including the Chairman, Mr. Thomas Rogers. For further information regarding the meeting, please contact the Recording Secretary, Mr. Louis B.C. Fong, (202) 755-8617. The agenda for the meeting is as follows:

Time	*Topic*
9 a.m.	*Chairman's Remarks.*
9:30 a.m.	*Early Shuttle Missions.* Experimental payloads under consideration for the first six developmental flights and for early operational missions of the Space Shuttle will be described. Committee members will be asked to comment on the general plan and provide suggestions on experiments or classes of experiments which might enhance the return on these early missions.
10:30 a.m.	*New Initiatives.* The Chairman will summarize his discussions with each of the Committee members regarding major new initiatives for consideration by NASA which were identified in the Outlook for Space Study and which pose fundamental issues in NASA's planning. Committee members will be asked for any further comments and recommendations before the Committee's position on these initiatives is forwarded to the SPAC in response to a request made to each of the SPAC Committees at the March 3 and 4, 1976, meeting of the Council.
11:30 a.m.	Tracking and Data Relay Satellite System *and Data Handling Technology Development.* The Committee's ad hoc group will report on the results of its in-depth review of NASA's plans in both of these areas. Committee guidance and recommendations will be solicited.
1:30 p.m.	Assessment of Ecological Impact by the American Institute of Biological Sciences *(AIBS)/NASA Life Sciences Study Team.* The Committee has expressed a particular interest in what the Life Sciences Committee has been studying on the depletion of ozone and the impact of increased ultra-violet on the biosphere. This is the first in a series of reports to the Committee and is a summary of the Life Sciences Committee study.

Time	Topic
2:15 p.m.	*Review and Assessment of the Joint Meeting.* The Committee will review the results of its first joint meeting with the Physical Sciences Committee on June 17, 1976, and consider how these joint meetings might be improved to insure that science in applications is given adequate treatment in the SPAC committees. Subjects for future joint meetings will be considered.
3:15 p.m.	*Adjourn.*

Dated: May 19, 1976.

WILLIAM W. SNAVELY,
Assistant Administrator, for DOD and Interagency Affairs.

[FR Doc.76-15269 Filed 5-25-76;8:45 am]

NATIONAL SCIENCE FOUNDATION

ADVISORY PANEL FOR HISTORY AND PHILOSOPHY OF SCIENCE

Meeting

In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, the National Science Foundation announces the following meeting:

Name: Advisory Panel for History and Philosophy of Science.

Date and time: June 11, 1976—9 a.m. to 5 p.m.

Place: Room 511, National Science Foundation, 1800 G Street, N.W. Washington, D.C.

Type of meeting: Closed.

Contact person: Dr. Ronald J. Overmann, Assistant Program Director, History and Philosophy of Science, Rm. 205B, National Science Foundation, Washington, D.C. 20550, telephone (202) 632-4182.

Purpose of panel: To provide advice and recommendations concerning support for research in the History and Philosophy of Science.

Agenda: To review and evaluate research proposals and projects as part of the selection process for awards.

Reason for closing: The proposals and projects being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals and projects. These matters are within exemptions (4) and (6) of 5 U.S.C. 522(b), Freedom of Information Act. The rendering of advice by the panel is considered to be a part of the Foundation's deliberative process and is thus subject to exemption (5) of the Act.

Authority to close meeting: This determination was made by the Committee Management Officer pursuant to provisions of section 10(d) of Pub. L. 92-463. The Committee Management Officer was delegated the authority to make determinations by the Directors, NSF, on February 11, 1976.

M. REBECCA WINKLER,
Acting Committee Management Officer.

MAY 21, 1976.

[FR Doc.76-15335 Filed 5-25-76;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

COMMISSION ON GOVERNMENT PROCUREMENT; RECOMMENDATION A-40—FIELD CONTRACT SUPPORT

Executive Branch Position Established

Notice is hereby given of the executive branch's acceptance of a modified version of Commission on Government Procurement (COGP) Recommendation A-40. The modified recommendation follows:

Transfer to Defense Contract Administration Services (DCAS) all plants assigned to the Military Departments by the Secretary of Defense which no longer meet the criteria for such assignment under the DOD plant cognizance program. Continue to assign plants to the military departments which meet the criteria.

The COGP found that the establishment of DCAS by the Department of Defense (DOD in 1965 had improved the effectiveness of field contract support provided to its procuring activities. It concluded that further economies could be realized by the transfer of additional contract support plant cognizance responsibilities to DCAS. This resulted in COGP Recommendation A-40 which reads, "Transfer all plant cognizance now assigned to the Military Departments to the Defense Contract Administration Services with the exception of those plants exempted by the Secretary of Defense (for example, GOCO plants and Navy SUPSHIPS)."

A task group, composed of representatives of the three military departments, the Defense Supply Agency, DCAS, and the Office of the Assistant Secretary of Defense for Installations and Logistics, was unable to find evidence that further economies would result from transferring all plant cognizance to DCAS. The task group favored continuation of the existing DOD policy for determining plant cognizance, as set forth in DOD Instruction 4105.50. However, it also recognized the need for closer and more timely adherence to this policy.

The report of this task group was published in the FEDERAL REGISTER (Volume 39, Number 50, March 13, 1974) for the purpose of soliciting public comment. Only one observation resulted which has been considered.

DOD reported March 23, 1976, that it has implemented Recommendation A-40 as modified. DOD's implementation includes the establishment of a Contract Administration Coordinating Committee. One of its functions is to review periodically existing plant cognizance assignments and to make recommendations for adjustments based on the criteria of DOD Instruction 4105.59.

Establishment of the Contract Administration Coordinating Committee provides a suitable mechanism for fostering uniform contract administration policies and procedures and for effective utilization of DCAS through timely adjustments in plant cognizance assignments. I believe these measures accomplish the intent of the Commission. Therefore, I accept Recommendation A-40 as modified and implemented to be in the Government's best interest.

Dated at Washington, D.C., on May 20, 1976.

HUGH E. WITT,
Administrator.

[FR Doc.76-15336 Filed 5-25-76;8:45 am]

RENEGOTIATION BOARD

STATEMENT OF ORGANIZATION AND FUNCTIONS

Amended Procedures

The Statement of Organization published in the issue of June 6, 1957 (FR Doc. 67-6258; 32 FR 8104), as heretofore amended, is hereby further amended as follows:

1. Section 3 is revised to read as follows:

* * * * *

3 *Organization.* The renegotiation activity is carried on by the Renegotiation Board and its regional boards, at the following locations:

Renegotiation Board, 2000 M Street, NW., Washington, D.C. 20446.
Eastern Regional Renegotiation Board, 2000 M Street, NW., Washington, D.C. 20447.
Western Regional Renegotiation Board, Los Angeles World Trade Center, Suite 1050, 350 South Figueroa Street, Los Angeles, California 90071.

CENTRAL ORGANIZATION

The Renegotiation Board is composed of five members. Each is appointed by the President by and with the advice and consent of the Senate. The President designates one member to serve as Chairman.

The Board is assisted by a staff of professional and other employees, including lawyers, accountants, and business analysts. The major staff units are: Director of Operations; Office of Administration; Office of Financial Analysis; Office of General Counsel; Office of Planning and Development; and Office of Screening, Compliance and Exemptions.

2. The first and second paragraphs of section 4 are revised to read as follows:

4. *Availability of information.* Requests for general information about renegotiation should be directed to the Renegotiation Board, 2000 M Street, NW, Washington, D.C. 20446, as follows: On matters relating to filing requirements, to the Director, Office of Screening, Compliance and Exemptions; on matters relating to interpretations of the act or regulations, to the General Counsel; on matters relating to employment with the Board, to the Director, Office of Administration; on matters relating to small business, to the Small Business Adviser; on matters of a general nature, to the Director, Office of Planning and Development.

Forms and instructions for filing renegotiation reports may be obtained at the headquarters of the Board, from the Director, Office of Screening, Compliance and Exemptions, and from the Chairmen of the respective regional boards. Such materials may also be obtained in person at the field offices of the Department of Commerce.

Dated: May 21, 1976.

R. C. HOLMQUIST,
Chairman.

[FR Doc.76-15346 Filed 5-25-76;8:45 am]

SMALL BUSINESS ADMINISTRATION

ALBUQUERQUE DISTRICT ADVISORY COUNCIL

Public Meeting; Change of Date

The Small Business Administration Albuquerque District Advisory Council has changed the date of its meeting from May 14, 1976, Friday, to June 15, 1976, Tuesday, at 10 a.m. The meeting will be held at the same location, American Bank of Commerce Complex, Second and Lomas Streets, NW., Albuquerque, New Mexico. For further information write or call A. Panagakos, U.S. Small Business Administration, 5000 Marble, N.E., Suite 320, Patio Plaza Building, Albuquerque, New Mexico 87110, (505) 766-3574.

Dated: May 14, 1976.

ANTHONY S. STASIO,
Chief Counsel for Advocacy.

[FR Doc.76-15329 Filed 5-25-76;8:45 am]

[License No. 09/14-0085]

BANCAL CAPITAL CORP.

Filing of Application for Transfer of Control of Licensed Small Business Investment Company

Notice is hereby given that an application has been filed with the Small Business Administration (SBA) pursuant to § 107.701 of the regulations governing small business investment companies (13 CFR § 107.701 (1976)) for the transfer of control of BanCal Capital Corporation (BanCal), 845 South Figueroa Street, Los Angeles, California 91342, a Federal licensee under the Small Business Investment Act of 1958, as amended (Act), License No. 09/14-0085.

BanCal was licensed on August 30, 1965. Its present combined paid-in capital and paid-in surplus is $1,339,000. The proposed transfer of control is subject to and contingent upon approval by SBA.

Overseas Technology, Inc. (OTI), a California corporation, plans to purchase all but 700 shares of the stock of BanCal. OTI intends to assign its agreement to acquire BanCal to Oceanic Group, Inc. (Oceanic), a California Corporation which is to be owned equally by OTI and Kibun California, Inc. (Kibun), also a California Corporation. OTI is owned by Overseas Technology Investment, Inc., a Japanese company. Kibun is owned by Kibun Co., Inc., also a Japanese company. After the acquisition, the name will be changed to Oceanic Capital Corporation and the office will be moved to 300 Montgomery Street, Suite 908, San Francisco, California 94104.

The new officers and directors of BanCal will be:

Donald Rickard Watts, President, Director, 25 La Cuesta Drive, Greenbrae, California 94904.
Robert Hugh Chappell, Vice President, Director, 566 Sand Hill Circle, Menlo Park, California 94025.
Jeffrey Lee Moering, Secretary, Director, 520 Lombard Street, San Francisco, California 94133.
John Charles Roberts, III, Director, 255 Ridgeway Road, Hillsborough, California 94010.
Thomas Yoshitami Arai, Director, 3-26-18 Kami-Kitazawa, Setagaya-ku, Tokyo, Japan.
Eijiro Hoashi, Director, 15-723, 52-ban 5-chome, Nakano, Nakano-ku, Tokyo, Japan.
Yoshiyasu Iwasa, Director, 47-10, 2-chome, Gohongi, Meguro-ku, Tokyo, Japan.

Matters involved in SBA's consideration of the application include the general business reputation and character of the new owner and the probability of successful operation of BanCal under the new officers' control and management (including adequate profitability and financial soundness) in accordance with the Act and Regulations. The foreign based investor must be responsible in order to be acceptable to SBA and must meet the standard established by section 301(c) of the Act. SBA has the authority to license SBIC's purchased by responsible foreign-based investors, if said SBIC is to be operated and managed by U.S. management.

Notice is hereby given that any interested person may, on or before June 10, 1976, submit to SBA, in writing, any relevant comments on the transfer of control. Any such comments should be addressed to the Deputy Associate Administrator for Investment, 1441 L Street, N.W., Washington, D.C. 20416.

A copy of this Notice shall be published by the transferee in newspapers of general circulation in Los Angeles and San Francisco, California.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies.)

Dated: May 19, 1976.

JAMES THOMAS PHELAN,
Deputy Associate Administrator for Investment.

[FR Doc.76-15332 Filed 5-25-76;8:45 am]

CONCORD DISTRICT ADVISORY COUNCIL

Public Meeting

The Small Business Administration Concord District Advisory Council will hold a public meeting from 10:00 a.m. until 12:00 noon, Thursday, June 10, 1976, at the Federal Building, Room 304, 55 Pleasant Street, Concord, New Hampshire 03301, to discuss such business as may be presented by members, staff of the Small Business Administration and others present.

For further information write or call Bert Teaque at the above address, (603) 834-4724.

Dated: May 14, 1976.

ANTHONY S. STASIO,
Chief Counsel for Advocacy.

[FR Doc.76-15330 Filed 5-25-76;8:45 am]

DETROIT DISTRICT ADVISORY COUNCIL

Public Meeting

The Small Business Administration Detroit District Advisory Council will hold a public meeting at 9:00 a.m., Tuesday, June 15, 1976, in the Patrick V. McNamara Federal Building, Detroit, Michigan 48226, to discuss such business as may be presented by members, staff of the Small Business Administration and others present.

For further information write or call Raymond L. Harshman at the above address, (313) 226-7240.

Dated: May 14, 1976.

ANTHONY S. STASIO,
Chief Counsel for Advocacy.

[FR Doc.76-15331 Filed 5-25-76;8:45 am]

[Proposed License No. 06/06-0181]

DIMAN FINANCIAL CORP.

Application for a License To Operate as a Small Business Investment Company

Notice is hereby given that an application has been filed with the Small Business Administration (SBA) pursuant to § 107.102 of the regulations governing small business investment companies (13 CFR § 107.102 (1976)), under the name of Diman Financial Corporation (Diman), 13601 Preston Road, Suite 717E, Dallas, Texas 75240, for a license to operate as a small business investment company under the provisions of the Small Business Investment Act of 1958, as amended (the Act), and the Rules and Regulations promulgated thereunder.

The proposed officers, directors and shareholders are as follows:

Don R. Dixon, President, General Manager, Director, 2508 Canyon Creek Drive, Richardson, Texas 75080.
Don Mann, Vice President, Secretary, Treasurer, Director, 2416 Fairway Drive, Richardson, Texas 75080.
The Domino Investment Group, Inc., Sole Shareholder, 13601 Preston Road, Dallas, Texas 75240.

The corporation will have only one class of stock. There are 100,000 shares of common stock authorized, and the initial paid-in capital and paid-in surplus will be $404,000. The capitalization will be increased to at least $500,000 within a reasonable period of time.

The Domino Investment Group, Inc., (Domino) is domiciled solely i . the State of Texas. Both this corporation and Diman were organized and incorporated by Messrs. Dixon and Mann, who also serve as principal officers and directors

of both companies. Domino is owned 50 percent by Don R. Dixon, trustee for Dixon Children's Trusts and 50 percent by Donn Mann, trustee for Mann Children's Trusts.

The applicant will conduct its operations principally in the State of Texas and in other areas within the United States and its territories and possessions as may be approved by SBA from time to time. Pursuant to the provisions of § 107.101(c) of the SBA rules and regulations, a diversified investment policy will be maintained.

Matters involved in SBA's consideration of the application include the general business reputation and character of management, and the probability of successful operations of the new company in accordance with the Act and Regulations.

Notice is further given that any person may, not later than June 10, 1976, submit to SBA in writing, comments on the proposed licensing of this company. Any such comments should be addressed to: Associate Administrator for Finance and Investment, Small Business Administration 1441 "L" Street, N.W., Washington, D.C. 20416.

A copy of this notice will be published by the proposed Licensee in a newspaper of general circulation in Dallas, Texas.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies).

Dated: May 18, 1976.

JAMES THOMAS PHELAN,
Deputy Associate Administrator for Investment.

[FR Doc.76-15333 Filed 5-25-76;8:45 am]

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[Proposed License No. 02/02-0315]

FIFTY-THIRD STREET VENTURES, INC.

Application for a License To Operate as a Small Business Investment Company

An application for a liens to operate as a Small Business Investment Company under the Small Business Investment Act of 1958, as amended (Act) (15 U.S.C. 661 et seq.) has been filed by Fifty-Third Street Ventures, Inc. (the applicant), with the Small Business Administration (SBA) pursuant to 13 CFR 107.102.

The applicant, with its principal place of business at One East 53rd Street, New York, New York 10022 will begin operations with $1,125,000 or paid-in capital and surplus which will be sold to approximately 35 shareholders in a non-public offering.

The officers and directors of the applicant will be as follows:

Alan J. Patricof, Chairman, Treasurer and Director, 830 Park Avenue, New York, New York 10021.

Edwin A. Goodman, President, Secretary and Director, 1050 Park Avenue, New York, New York 10028.

Patricia M. Cloherty, director, 27 East 62nd Street, New York, New York 10021.

Robert G. Faris, director, 806 Harding Street, Westfield, New Jersey 07090.

Messrs. Patricof and Goodman will own 4.4 percent and 8.8 percent respectively of the applicant's common voting stock.

Mr. Patricof is also President, a Director and the majority shareholder of Alan Patricof Associates, Inc., which will serve as management consultant and administrator of the applicant. All of the directors and officers of the applicant are associated with Alan Patricof Associates, Inc.

The applicant will conduct its operations principally in the metropolitan area of the City of New York, and will review potential investments reflecting a broad spectrum of business activity.

Matters involved in SBA's consideration of the applicant include the general business reputation and character of the proposed owners and management, and the probability of successful operation of the applicant under their management, including adequate profitability and financial soundness, in accordance with the Act and the SBA Rules and Regulations.

Any person may, on or before June 10, 1976 submit to SBA written comments on the proposed License. Any such communications should be addressed to the Deputy Associate Administrator for Investment, Small Business Administration 1441 "L" Street, NW., Washington, D.C. 20416.

A copy of this Notice shall be published in a newspaper of general circulation in New York, New York.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies).

Dated: May 18, 1976.

JAMES THOMAS PHELAN,
Deputy Associate Administrator for Investment.

[FR Doc.76-15334 Filed 5-25-76;8:45 am]

VETERANS ADMINISTRATION

VETERANS ADMINISTRATION WAGE COMMITTEE

Meetings

Pursuant to the provisions of section 10 of the Public Law 92-463, notice is hereby given that meetings of the Veterans Administration Wage Committee will be held on:

Thursday, July 1, 1976
Thursday, July 15, 1976
Thursday, August 12, 1976
Thursday, August 26, 1976
Thursday, September 9, 1976

The meetings will convene at 2:30 p.m. and will be held in Room 1144C, Veterans Administration Central Office, 810 Vermont Avenue, NW., Washington, DC.

The Committee's primary responsibility is to consider and make recommendations to the Chief Medical Director, Department of Medicine and Surgery, on all matters involved in the development and authorization of wage rate schedules for Federal Wage System employees.

At these scheduled meetings, the Committee will consider wage survey specifications, wage survey data, local committee reports and recommendations, satistical analyses, and proposed wage schedules derived therefrom.

Under the provisions of section 10(d) of Public Law 92-463, the Federal Advisory Committee Act, meetings may be closed to the public when they are concerned with matters listed under section 552(b), Title 5, United States Code. Two of the matters so listed are those related solely to the internal personnel rules and practices of an agency (5 USC 552(b)(2)), and those involving trade secrets and commercial or financial information obtained from a person and privileged or confidential (5 USC 552(b)(4).

Accordingly, I hereby determine that the meetings cited above will be closed to the public because the matters considered are related to the internal rules and practices of the Veterans Administration (5 USC 552(b)(2)), and the detailed wage data considered by the Committee during its meetings have been obtained from officials of private establishments with a guarantee that the data will be held in confidence (5 USC 552(b)(4)).

However, members of the public who wish to do so are invited to submit material in writing to the Chairman regarding matters believed to be deserving of the Committee's attention. Additional information concerning these meetings may be obtained by contacting the Chairman, Veterans Administration Wage Committee, Room 1175, 810 Vermont Avenue, NW., Washington, DC.

Dated: May 19, 1976.

R. L. ROUDEBUSH,
Administrator.

[FR Doc.76-15350 Filed 5-25-76;8:45 am]

INTERSTATE COMMERCE COMMISSION

[AB 6 (Sub-No. 39)]

BURLINGTON NORTHERN INC.

Abandonment Between Riverside Junction and New Duluth, in St. Louis County, Minnesota

MAY 21, 1976.

Present: Virginia Mae Brown, Commissioner, to whom the matter which is the subject of this order has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding, and of a staff-prepared environmental threshold assessment survey which is available to the public upon request; and

It appearing, That no environmental impact statement need be issued in this proceeding because this proceeding does not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321, *et seq.*; and good cause appearing therefor:

It is ordered, That applicant be, and it is hereby directed to publish the appended notice in a newspaper of general circulation in St. Louis County, Minn., on or before June 7, 1976 and certify to the Commission that this has been accomplished.

And it is further ordered, That notice of this finding shall be given to the general public by depositing a copy of this order and the attached notice in the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., for public inspection, and by delivering a copy of the notice to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER at notice to interested persons.

Dated at Washington, D.C., this 14th day of May, 1976.

By the Commission, Commissioner Brown.

ROBERT L. OSWALD,
Secretary.

The Interstate Commerce Commission hereby gives notice that by order dated May 14, 1976, it has been determined that the proposed abandonment of the Burlington Northern Inc. line between Riverside Junction and New Duluth, a distance of approximately 4.05 miles, all in St. Louis County, Minn., if approved by the Commission, does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, *et seq.*, and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(C) of the NEPA.

It was concluded, among other things, that the associated environmental impacts are considered insignificant because (1) the line has not been utilized since August 1972, (2) no industrial development plans are dependent on the subject line, and (3) no major ecological effects are involved. Furthermore, if the abandonment is authorized, the line may be incorporated into the facilities of the Lake Superior Museum of Transportation and Industry for steam engine train excursions. In addition, the adjacent rail property may be developed for use as a bikeway.

This determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available on request to the Interstate Commerce Commission Office of Proceedings Washington D.C. 20423; telephone 202-275-7692.

Interested persons may comment on this matter by filing their statements in writing with the Interstate Commerce Commission, Washington, D.C., 20423, on or before June 22, 1976.

This negative environment determination shall become final unless good and sufficient reason demonstrating why an environmental impact statement should be prepared for this action is submitted to the Commission by the above-specified date.

[FR Doc.76-15366 Filed 5-25-76;8:45 am]

[AB 18 (Sub-No. 14)]

CHESAPEAKE AND OHIO RAILWAY CO.

Abandonment Portion Paw Paw Subdivision Between Hartford and Paw Paw, All Within Van Buren County, Michigan

MAY 21, 1976.

Present: Virginia Mae Brown, Commissioner, to whom the matter which is the subject of this order has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding, and of a staff-prepared environmental threshold assessment survey which is available to the public upon request; and

It appearing, That no environmental impact statement need be issued in this proceeding because this proceeding does not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321, *et seq.*; and good cause appearing therefor:

It is ordered, That applicant be, and it is hereby, directed to publish the appended notice in a newspaper of general circulation in Van Buren County, Mich., on or before June 7, 1976 and certify to the Commission that this has been accomplished.

And it is further ordered, That notice of this finding shall be given to the general public by depositing a copy of this order and the attached notice in the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., for public inspection, and by delivering a copy of the notice to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER as notice to interested persons.

Dated at Washington, D.C., this 14th day of May, 1976.

By the Commission, Commissioner Brown.

ROBERT L. OSWALD,
Secretary.

The Interstate Commerce Commission hereby gives notice that by order dated May 14, 1976, it has been determined that the proposed abandonment of the Chesapeake and Ohio Railway Company line between Hartford and Paw Paw, a distance of approximately 13.28 miles, all in Van Buren County, Mich., if approved by the Commission, does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, *et seq.*, and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(C) of the NEPA.

It was concluded, among other things, that should the abandonment be approved, diverting the current rail traffic to motor carrier would add approximately 7 trucks daily to the highways of the corridor and would result in minimal changes in ambient environmental conditions, fuel consumption, and safety hazards. No historic or archaeological site would be affected by the proposed action. Development of industrial parks adjacent to the line may be adversely affected by the abandonment.

This determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available on request to the Interstate Commerce Commission, Office of Proceedings, Washington, D.C. 20423; telephone 202-275-7692.

Interested persons may comment on this matter by filing their statements in writing with the Interstate Commerce Commission, Washington, D.C., 20423, on or before June 22, 1976.

This negative environmental determination shall become final unless good and sufficient reason demonstrating why an environmental impact statement should be prepared for this action is submitted to the Commission by the above-specified date.

[FR Doc.76-15364 Filed 5-25-76;8:45 am]

[AB 43 (Sub-No. 17)]

ILLINOIS CENTRAL GULF RAILROAD CO.

Abandonment Between Washta and Anthon, in Ida and Woodbury Counties, Iowa

MAY 21, 1976.

Present: Virginia Mae Brown, Commissioner, to whom the matter which is the subject of this order has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding, and of a staff-prepared environmental threshold assessment survey which is available to the public upon request; and

It appearing, That no environmental impact statement need be issued in this proceeding because this proceeding does not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321, *et seq.*; and good cause appearing therefor:

It is ordered, That applicant be, and it is hereby, directed to publish the appended notice in a newspaper of general circulation in Ida and Woodbury Counties, Iowa, on or before June 7, 1976 and certify to the Commission that this has been accomplished.

And it is further ordered, That notice of this finding shall be given to the general public by depositing a copy of this order and the attached notice in the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., for public inspection, and by delivering a copy of the notice to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER as notice to interested persons.

Dated at Washington, D.C., this 14th day of May, 1976.

By the Commission, Commissioner Brown.

ROBERT L. OSWALD,
Secretary.

The Interstate Commerce Commission hereby gives notice that by order dated May 14, 1976, it has been determined that the proposed abandonment by the Illinois Central Gulf Railroad Co. (ICG) of its line of railroad between Washta and Anthon, a distance of 15.02 miles, all in Ida and Woodbury Counties, Iowa, if approved by the Commission, does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environment Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, *et seq.*, and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(C) of the NEPA.

It was concluded, among other things, that the environmental impacts of the proposed action are considered insignificant because the traffic volume exhibited on the line was low and the amount of traffic permanently

diverted to motor carrier is not expected to create any substantial alterations in existing air quality and fuel consumption. Also, no land use plans of an economic or industrial importance exist which would necessitate the continued operation of the line.

As noted in the TAS, if the abandonment is approved, the Woodbury County Conservation Board has expressed an interest in acquiring a portion of the right-of-way to be used for public recreational use. In addition, the Office of the Woodbury County Engineer has indicated an interest in the acquisition of another portion of the right-of-way upon abandonment for an improved highway corridor.

Since the subject line os owned in fee, the right-of-way corridor would be suitable for public use.

This determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available on request to the Interstate Commerce Commission, Office of Proceedings, Washington, D.C. 20423; telephone 202-275-7692.

Interested persons may comment on this matter by filing their statements in writing with the Interstate Commerce Commission, Washington, D.C., 20423, on or before June 22, 1976.

This negative environmental determination shall become final unless good and sufficient reason demonstrating why an environmental impact statement should be prepared for this action is submitted to the Commission by the above-specified date.

[FR Doc.76-15365 Filed 5-25-76;8:45 am]

[AB 55 (Sub-No. 5)]

SEABOARD COAST LINE RAILROAD CO.

Abandonment in Washington, Beaufort County, North Carolina

MAY 21, 1976.

Present: Virginia Mae Brown, Commissioner, to whom the matter which is the subject of this order has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding, and of a staff-prepared environmental threshold assessment survey which is available to the public upon request; and

It appearing, That no environmental impact statement need be issued in this proceeding because this proceeding does not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321, *et seq.*; and good cause appearing therefor:

It is ordered, That applicant be, and it is hereby, directed to publish the appended notice in a newspaper of general circulation in Beaufort County, N.C., on or before June 7, 1976 and certify to the Commission that this has been accomplished.

And it is further ordered, That notice of this finding shall be given to the general public by depositing a copy of this order and the attached notice in the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., for public inspection, and by delivering a copy of the notice to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER as notice to interested persons.

Dated at Washington, D.C. this 14th day of May, 1976.

By the Commission, Commissioner Brown.

ROBERT L. OSWALD,
Secretary.

The Interstate Commerce Commission hereby gives notice that by order dated May 14, 1976, it has been determined that the proposed abandonment by the Seaboard Coast Line of a segment of line at the terminal end of the Washington Subdivision, Rocky Mount Division, a distance of 0.47 miles, in Washington, Beaufort County, N.C., if approved by the Commission, does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, *et seq.*, and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(C) of the NEPA.

It was concluded, among other things, that the environmental impacts of the proposed action are considered insignificant because traffic volumes on this segment of line are low. Although the subject line currently serves a team track which will be eliminated upon abandonment, an alternate SCL team track is available in close proximity to the subject line and can provide similar service to the affected shippers. Additional motor carrier operations to alternate railheads are not expected to create any substantial alterations in existing air quality and fuel consumption. Highway safety can be expected to be improved upon abandonment because several grade crossings and the segment located within Third Street will be eliminated.

A potential exists for future industrial and commercial development in this area; however, the abandonment of the subject rail segment is not expected to deter future development. The City of Washington is interested in purchasing the depot upon authorization of the abandonment as a civic center to be used in conjunction with their Bicentennial celebration. The remaining portions of the right-of-way will be either returned to highway use or converted to additional parking space for a local church.

This determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available on request to the Interstate Commerce Commission, Office of Proceedings, Washington, D.C. 20423; telephone 202-275-7692.

Interested persons may comment on this matter by filing their statements in writing with the Interstate Commerce Commission, Washington, D.C. 20423, on or before June 22, 1976.

This negative environmental determination shall become final unless good and sufficient reason demonstrating why an environmental impact statement should be prepared for this action is submitted to the Commission by the above-specified date.

[FR Doc.76-15371 Filed 5-25-76;8:45 am]

FOURTH SECTION APPLICATIONS FOR RELIEF

MAY 21, 1976.

An application, as summarized below, has been filed requesting relief from the requirements of Section 4 of the Interstate Commerce Act to permit common carriers named or described in the application to maintain higher rates and charges at intermediate points than those sought to be established at more distant points.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the General Rules of Practice (49 CFR 1100.40) and filed on or before June 10, 1976.

FSA No. 43167—*Joint Water-Rail Container Rates—Sea-Land Service, Inc.* Filed by Sea-Land Service, Inc., (No. 90), for itself and interested rail carriers. Rates on general commodities, from rail carriers terminals at Houston, Texas, New Orleans, Louisiana, Mobile, Alabama, Pensacola, Port St. Joe, Panama City, and Tampa, Florida, to ports and terminals in Europe, Scandinavia, and the United Kingdom.
Grounds for relief—Water competition.
Tariff—Sea-Land Service, Inc., tariff No. 259, I.C.C. No. 104, F.M.C. No. 133. Rates are published to become effective on June 20, 1976.

FSA No. 43168—*Joint Water-Rail Container Rates—Orient Overseas Container Line, Inc.* Filed by Orient Overseas Container Line, Inc., (No. 2), for itself and interested rail carriers. Rates on general commodities, between the Far East and Philippine ports, and rail carrier's terminals on the U.S. Atlantic and Gulf Coasts.
Grounds for relief—Water competition.

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-15367 Filed 5-25-76;8:45 am]

Notice No. 56

ASSIGNMENT OF HEARINGS

MAY 21, 1976.

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.

FF 84 Sub 1, C. S. Greene And Company, Inc., and FF 434 Sub 1, Transconex, Inc., now assigned May 25, 1976, at Washington, D.C. is postponed indefinitely.

MC 140484 (Sub 9), Lester Coggins Trucking Inc. now assigned June 2, 1976 in Washington, D.C. is postponed to June 9, 1976 at the Offices of the Interstate Commerce Commission in Washington, D.C.

No. 36352, Petroleum Crude Oil, Griffith, Ind., to New York State Points, now being assigned June 13, 1976, at the Offices of Interstate Commerce Commission, Washington, D.C.

MC 141723 and 141726 (Sub No. 1), National Distributors, Inc. now assigned July 26, 1976 at San Francisco, California is now being cancelled, application dismissed.

MC 59120 Sub 38, Eazor Express, Inc., now assigned June 23, 1976, at Pittsburgh, Pa., will be held in Federal Office Bldg., Room 2218, 1001 Liberty Ave.

MC-C 8538, Hygrade Products, Inc.—Revocation of Permits, now assigned June 7, 1976, at Philadelphia, Pa., will be held in the Court Room 615, City Hall, Broad & Market Street.

MC-C 8304, Purolator Security, Inc., V. W.F.B., Inc., Et Al, now assigned June 8, 1976, at Phila., Pa., will be held in Court Room 615, City Hall, Broad & Market Street.

MC-F 12722, Harry J. Scarl, Scarl's Delivery Service, Inc., and Richard P. Horgan—Investigation of Control—Metro Express, Inc., now assigned June 10, 1976 at Phila, Pa., will be held in Court Room 615, City Hall., Broad & Market Street.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-15369 Filed 5-25-76;8:45 am]

[Notice No. 254]

MOTOR CARRIER TRANSFER PROCEEDINGS

MAY 26, 1976.

Application filed for temporary authority under section 210a(b) in connection with transfer application under section 212(b) and Transfer Rules, 49 CFR Part 1132:

No. MC-FC-76586. By application filed May 14, 1976, FAR EAST TRUCK LEASING, INC., 517 West 46th St., New York, N.Y., 10019, seeks temporary authority to lease a portion of the operating rights of TOWERS TRANSPORTATION, INC., 228 North Ave. East, Elizabeth, N.J., 07201,[1] under section 210a(b). The transfer to FAR EAST TRUCK LEASING, INC., of a portion of the operating rights of TOWERS TRANSPORTATION, INC., is presently pending.

By the Commission.

ROBERT L. OSWALD,
Secretary.

[FR Doc.76-15368 Filed 5-25-76;8:45 am]

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY—ELIMINATION OF GATEWAY LETTER NOTICES

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), and notice thereof to all interested persons is hereby given as provided in such rules.

[1] Authority is owned by Cross Transportation, Inc. and was leased to Towers Transportation, Inc. in November, 1971 pursuant to authority granted under section 210a(b) in MC-F-11343.

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 June 7, 1976. 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 41406 (Sub-No. E25), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in Lake County, Ill., to points in Ohio on, south and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio extending along Interstate Highway 70 to junction U.S. Highway 62, thence along U.S. Highway 62 to junction U.S. Highway 22, thence along U.S. Highway 22 to Cincinnati, Ohio at the Ohio-Kentucky State line, including points in the Cincinnati, Ohio commercial zone, as defined by the Commission. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 41406 (Sub-No. E26), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in Lake County, Ill., to points in Ohio east and north of a line beginning at the Ohio-Michigan State line at Toledo, Ohio and extending along Interstate Highway 75 to junction U.S. Highway 23, thence along U.S. Highway 23 to junction U.S. Highway 224, thence along U.S. Highway 224 to junction Ohio Highway 13, thence along Ohio Highway 13, to junction Interstate Highway 70, thence along Interstate Highway 70 to the Ohio-West Virginia State line; from points in Lake County, Ill., to points in West Virginia north of Interstate Highway 70. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Monroe, Mich.

No. MC 41406 (Sub-No. E27), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in Cook County, Ill., on and north of Interstate Highway 55 except points in the Chicago, Ill., commercial zone; DuPage County, Ill.; Will County, Ill., on and north of a line beginning at the Will-Kendall County line and extending along Interstate Highway 80 to junction Interstate Highway 55, thence along Interstate Highway 55 to the Will-DuPage County line; and Kane County, Ill.; to points in Ohio on, south and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio, extending along Interstate Highway 70 to Columbus, Ohio, to junction U.S. Highway 62 to Washington Court House, Ohio, and extending along U.S. Highway 22 to Cincinnati, Ohio at the Ohio-Kentucky State line, including points in the Cincinnati Ohio commercial zone as defined by the Commission. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 41406 (Sub-No. E28), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in Cook County, Ill., on and north of Interstate Highway 55, except points in Chicago, Ill., commercial zone; DuPage County, Ill.; Will County, Ill., on and north of a line beginning at the Will-Kendall County line, extending east along Interstate Highway 80, thence along Interstate Highway 80 extending northeast along Interstate Highway 55 to the Will-DuPage County line, and points in Kane County, Ill., to that part of Ohio on, east and north of a line beginning at Toledo, Ohio extending south along Interstate Highway 75 to U.S. Highway 20, thence along U.S. Highway 20 to Norwalk (including Fremont) Ohio, to junction Ohio Highway 13, thence along Ohio Highway 13 to U.S. Highway 40 to Bridgeport, Ohio at the Ohio-West Virginia State line. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Monroe, Mich.

No. MC 41406 (Sub-No. E29), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in Cook County, Ill., on and south of the Des Plaines River, Illinois Highway 83 and Illinois Highway 171 except points in the Chicago, Ill., commercial zone as defined by the Commission; points in Will County south and east of a line beginning at the Will-DuPage County line, thence along Interstate Highway 55, thence along Interstate Highway 55 to Interstate Highway 80 at the Will-Ken-

dall County lines: points in LaSalle, Grundy, and Kankakee Counties, Ill.; to that part of Ohio on, east and north of a line beginning at the Ohio-Michigan State line at Toledo, Ohio, and extending along U.S. Highway 20 to Norwalk, Ohio to junction U.S. Highway 250, thence along U.S. Highway 250 to Dover, Ohio, extending along Interstate Highway 77 to intersection Interstate Highway 70 to the Ohio-West Virginia State line. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Monroe, Mich.

No. MC 41406 (Sub-No. E30), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in the Chicago, Ill. commercial zone, as defined by the Commission in 1 M.C.C. 673, and to points in Ohio east and north of a line beginning at the Ohio-Michigan State line at Toledo, Ohio and extending along Interstate Highway 75 to U.S. Highway 23, thence along U.S. Highway 23 to junction U.S. Highway 224, thence along U.S. Highway 224 to junction Ohio Highway 13, thence along Ohio Highway 13 to junction Interstate Highway 70 and extending to the Ohio-West Virginia State line; points in West Virginia north of Interstate Highway 70; from points in Portage, Ind., to points in Ohio east and north of a line beginning at the Ohio-Michigan State line at Toledo, Ohio and extending along Interstate Highway 75 to U.S. Highway 23, thence along U.S. Highway 23 to junction U.S. Highway 224, thence along U.S. Highway 224 to junction Ohio Highway 13, thence along Ohio Highway 13 to junction Interstate Highway 70, thence along Interstate Highway 70 to the Ohio-West Virginia State line; points in West Virginia north of Interstate Highway 70. The purpose of this filing is to eliminate the gateway of Monroe, Mich.

No. MC 41406 (Sub-No. E31), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in the Chicago, Ill., commercial zone, as defined by the Commission in 1 M.C.C. 673, and to points in Ohio, south and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio extending along Interstate Highway 70 to Columbus, Ohio extending along U.S. Highway 62 to Washington Court House, Ohio and to junction U.S. Highway 22 to Cincinnati, Ohio at the Ohio-Kentucky State line, including points in the Cincinnati, Ohio commercial zone, as defined by the Commission. The purpose of this filing is to eliminate the gateway of Middletown, Ohio.

No. MC 41406 (Sub-No. E32), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from La Salle and Streator, Ill., to points in Ohio on, south and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio extending along Interstate Highway 70 to Columbus, Ohio extending along U.S. Highway 62 to Washington Court House, Ohio to junction U.S. Highway 22 to Cincinnati, Ohio at the Ohio-Kentucky State line, including points in the Cincinnati, Ohio commercial zone, as defined by the Commission. The purpose of this filing is to eliminate the gateways of Middletown, Ohio.

No. MC 41406 (Sub-No. E33), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Avenue, Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel* from Kankakee, Ill., to points in Ohio on, south and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio extending along Interstate Highway 70 to Zanesville, Ohio, to junction U.S. Highway 22 to Washington Court House, Ohio extending along U.S. Highway 62 to Ripley, Ohio at the Ohio-Kentucky State line. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 41406 (Sub-No. E34), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St., NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from Galesburg, Ill., to points in Ohio on, south, and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio, extending along Interstate Highway 70 to Columbus, Ohio to junction U.S. Highway 62 to Ripley, Ohio at the Ohio-Kentucky State line. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 41406 (Sub-No. E35), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from Pekin, Peoria, and Mapleton, Ill., to points in Monroe, Washington, Meigs, Gallia, and Lawrence Counties, Ohio; that part of Scioto County, Ohio, on and south of a line beginning at the Adams-Scioto County line extending along U.S. Highway 52 to junction Ohio Highway 139, thence along Ohio Highway 139 to the Scioto-Jackson County line; that part of Jackson County, Ohio, on and south of a line beginning at the Scioto-Jackson County line extending along Ohio Highway 139 to junction Ohio Highway 93, thence along Ohio Highway 93 to the Jackson-Vinton County line; that part of Athens County, Ohio, on and south of a line beginning at the Vinton-Athens County line extending along U.S. Highway 50 to junction U.S. Alternate Highway 50, thence along U.S. Alternate Highway 50 to the Athens-Washington County line; that part of Belmont County, Ohio, on, south, and east of a line beginning at the Monroe-Belmont County line extending along Ohio Highway 145 to junction Ohio Highway 148, thence along Ohio Highway 148 to junction Ohio Highway 9, thence along Ohio Highway 9 to junction U.S. Highway 40, thence along U.S. Highway 40 to junction Ohio Highway 7, thence along Ohio Highway 7 to the Belmont-Jefferson County line; and that part of Jefferson County, Ohio, on and south of U.S. Highway 22. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 41406 (Sub-No. E36), filed November 13, 1975. Applicant: ARTIM TRANSPORTATION SYSTEM, INC., 7105 Kennedy Ave., Hammond, Ind. 46323. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel and steel products*, from points in McHenry County, Ill., to points in Ohio on, south, and east of a line beginning at the Ohio-West Virginia State line at Bridgeport, Ohio, extending along Interstate Highway 70 to Columbus, Ohio to junction U.S. Highway 62, thence along U.S. Highway 62 to Washington Court House, Ohio, and extending along U.S. Highway 22 to Cincinnati, Ohio, at the Ohio-Kentucky State line, including points in the Cincinnati, Ohio, Commercial zone, as defined by the Commission. The purpose of this filing is to eliminate the gateways of Gary, Ind. and Middletown, Ohio.

No. MC 65941 (Sub-No. E25), filed January 22, 1975. Applicant: TOWER LINES, INC., P.O. Box 6010, Wheeling, W. Va. 26003. Applicant's representative: George V. Thieroff (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, except those of unusual value, Class A and B explosives, commodities in bulk, and commodities requiring special equipment, between points in Ohio on and

south of Interstate Highway 70 and on and west of Interstate Highway 77, on the one hand, and, on the other, points in Ohio, Brooke and Marshall counties, W. Va., and points in Greene, Washington, and Allegheny counties, Pa. The purpose of this filing is to eliminate the gateway of Martins Ferry, Ohio.

No. MC 65941 (Sub-No. E26), filed January 22, 1975. Applicant: TOWER LINES, INC., P.O. Box 6010, Wheeling, W. Va. 26003. Applicant's representative: George V. Thieroff (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Building materials*, except those requiring special equipment, between points in Ohio on and south of U.S. Interstate Highway 70 and on and west of U.S. Interstate Highway 77, on the one hand, and, on the other, points in Washington County, Pa., and points in Brooke, Hancock, Marshall, and Ohio Counties, W.Va. The purpose of this filing is to eliminate the gateway of Martins Ferry, Ohio.

No. MC 65941 (Sub-No. E32), filed May 8, 1974. Applicant: TOWER LINES, INC., P.O. Box 6010, Wheeling, W. Va. 26003. Applicant's representative: George V. Thieroff (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *commodities* which because of size or weight require the use of special equipment, provided that the loading and/or unloading which necessitates the special equipment is performed by consignor or consignee or both. (A) Between points in North Carolina and South Carolina, on the one hand, and, on the other, points in Ohio north of a line beginning at the Ohio-Pennsylvania State line and extending along U.S. Highway 33 to junction U.S. Highway 50, to junction Ohio Highway 73, to junction Ohio Highway 122, to junction U.S. Highway 35 to the Indiana-Ohio State line. (B) Between points in Tennessee, points in West Virginia on and south of U.S. Highway 60, and points in that part of Virginia within an area extending from the West Virginia-Virginia State line at U.S. Highway 33, thence along U.S. Highway 33 to junction U.S. Highway 29, thence along, U.S. Highway 29 to the Virginia-North Carolina State line, thence along the Virginia-North Carolina and the Virginia-Tennessee State lines to the Virginia-Kentucky State line and the Virginia-West Virginia State line to points of beginning, including points on the indicated portions of the highways specified, on the one hand, and, on the other, points in Monroe, Lorain, Harrison, Ashtabula, Lake, Geauga, Trumbull, Mahoning, Belmont, Wayne, Medina, Ottawa, Lucas, Portage, Carroll, Jefferson, Summit, Cuyahoga, Erie, Huron, Sandusky, and Wood counties, Ohio. (C) Between points in Kentucky, on the one hand, and, on the other, points in Belmont, Jefferson, and Monroe counties, Ohio. The purpose of this filing is to eliminate the gateways of Tazewell, Bland, or Giles Counties, Va.; Ohio, Brooke, or Marshall counties, W. Va.; and Martins Ferry, Ohio.

No. MC 92983 (Sub-No. E62), filed June 4, 1974. Applicant: AMERICAN BULK TRANSPORT CO., 818 Grand Ave., PO Box 2508, Kansas City, Mo. 64142. Applicant's representative: H. B. Foster (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) *Caustic soda*, in bulk, in tank vehicles, from points in South Dakota to Houston, Tex.; (B) *Liquid chemicals*, in bulk, in tank vehicles, from points in South Dakota located on and west of a line extending from the South Dakota-Nebraska State line along South Dakota Highway 47 to junction U.S. Highway 14, thence along U.S. Highway 14 to junction unnumbered highway two miles east of Blunt, thence along unnumbered highway to junction South Dakota Highway 20, thence along South Dakota Highway 20 to junction U.S. Highway 83, thence along U.S. Highway 83 to the South Dakota-North Dakota State line to points in Rhode Island; (C) *Such chemicals* as are embraced within fats and oils and blends and products thereof (except fats, oils, blends and products thereof derived from petroleum and petroleum soap products and paint), in bulk, in tank vehicles, from points in South Dakota to points in Florida; (D) *Chemicals*, in bulk, in tank or hopper vehicles, from points in South Dakota located on and west of a line extending from the northern border of Pennington County along South Dakota Highway 79 to junction U.S. Highway 385, thence along U.S. Highway 385 to the South Dakota-Nebraska State line to points in Michigan located on and east of a line extending from Port Austin, on Lake Huron along Michigan Highway 53 to junction Michigan Highway 46, thence along Michigan Highway 46 to junction U.S. Highway 25, thence along U.S. Highway 25 to Port Huron; (E) *Such agricultural insecticides* as are embraced within chemicals, in bulk, in hopper vehicles, and arsenic acids, in bulk, in tank vehicles, from points in South Dakota to points in Alabama (except Bay Minette);

(F) *Chemicals*, in bulk, in tank or hopper vehicles, (1) from points in South Dakota to points in Tennessee (except those located in Claiborne, Grainger, Hancock, Hawkins, Greene, Washington, Sullivan, Unicoi, Carter, and Johnson Counties), and (2) from points in South Dakota (except those located in Marshall, Day, Roberts, and Grant Counties) to points in Tennessee located in Claiborne, Grainger, Hancock, Hawkins, Greene, Washington, Sullivan, Unicoi, Carter, and Johnson Counties; (G) *Liquid chemicals*, in bulk, in tank or hopper vehicles, (1) from points in South Dakota located in and west of Corson, Dewey, Sully, Hyde, Buffalo, Brule, Auropa, Douglas, Hutchinson, and Yankton Counties to points in Texas located in and east of Fannin, Hunt, Kaufman, Henderson, Freestone, Leon, Brazos, Washington, Austin, Wharton, and Matagorda Counties (except Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, and Montgomery Counties), and (2) from points in South Dakota located in and east of Campbell, Walworth, Potter, Faulk, Hand, Jefauld, Sanborn, Davison, Hanson, McCook, Turner, and Clay Counties to points in Texas located in, east, and south of Cooke, Denton, Tarrant, Johnson, Hood, Somervell, Bosque, Hamilton, Lampasas, Burnett, Llano, Gillespie, Kendall, Bandera, Medina, Frio, LaSalle, and Webb Counties (except Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, and Montgomery Counties); (H) *Chemicals*, in bulk, in tank or hopper vehicles, from points in South Dakota to points in Mississippi; (I) *Chemicals*, in bulk, (1) from points in South Dakota to points in Louisiana, (2) from points in South Dakota to points in Connecticut and to points in Indiana located in and south of Vigo, Clay, Owen, Monroe, Brown, and Jackson Counties and points located on and south of a line extending from the western border of Jennings County along U.S. Highway 50 to Aurora, on the Ohio River, (3) from points in South Dakota located on and west of a line extending from the South Dakota-Nebraska State line along South Dakota Highway 47 to junction U.S. Highway 14, thence along U.S. Highway 14 to junction unnumbered highway, two miles east of Blunt, thence along unnumbered highway to junction South Dakota Highway 20, thence along South Dakota Highway 20 to junction U.S. Highway 83, thence along U.S. Highway 83 to the South Dakota-North Dakota State line to points in Indiana located in and south of Warren, Tippecanoe, Clinton, Tipton, Madison, Delaware, and Randolph Counties [except those points in Indiana described in (2) above], and (4) from points in South Dakota located on and west of a line extending from the South Dakota-Wyoming State line along U.S. Highway 16 to junction U.S. Highway 14, thence along U.S. Highway 14 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction U.S. Highway 85, thence along U.S. Highway 85 to junction U.S. Highway 212, thence along U.S. Highway 212 to the South Dakota-Wyoming State line to points in Indiana located on and south of Indiana Highway 14 [except those points in Indiana described in (2) and (3) above];

(J) *Chemicals*, in bulk (except liquid hydrogen, liquid oxygen, and liquid nitrogen), from points in South Dakota to points in Georgia; (K) *Inedible animal fats and soybean oil foots*, in bulk, in tank vehicles, from points in South Dakota to Memphis, Tenn.; (L) *Chemicals, in bulk*, (1) from points in South Dakota to points in Indiana, (2) from points in South Dakota to points in Missouri located on and east of a line extending from the southern border of Texas County along U.S. Highway 63 to junction Missouri Highway 28, thence along Missouri Highway 28 to junction Missouri Highway 89, thence along Missouri Highway 89 to junction Missouri Highway 100, thence along Missouri

Highway 100 to junction Missouri Highway 19, thence along Missouri Highway 19 to junction Missouri Highway 94, thence along Missouri Highway 94 to junction Missouri Highway C, thence along Missouri Highway C to junction U.S. Highway 54, thence along U.S. Highway 54 to junction Missouri Highway 15, thence along Missouri Highway 15 to the northern border of Shelby County, and points located in and east of Clark, Lewis, and Howell Counties, (3) from points in South Dakota located on and west of a line extending from the South Dakota-North Dakota State line along U.S. Highway 281 to junction U.S. Highway 212, thence along U.S. Highway 212 to junction South Dakota Highway 47, thence along South Dakota Highway 47 to junction U.S. Highway 14, thence along U.S. Highway 14 to the Cheyenne River, thence along the Cheyenne River to junction U.S. Highway 385, thence along U.S. Highway 385 to the South Dakota-Nebraska State line to points in Missouri located in and east of Schuyler, Adair, Macon, Randolph, Howard, Boone, Moniteau, Miller, Pulaski, Laclede, Wright, Douglas, and Ozark Counties [except those points in Missouri described in (2) above], (4) from points in South Dakota to points in Illinois located on and south of a line extending from the Illinois-Indiana State line along the southern and western borders of Chicago to junction U.S. Highway 34, thence along U.S. Highway 34 to junction Illinois Highway 5, thence along Illinois Highway 5 to junction Illinois Highway 31, thence along Illinois Highway 31 to junction Illinois Highway 92, thence along Illinois Highway 92 to Moline, (5) from points in South Dakota located on and west of a line extending from the South Dakota-North Dakota State line along U.S. Highway 281 to junction U.S. Highway 212, thence along U.S. Highway 212 to junction South Dakota Highway 37, thence along South Dakota Highway 37 to the South Dakota-Nebraska State line to points in Illinois located on and south of a line extending from Lake Michigan along the northern and western borders of Chicago to junction Illinois Highway 64, thence along Illinois Highway 64 to junction Illinois Highway 23, thence along Illinois Highway 23 to junction Illinois Highway 38, thence along Illinois Highway 38 to junction Illinois Highway 2, thence along Illinois Highway 2 to junction U.S. Highway 30, thence along U.S. Highway 30 to the Mississippi River [except those points in Illinois described in (4) above],

(6) from points in South Dakota located on and west of a line extending from the southern border of Custer County along South Dakota Highway 79 to junction U.S. Highway 85, thence along U.S. Highway 85 to the South Dakota-North Dakota State line to points in Illinois [except Jo Daviess County and except those points in Illinois described in (4) and (5) above], and to points in Wisconsin located in Rock, Walworth, Racine, Kenosha, and Milwaukee Counties, (7) from points in Fall River County, S. Dak., located on and west of U.S. Highway 385 to points in Jo Daviess County, Ill., and points in Wisconsin located on and south of a line extending from the Wisconsin-Illinois State line along U.S. Highway 151 to junction Wisconsin Highway 28, thence along Wisconsin Highway 28 to Sheboygan [except those points in Wisconsin described in (6) above], (8) from points in South Dakota to points in Iowa located on and east of a line extending from the Iowa-Missouri State line along unnumbered highway through Vincennes and Argyle to junction U.S. Highway 218, thence along U.S. Highway 218 to junction Iowa Highway 78, thence along Iowa Highway 78 to junction U.S. Highway 61, thence along U.S. Highway 61 to Davenport, (9) from points in South Dakota located on and west of a line extending from the South Dakota-North Dakota State line along U.S. Highway 281 to junction U.S. Highway 212, thence along U.S. Highway 212 to junction South Dakota Highway 45, thence along South Dakota Highway 45 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction South Dakota Highway 47, thence along South Dakota Highway 47 to the South Dakota-Nebraska State line to points in Iowa located in Van Buren, Jefferson, Lee, Henry, Des Moines, Washington, Louisa, Muscatine, and Scott Counties and points in Clinton County located on and east of U.S. Highway 67 from the southern border of Clinton [except those points in Iowa described in (8) above], (10) from points in South Dakota located on and west of a line extending from the South Dakota-Nebraska State line along U.S. Highway 385 to junction South Dakota Highway 79, thence along South Dakota Highway 79 to junction U.S. Highway 85, thence along U.S. Highway 85 to the South Dakota-North Dakota State line to points in Iowa located in Davis, Wapello, Keokuk, Johnson, Cedar, and Jackson Counties to points in Clinton County located west and north of U.S. Highway 67 from the southern border to Clinton County, (11) from points in South Dakota to points in Ohio,

(12) from points in South Dakota to points in Michigan located on and south of a line extending from Parkdale, on Lake Michigan along U.S. Highway 31 to junction Michigan Highway 55, thence along Michigan Highway 55 to the eastern border of Wexford County, thence along the eastern and northern border of Wexford, Osceola, Claire, Gladwin, and Arenac Counties to Lake Huron, (13) from points in South Dakota located on and west of a line extending from the southern border of Custer County along South Dakota Highway 79 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction U.S. Highway 212, thence along U.S. Highway 212 to the South Dakota-Wyoming State line to points in Michigan located in and south of Antrim, Otsego, Montmorency, and Aldena Counties [except those points in Michigan described in (12) above], and (14) from points in South Dakota located on and west of U.S. Highway 385 in Fall River County to points in the Lower Peninsula of Michigan [except those points in Michigan described in (12) above]; (M) *Liquid chemicals*, in bulk, in tank vehicles, (1) from points in South Dakota located in and south of Moody, Lake, McCook, Hanson, Hutchinson, and Bon Homme Counties to points in Kentucky located on and east of a line extending from the Kentucky-Illinois State line along U.S. Highway 45 to junction U.S. Highway 60, thence along U.S. Highway 68 to junction U.S. Highway 641, thence along U.S. Highway 641 to the Kentucky-Tennessee State line, and (2) from points in South Dakota located in, north, and west of Brookings, Kingsbury, Miner, Sanborn, Davison, Douglas, and Charles Mix Counties to points in Kentucky; and (N) *Chemicals*, in bulk, (1) from points in South Dakota located on and west of a line extending from the South Dakota-North Dakota State line along South Dakota Highway 73 to junction U.S. Highway 212, thence along U.S. Highway 212 to junction South Dakota Highway 63, thence along South Dakota Highway 63 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction South Dakota Highway 47, thence along South Dakota Highway 47 to the South Dakota-Nebraska State line to points in Pennsylvania located on and east of U.S. Highway 13, (2) from points in South Dakota located on and west of a line extending from the southern border of Custer County along South Dakota Highway 79 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction U.S. Highway 212, thence along U.S. Highway 212 to the South Dakota-Wyoming State line to points in Pennsylvania located in and east of Fayette, Westmoreland, Indiana, Jefferson, Elk, and McKean Counties (except those located on and east of U.S. Highway 13), and (3) from points in South Dakota located on and west of U.S. Highway 385 in Fall River County to points in Pennsylvania (except those located on and east of U.S. Highway 13).

The purpose of this filing is to eliminate the gateways: (A) points that are in both the Olathe, Kans., and the Kansas City, Kans.-Kansas City, Mo., commercial zone (a point formerly known as Turner, Kans.), and Tulsa, Okla.; (B) points that are in both the Olathe, Kans., and the Kansas City, Kans.-Kansas City, Mo., commercial zones (a point formerly known as Turner, Kans.), and Muscatine, Iowa; (C), (E) Olathe, Kans., and that Kansas City, Mo-Kansas City, Kans., commercial zones (a point formerly known as Turner, Kans.), and points in Arkansas that are within the Memphis, Tenn., commercial zone; (D) Olathe, Kans., and the Kansas City, Mo.-Kansas City, Kans., commercial zone (a point formerly known as Turner, Kans.), and the plant site of Blockson Chemical Co., at Joliet, Ill.; (F), (H) Olathe, Kans., and the Kansas City, Mo.-Kansas City, Kans., commercial zones, and Saginaw, Mo., and points within 15 miles thereof; (G)

Olathe, Kans., and the Kansas City, Kans., Kansas City, Mo., commercial zones (a point formerly known as Turner, Kans.), and Verona, Mo.; (I), (J) Kansas City, Mo.-Kansas City, Kans., commercial zone (a point formerly known as Turner, Kans.); (K) points in Illinois on and north of Illinois Highway 17; (L) (1)-(10) Burlington, Iowa; (L) (11)-(14) Burlington, Iowa, and the plant site of the Blockson Chemical Co., a division of the Olin Mathieson Chemical Corp., at or near Joliet, Ill.; (M) Burlington, Iowa, and the plant site of the Hawkeye Chemical Co., at or near Clinton, Iowa; and (N) Burlington, Iowa and Des Moines, Iowa.

No. MC 92983 (Sub-No. E63), filed June 4, 1974. Applicant: AMERICAN BULK TRANSPORT CO., 818 Grand Ave., P.O. Box 2508, Kansas City, Mo. 64142. Applicant's representative: H. B. Foster (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) *Soybean oil*, in bulk, in tank vehicles, from points in Oregon to points in Michigan; (B) *Animal fats and oils*, in bulk, in tank vehicles, from points in Oregon to points in Alabama, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois (except Chicago, Chicago Heights, East St. Louis, Decatur, and Rockford, Ill.), Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York (except New York City and Port Ivory, N.Y.), North Carolina, Ohio (except Cincinnati and Ivorydale, Ohio), Pennsylvania, Rhode Island, South Carolina, Vermont, and West Virginia; (C) *Inedible animal fats and soybean oil foots*, in bulk, in tank vehicles, from points in Oregon to points in Illinois on and north of Illinois Highway 17 (except Bradley); (D) *Acids*, in bulk, in tank vehicles, from points in Oregon to Lecox, Okla.; (E) *Acids and chemicals* (except cryogenic liquids, liquid hydrogen, liquid oxygen, and liquid nitrogen), in bulk, in tank or hopper vehicles, (1) from points in Oregon to points in Illinois, Iowa, and Missouri, (2) from points in Oregon (except Sherman, Gilliam, Morrow, Umatilla, Wallowa, Union, and Baker Counties) to points in Minnesota located in and south of Yellow Medicine, Chippewa, Kandiyohi, Sterns, Benton, Mille Lacs, Kanarec, Pine, and Carlton Counties, (3) from points in Oregon on and west of a line beginning at the California-Oregon State line and extending along U.S. Highway 97 to junction Highway 58, thence along Oregon Highway 58 to junction Oregon Highway 99, thence along Oregon Highway 99 to junction Oregon Highway 36, thence along Oregon Highway 36 to junction Oregon Highway 126, thence along Oregon Highway 126 to Florence on the Pacific Ocean, to points in Minnesota on and south of a line beginning at the Minnesota-North Dakota State line and extending along the southern and eastern borders of Wilkin County to junction Minnesota Highway 210, thence along Minnesota Highway 210 to junction U.S. Highway 71, thence along U.S. Highway 71 to the United States - Canada International Boundary line, (4) from points in Oregon to points in Kansas on and east of a line beginning at the Kansas-Oklahoma State line and extending along U.S. Highway 281 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction Kansas Highway 181, thence along Kansas Highway 181 to junction U.S. Highway 281, thence along U.S. Highway 281 to the Kansas-Nebraska State line, and (5) from points in Oregon (except Sherman, Gilliam, Morrow, Umatilla, Wallowa, Union, and Baker Counties) to points in South Dakota located in Brookings, Moody, Minnehaha, Turner, Lincoln, Union, Clay, and Yankton Counties;

(F) *Vegetable oils*, in bulk, in tank vehicles, from points in Oregon to points in New York and Pennsylvania; (G) *Vegetable oils and blends and products* thereof, in bulk, in tank vehicles, (1) from points in Oregon to points in Wisconsin located in and south of Crawford, Richland, Sauk, Adams, Waushara, Waupaca, Shawano, Oconto, and Marinette Counties, and (2) from points in Oregon located in Curry and Josephine Counties to points in Wisconsin located in, south, and east of LaCrosse, Jackson, Clark, Marathon, Lincoln, Oneida, and Forest Counties; (H) *Polyvinyl acetate, linseed oil, linseed oil blends, and linseed oil products*, in bulk in tank vehicles, from points in Oregon to Houston, Tex.; (I) *Mineral fats, oils, blends and products* thereof (except those derived from petroleum, soap products, and paints), in bulk, in tank vehicles, from points in Oregon to Memphis, Tenn.; (J) *Cottonseed oil, soybean oil and blends and products* thereof (except soap products and paints), in bulk, in tank vehicles, from points in Oregon to Macon, Ga., and Jackson, Miss.; (K) *Vegetable oils and vegetable oil products* (excluding soap products and paints), in bulk, in tank vehicles, (1) from points in Oregon to points in Alabama, Georgia (except Macon), Louisiana, Mississippi (except Jackson), New York, and Pennsylvania, and (2) from points in Oregon located in Coos, Curry, and Josephine Counties to points in Michigan located in St. Clair, Macomb, Wayne, and Monroe Counties; (L) *Vegetable and animal fats and oils*, in bulk, in tank vehicles, from points in Oregon to points in Louisiana, Mississippi, and Tennessee; (M) *Vegetable and animal fats and oils* (excluding soap products and paints), in bulk, in tank vehicles, (1) from points in Oregon to points in Delaware, Florida, Kentucky, Maryland, New Jersey, North Carolina, South Carolina, Virginia, and West Virginia, (2) from points in Oregon located in and west of Multnomah, Clackamas, Marion, Linn, Lane, Douglas, and Coos Counties to points in Texas located in and east of Bowie, Morris, Marion, Harrison, Gregg, Rusk, Nacogdoches, Angelina, Polk, Liberty, and Chambers Counties, (3) from points in Oregon to points in Indiana located in and south of Vermillion, Parke, Montgomery, Clinton, Howard, Grant, Wells, and Adams Counties, (4) from points in Oregon located in and west of Multnomah, Clackamas, Marion, Linn, Lane, and Klamath Counties to points in Indiana located in and south of Benton, White, Cass, Miami, Wabash, Huntington, and Allen Counties, (5) from points in Oregon to points in Ohio (except Williams, Defiance, Paulding, Henry, Fulton, Lucas, Wood, and Ottawa Counties), (6) from points in Oregon located in and west of Multnomah, Clackamas, Marion, Linn, Lane, and Klamath Counties to points in Ohio (except Williams and Fulton Counties), and (7) from points in Oregon located in and west of Clatsop, Tillamook, Yamhill, Marion, Linn, Lane, and Klamath Counties to points in Ohio; restricted in (M) (5) through (7) against the transportation of washing compounds and fatty acid esters to Dayton, Ohio;

(N) *Animal fats and oils* (except lard), in bulk, in tank vehicles, from points in Oregon to points in Arkansas; (O) *Fats and oils*, in bulk, in tank vehicles, (1) from points in Oregon to points in Arkansas (except Sebastian, Scott, Polk, Sevier, and Little River Counties), and (2) from points in Oregon located in and west of Umatilla, Morrow, Wheeler, Crook, Deschutes, and Klamath Counties to points in Arkansas; (P) *Fats and oils* (except those used as feed ingredients), in bulk, in tank vehicles, from points in Oregon to points in Ohio; and (Q) *Fats and oils* (except petroleum and petroleum products), in bulk, in tank vehicles, from points in Oregon to points in Illinois (except Champaign and Jacksonville, Ill.). The purpose of this filing is to eliminate the gateways of: (A) Nebraska, and Muscatine, Iowa; (B) Nebraska, and Dubuque, Iowa; (C) Nebraska and Iowa; (D) Nebraska; (E) Fremont, Nebr.; (F), (G), & (H) St. Louis, Mo.; (I) Kansas; (J) & (K) Missouri, and Memphis, Tenn.; (L) Kansas City, Kans.; (M) Kansas City, Kans., and Memphis, Tenn.; (N) Kansas City, Kans.; and (O), (P) & (Q) points in Missouri within the Dupo, Ill., commercial zone.

No. MC 92983 (Sub-No. E64), filed June 4, 1974. Applicant: AMERICAN BULK TRANSPORT CO., 818 Grand Ave., PO Box 2508, Kansas City, Mo. 64142. Applicant's representative: H. B. Foster (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) *Petroleum products*, in bulk, in tank vehicles, (1) from Milan, Ill., to points in Iowa on, north, and east of a line beginning at the Mississippi River and extending along the northern borders of Clayton and Fayette Counties to junction with the eastern border of Chickasaw County, thence along the eastern border of Chickasaw County to junction Iowa Highway 24, thence along Iowa Highway 24 to junction U.S. Highway 63, thence along U.S. Highway 63 to the Minnesota-Iowa State line, (2) from Milan, Ill., to points in Indiana located on and south of a line beginning at the Illinois-Indiana State line and extending along the northern borders of

Warren and Tippecanoe Counties to junction Indiana Highway 25, thence along Indiana Highway 25 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction Indiana Highway 9, thence along Indiana Highway 9 to junction Indiana Highway 205, thence along Indiana Highway 205 to junction Indiana Highway 327, thence along Indiana Highway 327 to junction Indiana Highway 8, thence along Indiana Highway 8 to junction Interstate Highway 69, thence along Interstate Highway 69 to the Indiana-Michigan State line, (3) from Peru, Ill., and points within five miles thereof, to points in Illinois on and west of a line beginning at Dallas City on the Mississippi River along Illinois Highway 9 to junction Illinois Highway 94, thence along Illinois Highway 94 to junction Illinois Highway 61, thence along Illinois Highway 61 to junction unnumbered Highway at Bigneck, thence along unnumbered highway through Coastburg to junction Illinois Highway 104, thence along Illinois Highway 104 to junction unnumbered highway at Kingston, thence along unnumbered highway through Barry and New Canton to Cincinnati landing on the Mississippi, and (4) from Peru, Ill., and points within five miles thereof to points in Missouri in and north of Mercer, Grundy, Livingston, Carroll, Saline, Howard, Boone, Cole, Callaway, that portion of Montgomery located on and south of Missouri Highway 19 from the western border to junction Interstate Highway 70, thence along Interstate Highway 70 to the eastern border of Audrain and Ralls Counties.

(B) *Feed*, in bulk, (1) from Galesburg, Ill., to points in Minnesota, Nebraska, South Dakota, and points in Missouri located in and west of Worth, Gentry, DeKalb, Clinton, Clay, Jackson, Cass, Bates, Vernon, Barton, Jasper, Newton, and McDonald Counties, (2) from Danville, Ill., to points in Minnesota, Nebraska, and South Dakota, and points in Missouri located in Worth, Nodaway, and Atchison Counties and that portion of Holt County located on, north, and west of a line extending from the Missouri-Nebraska State line along U.S. Highway 159 to junction Missouri Highway 118, thence along Missouri Highway 118 to junction U.S. Highway 59, thence along U.S. Highway 59 to junction Missouri Highway 113, thence along Missouri Highway 113 to the northern boundary of the county, (3) from Sullivan, Ill., to points in Minnesota and South Dakota and points in Nebraska (except Richardson County), and (4) from Peru, Ill., to points in Minnesota, Nebraska, and South Dakota and points in Missouri located in and west of Stone, Lawrence, Greene, Polk, Hickory, Benton, Pettis, Saline, Chariton, Macon, Knox, and Clark Counties; (C) *Such petroleum products* as are embraced within contractors' materials and supplies, in bulk, in tank vehicles, (1) from points in Illinois located in and north of Mercer, Henry, Whiteside, Lee, DeKalb, Kane, McHenry, and Lake Counties to points in Missouri located in Lincoln, Montgomery, and Pike Counties, (2) from points in Illinois located in and north of Mercer, Henry, Whiteside, Lee, DeKalb, Kane, DuPage, and Cook Counties to points in Missouri located in Adair, Audrain, Boone, Callaway, Carroll, Chariton, Clark, Grundy, Howard, Knox, Lewis, Linn, Livingston, Macon, Marion, Mercer, Monroe, Putnam, Ralls, Randolph, Saline, Schuyler, Scotland, Shelby, and Sullivan Counties, and (3) from points in Illinois located on and north of Illinois Highway 9 to Cole County, Mo.; (D) *Such petroleum* and *petroleum products* as are embraced within contractors' materials and supplies, in bulk, in tank vehicles, (1) from points in Illinois to points in Wisconsin located on and west of a line extending from LaCrosse along Wisconsin Highway 35 to junction U.S. Highway 10, thence along U.S. Highway 10 to the Wisconsin-Minnesota State line, and (2) from points in Illinois (except those points located east of a line from the Illinois-Wisconsin State line along Illinois Highway 78 to junction U.S. Highway 20, thence along U.S. Highway 20 to junction Illinois Highway 26, thence along Illinois Highway 26 to junction Illinois Highway 64, thence along Illinois Highway 64 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction U.S. Highway 52, thence along U.S. Highway 52 to junction Illinois Highway 47, thence along Illinois Highway 47 to junction Illinois Highway 17, thence along Illinois Highway 17 to the Illinois-Indiana State line) to points in Wisconsin located in and west of LaCrosse and Trempealeau Counties and points located on and west of a line extending from the southern border of Eau Claire County along Wisconsin Highway 27 to the western border of Douglas County, thence along the western border to Lake Superior [except those points in Wisconsin described in (1) above].

(E) *Such petroleum* and *petroleum products* as are embraced within contractors' materials and supplies, in bulk, in tank vehicles and acids and chemicals as are embraced within contractors' materials and supplies, in bulk, in tank or hopper vehicles, from points in Illinois to points in Minnesota; (F) *Such liquid or dry chemicals* as are embraced within contractors' materials and supplies, in bulk, in tank vehicles, (1) from points in Illinois to points in Nebraska located in and north of Chase, Perkins, Lincoln, Dawson, Buffalo, Hall, Merrick, Polk, Butler, Saunders, and Douglas Counties (except Dakota County), (2) from points in Illinois located in and north of Mercer, Knox, Peoria, Tazewell, McLean, DeWitt, Champaign, and Vermillion Counties to points in Nebraska located in and south of Dundy, Hayes, Frontier, Gosper, Phelps, Kearney, Adams, Hamilton, York, Seward, Lancaster, Cass, and Sarpy Counties, (3) from points in Illinois located in and south of Mercer, Knox, Peoria, Tazewell, McLean, Champaign, and Vermillion Counties to points in Wisconsin located on and west of a line extending from LaCrosse along U.S. Highway 53 to junction Wisconsin Highway 121, thence along Wisconsin Highway 121 to junction Wisconsin Highway 88, thence along Wisconsin Highway 88 to junction Wisconsin Highway 37, thence along Wisconsin Highway 37 to the northern border of Buffalo County and points located in Pepin, Pierce, Dunn, St. Croix, Polk, and Burnett Counties, and (4) from points in Illinois located in and west of Henderson, McDonough, Schuyler, Cass, Morgan, Macoupin, Madison, Bond, Clinton, Marion, Jefferson, Hamilton, and White Countries and points in Mercer County located on and west of Illinois Highway 94 to points in Wisconsin located in and west of Grant, Crawford, Vernon, Monroe, Jackson, Clark, Taylor, Price, and Ashland Counties [except those points in Wisconsin described in (3) above]; (G) *Such acids* and *chemicals* as are embraced within contractors' materials and supplies, in bulk, (1) from points in Illinois located in and north of Kanakee, Grundy, LaSalle, Marshall, Knox, Warren, and Henderson Counties and points in Peoria County located on and north of Illinois Highway 116 to points in Missouri located in and west of Schuyler, Adair, Macon, Randolph, Boone, Cole, Miller, Camden, LaClede, Webster, Christian, and Taney Counties, (2) from points in Illinois located in and west of St. Clair, Randolph, Perry, Jackson, Williamson, and Pope Counties and points in Madison County located on and west of Illinois Highway 159 to points in Iowa (except those in Lee County located south of Iowa Highway 2), and (3) from points in Illinois located in and south of Henderson, Warren, Knox, Stark, Marshall, Putnam, LaSalle, Kendall, DuPage, and Cook Counties [except those points in Illinois described in (2) above] to points in Iowa located in and south of Woodbury, Crawford, Carroll, Gutherie, Dalls, Polk, Marion, Mahaska, Wapello, Jefferson, Henry, and Des Moines Counties.

(H) Such paint and paint materials as are embraced within contractors' materials and supplies, in bulk, in tank vehicles, (1) from points in Illinois to points in Minnesota, (2) from points in Illinois located on and west of a line extending from Savanna, on the Mississippi River along Illinois Highway 84 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction Illinois Highway 78, thence along Illinois Highway 78 to junction Illinois Highway 97, thence along Illinois Highway 97 to junction US. Highway 66, thence along U.S. Highway 67 to junction Illinois Highway 127, thence along Illinois Highway 127 to junction Illinois Highway 13, thence along Illinois Highway 13 to junction U.S. Highway 51, thence along U.S. Highway 51 to the Ohio River to points in Wisconsin located in and west of Grant, Iowa, Suak, Columbia, Greenlake, Winnebago, Outagamie, and Brown Counties, and (3) from points in Illinois located on and south of a line extending from the Mississippi River along Illinois Highway 64 to junction U.S. Highway 12, thence along U.S. Highway 12 to the Illinois-Indiana State line [ex-

cept those points in Illinois described in (2) above] to points in Wisconsin located in and west of LaCrosse, Trempealeau, Eau Claire, Chippewa, Rusk, Sawyer, and Ashland Counties; (I) *Such acids* and *chemicals* (except petroleum products) as are embraced within contractors' materials and supplies, in bulk, from points in Illinois to points in South Dakota; (J) *Chemicals* as are embraced within contractors' materials and supplies, in bulk, (1) from points in Illinois to points in North Dakota located in and west of Adams, Hettinger, Stark, Dunn, McKenzie, Williams, and Divide Counties, and (2) from points in Illinois located in and south of Mercer, Henry, Bureau, LaSalle, Kendall, and Will Counties to points in North Dakota located in and east of Sioux, Grant, Morton, Mercer, McLean, Mountrail, and Burke Counties.

(K) *Crude corn and soybean oils*, in bulk, in tank vehicles, (1) from points in Illinois (except Jo Daviess County) to points in Nebraska located in and north of Kimball, Cheyenne, Garden, Arthur, McPherson, Logan, Blaine, Loup, Valley, Greeley, Nance, Platte, Colfax, Cuming, and Burt Counties, (2) from points in Illinois located in and north of Whiteside, Bureau, Marshall, LaSalle, Livingston, Ford, Champaign, and Vermillion Counties to points in Nebraska located in and south of Deuel, Keith, Lincoln, Custer, Sherman, Howard, Merrick, Polk, Butler, Saunders, Dodge, and Washington Counties, (3) from points in Illinois located in and north of Whiteside, Lee, Kane, DeKalb, DuPage, and Cook Counties to points in Kansas and to points in, west, and north of Pike, Montgomery, Gasconade, Phelps, Texas, and Howell Counties, (4) from points in Illinois located in Rock Island, Henry, Bureau, Putnam, LaSalle, Kendall, Grundy, Kankakee, and Will Counties to points in Kansas (except Cherokee County) and to points in Missouri located in and west of Mercer, Grundy, Livingston, Caldwell, Ray, Lafayette, Jackson, Cass, and Bates Counties, (5) from points in Illinois located in and north of Mercer, Knox, Peoria, Tazewell, McLean, Champaign, and Vermillion Counties [except those points in Illinois described in (3) and (4) above] to points in Kansas located in and west of Phillips, Rooks, Trego, Ness, Hodgemand, Ford, and Meade Counties, (6) from points in Illinois located in and north of Whiteside, Lee, DeKalb, Kane, DuPage, and Cook Counties to points in Arkansas (except those located in Clay, Greene, and Mississippi Counties and points in Craighead County located east of the Francis River), (7) from points in Illinois located in Kendall and Will Counties to points in Arkansas located in and south of Sebastian, Logan, Yell, Perry, Pulaski, Jefferson, Arkansas and Desha Counties, (8) from points in Illinois to points in Nevada, and (9) from points in Illinois (except Jo Daviess County) to points in Idaho, Oregon, and Washington and to points in Wyoming located on and west of a line extending from the Wyoming-Colorado State line along Wyoming Highway 230 to junction Wyoming Highway 130, thence along Wyoming Highway 130 to junction U.S. Highway 287, thence along U.S. Highway 287 to junction Wyoming Highway 789, thence along Wyoming Highway 789 to junction Wyoming Highway 120, thence along Wyoming Highway 120 to the Wyoming-Montana State line.

(L) *Petroleum products*, in bulk, in tank vehicles, (1) from Rockford, Ill., and five miles thereof to points in Missouri located in Adair, Audrain, Boone, Callaway, Carroll, Charlton, Clark, Grundy, Howard, Knox, Lewis, Lincoln, Linn, Livington, Macon, Marion, Mercer, Monroe, Montgomery, Pike, Putnam, Rall, Randolph, Saline, Schuyler, Scotland, Shelby, Sullivan, Cole, and Warren Counties and that portion of St. Charles County located on, south, and west of a line extending from the northern border of the county along Missouri Highway 79 to junction Interstate Highway 70, thence along Interstate Highway 70 to the Missouri River, (2) from Rockford, Ill., and five miles thereof to points in Minnesota and points in Wisconsin located in and west of Bayfield, Sawyer, Rusk, Barron, Dunn, Pepin, Buffalo, Trempealeau, and LaCrosse Counties, (3) from Chillicothe, Ill., and points within five miles thereof, to points in Minnesota and to points in Wisconsin on, north, and west of a line beginning at the Minnesota-Wisconsin State line from Charme, Wis., and extending along County Highway D to junction Wisconsin Highway 179, thence along Wisconsin Highway 179 to junction Wisconsin Highway 131, thence along Wisconsin Highway 131 to junction Interstate Highway 90, thence along Interstate Highway 90 to junction U.S. Highway 16, thence along U.S. Highway 16 to junction with the eastern border of Monroe County, thence along the eastern border of Monroe, Jackson, and Clark Counties to junction U.S. Highway 10, thence along U.S. Highway 10 to junction Wisconsin Highway 13, thence along Wisconsin Highway 13 to junction Wisconsin Highway 97, thence along Wisconsin Highway 97 to junction with the south border of Taylor County, thence along the southern and eastern border of Taylor, Price, and Iron Counties to the Wisconsin-Michigan State line, (4) from Chillicothe, Ill., and points within five miles thereof to Ironwood, Mich., (5) from Chillicothe, Ill., and points within five miles thereof to points in Missouri bordered by Callaway, Cole, Boone, Howard, Saline, Carroll, Livingston, Grundy, Mercer, Putnam, Schuyler, Scotland, Clark, Lewis, Marion, and Ralls Counties and to the portion of Audrain County located on and west of Missouri Highway 19, (6) from Rockford, Ill., and five miles thereof to points in Iowa located in Mills, Montgomery, Fremont, Page, and Taylor Counties and that portion of Ringgold County located on and west of U.S. Highway 169.

(7) From Chillicothe, Ill., and points within five miles thereof to points in Illinois on and west of a line beginning at the Mississippi River, and extending along U.S. Highway 136 to junction unnumbered highway, thence along unnumbered highway through Basco, West Point, Woodville, and Lorraine, to junction Illinois Highway 61, thence along Illinois Highway 61 to junction unnumbered highway, thence along unnumbered highway through Columbus to junction Illinois Highway 104, thence along Illinois Highway 104 to junction unnumbered highway, thence along unnumbered highway through Plainville to junction Illinois Highway 57, thence along Illinois Highway 57 to junction U.S. Highway 36, thence along U.S. Highway 36 to the Mississippi River and to points in Iowa located on, west, and south of a line beginning at the Iowa-Minnesota State line and extending along the eastern boundaries of Emmet and Palo Alto Counties, thence along the northern, eastern, and southern boundary of Webster County to Greene County, thence along the eastern boundary of Greene County, the northern boundary of Dallas and Polk Counties, and thence along the eastern boundary of Polk County to Marion County, thence along the northern, eastern, and southern boundary of Marion County to Iowa Highway 5, thence along Iowa Highway 5 to the northern boundary of Appanoose County, thence along the northern boundary of Appanoose and Davis County to junction U.S. Highway 63, thence along U.S. Highway 63 to junction Iowa Highway 2, thence along Iowa Highway 2 to junction U.S. Highway 218, thence along U.S. Highway 218 to Keokuk on the Mississippi River, (M) *Inedible fats, grease, and tallows* (other than petroleum derivative), in bulk, in tank vehicles, (1) from points in Illinois located on, west, and north of a line extending from southern border of Pike County along the Illinois River to the southern border of Cass County, thence along the southern border to junction Illinois Highway 78, thence along Illinois Highway 78 to junction U.S. Highway 150, thence along U.S. Highway 150 to junction Illinois Highway 91, thence along Illinois Highway 91 to junction Illinois Highway 90, thence along Illinois Highway 90 to junction Illinois Highway 88, thence along Illinois Highway 88 to junction U.S. Highway 34, thence along U.S. Highway 34 to junction Illinois Highway 92, thence along Illinois Highway 92 to junction U.S. Highway 51, thence along U.S. Highway 51 to the Illinois-Wisconsin State line and to New York and Port Ivory, N.Y., (2) from points in Illinois located on and west of a line extending from the Wisconsin-Illinois State line along Illinois Highway 78 to junction U.S. Highway 52, thence along U.S. Highway 52 to the Illinois-Iowa State line to Cincinnati and Ivorydale, Ohio, (3) from points in Illinois located in and north of Mercer, Henry, Bureau, Putnam, Grundy, and Will Counties and points in LaSalle County

located on, north, and east of Illinois Highway 18 and to Sherman, Tex., (4) from points in Illinois to Faribault, Minneapolis, and St. Paul, Minn., and (5) from points in Illinois located on and north of a line extending from the Iowa-Illinois State line along Interstate Highway 80 to junction U.S. Highway 30, thence along U.S. Highway 30 to the Illinois-Indiana State line to Kansas City, Mo.

(N) *Animal fats, grease,* and *tallows,* in bulk, in tank vehicles, (1) from points in Illinois located in Adams, Hancock, Henderson, Warren, Mercer, Rock Island, Whiteside, Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in Connecticut, Maine, Massachusetts, New Jersey, and New Hampshire, to points in New York located in and east of Cayuga, Tompkins, and Tioga Counties (except New York City and Port Ivory), to points in Pennsylvania located in and east of Susquehanna, Wyoming, Luzerne, Columbia, Schuylkill, Dauphin, and York Counties and to points in Rhode Island and Vermont, (2) from points in Illinois to points in Wisconsin located on and west of a line extending from the Wisconsin-Illinois State line along U.S. Highway 61 to junction Wisconsin Highway 81, thence along Wisconsin Highway 81 to junction Wisconsin Highway 35, thence along Wisconsin Highway 35 to Danbury, on the St. Croix River, (3) from points in Illinois located in Mercer, Rock Island, Whiteside, Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in North Carolina located in and east of Cleveland, Catawba, Alexander, Wilkes, and Alleghany Counties, (4) from points in Illinois located in Rock Island, Whiteside, Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in Florida, Georgia, and South Carolina, (5) from points in Illinois located in Whiteside, Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in Alabama, (6) from points in Illinois located in Whiteside, Lee, Ogle, Boone, McHenry, and Lake Counties to points in Mississippi located in and south of Warren, Claiborne, Copiah, Lawrence, Jefferson Davis, Lamar, Forrest, Stone, and George Counties, and (7) from points in Illinois located in Carroll, Jo Davies, Stephenson, and Winnebago Counties to points in Mississippi (except those located in Benton, Tippah, Alcorn, Prentiss, and Tishamingo Counties) and to points in Shelby County, Tenn.; (O) *Animal fats,* in bulk, in tank vehicles, (1) from points in Illinois located in and north of Whiteside, Lee, DeKalb, Kane, DuPage, and Cook Counties (except Carroll, Jo Daviess, Stephenson, and Winnebago Counties) to points in Texas located in and south of Newton, Jasper, Tyler, Polk, San Jacinto, Walker, Grimes, Brazos, Burleson, Lee, Travis, Blanco, Gillespie, Kimble, Sutton, Crockett, Pecos, and Jefferson Davis Counties, (2) from points in Illinois located in Carroll, Jo Daviess, Stephenson, and Winebago Counties) to points in Texas locatin, east, and south of Lamar, Delta, Hunt, Collin, Denton, Tarrant, Parker, Palo Alto, Stephens, Shackelford, Jones, Fisher, Scurry, Borden, Martin, and Andrew County, (4) from points in Illinois located in and north of Whiteside, Lee, DeKalb, Kane, DuPage, and Cook Counties to points in Arkansas located in Sevier, Little River, and Miller Counties, and (5) from points in Illinois located in Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in Arkansas (except Sevier, Little River, and Miller Counties).

(P) *Fats* (except molasses and except petroleum and petroleum products), in bulk, in tank vehicles, (1) from points in Illinois located in and north of Carroll, Ogle, Boone, McHenry, Cook, and DuPage Counties to points in Missouri located in and west of Schuyler, Adair, Linn, Chariton, Saline, Pettis, Henry, St. Clair, Vernon, Barton, and Jasper Counties and to points in Kansas and Nebraska, (2) from points in Illinois located in Whiteside, Lee, LaSalle, DeKalb, Kane, Kendall, Grundy, Will, and Kankakee Counties to points in Kansas located in and west of Nemaha, Marshall, Riley, Geary, Morris, Chase, Butler, and Cowley Counties to points in Nebraska, and (3) from points in Illinois located in Bureau, Putnam, Livingston, Ford, Iroquois, Champaign, and Vermillion Counties to Cheyenne County, Kans., and to points in Nebraska located in, north, and west of Douglas, Saunders, Seward, York, Hamilton, Adams, Kearney, Phelps, and Furnas Counties; (Q) *Animal fats,* in bulk, in tank vehicles, from points in Illinois located in Carroll, Jo Daviess, Stephenson, and Winnebago Counties to points in Louisiana located in Caddo, Bossier, DeSoto, Sabine, Vernon, Beauregard, Calcasieu, and Cameron Parishes; (R) *Fats* (except molasses, and except petroleum and petroleum products), in bulk, in tank vehicles, (1) from points in Illinois to points in Nevada, (2) from points in Illinois to points in Idaho, Oregon, and Washington and to points in Wyoming located in Unita and Lincoln Counties, and (3) from points in Illinois located in and north of Whiteside, Bureau, Putnam, LaSalle, Grundy, and Kankakee Counties to points in Wyoming located in and west of Laramie, Albany, Carbon, Fremont, Hot Springs, and Park Counties (except Unita and Lincoln Counties); (S) *Feed* (not including tankage), in bulk, (1) from Monmouth, Ill., to points in Kansas, and (2) from Monmouth, Ill., to points in Minnesota, Nebraska, and South Dakota; (T) *Petroleum products,* in bulk, in tank vehicles, (1) from Amboy, Ill., and points within ten miles thereof to points in Missouri located in and east and north of Mercer, Grundy, Livingston, Carroll, Saline, Howard, Boone, Cole, Callaway, Montgomery, Warren, and Lincoln Counties (2) from Amboy, Ill., and points within ten miles thereof to points in Iowa on and south of a line beginning at Ballard on the Mississippi River and extending along unnumbered highway through Montrose to junction U.S. Highway 218, thence along U.S. Highway 218 to junction Iowa Highway 2, thence along Iowa Highway 2 to junction with the eastern border of Wayne County, thence along the eastern and northern boundaries of Wayne, Decatur, Ringgold, Taylor, Montgomery, and Mill Counties to the Iowa-Nebraska State line, (3) from Amboy, Ill., and points within ten miles thereof to points in Minnesota, and (4) from Amboy, Ill., and points within ten miles thereof to points in Iowa on and east of a line beginning at Burlington, Iowa, and extending along U.S. Highway 34 to junction unnumbered highway (formerly a portion of U.S. Highway 34) thence along unnumbered highway through Lockridge to junction U.S. Highway 34, thence along U.S. Highway 34 to Ottumwa, thence along U.S. Highway 63 to the Iowa-Minnesota State line.

(U) *Petroleum products* (except cryogenic liquids) requiring temperature control in transit to maintain liquid form, in bulk, in tank vehicles, (1) from points in Illinois located in and east of Adams, Pike, Calhoun, Jersey, Madison, St. Clair, Randolph, Perry, Jackson, Williamson, and Pope Counties to points in Iowa located east of U.S. Highway 169 (except Scott, Clinton, and Jackson Counties, (2) from points in Illinois located on and south of U.S. Highway 136 [except those points described in Illinois in (1) above] to points in Iowa located east of U.S. Highway 169 [except those located in and east of Van Buren, Jefferson, Keokuk, Iowa, Benton, Buchanan, Fayette, and Winneshiek Counties], (3) from points in Illinois located in and south of Adams, Schuyler, Cass, Morgan, Macoupin, Montgomery, Bond, Clinton, Marion, Wayne, and White Counties to points in Minnesota located in and south of Lac Qui Parle, Chippewa, Renville, McLeod, Carver, Scott, and Dakota Counties, (4) from points in Illinois located in and south of Adams, Schuyler, Cass, Menard, Sangamon, Macon, Moultrie, Douglas, and Edgar Counties to points in Minnesota located in and north of Big Stone, Swift, Kandiyohi, Meeker, Wright, Hennepin, Ramsey, and Washington Counties (except Pine, Carlton, St. Louis, Lake, and Cook Counties), (5) from points in Illinois located in and south of Adams, Schuyler, Cass, Morgan, Macoupin, Madison, St. Clair, Washington, Perry, Jackson, Williamson, and Pope Counties to points in Wisconsin located in and west of LaCrosse Trempealeau, Eau Claire, Chippewa, Rusk, Price, and Iron Counties, (6) from points in Illinois located on and west of Illinois Highway 4 in Madison, St. Clair, and Randolph Counties and Monroe County to points in Michigan located on and west of a line extending from the Michigan-Wisconsin State line along Michigan Highway 28 to junction U.S. Highway 45, thence along U.S. Highway 45 to junction Michigan Highway 26, thence along Michigan Highway 26 to junction Michigan Highway 38, thence along Michigan Highway 38 to Baraga, on Keweenaw Bay, (7) from points in Illinois located in and south of Hancock, McDonough,

Fulton, Peoria, Woodford, Livingston, Ford, and Iroquois Counties and points in Kanakakee County located on and east of U.S. Highway 45 to points in Iowa located on and west of U.S. Highway 169, and (8) from points in Illinois to points in California.

The purpose of this filing is to eliminate the gateways of: (A)(1) Fulton, Ill.; (A)(2) Bettendorf, Iowa, and Champaign, Ill.; (A)(3) Ft. Madison, Iowa; (B) the plant site of Protein Blenders, Inc., near Iowa City, Iowa; (C) Ft. Madison, Iowa; (D) Guttenberg, Iowa; (E) plant site of Iowa-Guttenberg Terminal, Inc., at Guttenberg, Iowa, or Guttenberg, Iowa; (F) Muscatine, Iowa; (G) Burlington, Iowa; (H) Iowa (except Bettendorf, Clear Lake, Coralville, and Dubuque); (I) Windham, Iowa, and points within 15 miles thereof; (J) Des Moines, Iowa; (K)(1)-(5) Clinton, Iowa; (K)(6)-(7) Clinton, Iowa, and points in Missouri within the Dupo, Ill., commercial zone; (K)(8) Clinton, Iowa, and Nebraska; (K)(9) Clinton, Iowa, and Kansas; (L)(1) Ft. Madison, Iowa; (L)(2)-(3) Guttenberg, Iowa; (L)(4) Guttenberg, Iowa, and Eau Claire, Wis.; (L)(5) Ft. Madison, Iowa; (L)(6)-(7) points in Iowa within the Alexandria, Mo., commercial zone; (M), (N) Dubuque, Iowa; (O)(1)-(2) Dubuque, Iowa, and the Memphis, Tenn., commercial zone; (O)(3)-(4) Dubuque, Iowa, and points in Missouri in the Dupo, Ill., commercial zone; (P) Dubuque, Iowa; (Q) Dubuque, Iowa, and Kansas City, Mo.-Kansas City, Kans., commercial zone; (R)(1) Dubuque, Iowa, and Nebraska; (R)(2) Dubuque, Iowa, and Kansas; (S)(1) Waverly, Mo.; (S)(2) the plant site of Protein Blenders, Inc., near Iowa City, Iowa; (T)(1) Ft. Madison, Iowa; (T)(2) points in Iowa within the Alexandria, Mo., commercial zone; (T)(3) Guttenberg, Iowa; (T)(4) points in Iowa within the Fulton, Ill., commercial zone; (U)(1)-(2) Alexandria, Mo.; (U)(3)-(5) Alexandria, Mo., and Guttenberg, Iowa; (U)(6) Alexandria, Mo., Guttenberg, Iowa, and Eau Claire, Wis.; (U)(7) Alexandria, Mo.; and (U)(8) Kansas.

No. MC 92983 (Sub-No. E65), filed June 4, 1973. Applicant: AMERICAN BULK TRANSPORT CO., 818 Grand Ave., P.O. Box 2508, Kansas City, Mo. 64142. Applicant's representative: H. B. Foster (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) *Chemicals*, in bulk, in tank or hopper vehicles, from Chicago, Ill., to points in Minnesota and points in Wisconsin located on and west of a line extending from the Wisconsin-Minnesota State line along the southern, eastern, and northern boundary of LaCrosse County to the western boundary of Trempealeau County, thence along the western boundary of Trempealeau County to junction Wisconsin Highway 95, thence along Wisconsin Highway 95 to junction U.S. Highway 53, thence along U.S. Highway 53 to junction Wisconsin Highway 121, thence along Wisconsin Highway 121 to junction Wisconsin Highway 93, thence along Wisconsin Highway 93 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction Wisconsin Highway 37, thence along Wisconsin Highway 37 to junction Wisconsin Highway 85, thence along Wisconsin Highway 85 to junction Interstate Highway 94, thence along Interstate Highway 94 to junction Wisconsin Highway 40, thence along Wisconsin Highway 40 to junction Wiscosin Highway 27, thence along Wisconsin Highway 27 to the eastern boundary of Douglas County, thence along the eastern boundary of Douglas County to Lake Superior; (B) *Acids* and *chemicals* (except petroleum and petroleum products), in bulk, in tank vehicles, (1) from points in Illinois (except those points west of a line extending from the Illinois-Iowa State line along Illinois Highway 92 to junction Illinois Highway 192, thence along Illinois Highway 192 to junction U.S. Highway 67, thence along U.S. Highway 67 to the Illinois-Missouri State line to points in Nebraska located on and north of a line beginning at the Iowa-Nebraska State line and extending along Nebraska Highway 66 to junction Nebraska Highway 50, thence along Nebraska Highway 50 to junction U.S. Highway 34, thence along U.S. Highway 34 to junction U.S. Highway 6, thence along U.S. Highway 6 to junction U.S. Highway 81, thence along U.S. Highway 81 to junction Nebraska Highway 4, thence along Nebraska Highway 4 to junction U.S. Highway 183, thence along U.S. Highway 183 to the Nebraska-Kansas State line, (2) from points in Illinois (except Chicago) to points in South Dakota.

(3) From points in Illinois except Chicago on and south of a line beginning at the Iowa-Illinois State line and extending along the northern and eastern border of Whiteside County to junction unnumbered highway, thence along unnumbered highway to junction Illinois Highway 26, thence along Illinois Highway 26 to junction Illinois Highway 72, thence along Illinois Highway 72 to junction Illinois Highway 2, thence along Illinois Highway 2 to the Wisconsin-Illinois State line and on and north of a line beginning at the Illinois-Iowa State line and extending along Interstate Highway 80 to junction Interstate Highway 80, thence along Interstate Highway 80 to junction Illinois Highway 71, thence along Illinois Highway 71 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction unnumbered highway, thence along unnumbered highway through Leonore to Illinois Highway 23, thence along Illinois Highway 23 to junction Illinois Highway 18, thence along Illinois Highway 18 to junction Illinois Highway 17, thence along Illinois Highway 17 to junction Illinois Highway 115, thence along Illinois Highway 115 to junction unnumbered highway through Clifton, Martinton, and Beaverville to the Illinois-Indiana State line to points in Iowa on, south, and west of a line beginning at the Minnesota-Iowa State line and extending along unnumbered highway thru Dolliver to junction Iowa Highway 43, thence along Iowa Highway 43 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 17, thence along Iowa Highway 17 to junction Iowa Highway 3, thence along Iowa Highway 3 to junction U.S. Highway 69, thence along U.S. Highway 69 to junction U.S. Highway 20, thence along U.S. Highway 20 to junction U.S. Highway 65, thence along U.S. Highway 65 to junction Iowa Highway 175, thence along Iowa Highway 175 to junction Iowa Highway 14, thence along Iowa Highway 14 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction Iowa Highway 212, thence along Iowa Highway 212 to junction U.S. Highway 6, thence along U.S. Highway 6 to junction Iowa Highway 1, thence along Iowa Highway 1 to junction Iowa Highway 22, thence along Iowa Highway 22 to junction Iowa Highway 77, thence along Iowa Highway 77 to junction Iowa Highway 78, thence along Iowa Highway 78 to junction Iowa Highway 1, thence along Iowa Highway 1 to junction U.S. Highway 34, thence along U.S. Highway 34 to junction Iowa Highway 16, thence along Iowa Highway 16 to junction unnumbered highway, thence along unnumbered highway through Floris to junction U.S. Highway 63, thence along U.S. Highway 63 to the Iowa-Missouri State line.

(4) From points in Illinois on and south or a line beginning at the Iowa-Illinois State line and extending along Interstate Highway 80 to junction Interstate Highway 180, thence along Interstate Highway 180 to junction Illinois Highway 71, thence along Illinois Highway 71 to junction U.S. Highway 51, thence along U. S. Highway 51 to junction unnumbered highway, thence along unnumbered highway through Leonore to junction Illinois Highway 23, thence along Illinois Highway 23 to junction Illinois Highway 18, thence along Illinois Highway 18 to junction Illinois Highway 17, thence along Illinois Highway 17 to junction Illinois Highway 115, thence along Illinois Highway 115 to junction unnumbered highway, thence along unnumbered highway through Clifton, Martinton, and Beaverville to the Indiana-Illinois State line and on and east of a line beginning at the Illinois-Iowa State line and extending along Illinois Highway 92 to junction Illinois Highway 192, thence along Illinois Highway 192 to junction U.S. Highway 67, thence along U.S. Highway 67 to junction Illinois Highway 17, thence along Illinois Highway 17 to junction U.S. Highway 150, thence along U.S. Highway 150 to junction Illinois Highway 97, thence along Illinois Highway 97 to junction Illinois Highway 116, thence along Illinois Highway 116 to junction Illinois Highway 78, thence along Illinois Highway 78 to junction Illinois Highway 9, thence along Illinois Highway 9 to junction unnumbered highway, thence along unnumbered highway across Spring Lake through Manito to junction Illinois Highway 29, thence along Illinois Highway 29 to junction Illinois Highway 4, thence along Illinois Highway 4 to junc-

tion Illinois Highway 16, thence along Illinois Highway 16 to junction U.S. Highway 67, thence along U.S. Highway 67 to Alton on the Mississippi River to points in Iowa on and west of a line beginning at the Minnesota-Iowa State borders of Winneshiek, Fayette, and Buline and extending along the eastern chanan Counties and northern and eastern borders of Linn County to junction Iowa Highway 1, thence along Iowa Highway 1 to junction with the northern border of Washington County, thence along the northern borders of Washington, Keokuk, Mahaska, Marion, Warren, Madison, and Adair Counties to junction U.S. Highway 6 thence along U.S. Highway 6 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction Iowa Highway 92, thence along Iowa Highway 92 to junction Iowa Highway 48, thence along Iowa Highway 48 to junction U.S. Highway 34, thence along U.S. Highway 34 to the Iowa-Nebraska State line, (5) from Chicago, Ill., to points in South Dakota and Nebraska and to points in Iowa located in, south, and west of Worth, Cerro Gordo, Floyd, Bremer, Buchanan, Linn, Johnson, Washington, Henry, and Lee Counties and to points in Missouri located in, north, and west of Lewis, Shelby, Randolph, Boone, Moniteau, Morgan, Benton, Hickory, Polk, Greene, Lawrence, and Barry Counties.

(6) From points in Illinois located on, north, and east of U.S. Highway 20 to points in Missouri located on and west of a line extending from the Missouri-Iowa State line along U.S. Highway 61 to junction Missouri Highway 16, thence along Missouri Highway 16 to junction Missouri Highway 6, thence along Missouri Highway 6 to junction Missouri Highway 15, thence along Missouri Highway 15 to junction U.S. Highway 54, thence along U.S. Highway 54 to junction U.S. Highway 63, thence along U.S. Highway 63 to the Missouri-Arkansas State line, (7) from points in Illinois on and north of a U.S. Highway 30 to points in Missouri located on and west of a line extending from the Missouri-Iowa State line along U.S. Highway 63, thence along U.S. Highway 63 to junction U.S. Highway 36, thence along U.S. Highway 36 to junction U.S. Highway 65, thence along U.S. Highway 65 to junction U.S. Highway 54, thence along U.S. Highway 54 to junction Missouri Highway 39, thence along Missouri Highway 39 to the Missouri-Arkansas State line, (8) from points in Illinois on and south of a line extending from the Illinois-Iowa State line along U.S. Highway 30 to junction U.S. Highway 34, thence along U.S. Highway 34 to Chicago, to points in Minnesota located on and west of a line extending from the Minnesota - Iowa State line along U.S. Highway 218 to junction Interstate Highway 35, thence along Interstate Highway 35 to Minneapolis, thence along U.S. Highway 169 to junction U.S. Highway 2, thence along U.S. Highway 2 to junction Minnesota Highway 6, thence along Minnesota Highway 6 to junction U.S. Highway 71, thence along U.S. Highway 71 to junction unnumbered highway, thence along unnumbered highway from Grand Falls to junction Minnesota Highway 11 near Laurel, and along Minnesota Highway 11 to Loman on the Rainy River.

(9) From points in Illinois located on and south of a line extending from the Illinois-Iowa State line along U.S. Highway 34 to junction U.S. Highway 150, thence along U.S. Highway 150 to the Illinois-Indiana State line to points in Minnesota [except those points described in part (8) above] and to points in Wisconsin located on and west of a line extending from LaCrosse along U.S. Highway 53 to Barron County, thence along the east boundary of Barron and Washburn Counties to junction Wisconsin Highway 70, thence along Wisconsin Highway 70 to junction Wisconsin Highway 27, thence along Wisconsin Highway 27 to Douglas County and thence along the east boundary of Douglas County to Lake Superior; (10) from points in Illinois located on, south, and west of a line extending from the Illinois-Iowa State line along U.S. Highway 34 to junction Illinois Highway 116, thence along Illinois Highway 116 to junction U.S. Highway 67, thence along U.S. Highway 67 to junction Illinois Highway 125, thence along Illinois Highway 125 to junction U.S. Highway 66, thence along U.S. Highway 66 to junction Illinois Highway 127, thence along Illinois Highway 127 to junction Illinois Highway 15, thence along Illinois Highway 15 to junction U.S. Highway 460, thence along U.S. Highway 460 to Hamilton County, thence along the western boundaries of Hamilton, Saline, and Pope Counties to the Illinois-Kentucky State line to points in Wisconsin on and west of line extending from Prairie du Chien along Wisconsin Highway 27 to junction U.S. Highway 12, thence along U.S. Highway 12 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction Wisconsin Highway 73, to junction Wisconsin Highway 29, to junction Wisconsin Highway 13 thence along Wisconsin Highway 13 to Ashland [except those points in Wisconsin described in part (9) above]; and (11) from points in Illinois located on and west of a line extending from Alton, Ill., along Illinois Highway 143 to junction Illinois Highway 4, thence along Illinois Highway 4 to junction Illinois Highway 150, thence along Illinois Highway 150 to Chester, to points in Wisconsin located on, north, and west of a line extending from the Wisconsin-Illinois State line along U.S. Highway 151 to junction Wisconsin Highway 23, thence along Wisconsin Highway 23 to junction Wisconsin Highway 22, thence along Wisconsin Highway 22 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction U.S. Highway 41, thence along U.S. Highway 41 to Green Bay;

(C) *Cottonseed oil* and *soybean oil, blends* and *products, cottonseed oil products* and *soybean oil products* (except soap products and paints), in bulk, in tank vehicles.

(1) From points in Illinois to Macon, Ga., and Jackson, Miss., (2) from points in Illinois located on and north of a line extending from the Indiana-Illinois State line along Illinois Highway 17 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Illinois-Iowa State line to Osceola, Ark., and (3) from points in Illinois to Dallas, Tex.; (D) *Vegetable oils* and *vegetable oil products* (except soap products and paints), in bulk, in tank vehicles, from points in Illinois to points in Louisiana; (E) *Wine*, in bulk, in tank vehicles, (1) from Chicago, Ill., to points in Connecticut, Maryland, New Jersey, and points in Pennsylvania located on and south of a line extending from the West Virginia-Pennsylvania State line along U.S. Highway 40 to junction Interstate Highway 70, thence along Interstate Highway 70 to junction Pennsylvania Highway 711, thence along Pennsylvania Highway 711 to junction Pennsylvania Highway 271, thence along Pennsylvania Highway 271 to junction U.S. Highway 219, thence along U.S. Highway 219 to junction Pennsylvania Highway 53, thence along Pennsylvania Highway 53 to junction Pennsylvania Highway 36, thence along Pennsylvania Highway 36 to Junction U.S. Highway 22, thence along U.S. Highway 22 to junction U.S. Highway 15, thence along U.S. Highway 15 to junction unnumbered highway crossing at Millersburg Ferry, thence along U.S. Highway 209 to junction with the Pennsylvania-New York State line and points in New York located in and south of Orange and Dutchess Counties, and (2) from Chicago, Ill., to points in Colorado, Idaho, and points in Montana located in and west of Big Horn, Yellowstone, Stillwater, Sweet Grass, Wheatland, Meagher, Cascade, Teton, Pondera, and Toole Counties, points in Wyoming (except Campbell, Crook, and Western Countries and that portion of Niobrara County located north of U.S. Highway 20); (F) *Fats* and *oils* (except fats, oils, blends, and products thereof derived from petroleum, soap products, and paints), in bulk, in tank vehicles, (1) from Dupo, Ill., to points in California, and (2) from Dupo, Ill., to points in Florida, South Carolina, and points in Georgia located in and south of Floyd, Bartow, Pickens, Dawson, Lumpkin, White, and Habersham Counties and points in North Carolina located in, south, and east of Polk, Rutherford, Cleveland, Catawsa, Iredell, Davie, Forsyth, and Rockingham Counties, and points in Oklahoma located in McCurtain, Choctaw, and Bryan Counties and points in Texas located in and south of Bowie, Red River, Lamar, Fannin, Grayson, Denton, Wise, Jack Young, Throckmorton, Haskell, Stonewall, Kent, Garza, Lubbock, Hockley, and Cochran Counties; (G) *Fats* and *oils*, in bulk, in tank vehicles, (1) from Dupo, Ill., to points in Nevada, and (2) from Dupo, Ill., to points in Idaho, Oregon, Washington, and Wyoming; (H) *Animal fats* and *oils*, in bulk, in tank vehicles, from Dupo, Ill., to points in Maine and points in Michigan located in the Upper Peninsula and Emmet County and that portion of

Sheboygan County located on and north of Michigan Highway 68, points in New Hampshire located on and east of a line extending from the Vermont-New Hampshire State line along U.S. Highway 302, thence along U.S. Highway 302 to junction New Hampshire Highway 112, thence along New Hampshire Highway 112 to junction U.S. Highway 3, thence along U.S. Highway 3 to the New Hampshire-Massachusetts State line, and points in Wisconsin located in, west, and north of Lafayette, Dane, and that portion of Dodge County on and north of Wisconsin Highway 33, Fond du Lac and Sheboygan Counties; (I) *Vegetable oils*, in bulk, in tank vehicles, from Dupo, Ill., to points in Kansas, Minnesota, Nebraska, Pennsylvania, New York, and Wisconsin.

(J) *Such fats* and *oils* as are embraced within liquid chemicals (except petroleum chemicals), in bulk, in tank vehicles), from Dupo, Ill., to points in Minnesota, North Dakota, Oklahoma, South Dakota, Tennessee, and Wisconsin and points in Kentucky (except Henderson, Webster, and Crittenden) and Livingston Counties and points in Indiana located in and east of Lake, Porter, Starke, Pulaski, Cass, Howard, Tipton, Hamilton, and that portion of Marion County on and east of U.S. Highway 31, including the Indianapolis commercial zone, Johnson, Brown, Jackson, Washington, Orange, Crawford, and Perry Counties; (K) (1) *Liquid chemicals* (except those derived from petroleum), and (2) *Acids* and *chemicals* (except petroleum and petroleum products, synthetic resins and varnishes), in bulk, in tank vehicles, from points in Illinois on and south of a line beginning at the Minnesota-Illinois State line and extending along Illinois Highway 140 to junction U.S. Highway 40, thence along U.S. Highway 40 to junction U.S. Highway 51, thence along U.S. Highway 51 to junction U.S. Highway 50, thence along U.S. Highway 50 to the Illinois-Indiana State line to points in Minnesota on and west of a line beginning at the Minnesota-Iowa State line and extending along U.S. Highway 71 to junction Minnesota Highway 55, thence along Minnesota Highway 55 to junction Minnesota Highway 29, thence along Minnesota Highway 29 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction U.S. Highway 59, thence along U.S. Highway 59 to the United States-Canada International Boundary line; (L) *Acids* and *chemicals*, in bulk, in tank vehicles, (1) from points in Illinois on and south of a line beginning at the Illinois-Minnesota State line and extending along U.S. Highway 24 to junction U.S. Highway 136, thence along U.S. Highway 136 to junction Illinois Highway 1, thence along Illinois Highway 1 to junction U.S. Highway 150, thence along U.S. Highway 150 to the Indiana-Illinois State line to points in North Dakota south and west and on a line beginning at the Michigan-North Dakota State line and extending along North Dakota Highway 50 to junction U.S. Highway 85, thence along U.S. Highway 85 to junction North Dakota Highway 200, thence along North Dakota Highway 200 to junction North Dakota Highway 8, thence along North Dakota Highway 8 to junction North Dakota Highway 21, thence along North Dakota Highway 21 to junction North Dakota Highway 31, thence along North Dakota Highway 31 to the South Dakota-North Dakota State line to points in South Dakota on, south, and west of a line beginning at the North Dakota-South Dakota State line and extending along South Dakota Highway 65 to junction South Dakota Highway 20, thence along South Dakota Highway 20 to junction South Dakota Highway 63, thence along South Dakota Highway 63 to junction U.S. Highway 14, thence along U.S. Highway 14 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction South Dakota Highway 47, thence along South Dakota Highway 47 to junction Interstate Highway 90, thence along Interstate Highway 90 to junction South Dakota Highway 45, thence along South Dakota Highway 45 to junction South Dakota Highway 44, thence along South Dakota Highway 44 to junction South Dakota Highway 50, thence along South Dakota Highway 50 to junction U.S. Highway 281, thence along U.S. Highway 281 to the South Dakota-Nebraska State line.

(2) From points in Illinois on and south of a line beginning at the Illinois-Missouri State line and extending along Illinois Highway 108 to junction U.S. Highway 66, thence along U.S. Highway 66 to junction Illinois Highway 185, thence along Illinois Highway 185 to junction U.S. Highway 40, thence along U.S. Highway 40 to junction Illinois Highway 130, thence along Illinois Highway 130 to junction Illinois Highway 33, thence along Illinois Highway 33 to Russellville on the Wabash River to points in North Dakota and South Dakota (except for those points in North Dakota and South Dakota described in (1) above), (3) from points in Illinois located on and south of a line extending from the Illinois-Iowa State line along U.S. Highway 67 to junction Illinois Highway 92, thence along Illinois Highway 92 to junction U.S. Highway 34, thence along U.S. Highway 34 to Chicago on Lake Michigan to points in Idaho and points in Michigan on, south, and west of a line extending from the United States-Canada International Boundary line along U.S. Highway 93 to junction U.S. Highway 2, thence along U.S. Highway 2 to junction Michigan Highway 35, thence along Michigan Highway 35 to junction County Highway 209, thence along County Highway 209 to junction Michigan Highway 200, thence along Michigan Highway 200 to junction County Highway 279, thence along County Highway 279 to junction U.S. Highway 287, thence along U.S. Highway 287 to junction U.S. Highway 10, thence along U.S. Highway 10 to junction U.S. Highway 89, thence along U.S. Highway 89 to the Michigan-Wisconsin State line, and (4) from points in Illinois on and south of a line beginning at the Illinois-Iowa State line and extending along U.S. Highway 136 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction U.S. Highway 66, thence along U.S. Highway 66 to junction Illinois Highway 17, thence along Illinois Highway 17 to the Illinois-Indiana State line (except those points described in (3) above) to points in Montana on, south, and west of a line beginning at the United States-Canada International Boundary line and extending along County Highway 242 to junction U.S. Highway 2, thence along U.S. Highway 2 to junction Montana Highway 24, thence along Montana Highway 24 to junction Montana Highway 200, thence along Montana Highway 200 to junction Montana Highway 200S, thence along Montana Highway 200S to junction U.S. Highway 10, thence along U.S. Highway 10 to the Montana-North Dakota State line: (M) *Acids* and *liquid chemicals* (except those derived from petroleum), in bulk, in tank vehicles, from points in Illinois located on and north of U.S. Highway 34 to points in Texas located on and west on a line beginning at the Oklahoma-Texas State line and extending along U.S. Highway 271 to junction Texas Highway 19, thence along Texas Highway 19 to junction Interstate Highway 45, thence along Interstate Highway 45 to Galveston on the Gulf of Mexico (except for those points in Brazoria, Chambert, Fort Bend, Galveston, Harris, Liberty, and Montgomery Counties); (N) *Acids* and *chemicals*, in bulk, in tank vehicles.

(1) From points in Illinois located on and north of U.S. Highway 34 to Shreveport, La., (2) from points in Illinois to points in Colorado located on, south, and west of a line extending from the Colorado-Wyoming State line along the western boundary of Larimer County to junction Colorado Highway 14, thence along Colorada Highway 14 to junction U.S. Highway 287, thence along U.S. Highway 287 to junction U.S. Highway 34, thence along U.S. Highway 34 to the Colorado-Kansas State line to points in Kansas located on, south, and west of a line beginning at the Kansas-Nebraska State line and extending along U.S. Highway 283 to junction U.S. Highway 36, thence along U.S. Highway 36 to junction U.S. Highway 81, thence along U.S. Highway 81 to junction Kansas Highway 9, thence along Kansas Highway 9 to junction U.S. Highway 159, thence along U.S. Highway 159 to junction U.S. Highway 73, thence along U.S. Highway 73 to the Kansas-Missouri State line and also located north and west of a line beginning at the Kansas-Oklahoma State line and extending along U.S. Highway 77 to junction U.S. Highway 160, thence along U.S. Highway 160 to junction Kansas Highway 99, thence along Kansas Highway 99 to junction Kansas Highway 96, thence along Kansas Highway 96 to junction Kansas Highway 39, thence along Kansas Highway 39 to junction U.S. Highway 59, thence along U.S. Highway 59 to junction U.S. Highway 54, thence along U.S. Highway 54 to the Kansas-Missouri State line, and to points in Oklahoma located on

and north of U.S. Highway 54 to the Kansas-Missouri State line, and to points in Oklahoma located on and north of a line extending from the Oklahoma-Texas State line along U.S. Highway 66 to junction U.S. Highway 183, thence along U.S. Highway 183 to junction Oklahoma Highway 33, thence along Oklahoma Highway 33 to junction Oklahoma Highway 8, thence along Oklahoma Highway 8 to junction Oklahoma Highway 58, thence along Oklahoma Highway 58 to junction U.S. Highway 60, thence along U.S. Highway 60 to junction U.S. Highway 64, thence along U.S. Highway 64 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Oklahoma State line, (3) from points in Illinois located on and north of U.S. Highway 50 to points in Kansas south of a line beginning at the Kansas-Oklahoma State line and extending along U.S. Highway 77 to junction U.S. Highway 160, thence along U.S. Highway 160 to junction Kansas Highway 99, thence along Kansas Highway 99 to junction Kansas Highway 96, thence along Kansas Highway 96 to junction Kansas Highway 39, thence along Kansas Highway 39 to junction U.S. Highway 59, thence along U.S. Highway 59 to junction U.S. Highway 54, thence along U.S. Highway 54 to the Kansas-Missouri State line, and to points in Oklahoma on and west of a line beginning at the Missouri-Oklahoma State line and extending along Interstate Highway 44 to junction U.S. Highway 75, thence along U.S. Highway 75 to Indian Nation Turnpike, thence along Indian Nation Turnpike to junction Oklahoma Highway 9, thence along Oklahoma Highway 9 to junction U.S. Highway 75, thence along U.S. Highway 75 to junction Oklahoma Highway 1, thence along Oklahoma Highway 1 to junction Oklahoma Highway 99, thence along Oklahoma Highway 99 to junction U.S. Highway 377, thence along U.S. Highway 377 to the Oklahoma-Texas State line [except those points in Oklahoma described in (2) above].

(4) From points in Illinois located on and south of U.S. Highway 24 to points in Kansas north of a line beginning at the Kansas-Nebraska State line and extending along U.S. Highway 283 to junction U.S. Highway 36, thence along U.S. Highway 36 to junction U.S. Highway 81, thence along U.S. Highway 81 to junction Kansas Highway 9, thence along Kansas Highway 9 to junction U.S. Highway 159, thence along U.S. Highway 159 to junction U.S. Highway 73, thence along U.S. Highway 73 to the Kansas-Missouri State line, and south and west of a line extending from the Kansas-Nebraska State line, along U.S. Highway 77 to junction U.S. Highway 36, thence along U.S. Highway 36 to junction U.S. Highway 73, thence along U.S. Highway 73 to junction U.S. Highway 59, thence along U.S. Highway 59 to the Kansas-Missouri State line, and to points in Nebraksa located on and south of a line beginning at the Wyoming-Nebraska State line and extending along U.S. Highway 26 to junction Nebraska Highway 71, thence along Nebraska Highway 71 to junction Nebraska Highway 2, thence along Nebraska Highway 2 to junction U.S. Highway 385, thence along U.S. Highway 385 to junction U.S. Highway 26, thence along U.S. Highway 26 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction U.S. Highway 183, thence along U.S. Highway 183 to junction Nebraska Highway 4, thence along Nebraska Highway 4 to junction Nebraska Highway 14, thence along Nebraska Highway 14 to junction U.S. Highway 136, thence along U.S. Highway 136 to junction U.S. Highway 81, thence along U.S. Highway 81 to the Nebraska-Kansas State line, (5) from points in Illinois located on and north of U.S. Highway 34 to points in Arkansas located on and west of a line extending from the Arkansas-Missouri State line along U.S. Highway 71 to Little River County, thence along the north boundary of Little River County to the Arkansas-Oklahoma State line, (6) from points in Illinois to points in Arizona, California, Nevada, New Mexico, Oregon, and Utah, (7) from points in Illinois located on and north of a line beginning at the Missouri-Illinois State line and extending along U.S. Highway 54 to junction U.S. Highway 56, thence along U.S. Highway 56 to junction Illinois Highway 133, thence along Illinois Highway 133 to junction U.S. Highway 150, thence along U.S. Highway 150 to the Illinois-Indiana State line, to Dallas Tex., (8) from points in Illinois located on and south of a line extending from the Illinois-Iowa State line along Interstate Highway 80 to junction U.S. Highway 34, thence along U.S. Highway 34 to Chicago on Lake Michigan to points in Wyoming located on and west of a line beginning at the Montana-Wyoming State line and extending along U.S. Highway 87 to the Wyoming-Colorado State line.

(9) From points in Illinois to points in Washington; and (O) *Petroleum products*, in bulk, in tank vehicles, (1) from Fulton, Ill., to points in Indiana on and south of Indiana Highway 28, (2) from Fulton, Ill., to points in Missouri located on and north of U.S. Highway 36 and on and east of U.S. Highway 65, (3) from Fulton, Ill., to points in Minnesota and to points in Wisconsin on, north, and west of a line beginning at the Mississippi River at Lynxville and extending along Wisconsin Highway 171 to junction Wisconsin Highway 131, thence along Wisconsin Highway 131 to junction Wisconsin Highway 82, thence along Wisconsin Highway 82 to junction Wisconsin Highway 80, thence along Wisconsin Highway 80 to junction Wisconsin Highway 13, thence along Wisconsin Highway 13 to junction Wisconsin Highway 97, thence along Wisconsin Highway 97 to junction Wisconsin Highway 153, thence along Wisconsin Highway 153 to junction Wisconsin Highway 107, thence along Wisconsin Highway 107 to junction Highway FF, thence along Highway FF to junction U.S. Highway 51, thence along U.S. Highway 51 to junction Wisconsin Highway 17, thence along Wisconsin Highway 17 to junction U.S. Highway 8, thence along U.S. Highway 8 to junction U.S. Highway 45, thence along U.S. Highway 45 to the Wisconsin-Michigan State line, and (4) from Fulton, Ill., to points in the Upper Peninsula of Michigan on and north of a line beginning at the Wisconsin-Michigan State line and extending along Michigan Highway 64 to junction Michigan Highway 28, thence along Michigan Highway 28 to junction U.S. Highway 41, thence along U.S. Highway 41 to Lanse on Lake Superior.

The purpose of this filing is to eliminate the gateways of: (A) plant site of Iowa-Guttenberg Terminal, Inc., approximately 2 miles south of Guttenberg, Iowa; (B) Iowa City, a point within 15 miles of Windham, Iowa; (C), (D) Memphis, Tenn.; (E) (1) Lawrenceburg, Ind.; (E) (2) Atchison, Kans.; (F) (1) Memphis, Tenn., and Colorado; (F) (2) Memphis, Tenn.; (G) (1) Nebraska; (G) (2) Kansas; (H) Dubuque, Iowa; (I) St. Louis, Mo.; (J) Selma, Mo., and points within five miles thereof; (K), (L), (N) (1) Kansas City, Mo.-Kansas City, Kans., commercial zone (a point formerly known as Turner, Kans.); (N) (6) Kansas City, Mo.-Kansas City, Kans., commercial zone (a point formerly known as Turner, Kans.); (N) (8), Kansas City, Mo.-Kansas City, Kans., commercial zone (a point formerly known as Turner, Kans.); (O) (1) Bettendorf, Iowa, and Champaign, Ill.; (O) (2) Burlington, Iowa; (O) (3) Guttenburg, Iowa; and (O) (4) Guttenburg, Iowa, and Eau Claire, Wis.

No. MC 107064 (Sub-No. E212), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles, and *dry fertilizer*, in bags, from points in Virginia to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateways of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E213), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients*, from points in Virginia to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii), to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateways of the plant site

and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E214), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Virginia to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateways of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E215), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients*, from points in Massachusetts to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateways of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E216), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Massachusetts to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateways of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E217), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles, and *dry fertilizer*, in bags, from points in Michigan to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E218), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles, and *dry fertilizer*, in bags, from points in Minnesota to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E219), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients*, from points in New Hampshire, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E220), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in tank vehicles, and *dry fertilizer*, in bags, from points in New Jersey, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E221), filed December 18, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer* and *fertilizer ingredients*, (except liquid sulphur and petroleum products), from points in New Jersey, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E342), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, in bags, and in mixed loads of bulk and bags, from points in Wyoming, to points in Louisiana, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E343), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in Mississippi, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E344), filed Decemhber 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in New Mexico to points in Mississippi, restricted aganst the transportaton of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E345), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous*

ammonia, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in South Carolina, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E346), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Tennessee, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E347), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients, in bags*, and in mixed loads of bulk and bags, from points in Colorado to points in Louisiana, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E348), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, in bags, and in mixed loads in bulk and bags, from points in Arizona, to points in Louisiana, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E349), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in Kentucky, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E350), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr .(same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in Iowa, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E351), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Indiana to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E352), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in Mississippi, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemiral Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E353), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Arizona, to points in Missouri, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E354), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in South Carolina, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidenta. Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E255), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in South Carolina, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E356), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in New Mexico, to points in South Carolina, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E357), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Louisiana, to points in Wyoming, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E358), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in Georgia, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E359), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in Georgia, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E360), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Tennessee, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E361), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in New Mexico, to points in Tennessee (except Kingsport), restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E362), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles, and *dry fertilizer*, in bags, from points in Kentucky, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E363), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in Tennessee (except Kingsport), restricted against the transportation of chemical from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E364), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, in bags, and in mixed loads of bulk and bags, from points in Nevada, to points in Arkansas, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E365), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Georgia, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E366), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in Kentucky, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E367), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in New Mexico, to points in Georgia, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plantsite and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E368), filed December 17, 1975. Applicant: STEERE TANK LINES, INC. P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer*

and fertilizer ingredients, from points in Louisiana, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E369), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Missouri, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E370), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in Arkansas, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E371), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Louisiana, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E372), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Alabama, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E373), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in Arkansas, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E374), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in Alabama, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E375), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Mississippi, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E376), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Mississippi, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E377), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in South Carolina, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E378), filed December 17, 1976. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer soultions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in New Mexico, to points in Alabama, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E379), filed December 17, 1976. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Nevada, to points in Kentucky, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of

this filing is to eliminate the gateway of the plant site and stoarge facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E380), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in Tennessee, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E381), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Alabama, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E382), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles and *dry fertilizer*, in bags, from points in Iowa, to points in Arizona, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E383), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in South Carolina, to points in New Mexico, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E384), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* from points in Arkansas, to points in Nevada, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E385), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients* (except liquid sulphur and petroleum products), from points in Louisiana, to points in Colorado, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 107064 (Sub-No. E386), filed December 17, 1975. Applicant: STEERE TANK LINES, INC., P.O. Box 2998, Dallas, Tex. 75221. Applicant's representative: H. L. Rice, Jr. (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer solutions and liquid fertilizer ingredients*, in bulk, in tank vehicles, from points in Arizona, to points in Illinois, restricted against the transportation of chemicals from points in the United States (except Alaska and Hawaii) to the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex. The purpose of this filing is to eliminate the gateway of the plant site and storage facilities of Occidental Chemical Co., in Hale County, Tex.

No. MC 113855 (Sub-No. E11), filed May 30, 1974. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Rd., S.E., 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: *Heavy machinery and other contractors' materials, supplies, and equipment*, which because of size or weight require the use of special equipment, (A) between points in North Dakota, on the one hand, and, on the other, points in Nebraska. (South Dakota) *

(B) (1) between points in Minnesota and Iowa, on the one hand, and, on the other, points in California, Washington and Oregon.

(2) between points in Nebraska on and east of U.S. Highway 81 and on and north of U.S. Highway 30 and points in North Dakota on and east of U.S. Highway 81 on the one hand, and, on the other, points in California.

(3) between points in Nebraska on and east of U.S. Highway 81, on the one hand, and, on the other, points in Oregon and Washington.

(4) between points in Nebraska west of U.S. Highway 81 and on and east of U.S. Highway 281, on the one hand, and, on the other, points in Washington and points in Oregon on and west of Interstate Highway 5. (Sioux Falls, Beresford or Hawarden, S.D.) *

(C) (1) between points in Wyoming, on the one hand, and, on the other, points in North Dakota on and east of a line beginning at South Dakota-North Dakota State line and extending along U.S. Highway 83 to junction of U.S. Highway 52, to the United States-Canada International Boundary Line.

(2) between points in Laramie, Albany, Carbon, Sweetwater, Uinta, Lincoln, Goshen, Platte, Crook and Weston Counties, Wy., on the one hand, and, on the other, points in North Dakota west of the line indicated in (1) above. (points in South Dakota on and east of South Dakota Highway 73) *

The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No MC 114019 (Sub-No. E432), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts, and articles* distributed by meat packinghouses as described in the Appendix to the report in *Modification of Permits of Motor Contract Carriers of Packing House Products*, 46 M.C.C. 23, (1) between points in Illinois, Indiana, and that part of Ohio on, north and west of a line beginning at the Pennsylvania-Ohio State line, and extending along Ohio Highway 14 to its junction with Ohio Highway 9, thence along Ohio Highway 9 to its junction with Ohio Highway 39, thence along Ohio Highway 39 to its junction with U.S. Highway 77, thence along U.S. Highway 77 to the Ohio-West Virginia State line, on the one hand, and, on the other, points in Massachusetts, Connecticut, Rhode Island, New Jersey and New York. (2) between

points in that part of Pennsylvania on and west of a line beginning at the New York-Pennsylvania State line at Lake Erie, and extending along Interstate Highway 79 to its junction with U.S. Highway 80, thence along U.S. Highway 80 to the Pennsylvania-Ohio State line, on the one hand, and, on the other, points in that part of New Jersey on and east of a line beginning at the Pennsylvania-New Jersey State line and extending along U.S. Highway 202 to its junction with U.S. Highway 287, thence along U.S. Highway 287 to its junction with U.S. Highway 202, thence along U.S. Highway 202 to the New York-New Jersey State line, points in that part of Connecticut, Massachusetts, and Rhode Island on and south of U.S. Highway 6. The purpose of this filing is to eliminate the gateway of Youngstown, Ohio.

No. MC 114019 (Sub-No. E433), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representatative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Floor tile, and materials and accessories* used in the installation of floor tile when moving with shipments of floor tile (except in bulk) from New York, N.Y. and Philadelphia, Pa. and points within 30 miles thereof, to points in Indiana (except Indianapolis, and points within its commercial zone) and points in that part of Michigan on, north, and west of a line beginning at Lake St. Clair and extending along Michigan Highway 102 to its junction with U.S. Highway 96, to its junction with U.S. Highway 23, to its junction with U.S. Highway 12, to its junction with Michigan Highway 156, to the Michigan-Ohio State line. The purpose of this filing is to eliminate the gateway of Hopetown, Ohio.

No. MC 114019 (Sub-No. E434), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glassware and such materials, supplies and equipment*, as are used in the manufacture of glassware (except commodities in bulk and commodities requiring special equipment), from points in that part of Pennsylvania, on, south and east of a line beginning at the West Virginia-Pennsylvania State line, thence along Interstate Highway 70, to its junction with Pennsylvania Highway 136, thence along Pennsylvania Highway 136 to its junction with U.S. Highway 119, thence along U.S. Highway 119 to its junction with U.S. Highway 22, thence along U.S. Highway 22 to its junction with Pennsylvania Highway 53, thence along Pennsylvania Highway 53 to its junction with Pennsylvania Highway 36, thence along Pennsylvania Highway 36 to its junction with U.S. Highway 22, thence along U.S. Highway 22 to its junction with U.S. Highway 522, thence along U.S. Highway 522 to its junction with U.S. Highway 11, thence along U.S. Highway 11 to its junction with Pennsylvania Highway 147, thence along Pennsylvania Highway 147 to its junction with Pennsylvania Highway 405, thence along Pennsylvania Highway 405 to its junction with U.S. Highway 220, thence along U.S. Highway 220 to the Pennsylvania-New York State line, and points in that part of West Virginia on and south of U.S. Highway 40 points in New York City, N.Y. and Philadelphia, Pa. and points within 30 miles thereof, and Baltimore and Sparrows Point, Md., to points in the State of Michigan. The purpose of this filing is to eliminate the gateway of Zanesville, Ohio.

No. MC114019 (Sub-No. E435), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glassware and such materials, supplies and equipment*, as are used in the manufacture of glassware, (except in bulk and except commodities requiring special equipment), from points in New York along a route beginning at Windsor Beach, N.Y. and extending to Rochester, N.Y., thence along U.S. Highway 15 to Wayland, thence along New York Highway 245 to Dansville, thence along New York Highway 36 to junction New York Highway 21, thence along New York Highway 21 to Andover, thence along New York Highway 17 to the New York-Pennsylvania State line; points in that part of Pennsylvania on and south of U.S. Highway 62, and points in that part of West Virginia and north of a line beginning at the Ohio-West Virginia State line, thence along U.S. Highway 35 to junction U.S. Highway 60, to the West Virginia-Virginia State line, New York, N.Y. and Philadelphia, Pa. and points within 30 miles thereof, and Baltimore and Sparrows Point, Md., to points in Iowa, Kansas, Minnesota (except points in the Minneapolis-St. Paul, Minn. commercial zone), Nebraska, North Dakota and South Dakota. The purpose of this filing is to eliminate the gateways of Zanesville, Ohio and the plant site of Owens-Illinois Glass Company, at or near Gas City, Ind.

No. MC 114019 (Sub-No. E436), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Prepared foods* (other than frozen), except in bulk, from points in that part of New York on and east of a line beginning at Lake Ontario and extending along New York Highway 18 to its junction with U.S. Highway 15, thence along U.S. Highway 15 to its junction with New York Highway 63, thence along New York Highway 63 to its junction with New York Highway 36, thence along New York Highway 36 to its junction with New York Highway 17, thence along New York Highway 17 to its junction with U.S. Highway 15, thence along U.S. Highway 15 to the Pennsylvania-New York State line and points in that part of Pennsylvania on and east of a line beginning at the New York-Pennsylvania State line and extending along U.S. Highway 15 to its junction with U.S. Highway 6, thence along U.S. Highway 6 to its junction with Pennsylvania Highway 307, thence along Pennsylvania Highway 307 to its junction with Pennsylvania Highway 92, thence along Pennsylvania Highway 92 to its junction with Pennsylvania Highway 315, thence along Pennsylvania Highway 315 to its junction with Pennsylvania Highway 115, thence along Pennsylvania Highway 115 to its junction with U.S. Highway 209, thence along U.S. Highway 209 to its junction with Pennsylvania Highway 33, thence along Pennsylvania Highway 33 to its junction with U.S. Highway 22, thence along U.S. Highway 22 to the Pennsylvania-New Jersey State line, to points in that part of Missouri on and west of U.S. Highway 65, points in that part of Kansas on and east of U.S. Highway 281, and Denver, Colo.; (Chicago or Morrison, Ill.)*; (2) *Foodstuffs* (other than frozen) except in bulk, from points in the above indicated origin territory, to points in Minnesota, Iowa, North Dakota, South Dakota and Nebraska. (Rochester, N.Y.)* Restriction: The authority described above is restricted to the transportation of the commodities described therein when moving from, to, or between warehouses and wholesale, retail, or chain outlets of food business houses, or when moving from, to, or between food processing plants, or warehouses or other facilities of such plants. The purpose of this filing is to eliminate the gateways marked with asterisks.

No. MC 114019 (Sub-No. E437), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods* (except commodities in bulk), (1) from points in Wisconsin and those in Iowa, on, north, and west of a line beginning at the Mississippi River, and extending along Iowa Highway 78 to its junction with U.S. Highway 63, thence south along U.S. Highway 63 to the Iowa-Missouri State line, to points in Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New Jersey, Delaware, Maryland, and points in that part Virginia on and east of U.S. Highway 21, New York, N.Y. and Philadelphia, Pa. and points within 30 miles thereof, and the District of Columbia. (2) from points in Iowa and Wisconsin to points in Pennsylvania,

West Virginia, and points in that part of Virginia on, and west of U.S. Highway 21, and Cleveland, Akron, Canton, Columbus, Dayton, and Cincinnati, Ohio, and points in New York (except that part of New York bounded by a line beginning at Lake Ontario, thence along U.S. Highway 15 to junction New York Highway 5, thence along New York Highway 5 to junction New York Highway 57, thence along New York Highway 57 to Lake Ontario, to the point of beginning.

The purpose of this filing is to eliminate the gateway of Chicago, Ill. and/or Cleveland or Columbus, Ohio.

No. MC 114019 (Sub-No. E438), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass containers, glassware, and bottle caps*, from points in that part of New York bounded by a line beginning at Windsor Beach, N.Y., and extending to Rochester, N.Y., thence along U.S. Highway 15 to Wayland, N.Y., thence along New York Highway 245 to Dansville, N.Y., thence along New York Highway 36 to junction New York Highway 21, thence along New York Highway 21 to Andover, N.Y., and thence along New York Highway 17 to the New York-Pennsylvania State line, thence along the New York-Pennsylvania State line to junction New York Highway 16, thence along New York Highway 16 to junction New York Highway 98 to Point Breeze, to point of beginning, and from points in that part of Pennsylvania on and east of a line beginning at the New York-Pennsylvania State line and extending along U.S. Highway 62 to its junction with Pennsylvania Highway 8, thence along Pennsylvania Highway 8 to its junction with Pennsylvania Highway 108, thence along Pennsylvania Highway 108 to the Ohio-Pennsylvania State line; and points in that part of West Virginia on and north of a line beginning at the Ohio-West Virginia State line and extending along West Virginia Highway 14 to its junction with U.S. Highway 33, thence along U.S. Highway 33 to its junction with West Virginia Highway 16, thence along West Virginia Highway 16 to its junction with West Virginia Highway 39, thence along West Virginia Highway 39 to the Virginia-West Virginia State line; New York City, N.Y., Philadelphia, Pa., and points within 30 miles thereof, and Baltimore and Sparrows Point, Maryland, to points in Illinois, Missouri and Wisconsin. The purpose of this filing is to eliminate the gateway of Zanesville, Ohio and Winchester, Ind.

No. MC 114019 (Sub-No. E439), filed June 4, 1974. Applicant: MIDWEST EMERY FREIGHT SYSTEM, INC., 7000 South Pulaski Road, Chicago, Ill. 60629. Applicant's representative: Arthur J. Sibik (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Edible chemical and chemical compounds*, (except in bulk), (1) from points in New York, Pennsylvania, Maryland, Delaware, and those points in New Jersey within thirty miles of New York, N.Y. and Philadelphia, Pa., to points in Wyoming, Colorado, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, points in that part of Missouri on and west of U.S. Highway 63, and points in that part of Wisconsin on, west and north of a line beginning at the Illinois-Wisconsin State line, thence along Interstate Highway 90 to its junction with Wisconsin Highway 26, thence along Wisconsin Highway 26 to its junction with Wisconsin Highway 68, thence along Wisconsin Highway 68 to its junction with Wisconsin Highway 23, thence along Wisconsin Highway 23 to Lake Michigan; (2) from points in Ohio and West Virginia, to Wyoming, Colorado, North Dakota, South Dakota, Nebraska, Iowa, Minnesota, points in that part of Kansas on and west of U.S. Highway 81 and points in that part of Wisconsin on and west of a line beginning at the Wisconsin-Illinois State line, thence along Wisconsin Highway 104 to junction U.S. Highway 51 to the Wisconsin-Michigan State line; (3) from points in that part of Indiana and Ohio on and north of U.S. Highway 30, to points in that part of Missouri on and west of U.S. Highway 63, and points in that part of Kansas on and east of U.S. Highway 81; (4) from points in Indiana, to points in North Dakota, Wyoming, South Dakota, Minnesota, and points in that part of Nebraska on and north of a line beginning at the Nebraska-Iowa State line, thence along Nebraska Highway 2 to its junction with Interstate Highway 80, to the Nebraska-Wyoming State line.

(5) From points in that part of Indiana on and north of Indiana Highway 26, to points in Colorado, Kansas, points in that part of Nebraska on and south of a line beginning at the Nebraska-Iowa State line thence along Nebraska Highway 2 to its junction with Interstate Highway 80, to the Nebraska-Wyoming State line, and points in that part of Iowa south and west of a line beginning at the Iowa-Illinois State line, thence along U.S. Highway 30, to junction with Iowa Highway 218, thence along Iowa Highway 218 to the Iowa-Missouri State line and Kansas City, Mo.; (6) from Gary, Ind., to points in Missouri; (7) from points in that part of Indiana, on, and south of Indiana Highway 26, to points in that part of Wisconsin on and west of a line beginning at the Wisconsin-Illinois State line, thence along Interstate Highway 90 to its junction with U.S. Highway 51, thence along U.S. Highway 51 to the Wisconsin-Michigan State line; (8) from points in Indiana on and west of a line beginning at the Michigan-Indiana State line, thence along Indiana Highway 19 to its junction with U.S. Highway 6, thence along U.S. Highway 6 to the Indiana-Illinois State line, to points in Missouri; (9) from Rock Island, Ill., to points in Colorado, Kentucky and Tennessee; (10) from Gary, Ind., to points in that part of Kentucky and Tennessee, on and west of U.S. Highway 45; Restriction: The authority granted above is restricted against the transportation of canned and frozen commodities from points in Maryland and Delaware. The purpose of this filing is to eliminate the gateway of Utica, Ill. and/or points in Ohio.

No. MC 115331 (Sub-No. E45), filed May 16, 1974. Applicant: TRUCK TRANSPORT INCORPORATED, 230 St. Clair Ave., East St. Louis, Ill. 62201. Applicant's representative: J. R. Ferris (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry ammonium nitrate*, in bulk, from Louisiana, Mo., to points in Indiana, on north, and east of a line beginning at the Indiana-Illinois State line, extending along Indiana Highway 114 to junction U.S. Highway 231, thence along U.S. Highway 231 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction Indiana Highway 124, thence along Indiana Highway 124 to the Indiana-Ohio State line. The purpose of this filing is to eliminate the gateway of Streator, Ill.

No. MC 115331 (Sub-No. E46), filed May 16, 1974. Applicant: TRUCK TRANSPORT INCORPORATED, 230 Saint Clair Avenue, East Saint Louis, Ill. 62201. Applicant's representative: J. R. Ferris (same as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer materials*, from the plant site and warehouse facilities of W. R. Grace and Company at or near Atlas, Mo., to points in Michigan and points in Ohio on and north of a line beginning at the Ohio-Indiana State line and extending along Ohio Highway 119 to its junction with Ohio Highway 65, thence along Ohio Highway 65 to its junction with Ohio Highway 47, thence along Ohio Highway 47 to its junction with U.S. Highway 33, thence along U.S. Highway 33 to its junction with U.S. Highway 36, thence along U.S. Highway 36 to its junction with U.S. Highway 22, thence along U.S. Highway 22 to the Ohio-West Virginia State line. The purpose of this filing is to eliminate the gateway of the plant-site of W. R. Grace and Company at or near Henry, Ill.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.76-15370 Filed 5-25-76;8:45 am]

federal register

WEDNESDAY, MAY 26, 1976

PART II:

FEDERAL ELECTION CAMPAIGN ACT

■

Proposed Regulations

FEDERAL ELECTION COMMISSION

[11 CFR Ch. I]

[Notice 1976-27]

FEDERAL ELECTION CAMPAIGN ACT

Notice of Proposed Rulemaking

The Federal Election Commission today publishes proposed regulations under the Federal Election Campaign Act of 1971, as amended in 1974, and 1976. The proposed regulations include Parts 100–108 (Disclosure), Part 109 (Independent Expenditures), Part 110 (Contribution and Expenditure Limitations), Part 111 (Compliance Procedures), Part 112 (Advisory Opinion Procedures), Part 113 (Office Accounts), Part 114 (Corporation and Union Political Activity), Part 115 (Government Contractors), Parts 120–124 (Convention Financing), Parts 130–134 (Presidential Primary Matching Funds).

The Commission will welcome immediate critical commentary with regard to the proposed regulations. The period for comment will close on Monday June 14, 1976.

The Commission also announces the following schedule of hearings on the proposed regulations:

Monday, June 7, 1976, Parts 100–108 (Disclosure), Chaired by Commissioner Joan D. Aikens.

Tuesday, June 8, 1976, Parts 112 (Advisory Opinion Procedure), 113 (Office Accounts), 120–124 (Convention Financing), 130–134 (Presidential Primary Matching Funds), Chaired by Commission Chairman Vernon W. Thomson.

Wednesday, June 9, 1976, Part 109 (Independent Expenditures), Part 110 (Contribution and Expenditure Limitations), Part 111 (Compliance Procedure), Chaired by Commissioner Robert O. Tiernan.

Friday, June 11, 1976, Part 114 (Corporation and Union Political Activity), Part 115 (Government Contractors) Chaired by Commissioner Thomas E. Harris.

Hearings will commence at 9:30 a.m., on each of the dates described. After a luncheon recess at 12:30 p.m., the hearings will resume at 2:00 p.m.

Persons wishing to testify should submit a request in writing to the above designated chairmen for the respective hearings, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. It will be appreciated if copies of prepared testimony are supplied the Commission at the same address at least one working day prior to the date upon which the testimony is to be submitted. The prepared material should be submitted to the Commission's Office of General Counsel, as should any other written commentary regarding these proposed regulations.

In particular, the Commission requests comment on: § 100.7(b)(5)(i), relating to the reporting of communications; the definition of common control in §§ 100.14(c)(2) and 110.3(a); the definition of independent expenditure in § 109.1; all of the provisions of Part 110, covering contribution and expenditure limitations; all of the provisions of Part 114, covering corporate and union fundraising, and especially the definition of § 114.1, and the solicitation sections, § 114.5 and 6; and Part 133, covering termination of payments to Presidential candidates receiving matching funds.

The Commission stresses the importance it attaches to the comment and hearing procedure which is initiated by this notice. Last year's hearings on disclosure, for example, produced many useful amendments to the then pending regulations. The Commission accordingly encourages the most thoroughgoing analysis and criticism of the materials published today.

Dated: May 24, 1976.

VERNON W. THOMSON,
Chairman for the
Federal Election Commission.

PART 100—DISCLOSURE

Subpart A—Scope

Sec.
100.1 Scope.

Subpart B—Meaning of Terms Used in This Subchapter

100.2 Candidate.
100.3 Commission.
100.4 Contribution.
100.5 Support.
100.6 Election.
100.7 Expenditure.
100.8 Federal office.
100.9 File, filed or filing.
100.10 Identification.
100.11 Occupation.
100.12 Principal place of business.
100.13 Person.
100.14 Political committee.
100.15 Political party.
100.16 National committee.
100.17 State.
100.18 State committee, subordinate committee.

AUTHORITY: Sec. 308, 86 Stat. 17, and sections 311 and 316, as redesignated and amended, 88 Stat. 1279, 1282, 2 U.S.C. §§ 437d, 438. Interpret or apply section 301, 86 Stat. 11, as amended, 88 Stat. 1272, 2 U.S.C. § 431.

Subpart A—Scope

§ 100.1 Scope.

This subchapter is issued by the Federal Election Commission under title III of the Federal Election Campaign Act of 1971 (Public Law 92–225), as amended in 1974 (Public Law 93–443), and as amended in 1976 (Public Law 94–____) and is applicable to campaigns for nomination or election to the offices of President and Vice President of the United States; and Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States.

Subpart B—Meaning of Terms Used in This Subchapter

§ 100.2 Candidate.

An individual is a candidate for Federal office, whether or not elected, whenever any of the following events occur:

(a) The individual has taken the action necessary, under relevant state law, to qualify in a primary, runoff, special or general election convention or caucus; or

(b) The individual has received contributions or made expenditures, or has given consent for any other person to receive contributions or make expenditures, with a view toward bringing about his or her election; or

(c) If after written notification by the Commission that any other person is receiving contributions or making expenditures on the individual's behalf, the individual fails to disavow this activity by letter to the Commission within 30 days of receipt of the notification.

§ 100.3 Commission.

"Commission" means the Federal Election Commission 1325 K Street, N.W., Washington, D.C. 20463.

§ 100.4 Contribution.

(a) "Contribution" means—

(1) A gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President. For purposes of subsection (a),

(i) The term "loan" includes a guarantee, endorsement and any other form of security where the risk of non-payment rests with the surety, guarantor or endorser as well as with a political committee, candidate or other primary obligor. A loan is a contribution to the extent that the obligation remains outstanding.

(ii) The term "money" includes currency of the United States or of any foreign nation, checks, money orders or any other negotiable instrument payable on demand.

(iii) The term "anything of value" includes securities, goods, facilities, equipment, supplies, personnel, advertising, services or other in-kind contributions provided without charge (other than volunteer services under § 100.4(b)(2)) or at a charge which is below the usual charge for the items. The amount of the contribution of a thing of value is the difference between the usual charge for the goods or services at the time of the contribution and the amount charged the candidate or political committee.

(iv) "Purpose of influencing".

A gift, subscription, loan, advance or deposit of money or anything of value made to a candidate or political committee, directly or indirectly, is considered to be made for the purpose of influencing the nomination for election, or election to Federal office, except gifts of a personal nature are presumptively not made for the purpose of influencing an election.

(2) The donation of costs of fundraising, such as the cost of a meal as part of a fundraising dinner;

(3) A written contract, promise, or agreement such as a signed pledge card, whether or not legally enforceable, to make a contribution.

(4) A transfer of funds to a political committee or candidate from another

political committee, other political organization or other similar source whether or not such organization is a political committee. The transfer occurs whenever the treasurer or other designated agent of the transferee committee or the candidate obtains control over the funds.

(5) The payment by any person other than a candidate or political committee of compensation for the personal services of another person which are rendered to a candidate or political committee without charge. No compensation is considered paid to an employee:

(i) (A) Who is paid on an hourly or salaried basis;

(B) Who is expected to perform duties for an employer for a particular number of hours per period; and

(C) Who engages in political activity during what would otherwise be a regular work period;

if the taken or released time is made up or completed by that employee within a reasonable period.

(ii) Who is paid on a commission or piece-work basis, or is paid only for work actually performed, whose time is considered the employee's own to use as he or she sees fit and who engages in political activity during what would otherwise be normal working hours.

(iii) Where the time used by the employee to engage in political activity is bona fide, although compensable, vacation time or other earned leave time.

(6) The extension of credit for a length of time beyond normal business or trade practice, unless the creditor has made a commercially reasonable attempt to collect the debt, see § 114.10.

(b) The term "contribution" does not include:

(1) Payments made for the purpose of determining whether an individual should become a candidate, such as conducting a poll, if the individual does not otherwise subsequently become a candidate.

(2) The value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee.

(3) The rental value of an individual's residence used for campaign-related activity.

(4) The use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided without charge by an individual, in rendering voluntary personal services to a candidate on the individual's residential premises, to the extent that the cumulative value of those activities by any individual on behalf of the candidate do not exceed $500 with respect to an election. For purposes of this paragraph a contribution by a married individual shall not be attributed to a spouse.

(5) The sale of any food or beverage by a vendor (whether incorporated or not) for use in a candidate's campaign at a charge less than the normal or comparable commercial charge, if the charge for use in a candidate's campaign is at least equal to the cost of food or beverage to the vendor, to the extent that the cumulative value of the difference between the normal or comparable commercial charge and the cost of such food and beverage to the vendor does not exceed $500 for an election.

(6) Any unreimbursed payments for travel or living expenses related to the travel made by a person who volunteers services to a candidate, to the extent that the cumulative value of the payments does not exceed $500 for an election.

(7) The payment of the costs of preparation, display, or mailing or other distribution incurred by a state or local committee of a political party, with respect to a printed slate card, sample ballot, palm card, or other printed listing, of three or more candidates for any public office for which an election is held in the state in which the committee is organized. The subsection shall not apply in the case of costs incurred by the committee with respect to the preparation and display of listings made on broadcasting stations, or in newspapers, magazines, and similar types of general public political advertising such as billboards, posters, signs and bumper stickers.

(8) Any news story, commentary or editorial of any broadcasting station, newspaper, magazine, or other periodical publication unless the facility is owned or controlled by any political party, political committee or candidate.

(9) Any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of § 441b of the Act, would not constitute an expenditure by the corporation or labor organization.

(10) An honorarium, as defined in § 110.11.

(11) Legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for the services is a person other than the regular employer of the individual rendering the services), other than services attributable to activities which directly further the election of a designated candidate or candidates for Federal office, but amounts paid or incurred for the services shall be reported in accordance with Part 104.

(12) Legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with this Act or chapter 95 or 96 of the Internal Revenue Code of 1954 (unless the person paying for the services is a person other than the regular employer of the individual rendering the services) but amounts paid or incurred for these services shall be reported in accordance with Part 104.

(13) A loan of money by a national or State bank made in accordance with applicable banking laws and regulations, and in the ordinary course of business, but these loans (i) shall be reported in accordance with Part 104; and (ii) shall be considered a loan by each endorser or guarantor, in that proportion to the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

(14) A gift, subscription, loan, advance or deposit of money or anything of value made to a national committee of a political party or a State committee of a political party which is specifically designated for the purpose of defraying any cost incurred with respect to the construction or purchase of any office facility which is not for the purpose of influencing the election of any candidate in any particular election for Federal office, except that such a transaction shall be reported in accordance with Part 104.

§ 100.5 Support.

The term "support" means to make a contribution of any amount or value to, or to make an expenditure of any amount or value on behalf of, a candidate or political committee.

§ 100.6 Election.

"Election" means the process by which individuals, whether opposed or unopposed, seek nomination for election, or election, to Federal office. Specific types of elections, defined below, are included in this definition.

(a) *General election.* "General election" means:

(1) (i) An election held in even numbered years on the Tuesday next after the first Monday in November, or

(ii) An election which is held to fill a vacancy in a Federal office (special election) and which is intended to result in the final selection of a single individual to the office at stake.

(b) *Primary election.*

(1) "Primary election" means an election

(i) Which is held prior to a general election, as a direct result of which candidates are nominated, in accordance with applicable state law, for election to Federal office in a subsequent election, or

(ii) Which is held for the expression of a preference for the nomination of persons for the election to the office of President of the United States, or

(iii) Which is held to elect delegates to a national nominating convention.

(2) With respect to individuals seeking Federal office as independent candidates, or without nomination by a major party (as defined in 26 U.S.C. § 9002(6)), the primary election is considered to occur at the choice of the candidate—

(i) The day prescribed by applicable state law as the last day to quality for a position on the general election ballot, or

(ii) The date of the last major party primary election, caucus or convention in that state.

(iii) In the case of non-major parties, the date of the nomination by that party.

(c) *Runoff election.* "Runoff election" means any election held after a

(1) Primary election prescribed by applicable state laws as the means for deciding with candidate(s) should be certified as a nominee for the Federal office sought, or

(2) General election prescribed by applicable state law as the means for de-

ciding which candidate should be certified as an officeholder elect.

(d) *Caucus or convention.*

A caucus or convention of a political party which has authority to select a nominee is an election.

(e) *Special election.* "Special election" means an election which is held to fill a vacancy in a Federal office, and which may be a primary, general or runoff election.

§ 100.7 Expenditure.

(a) "Expenditure" means:

(1) A purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or to the office of presidential or vice presidential elector, or for the purpose of influencing the result of a primary held for the selection of delegates for a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President.

(i) For purposes of subparagraph (1)

(A) The term "payment" includes

(1) The repayment of the principal of any outstanding obligation, the proceeds of which constituted a contribution under these regulations, and

(2) The payment of any interest on an obligation, and

(3) A guarantee or endorsement by a candidate or a political committee of a loan.

(B) The term "money" includes, currency of the United States or of any foreign nation, checks, money orders or any other negotiable instrument payable on demand.

(C) The term "anything of value" includes, securities, goods, facilities, equipment, supplies, personnel, advertising, services, or other in-kind contributions provided without charge (other than volunteer services under § 100.4(b)(2)) or at a charge which is below the usual charge for the items. The amount of the expenditure of a thing of value is the difference between the usual charge for the goods or services at the time of the expenditure and the amount charged the candidate or committee.

(2) A written contract, promise, or agreement, whether or not legally enforceable, to make any expenditure.

(3) A transfer of funds from a political committee to another political committee or candidate. A transfer occurs whenever the treasurer or other designated agent of the transferee committee or the candidate obtains control over the funds.

(4) An independent expenditure, see Part 109.

(b) The term "expenditure" does not include:

(1) Contributions by an individual from personal funds to a political committee or candidate.

(2) Payments made for the purpose of determining whether an individual should become a candidate, such as conducting a poll, if the individual does not become a candidate.

(3) Any news story, commentary, or editorial of any broadcasting station, newspaper, magazine, or other publication, unless the facility is owned or controlled, by any political party, political committee or candidate.

(4) Non-partisan activity, designed to encourage individuals to register or to vote. For purposes of this section, nonpartisan activity means that no effort is made to determine the party or candidate preference of individuals before encouraging them to register or to vote.

(5) (i) Any communication by a membership organization or corporation to its members or stockholders, so long as the membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office, except that the costs incurred by a membership organization, including a labor organization, or by a corporation, directly attributable to a communication expressly advocating the election or defeat of a clearly identified candidate (other than a communication primarily devoted to subjects other than the express advocacy of the election or defeat of a clearly identified candidate) shall, if those costs exceed $2,000 per election, be reported to the Commission on FEC Form 7. For the purpose of this paragraph—

(A) "Labor organization" means a national or international union in the case of a communication going to its national membership, or means a state or local union in the case of a communication going to the state or local members;

(B) "Election" means all elections for Federal office taking place on the same day in a state, except that the Presidential general election is one election;

(C) "Communication primarily devoted" means a newspaper, pamphlet or other writing, a phone bank, phone calls, a broadcast or other oral presentation, the principal purpose or effect of which is the express advocacy of the election or defeat of a clearly identified candidate;

(D) The aggregate costs exceeding $2,000 per election shall be reported on the filing dates provided in § 104.4, and shall include the total amount expended and the candidate supported.

(ii) For purposes of this paragraph, "members" means, in the case of a political party or club (which is not organized primarily for the purpose of influencing the nomination for election, or election of any person to Federal office), dues paying or contributing members in good standing and not all enrolled members of the party.

(6) The use of real or personal property and the cost of invitations, food and beverages voluntarily provided without charge by an individual, to a candidate, on the individual's residential premises, to the extent that the cumulative value of those activities by the individual on behalf of a candidate do not exceed $500 with respect to an election. For purpose of this subparagraph an expenditure by a married individual shall not be attributed to a spouse.

(7) Any unreimbursed payment for travel or living expenses related to the travel made by a person who volunteers services to a candidate, to the extent that the cumulative amount for an individual incurred with the respect to a candidate does not exceed $500 for an election.

(8) The rental value of an individual's residence used for campaign-related activity.

(9) Any communication by a person which is not made for the purpose of influencing the nomination for election, or election of an individual to Federal office.

(10) Any payments from non-campaign funds for routine living expenses of a candidate which would have been incurred without candidacy, including food and residence.

(11) The payment of the costs of preparation, display, or mailing or other distribution incurred by a state or local commmittee of a political party with respect to a printed slate card, sample ballot, palm card, or other printed listing, or three or more candidates for any public office for which an election is held in the state in which the committee is organized. The subsection shall not apply in the case of costs incurred by a committee with respect to a preparation and a display of listings made on broadcasting stations, or in newspapers, magazines, and similar types of general public political advertising, such as billboards, posters, signs and bumper stickers.

(12) Any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph, 2 U.S.C. section 441(b), would not constitute an expenditure by the corporation or labor organization.

(13) (i) Any costs incurred by a candidate or his or her authorized committees in connection with the solicitation of contributions by a candidate who has received Presidential Primary Matching Fund Payments (or a minor or new party candidate receiving general election public financing under 26 U.S.C. § 90004) not exceeding 20% of the expenditure limitation applicable to the candidate.

(ii) For purposes of this subsection, "in connection with the solicitation of contributions" means any cost reasonably related to fund raising activity, including the costs of printing and postage, the production of and space or air time for advertisements used for fundraising, and the costs of meals, beverages and other costs associated with a fund-raising reception or dinner.

(iii) The fundraising expenditures need not be allocated on a state by state basis, except where the fundraising activity is aimed at a particular state and takes place within 28 days of a primary election, convention or caucus, see § 110.

Subsection (ii), defining an expenditure made in connection with solicitation of contributions, generally follows AO 1975-78, which set the broad policy in this area.

Accord: AOs 1975–62 and 33, and OCs 1975–27 and 105.

(14) Legal or accounting services rendered to or on behalf of the national committee of a political party (unless the person paying for the services is a person other than the regular empolyer of the individual rendering the services), other than services attributable to activities which directly further the election of a designated candidate or candidates for Federal office but amounts paid or incurred for the services shall be reported in accordance with Part 104.

(15) Legal or accounting services rendered to or on behalf of a candidate or political committee solely for the purpose of ensuring compliance with this Act or chapter 95 or 96 of the Internal Revenue Code of 1954 (unless the person paying for the services is a person other than the regular employer of the individual rendering the services) but amounts paid or incurred for these services shall be reported in accordance with part 104.

(16) A loan of money by a national or State bank made in accordance with the applicable banking laws, but such a loan shall be made in accordance with § 100.4(b)(13).

§ 100.8 Federal office.

"Federal office" means the office of the President, or Vice President, Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States.

§ 100.9 File, filed or filing.

"File," "filed," and "filing" means with respect to reports and statements required to be filed under this Chapter:

(a) Delivery to the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463, the Secretary of the Senate, Washington, D.C. 20510, or the Clerk of the House of Representatives, Washington, D.C. 20515, as required by Part 105, by the close of the prescribed filing date, or

(b) (1) Deposit as registered or certified mail in an established U.S. Post Office and postmarked no later than midnight of the day of the filing date, except that pre-election reports so mailed must be postmarked not later than midnight of the twelfth day before the date of the election.

(2) Reports and statements sent by first class mail must be received by the close of business of the prescribed filing date to be timely filed.

§ 100.10 Identification.

"Identification" means (1) in the case of an individual, his or her full name, including first name, middle name or initial, if available, last name, and full address of his or her principal place of residence, and (2) in the case of any other person, the full name and mailing address.

§ 100.11 Occupation.

"Occupation" means principal job title or position and whether or not self-employed.

§ 100.12 Principal place of business.

"Principal place of business" means the full name under which the business is conducted and the city in which the person is employed or conducts business.

§ 100.13 Person.

"Person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons.

§ 100.14 Political committee.

"Political committee" means any committee, club, association or other group of persons which anticipates receiving, or receives contributions, or makes expenditures, totaling more than $1,000 in value during a calendar year.

(a) The following are four categories of political committees:

(1) *Principal campaign committee.* "Principal campaign committee" means the political committeee designated by a candidate as his or her principal campaign committee pursuant to § 101.2.

(2) *Single candidate committee.* "Single candidate committee" means a political committee other than a principal campaign committee which makes or receives contributions or makes expeditures on behalf of only one candidate.

(3) *Multicandidate committee.* "Multicandidate committee" means a political committee which (i) has been registered with the Commission, Clerk or Secretary for at least 6 months; (ii) has received contributions designated for Federal elections from more than 50 persons; and (iii) (except for any State political party organization) has made contributions to 5 or more Federal candidates see § 110.

(4) *Party committee.* "Party committee" means a poltical committee which represents a political party and is part of the official party structure at the nation, state, or local level.

(b) A political committee is either an authorized committee or an unauthorized committee:

(1) *Authorized committee.* An "authorized committee" is a political committee which is authorized in writing by a candidate to solicit or receive contributions or make expenditures on behalf of the candidate, or has not been disavowed pursuant to § 100.2(c).

(2) *Unauthorized committee.* An "unauthorized committee" is a political committee which has not been authorized in writing by a candidate to solicit or receive contributions or make expenditures on behalf of the candidate, or has been disavowed pursuant to § 100.2(c).

(c) *Affiliated committee.* An "affiliated committee" includes:

(1) All authorized committees of the same candidate.

(2) (i) Multicandidate committees other than national state, or subordinate state party committees, and the House and Senate campaign committees of each party which are under common control.

(ii) The possession of the power or ability by one committee, association, group or person, whether directly or indirectly, to direct or cause the direction of the management and policies of a political committee shall constitute common control.

(iii) For purposes of this subsection, or directed or controlled means possession of the authority, power or ability or one entity to create, fund, establish polices for, or otherwise direct the activities of another entity. For example:

(A) All of the political committees set up by a single corporation and its subsidiaries are treated as a single political committee;

(B) All of the political committees set up by a single national or international union and its local unions are treated as a single political committee;

(C) All of the political committees set up by an organization of unions and all its state and local central bodies are treated as a single political committee;

(D) All the political committees established by a trade association and its state and local members are treated as a single political committee. For organizations not covered by the above, indicia of this authority, power or ability include:

(*1*) Ownership or significant control of voting securities;

(2) Provisions of by-laws, constitutions or other document by which one entity has the authority, power or ability to direct another entity;

(3) The authority, power or ability to hire, appoint, discipline, discharge, demote or remove or otherwise influence the decision of the officers or members of an entity;

(*4*) Similar patterns of contributions;

(*5*) The transfer of funds between committees which represent a significant portion of the funds of either the transferor or transferee committee.

(iv) Committees shall not be deemed to be under common dominion and control merely because they engage in joint solicitation or acivities on a shared cost basis, in proportion to their respective membership or the membership of the parent committee, association, group or person.

(v) A committee, association, or any other group or persons which is affected by the definition or indicia of common control set forth, supra, may demonstrate to the Commission any independent factual circumstances which it believes rebut a finding of common control.

§ 100.15 Political party.

"Political party" means an association, committee, or organization which nominates or selects a candidate for election to any Federal office, whose name appears on an election ballot as the candidate of the association, committee or organization.

§ 100.16 National committee.

"National committee" means the organization which, by virtue of the by-laws of a political party, is responsible for the day-to-day operation of the political party at the national level.

§ 100.17 State.

"State" means each state of the United States, the District of Columbia, the

Commonwealth of Puerto Rico, and any territory or possession of the United States.

§ 100.18 State committee, subordinate committee.

(a) "State committee" means the organization which, by virtue of the by-laws of a political party, is responsible for the day-to-day operation of the political party at the state level.

(b) "subordinate committee of a state committee" means any organization which, by virtue of the by-laws of the state committee, is responsible for the day-to-day operation of the political party at the level of city, county, neighborhood, ward, district, precinct or any other subdivision of a state, or any organization under the control or direction of the state committee.

PART 101—CANDIDATE STATUS AND DESIGNATIONS

Sec.
101.1 Duration of a candidate status.
101.2 Candidate designations.
101.3 Waiver of candidate reporting.

AUTHORITY: Sec. 308, 86 Stat. 17, as amended, 2 U.S.C. § 438, interpret and apply 86 Stat. 14, as amended, 2 U.S.C. § 432(f), § 435(b), and § 437b.

§ 101.1 Duration of candidate status.

Once an individual becomes a candidate under § 100.2 and does not have a waiver of candidate reporting under § 101.3, he or she continues to be a candidate for reporting purposes until all debts and obligations for which the candidate is personally obligated arising in connection with the election are extinguished. Candidacy then may be terminated by letter, containing the information required by § 102.4.

§ 101.2 Candidate designations.

Within a reasonable period after attaining candidate status an individual is required to:

(a) file a Statement of a Candidate for Nomination or Election to Federal Office on FEC Form 2, or file by a letter containing the same information in which such candidate shall—

(1) Designate a principal campaign committee in accordance with § 103.5, and

(2) designate at least one national or state bank as a campaign depository under § 103.1, and

(b) File a Statement of Authorization on FEC Form 2a or by letter containing the same information for any political committee other than a principal campaign committee which will be authorized to accept contributions or make expenditures on behalf of that candidate.

(c) Commence filing personal reports of receipts and expenditures in accordance with Part 105, unless a waiver of personal reporting is obtained under § 101.3, or unless reporting is exempted under § 105.1(c).

(d) If the candidate, or his or her authorized committee(s), receive contributions designated for the general election prior to the date of the primary election, the candidate or his or her authorized committee(s) shall use acceptable accounting methods to distinguish between contributions received for the primary election and contributions received for the general election. Acceptable methods include, (1) the designation of separate accounts for each election, caucus or convention and (2) the establishment of separate books and records for each election.

§ 101.3 Waiver of candidate reporting.

A candidate is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate indicates on FEC Form 2 or a letter and states that:

(a) Within 5 days after personally receiving any contributions the candidate will surrender possession of the entire contribution to the treasurer of his or her principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's personal funds or accounts. Contributions conveyed by check, money order or other written instrument shall be consigned directly to the political committee and shall not be cashed or redeemed by the candidate.

(b) The candidate shall not make any unreimbursed expenditures for his or her campaign, except that this paragraph does not preclude a candidate from making an expenditure from personal funds to the candidate's designated principal campaign committee which shall be reported by the committee as a contribution received.

(c) The waiver shall continue in effect as long as the candidate complies with the conditions under which it was applied for.

PART 102—REGISTRATION AND ORGANIZATION OF POLITICAL COMMITTEES

Sec.
102.1 Registration of political committees.
102.2 Forms and filing.
102.3 Change or correction in information.
102.4 Discontinuance of registration.
102.5 Identification number.
102.6 Registration of State committees; establishment of campaign committees by political committees.
102.7 Organization.
102.8 Receipt of Contribution.
102.9 Accounting for contributions and expenditures.
102.10 Petty cash fund.
102.11 Designation of principal campaign committee.
102.12 Authorization of political committees.
102.13 Notice; solicitation of contributions.
102.14 Records, retention.
102.15 Segregated funds.

AUTHORITY: Sec. 308, 86 Stat. 17, as amended, 2 U.S.C. § 438(a)1)) (Supp. 1975), interpret and apply section 303, 86 Stat. 14, as amended, 2 U.S.C. §§ 431, 433 and 437.

§ 102.1 Registration of political committees.

(a) Each political committee except as specified in subsections (b) and (c), shall file a Statement of Organization with the Federal Election Commission, the Secretary of the Senate, or the Clerk of the House, as appropriate, within 10 days after the date of its organization, or within 10 days after the date on which the committee has information which causes it to anticipate receiving contributions or making expenditures exceeding $1,000 in a calendar year for Federal candidates, whichever is later.

(b) Each authorized single candidate committee shall file the Statement of Organization required by paragraph (a) of this section, and any amendment thereto, or termination thereof required by sections 102.3 or 102.4 of this Part, with the affiliated principal campaign committee. The principal campaign committee shall file a copy of this Statement, amendment, or termination as in (a).

(c) A political committee which has previously filed a Statement of Organization with the Commission, the General Accounting Office, the Clerk of the House of Representatives or the Secretary of the Senate, and has not validly terminated is not required to file a new Statement.

§ 102.2 Forms and filing.

(a) The Statement of Organization shall be filed on Federal Election Commission Form 1, which may be obtained from the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463. The Statement shall include the following:

(1) The name and address and type of committee;

(2) The names, addresses, and relationships of affiliated or connected organizations (see paragraph (b) of this section);

(3) The area, scope or jurisdiction of the committee.

(4) The name, address, and committee position of the custodian of books and accounts.

(5) The name, address, and committee position of other principal officers, including assistant treasurer and assistant secretary (if any) and officers and members of the finance committee, if any.

(6) The name, address, office sought, and party affiliation of (i) each candidate(s) for Federal office whom the committee is supporting and (ii) each candidate whom the committee is supporting for nomination or election to any other public office; or if the committee is supporting the entire ticket of any party, the name of the party and the state in which the election is held.

(7) A statement whether the committee's existence will continue beyond the calendar year;

(8) The disposition of residual funds which will be made in the event of dissolution;

(9) A listing of all banks, safety deposit boxes, or other repositories used;

(10) A statement listing any reports (other than those required by these regulations) regarding candidates for Federal office filed under state or local law by the committee with state or local officers, and the names, addresses, and positions of such officers. See 2 U.S.C. § 435 and § 111.7.

(b) (1) "Affiliated organization" means an affiliated committee as defined in

§ 100.14(c) of this subchapter. Only a principal campaign committee is required to report the name and address of all other authorized committees of its candidate. The other authorized committees need only report the name of their principal campaign committees.

(2) "Connected organization" includes any organization which is not a political committee but which organized or financially supported the registrant.

§ 102.3 Change or correction in information.

Any change or correction in the information previously filed in the Statement of Organization shall be reported within 10 days following the date of the change or correction by filing an amended Statement of Organization or by filing a letter noting the change(s).

§ 102.4 Discontinuance of registration.

(a) Any political committee not having outstanding debts or obligations owed to or by it incurred on behalf of Federal candidates which, after having filed one or more Statements of Organization, seeks to disband or determines that it will not longer receive contributions or make expenditures during the calendar year in an aggregate amount exceeding $1,000, shall file a notice of termination on FEC Form 3 or by letter containing the same information with the Commission, the Clerk of the House or the Secretary of the Senate, as appropriate. The notice shall contain a final report of receipts and disbursements, including a statement as to the disposition of residual funds if the committee is disbanding.

(b) A principal campaign committee may not terminate until

(1) All debts of other authorized committees of a candidate have been extinguished and,

(2) The candidate is no longer a candidate.

§ 102.5 Identification number.

Upon receipt of a Statement of Organization under this Part, or upon Commission review of statements already filed, an identification number shall be assigned to the statement, receipt shall be acknowledged, and the political committee shall be notified of the number assigned. This identification number shall be entered by the political committee on all subsequent reports or statements filed under the Act, as well as on all communications concerning reports and statements.

§ 102.6 Registration of state committees; establishment of campaign committees by political committees.

(a) (1) Each state committee, and each subordinate committee of a state committee, which intends to solicit, receive, or make contributions or expenditures, in excess of $1,000, to, for or on behalf of any candidate for Federal office, or

(2) Any political committee which has solicited or received contributions for or on behalf of, or made expenditures or transfers to or on behalf of, any candidate for Federal office, shall either:

(b) (1) Register as a political committee and report all receipts and expenditures, Federal and non-Federal, pursuant to these regulations and establish separate accounts for Federal and non-Federal contributions and expenditure; or

(2) Establish a separate Federal campaign committee, which shall register as a political committee. The Federal campaign committee shall establish a segregated Federal account in either a state or national bank.

(c) An account established for Federal candidates, or a separate Federal campaign committee, may not—

(1) Receive contributions other than contributions

(i) Designated for the committee, or

(ii) Received as the result of a solicitation which expressly states that the contribution will be used for Federal elections; or

(2) Receive transfers from an account or committee established by a state committee, subordinate committee of a state committee, or another political committee except from another Federal campaign account or committee.

(d) The Federal campaign committee or account may make transfers for any lawful purpose. The committee shall file a Statement of Organization and shall file reports and statements pursuant to Part 105.

§ 102.7 Organization of political committees.

(a) Every political committee shall have a chairman and a treasurer, who shall not be the same individual.

(b) A political committee may designate—

(1) A vice chairman who shall act as chairman in the event of a temporary or permanent vacancy in the office;

(2) An assistant treasurer who shall act as treasurer in the event of a temporary or permanent vacancy in the office.

(c) No contribution or expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of the chairman or the treasurer.

(d) No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or an agent, authorized orally or in writing by the chairman or treasurer.

§ 102.8 Receipt of contribution.

Every person who is not an authorized agent of the treasurer or candidate, and who receives a contribution in excess of $50 on behalf of a political committee or candidate shall, on demand of the treasurer or candidate, and in any event within 5 days after receipt, render to the treasurer or an authorized agent or candidate an accounting thereof, which shall include—

(a) The exact amount of the contribution and the date received and,

(b) The identification of the contributor and, in the case of a contribution in excess of $100, the occupation and principal place of business or employment, if any.

§ 102.9 Accounting for contributions and expenditures.

It shall be the duty of a candidate (not having received a waiver under § 101.2) and of the treasurer of a political committee or an agent authorized by the treasurer to receive contributions and/or make contributions to—

(a) Keep an account of all contributions made to or for the committee, and,

(1) The identification of every person making a contribution or contributions aggregating in excess of $50; and

(2) The occupation and principal place of business of individuals whose contributions aggregate in excess of $100 in a calendar year, and

(3) The date received, and

(4) The amount of the contribution.

(b) Keep an account of all expenditures made by or on behalf of the committee, and

(1) The identification of every person to whom any expenditure is made,

(2) The date of the expenditure,

(3) The amount of the expenditure,

(4) The name of each candidate on whose behalf the expenditure was made, and

(5) The office sought by the candidate.

(c) Obtain and keep a receipted bill from the person to whom the expenditure is made for every expenditure made by or on behalf of a political committee—

(1) In excess of $100;

(2) In a lesser amount if the aggregate amount of expenditures during a calendar year to the same person exceeds $100;

(3) The receipted bill shall contain

(i) The full name and address of the person to whom the expenditure is made,

(ii) The amount of the expenditure,

(iii) The purpose of the expenditure, and

(iv) The date the expenditure was made.

(4) Instead of a receipted bill, the treasurer may keep

(i) The canceled check(s) showing payment(s) of the bill, and

(ii) The bill, invoice or other contemporaneous memorandum of the transaction containing the same information as required in (c)(3) of this section.

(d) Keep full and complete records of proceeds from the sale of tickets and mass collections at each dinner, luncheon, rally, and other fundraising events, and these records shall include the date, location, and nature of each event. He or she shall also keep full and complete records of the proceeds from the sale of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, jewelry, and similar materials, and these records shall reflect the cost of the items to the committee, the sale price, and the total volume sold. These records shall be preserved in accordance with § 104.

(e) Use his or her best efforts to obtain the required information, and shall keep a complete record of the efforts to do so.

§ 102.10 Petty cash fund.

A political committee may maintain a pretty cash fund out of which it may

make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. If a petty cash fund is maintained, it shall be the duty of the treasurer of the political committee to keep and maintain a written journal of all disbursements, including the purpose of each disbursement from the fund. The treasurer need not preserve receipts or invoices in connection with the transaction except as provided in § 102.9(c). A check made payable to "cash" shall not be made in excess of $100 except to replenish a petty fund.

§ 102.11 Designation of principal campaign committee.

(a) Each candidate for Federal office (other than for election to the office of Vice President of the United States), shall designate a political committee as his or her principal campaign committee, see § 101.2, even if the candidate does not plan to use the committee to receive or expend funds.

(b) No political committee may be designated as the principal campaign committee of more than one candidate.

(c) No political committee which supports more than one candidate may be designated as a principal campaign committee, except that, after nomination, a candidate for the office of President of the United States may designate the national committee of a political party as his or her principal campaign committee.

(d)(1) For the purposes of this subsection, any occasional, isolated or incidental support of a candidate shall not be construed as "support" of that candidate.

(2) For purposes of this subsection, "occasional, isolated incidental support" means making contributions to, or expenditures on behalf of, a candidate from another candidate's principal campaign committee not exceeding $1000 for any election when combined with any personal contributions from the contributor candidate.

§ 102.12 Authorization of political committee.

(a) (1) Any political committee authorized by a candidate to receive contributions or make expenditures shall be authorized in writing by the candidate. The authorization shall include a designation of campaign depositories to be used by such political committee in accordance with § 101.2.

(2) or in the event that an individual fails to disavow activity pursuant to § 100.2(e) and is therefore a candidate upon notice by the Commission, he or she shall authorize the Committee in writing and designate a campaign depository in accordance with § 101.2.

(b) A candidate is not required to authorize a national, state or subordinate state party committee which solicits funds to be expended on the candidate's behalf pursuant to 2 U.S.C. § 441a(d).

§ 102.13 Notice; solicitations of contributions.

Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.".

§ 102.14 Records; retention.

The treasurer of a political committee shall preserve all receipts, bills, accounts and all other records in accordance with the requirements of § 110.2.

§ 102.15 Segregated funds.

All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of that committee.

PART 103—CAMFAIGN DEPOSITORIES

Sec.
103.1 Notification of the Commission.
103.2 Depositories.
103.3 Deposits and expenditures.
103.4 Vice-Presidential candidate campaign depositories.

AUTHORITY: Sec. 308, 86 Stat. 17, 2 U.S.C. § 438, Interpret or apply section 302, 86 Stat. 12, 2 U.S.C. § 433 and § 437b.

§ 103.1 Notification of the Commission.

Each committee shall notify the Commission of the banks it has designated as its depositories, pursuant to §§ 101.2 and 102.3.

§ 103.2 Depositories.

Only national or state banks chartered by the United States or a state may be designated as campaign depositories. One or more depositories may be established in one or more states. One or more accounts may be established in a depository.

§ 103.3 Deposits and expenditures.

(a) All contributions received by a candidate, his or her authorized political committee(s) and any other political committee(s) shall be deposited in a checking in the appropriate campaign depository by the candidate, or by the treasurer of the committee or his or her agent, within 10 days of the candidate's or treasurer's receipt thereof. An expenditure may be made by a candidate or committee only by check drawn on an account in a designated campaign depository, except expenditures to one person for $100 or less made from a petty cash fund maintained pursuant to § 102.10.

(b) Contributions which appear to be illegal shall be, within 10 days—

(1) Returned to the contributor; or

(2) Deposited into the campaign depository, and reported in which case the treasurer shall make and retain a written record noting the basis for the appearance of illegality. The treasurer shall take all reasonable steps to determine the legality of the contribution. Refunds shall be made when a contribution is determined to have been illegal, and the treasurer shall so note by amending the current report or noting on the candidate's or committee's next required report.

§ 103.4 Vice-Presidential candidate campaign depositories.

The campaign depository(ies) designated by a political party's candidate for Presidents shall be the campaign depository(ies) of that political party's candidate for the office of Vice-President.

PART 104—REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

Sec.
104.1 General.
104.2 Form and content of reports.
104.3 Disclosure of receipt and consumption of in-kind contributions.
104.4 Filing dates.
104.5 Uniform reporting of contributions.
104.6 Uniform reporting of expenditures.
104.7 Allocation of expenditures among candidates.
104.8 Disclosure of earmarked contributions and expenditures.
104.9 Continuous reporting of debts and obligations.
104.10 Waiver of reporting requirements.
104.11 Political committees; cash on hand.
104.12 Members of Congress; reporting exemption.
104.13 Formal requirements regarding reports and statements.

AUTHORITY: Sec. 308(a)(13), 86 Stat. 17, as amended, 2 U.S.C. § 438, Interpret or apply section 304, 86 Stat. 14, as amended, 2 U.S.C. § 434.

§ 104.1 General.

(a) Each political committee registered with the Commission, the Clerk of the House, the Secretary of the Senate, or with a principal campaign committee (Part 102 of this subchapter) shall file quarterly reports of contributions and expenditures (unless waived) until:

(1) All debts and obligations relating to that committee's Federal election activity are extinguished; and

(2) The committee has filed a valid Notice of Termination (§ 102.4).

(b) Each candidate for Federal office (other than a vice-presidential candidate) shall file quarterly reports of contributions and expenditures until all debts and obligations relating to that candidacy on which he or she is personally obligated are extinguished, unless the candidate is granted a waiver pursuant to § 101.3, or has terminated candidate status under § 101.1.

(c) (1) In an election year, a political committee or candidate is exempt from filing a quarterly report if the political committee or candidate did not receive contributions in excess of $1,000 or make expenditures in excess of $1,000 in that quarter.

(2) In any year in which the election for which an individual is a candidate is not held, the candidate and his or her authorized committees shall only be required to file quarterly reports for a calendar quarter in which the candidate or committee received contributions or made expenditures, or both, the total amount of which, taken together, exceeds $5,000. However,

(3) the political committee or candidate shall notify the Commission in writing at the close of the first quarter in which the exemption applies; and

(4) The political committee or candidate shall continue to file the pre-election, post-election and annual reports required by § 104.4 until terminated or waived; and

(5) If any one of a candidate's authorized committees (including a principal campaign committee) receives or expends in excess of $1,000, all authorized committees shall file reports with the principal campaign committee, which shall file the consolidated report pursuant to § 104.2(c).

§ 104.2 Form and content of reports.

(a) Except as noted below, each report filed by a poltical committee or candidate under this part shall be on FEC Form 3, and shall reflect all receipts and disbursements of a candidate or committee.

Forms may be obtained from the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

(b) Each report filed under this part shall include all receipts and disbursements from the close of the last period reported to the close of the current reporting period, and shall disclose:

(1) The amount of cash on hand at the beginning of the calendar year and at the beginning of the reporting period, including currency, balances on deposits in banks and savings and loan institutions, checks, negotiable money orders, and other paper commonly accepted by a bank in a deposit;

(2) The identification, occupation, and principal place of business, if any, of each person who has made a contribution to or for the committee or candidate during the reporting period in an amount or value in excess of $100, or in an amount of less than $100 if the person's contributions within a calendar year total more than $100, together with the amount and date of such contributions;

(3) (i) The total of contributions made to or for a committee or candidate during the reporting period and not reported under subparagraph (2) of this paragraph;

(ii) Candidates and committees, which, in addition to the required totals, choose to itemize contributions not in excess of $100, shall itemize these by attaching a separate schedule. Contributions of $100 or less shall not be commingled with the required itemized contributions in excess of $100.

(4) The identification of each political committee or other political organization from which the reporting committee or the candidate received, or to which the reporting committee or the candidate made, any transfer of funds in any amount during the reporting period, together with the amounts and dates of all transfers and complete disclosure, pursuant to § 110.6 of each transaction involving earmarked funds;

(5) Each:

(i) (A) Loan to or from any political committee; or

(B) Loan to a candidate or his or her authorized committees which is:

(ii) (A) Over $100 in value and made during the reporting period; or

(B) Less than $100 in value and the total of the loans from the maker is over $100 shall be reported together with the identification, occupation, and principal place of business, if any, of each lender, endorser, or guarantor, as the case may be. The report shall include the date and amount of the loan.

(6) The total amount of proceeds from—

(i) The sale of tickets to each dinner, luncheon, rally, and other fundraising event;

(ii) Mass collections made at these events; and

(iii) Sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, jewelry, and similar materials, as long as the items are sold by the candidate or an authorized committee.

(7) Each receipt in excess of $100 received during the reporting period, not otherwise listed under subparagraphs (2) through (6) of this paragraph, together with the identification, date and amount received, occupation and principal place of business of each such person from whom such receipts have been received during the reporting period; including

(i) The interest or other proceeds from the investment, in an interest-bearing account, note, bill, stock, bond or other similar device, of funds transferred out of a checking account in a campaign depository and

(ii) Rebates and refunds received by the candidate or committees;

(8) (i) The total of all receipts by or for the committee or candidate during the reporting period and the calendar year; and

(ii) Total receipts less transfers between affiliated political committees (as defined in § 100.14).

(9) The identification of each person to whom expenditures have been made by or on behalf of the committee or candidate within the reporting period which total more than $100, or in an amount less than $100 if the total exceeds $100 within a calendar year, together with the amount, date and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditures were made;

(10) The total of expenditures made by or on behalf of the committee or candidate during the reporting period and the calendar year together with total expenditures less transfers between affiliated political committees (as defined in § 100.14(c)) candidate;

(11) The amount and nature of outstanding debts and obligations owed by or to the committee including any written contracts, agreements, or proposes to make contributions or expenditures. (Section 104.9 of this part sets forth the special reporting requirements applicable to debts and obligations.

(c) (1) Except as noted in (2) below, each principal campaign committee shall consolidate in its report for each election the reports required to be filed with it, including (i) the candidate's report (unless waived) and (ii) reports submitted to it by any authorized committees and (iii) the principal campaign committee's own report. The consolidation shall be completed on FEC Form 3b and be submitted with the reports of the principal campaign committee and the reports or applicable portion of reports of the committees shown on the consolidation.

(2) For pre-election reports, the principal campaign committee may, if necessary, file the consolidated report disclosing the total receipts and expenditures by all authorized committees with respect to that election without including all of the detailed reports of committees required to file with it.

(i) Committees required to file with a principal campaign committee shall file a copy of their report with the Commission or with the Clerk of the House, or the Secretary of the Senate, as custodian for the Commission by the 10th day preceding the election, in addition to filing with the principal campaign committee, unless the principal campaign committee files a complete consolidated report 10 days prior to the election under (c)(1) above.

(ii) The principal campaign committee shall then file a consolidated report no later than 5 days before the election, the report to include the detailed reports from committees required to file with it, if the detailed report was not filed 10 days prior to the election.

(d) Candidates and authorized committees which are following § 101.2(b) shall report primary and general activity separately.

§ 104.3 Disclosure of receipt and consumption of in-kind contributions.

(a) (1) Each in-kind contribution shall be valued at the usual and normal charge on the date received and reported if in excess of $100 on the appropriate schedule of receipts, identified as to its nature and listed as a "contribution in-kind."

(2) Except for items noted in (c) below, each contribution shall be reported as an expenditure at the same usual and normal charge and reported on the appropriate expenditure schedule, identified and listed as an "in-kind contribution."

(b) (1) The usual and normal charge of goods shall be the retail price of those goods in the market from which they ordinarily would have been purchased at the time of their contribution.

(2) The usual and normal charge of any services, other than those provided by an unpaid volunteer, shall be the hourly or piecework rate charge for the services prevailing at the time the services were rendered.

(c) Conributions of stock, bonds, art objects, and other similar items to be liquidated shall be reported as follows:

(1) If the item has not been liquidated at the close of a reporting period, the committee or candidate shall report as a memo entry (not as cash) the item's fair market value on the date received, including the identification (and where in

excess of $100, occupation and principal place of business) of the contributor.

(2) When the item is sold, the committee or candidate shall report the proceeds on the report of receipts and expenditures, including the identification (and where in excess of $100, occupation and principal place of business) of the purchaser, if known and the identification of the contributor.

§ 104.4 Filing dates.

(a) Except as provided otherwise in this section, each treasurer of a political committee supporting a candidate or candidates for election to Federal office, and each candidate for election to that office shall file the reports of receipts and expenditures required under this part.

(b) Pre-election and post-election reports. (1) Candidates. (i) Pre-election report. Individuals not having a waiver under § 101.3 shall file a pre-election report no later than the 10th day before every election in which they are a candidate.

(A) Each report filed by registered or certified mail shall be postmarked not later than the 12th day before the election.

(B) This report shall disclose all receipts and disbursements as of the 15th day before the election.

(ii) Post-election report.

(A) Individuals required to file a pre-election report shall also file a post-election report no later than the 30th day after the election.

(B) This report shall include all receipts and disbursements as of the 20th day after the election.

(2) Principal campaign committees. The principal campaign committee of every candidate shall file pre- and post-election reports in the same manner as specified for candidates by subparagraph (1). The pre-election report shall be a consolidated report of all authorized political committees of the candidate or a detailed report. See § 104.2(c).

(3) Authorized political committees. Authorized political committees shall file pre- and post-election reports with the principal campaign committee or the Clerk of the House or the Secretary of the Senate, as custodian for the Commission pursuant to § 104.2(c)(2)(i).

(4) Contributions to Presidential candidates from political committees which are not reporting monthly—

(i) Political committees which make a contribution to a Presidential candidate shall file pre- and post-election reports relating to the election next occurring after the contribution is made.

(ii) If the contribution is made less than 15 days before an election, the contribution shall be reported on the post election report relating to that election.

(iii) For the purposes of this subparagraph, contributions to the principal campaign committee of a Presidential candidate are considered contributions relating to the next election in which that candidate is on the ballot or has a slate of authorized delegates on the ballot. If two or more elections are held on one day, the contribution shall be considered to relate to each election on that day in which the candidate is a candidate.

(c) *Annual report.* In any calendar year in which an individual is a candidate but there is no election for the office sought, an annual report shall include all transactions as of December 31 and shall be filed by January 31 of the following year.

(d) *Quarterly report.* A report shall be filed on April 10, July 10, October 10, and January 31 following the close of the immediately preceding calendar quarter in which the candidate or political committee received contributions in excess of $1,000 or made expenditures in excess of $1,000, or, in non-election years, when contributions and expenditures together exceed $5,000, see § 102.

(1) These reports shall include all receipts and disbursements as of the close of the calendar quarter.

(2) When the last day for filing any quarterly report required by (c) above occurs within 10 days before or after an election, the quarterly report need not be filed so long as the pre-election reports required by § 104.4(b)(1) are timely filed.

(e) If any contribution of $1,000 or more is received by a candidate, a treasurer or his or her authorized agent subsequent to the 15th day, but more than 48 hours before 12:01 a.m. of the day on which an election is to be conducted, the identification, occupation and principal place of business of the contributor shall be reported to the Commission, the Clerk of the House or Secretary of the Senate, as custodian for the Commission, within 48 hours of receipt. For purposes of this paragraph, report means—

(1) A letter signed by the treasurer or his or her agent, hand delivered within 48 hours of the receipt of the contribution, or

(2) A telegram, or mailgram followed by a letter signed by the treasurer or his or her agent, sent registered or certified mail and postmarked within 48 hours of the receipt of the contribution.

For purposes of this subparagraph (e) only, "election" means an election for which the ballot bears the name of the candidate, or delegates committed to the candidate, who received (or one of whose authorized committees received) the contribution, or an election for which a candidate is conducting a write-in campaign.

(f) *Monthly reporting.* (1) In any calendar year in which a general election is held, each Presidential candidate who makes contributions or expenditures in more than one state, his or her principal campaign committee and any other authorized committee, shall file the reports required by this Part 105 by the 10th day of the month in each month except January, November, and December of the calendar year, instead of pre- and post-primary reports and quarterly reports. These reports shall include all receipts and disbursements as of the last day of the month immediately preceding the month in which the report is filed.

(2) The pre- and post-election reports required to be filed under paragraph (b) relating to a general election, the 4th quarterly reports required to be filed under paragraph (d) and the reports required to be filed prior to an election under paragraph (e), shall nevertheless be filed.

(3) For candidates, the monthly reporting requirement shall continue until a candidate files with the Commission a statement that his or her name will not appear on any ballot in a primary or the general election. Any candidate filing this statement shall thereafter file reports pursuant to paragraphs (c) and (d) of this section.

(4) Political committees which make contributions or expenditures in more than one state, may, upon request to and approval by the Commission, file monthly reports as set out above.

§ 104.5 Uniform reporting of contributions.

(a) Each contributor of an amount in excess of $100 shall be disclosed by identification, occupation, and principal place of business, if any. If a contributor's name or address is known to have changed since an earlier contribution reported during the calendar year, the exact name or address previously used shall be noted with the first subsequent entry.

(b) In each case when a contribution recevied from a person in a reporting period is added to previously unitemized contributions from the same person and the aggregate exceeds $100 within a calendar year, the identification, occupation, and principal place of business, if any, of that contributor shall then be listed on the prescribed reporting forms.

(c) Absent evidence to the contrary, any contribution made by check, money order, or other written instrument shall be reported as a contribution by the last person signing the instrument prior to delivery to the candidate or committee.

All contributions from the same person during the calendar year shall be listed under the same name.

§ 104.6 Uniform reporting of expenditures.

(a) A candidate or committee shall report each expenditure by or on behalf of a candidate or committee in excess of $100, and shall include the identification of the recipient.

(b) In each case when an expenditure made to a recipient in a reporting period is added to previously unitemized expenditures to the same recipient and the total exceeds $100 for the calendar year, the identification of that recipient shall be listed on the prescribed reporting forms.

§ 104.5 Uniform reporting of contributions.

(a) Each contributor of an amount in excess of $100 shall be disclosed by identification, occupation, and principal place of business, if any. If a contributor's name or address is known to have changed since an earlier contribution re-

ported during the calendar year, the exact name or address previously used shall be noted with the first subsequent entry.

(b) In each case when a contribution received from a person in a reporting period is added to previously unitemized contributions from the same person and the aggregate exceeds $100 within a calendar year, the identification, occupation, and principal place of business, if any, of that contributor shall then be listed on the prescribed reporting forms.

(c) Absent evidence to the contrary, any contribution made by check, money order, or other written instrument shall be reported as a contribution by the last person signing the instrument prior to delivery to the candidate or committee.

All contributions from the same person during the calendar year shall be listed under the same name.

§ 104.6 Uniform reporting of expenditures.

(a) A candidate or committee shall report each expenditure by or on behalf of a candidate or committee in excess of $100, and shall include the identification of the recipient.

(b) In each case when an expenditure made to a recipient in a reporting period is added to previously unitemized expenditures to the same recipient and the total exceeds $100 for the calendar year, the identification of that recipient shall be listed on the prescribed reporting forms.

§ 104.7 Allocation of expenditures among candidates.

A political committee making an expenditure on behalf of more than one candidate for Federal or non-Federal office shall allocate the expenditure(s) among the candidates on a reasonable basis pursuant to Part 106, and report the allocation for each Federal candidate. The treasurer shall retain all documents supporting the allocation in accordance with § 110.2.

§ 104.8 Continuous reporting of debts and obligations.

(a) Debts and obligations which remain outstanding after the election shall be continuously reported until extinguished. See § 105.1(b). These debts and obligations shall be reported on separate schedules together with a statement explaining the circumstances and conditions under which each debt and obligation is incurred or extinguished.

(b A debt, obligation, or other promise to make an expenditure of $500 or less, shall be reported as of the time payment is made or no later than 60 days after incurrence, whichever comes first. A loan of money in the ordinary course of busines and any debt or obligation over $500 shall be reported as of the time of the transaction.

§ 104.9 Waiver of reporting requirements.

Upon application to the Commission, a political committee may be relieved, at the discretion of the Commission, of the duty to file reports of receipts and disbursements if the treasurer of that political committee certifies that the political committee

(a) Primarily supports persons seeking State or local office; and

(b) Does not operate in more than one state or does not operate on a statewide basis.

§ 104.10 Political committees; cash on hand.

Political committees and candidates which have cash on hand at the time of registration (which committee or candidate anticipates using in an election) shall discolse on their first report the source(s) of these funds, including the information required by Part 104.2. The cash balances are assumed to be composed of those contributions most recently received by the committee or candidate.

§ 104.11 Members of Congress; reporting exemption.

A Member of the Congress is not required to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if the services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to recording services furnished during the calendar year before the year in which the Member's term expires.

§ 104.12 Formal requirements regarding reports and statements.

(a) Each individual having the responsibility to file a report required under this subchapter shall sign the original report.

(b) Each candidate, political committee, or other person required to file any report or statement under this subchapter shall:

(1) Maintain records with respect to the matters required to be reported, including vouchers, worksheets, receipts, bills and accounts, which shall provide in sufficient detail the necessary information and date from which the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness;

(2) Preserve a copy of each report or statement field; and

(3) Keep those records and reports available for audit, inspection, or examination by the Commission or its authorized representatives for a period of not less than 3 years from the end of the year in which the report or statements was filed.

(c) Acknowledgments by the Commission, the Clerk of the House, or the Secretary of the Senate, of the receipt of statements of organization or reports or statements filed under this subchapter are intended solely to inform the person filing the report of its receipt and neither the acknowledgment nor the acceptance of a report or statement shall constitute express or implied approval, or in any manner indicate that the contents of any report or statement fulfill the filing or other requirements of the Act of these regulations.

(d) Each treasurer of a political committee, each candidate, and any other person required to file any report or statement under these regulations and under the Act shall be personally responsible for the timely and complete filing of the report or statement and for the accuracy of any information or statement contained in it.

PART 105—DOCUMENT FILING

Sec.

105.1 Place of filing; House candidates and committees.
105.2 Place of filing; Senate candidates and committees.
105.3 Place of filing; Presidential candidates and committees.
105.4 Place of filing; Committees and others.
105.5 Microfilm copies of original reports filed with the Clerk and the Senate Secretary forwarded to the Commission.
105.6 Reports filed with the Clerk and Secretary; copies transmitted to Commission.

AUTHORITY: 2 U.S.C. § 437d and will implement 2 U.S.C. §§ 432, 433, 434, and 438.

§ 105.1 Place of filing; House candidates and committees.

Reports and statements and any modifications or amendments thereto, required to be filed under Parts 101, 102, and 104 of these regulations by a candidate for nomination or election to the office of Representative in/or Delegate or Resident Commissioner to, the Congress of the United States, and by the candidate's principal campaign committee shall be filed in original form with and received by the Clerk of the House of Representatives, as custodian for the Federal Election Commission.

§ 105.2 Place of filing; Senate candidates and committees.

Reports and statements and any modifications or amendments thereto, required to be filed under Parts 101, 102, and 104 of these regulations by a candidate for nomination or election to the office of United States Senator and by the candidate's principal campaign committee shall be filed in original form with and received by the Secretary of the Senate, as custodian for the Federal Election Commission.

§ 105.3 Place of filings; Presidential candidates and committees.

Reports and statements and any modifications or amendments thereto, required to be filed under Parts 101, 102, and 104 of these regulations by a candidate for nomination or election to the office of President and Vice President of the United States, and by the candidate's principal campaign committee shall be

filed in original form with the Federal Election Commission.

§ 105.4 Place of filing; committees and others.

(a) Reports and statements, and any modifications or amendments thereto, required to be filed under Parts 101, 102, and 104 of these regulations by political committees (other than a candidate's principal campaign committee and other authorized committees of a candidate).

(1) Which support only candidates for nomination or election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, shall be filed in original form with and received by the Clerk of the House of Representatives as custodian for the Federal Election Commission.

(2) Which support only candidates for nomination or election to the office of United States Senator, shall be filed with, and received by the Secretary of the Senate, as custodian for the Federal Election Commission.

(b) Reports and statements, and any modifications or amendments thereto, required to be filed under Parts 101, 102, and 104 of these regulations by all other political committees, and all persons making independent conributions or expenditures, shall be filed in original form with the Federal Election Commission.

§ 105.5 Microfilm copies of original reports filed with the Clerk and the Senate Secretary forwarded to the Commission.

Upon receiving a report or statement filed under §§ 105.1, 105.2 and 105.4(a), the Secretary of the Senate and the Clerk of the House shall each forward to the Commission a microfilm copy of each report and statement filed with each of them as promptly as possible after receipt of the original report or statement, together with an index to the microfilmed reports and statements.

§ 105.6 Reports filed with the Clerk and Secretary; copies transmitted to the Commission.

(a) Upon receiving a statement or report filed under §§ 105.1 §105.2 and § 105.4(a), the Secretary of the Senate and the Clerk of the House of Representatives shall each forward to the Commission, as promptly as possible after receipt, a photocopy or photocopies of each report or statement.

(b) The Secretary of the Senate and the Clerk of the House shall place on each report and statement received a time and date stamp reflecting the time and date the original report or statement was received.

PART 106—ALLOCATION OF CANDIDATE AND COMMITTEE ACTIVITIES

Sec.

106.1 Allocation of expenditures among (or between) candidates and activities.
106.2 Allocation of expenditures among States by candidates for Presidential nomination.
106.3 Allocation of expenses between campaign and non-campaign related travel by a candidate.

AUTHORITY: Sec. 308, 86 Stat. 17, as amended (2 U.S.C. § 438). Interpret or apply sections 301–308, 86 Stat. 18, (2 U.S.C. §§ 431–437) and 18 U.S.C. § 608(c)(4).

§ 106.1 Allocation of expenditures among (or between) candidates and activities.

(a) General Rule—Expenditures made on behalf of more than one candidate shall be attributed to each candidate in proportion to the benefit each can be reasonably expected to derive. The amount attributed shall be reported by each candidate or his or her authorized committee(s) in proportion to the benefit reasonably expected to be derived or, if the expenditure is unauthorized, it shall be reported as an independent expenditure by the person making it.

(b) An authorized expenditure made by a candidate or political committee on behalf of another candidate shall be reported as a contribution in-kind (transfer) to the candidate on whose behalf the expenditure was made, except that expenditures made by party committees pursuant to, 2 U.S.C. § 441(a) need not be so reported.

(c) Exceptions. (1) Expenditures for rent, overhead general administrative and other day-to-day costs of political committees need not be attributed to individual candidates, unless these expenditures are made on behalf of a clearly identified candidate or candidates.

(2) Expenditures for educational campaign seminars, for training of campaign workers and for registration or get-out-the vote drives of multicandidate committees need not be attributed to candidates unless these expenditures are made on behalf of a clearly identified candidate or candidates.

(d) For purposes of this section "clearly identified" means—

(1) The candidate's name appears;

(2) A photograph or drawing of the candidate appears; or

(3) The identity of the candidate is apparent by unambiguous reference.

(e) Party committees and other political committees which have established Federal campaign committees pursuant to § 102.6 shall allocate administrative expenses on a reasonable basis between Federal and non-Federal activities in proportion to the amount of funds expended on Federal and non-Federal elections, or on another reasonable basis.

§ 106.2 Allocation of expenditures among states by candidates for presidential nomination.

(a) Expenditures made by a candidate or his or her authorized committee(s) which seek to influence the nomination of a candidate for the Office of President in a particular state shall be attributed to that state. This allocation of expenditures shall be reported on FEC Form 3C.

(b) Expenditures for administrative, staff and overhead costs directly relating to the national campaign headquarters shall be reported but need not be attributed to individual states. Expenditures for staff, media, printing and other goods and services used in a campaign in a specific state shall be attributed to that state.

(c) An expenditure by a presidential candidate for use in two or more states, which cannot be attributed in specific amounts to each state, shall be attributed to each state based on the voting age population in each state which can reasonably be expected to be influenced by such expenditure.

(1) Expenditures for publication and distribution of newspaper, magazine, radio, television and other types of advertisments distributed in more than one state shall be attributed to each state in proportion to the estimated viewing audience or readership of voting age which will reasonably be expected to be influenced by these advertisements.

(2) Expenditures for travel within a state shall be attributed to that state. Expenditures for travel between states need to be attributed to any individual state.

§ 106.3 Allocation of expenses between campaign and noncampaign related travel.

(a) All expenditures for campaign-related travel paid for by a candidate from a campaign account or by his or her authorized committees or by any other political committee shall be reported.

(b) (1) Travel expenditures paid for by a candidate from personal funds, or from a source other than a political committee, shall constitute reportable expenditures if the travel is campaign-related.

(2) Where a candidate's trip involves both campaign-related and non-campaign related stops, the expenditures allocable for campaign purposes are reportable, and are calculated on the actual cost-per-mile of the means of transportation actually used, starting at the point of origin of the trip, via every campaign-related stop and ending at the point of origin.

(3) Where a candidate conducts any campaign-related activity in a stop, the stop is a campaign-related stop and travel expenditures made are reportable. Campaign-related activity shall not include any incidental contacts.

(c) (1) Where an individual, other than a candidate, conducts candidate-related activities on a trip, the portion of the trip attributed to each candidate shall be allocated on a reasonable basis.

(2) Travel expenses of a candidate's spouse and family are reportable as expenditures only if the spouse or family members conduct campaign-related activities.

(d) Expenses incurred by a candidate for the United States Senate or House of Representatives for travel between Washington, D.C., and the state or district in which he or she is a candidate need not be reported as expenditures, unless the expenses are paid by a can-

didate from a campaign account, by a candidate's authorized committee(s), by any other political committee(s), or from an office account, see Part 113.

(e) Notwithstanding (b) and (c) above, the reportable expenditure for a candidate who uses government conveyance or accommodations for travel which is campaign-related is the rate for comparable commercial conveyance or accommodation. In the case of a candidate authorized by law or required by national security to be accompanied by staff and equipment, the allocable expenditures are the costs of facilities sufficient to accommodate the party, less authorized or required personnel and equipment. If such a trip includes both campaign and non-campaign stops, equivalent costs are calculated in accordance with paragraphs (b) and (c) of this section.

PART 107—CONVENTION REPORTS

Sec.
107.1 Reports; committees shall report.
107.2 Reports; political parties.
107.3 Convention reports; time and content of filing.
107.4 Convention expenses; definitions.

AUTHORITY: Secs. 308(a)(13), 86 Stat. 17, 2 U.S.C. 438, interpret or apply section 307, 86 Stat. 16, 2 U.S.C. 437, as amended.

§ 107.1 Reports by Municipal and Private Host Committees.

Each committee or other organization which represents a state, a political subdivision thereof, or any other group of persons, in dealing with officials of a national political party with respect to matters involving a presidential nominating convention held in that state, shall file reports with the Commission as set out in § 107.3 of this Part.

§ 107.2 Reports by political parties.

(a) Each committee or other organization, including a national committee which represents a national major, minor, or new political party in making arrangements for the convention of that party held to nominate a candidate for the office of President or Vice President shall file reports with the Commission as set out in § 107.3 of this Part.

(b) A state party committee or a subordinate committee of a state party committee which assists delegates and alternates to the convention from that state with travel expenses and arrangements, or which sponsors caucuses, receptions and similar arrangements, or which sponsors caucuses, receptions and similar activities at the convention site need not report under this Part 107.

§ 107.3 Convention reports time and content of filing.

(a) Each committee organization required to file under §§ 107.1–2 shall within 60 days following the last day the convention is officially in session, but not later than 20 days prior to that date of the general election; file with the Commission a convention report on FEC Form 4, which shall contain all receipts and disbursements in connection with the convention and shall be complete as of ____ days following the convention.

(b) If the committee spends or receives any funds after 60 days following the convention, the committee shall file, no later than 10 days after the end of the next calendar quarter, a report disclosing all transactions completed as of the close of that calendar quarter and shall continue to file quarterly reports until all debts and obligations have been extinguished.

(c) Each committee shall file a final report with the Commission not later than 10 days after it ceases activity, unless such status is reflected in either the reports submitted pursuant to §§ 107.3 (a) or (b).

§ 107.4 Convention expenses; definition.

For the purposes of this part, receipts and disbursements, in connection with a convention, means convention expenses as defined in Part 120 of these regulations.

PART 108—FILING COPIES OF REPORTS AND STATEMENTS WITH STATE OFFICERS

Sec.
108.1 Filing requirements.
108.2 Filing copies of reports of Presidential and Vice Presidential candidates.
108.3 Filing copies of reports by other Federal candidates and committees.
108.4 Filing copies of reports by committees supporting Presidential candidates.
108.5 Time and manner of filing copies.
108.6 Duty of state officers.
108.7 Effect on state law.

AUTHORITY: Sec. 308(a)(13), 86 Stat. 17, 2 U.S.C. § 438, interpret or apply section 309, 86 Stat. 18, 2 U.S.C. §§ 439 and 453.

§ 108.1 Filing requirements.

A copy of each statement and report required to be filed under this subchapter shall be filed with the Secretary of State (or, if there is no office of Secretary of State, the equivalent state officer) of the appropriate state. For purposes of this part, the term "appropriate state" means the state or jurisdiction designated in § 108.2 or § 108.3.

§ 108.2 Filing copies of reports by Presidential and Vice Presidential candidates.

A copy of each report and statement required to be filed shall be filed by the candidate or authorized committee with the state officer of each state or other jurisdiction in which an expenditure is made during a reporting period by a candidate for the office of President or Vice President or on the candidate's behalf, the report to contain at least all transactions pertaining to that state.

§ 108.3 Filing copies of reports by other Federal candidates and committees.

A copy of each report and statement required to be filed under this subchapter by other candidates and political committees shall be filed with the state officer of each state or other jurisdiction in which a candidate, other than for President or Vice President, seeks election.

§ 108.4 Filing copies of reports by committees supporting Presidential candidates.

Committees, other than a presidential candidate's principal campaign committee, and other authorized committees, which make contributions to, or expenditures on behalf of, presidential candidates shall file a copy of reports and statements only in the state(s) in which the recipient and contribution committees have their headquarters.

§ 108.5 Time and manner of filing copies.

A copy required to be filed with a state officer under this part shall be filed at the same time as the original report is filed. Each copy of a report or statement shall be a complete, true, and legible copy of the original report or statement filed.

§ 108.6 Duty of State officers.

It is the duty of the Secretary of State, or the equivalent state officer,

(a) To receive and maintain in an orderly manner all reports and statements required to be filed;

(b) To preserve such reports and statements for a period of 10 years from date of receipts, except that reports and statements relating solely to candidates for the House of Representatives need be preserved for only 5 years from the date of receipt;

(c) To make the reports and statements filed available for public inspection and copying during regular office hours commencing as soon as practicable but not later than the end of the day on which it was received and to permit copying of any such report or statement by hand or by duplicating machine, requested by any person, at the expense of such person, such per copy expense to be reasonable.

§ 108.7 Effect on state law.

(a) The provisions of the Federal Election Campaign Act of 1971, as amended, and rules and regulations issued thereunder, supersede and preempt any provision of state law with respect to election to Federal office.

(b) Federal law supersedes state law concerning the (1) Organization and registration of political committees supporting federal candidates; (2) Disclosure of receipts and expenditures by Federal candidates and political committees, and (3) Limitations on contributions and expenditures regarding Federal candidates and political committees.

(c) The Act does not supersede state laws which provide for the (1) Manner of qualifying as a candidate; (2) Dates and places of elections; (3) Voter registration; (4) Prohibition of false registration, voting fraud, theft of ballots and similar offenses; or (5) Candidate's personal financial disclosure are not superseded by Federal law.

PART 109—INDEPENDENT EXPENDITURES

Sec.
109.1 Definition.
109.2 Reporting of independent expenditures.
109.3 Certification of independent expenditures.
109.4 Non-authorization notice.

§ 109.1 Definition.

(a) "Independent Expenditure" means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identifiable candidate which:

(1) Is made without the direct or indirect cooperation or prior consent of or consultation with the candidate or any agent or authorized committee of the candidate;

(2) Is not made either directly or indirectly in concert with or at the request or suggestion of, the candidate or any agent or authorized committee of the candidate.

(b) For the purpose of this definition—

(1) "Person" means an individual, partnership, committee, association or any organization or group of persons but does not mean a labor organization, corporation, or national bank, see Part 114;

(2) "Expressly advocating" means any communication containing a message advocating election or defeat;

(3) "Clearly identifiable candidate" means that a candidate's name, photo, or drawing appears, or the candidate's identity is otherwise apparent by unambiguous reference.

(4) "Made with the direct or indirect cooperation or with the consent of, or consultation with, or by request or suggestion of a candidate or any agent or authorized committee of the candidate" means:

(i) Any arrangement, coordination, or direction by the candidate or his/her agent prior to the publication, distribution, display or broadcast of the communication; an expenditure will be presumed to be so made when it is—

(A) Based on information about the candidate's needs, desires, projects, etc., provided to the expending person by the candidate, or the candidate's agent with a view towards an independent expenditure;

(B) Made by or through any person who is, or has been, authorized to raise or expend funds, who is, or has been, an officer of an authorized committee, or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent.

(ii) The financing of the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic or other form of campaign materials prepared by the candidate, his campaign committees, or their authorized agent.

(iii) The ratification of past independent expenditures which causes the person to make similar such expenditures in the future;

(iv) But does not include providing, upon request, the expending person with Commission guidelines on independent expenditures.

(c) An expenditure not qualifying under this definition as an independent expenditure shall be a contribution in kind to the candidate and an expenditure by the candidate, unless otherwise exempted.

§ 109.2 Reporting of independent expenditures.

(a) Every political committee, other than an authorized committee of a candidate shall report to the Commission in its report of itemized expenditures each independent expenditure in excess of $100 during a reporting period.

(1) The report shall contain the identification of the person to whom it was made, the amount and date of the expenditure, the candidate's name and address, and the office he/she seeks, and whether the expenditure was in support of or in opposition to such candidate.

(2) This information shall be filed in a report (monthly, quarterly, pre-election or post-election) covering any period in which any independent expenditure exceeding $100 is made.

(b) Every other person, including political committees not otherwise reporting, who make independent expenditures or contributions toward an independent expenditure aggregating in excess of $100 during a calendar year shall file with the Commission on FEC Form 5.

(1) The report shall contain the identification of the person to whom it was made, the amount and date of the expenditure, the candidate's name and address and the office he/she seeks and whether the expenditure was in support of or in opposition to such candidate.

(2) The report shall be filed at the end of the reporting period (quarterly, pre-election, or post-election) during which the expenditure was made, and in any reporting period thereafter in which additional independent expenditures are made.

(c) Independent expenditures by any person or any political committee of $1,000 or more made after the fifteenth day, but more than 24 hours before any election shall be reported within 24 hours of such independent expenditure, pursuant to § 104.4(e).

§ 109.3 Certification of independent expenditures.

(a) Each of the filings pursuant to § 109.2 shall include a certification under the penalty of perjury that such expenditure was not made in cooperation, consultation or concert with, or at the request or suggestion of any candidate and did not involve the financing of the dissemination, distribution, or republication in whole or in part of any broadcast or any written graphic or other form of campaign materials prepared by the candidate, his campaign committee or their agent.

§ 109.4 Non-authorization notice.

(a) A notice appearing clearly and conspicuously as part of any broadcast, advertisement, pamphlet, letter, outdoor advertising facility or other campaign material constituting an independent expenditure shall state:

(1) That the communication is not authorized by any candidate;

(2) The name and address of the person who is financing the communication, including in the case of a political committee the names of the officers and the name of any affiliate or connection organization required to be disclosed under § 102.2(a)(2).

(b) For purposes of this section "clearly and conspicuously" means on the face or front page of the printed matter or at the beginning or end of broadcast or telecast matter.

PART 110—CONTRIBUTIONS AND EXPENDITURE LIMITATIONS AND PROHIBITION

Sec.
110.1 Contributions by persons.
110.2 Contributions by multi-candidate committees.
110.3 Affiliated committees; transfers.
110.4 Prohibited contributions.
110.5 Annual contribution limit.
110.6 Earmarked contributions.
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110.8 Presidential expenditure limits.
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§ 110.1 Contributions by persons.

(a) (1) No person (except multicandidate committees under § 110.2) shall make contributions to any candidate and his or her authorized political committees with respect to any election to Federal office which in the aggregate exceed $1,000.

(2) "With respect to any election" means—

(i) In the case of a contribution designated in writing for a particular election, the election so designated, except that a contribution made after a primary election, caucus or convention, and designated for the primary election, caucus or convention shall be made only to the extent that the contribution does not exceed debts outstanding from the primary election, caucus or convention.

(ii) In the case of a contribution not designated in writing for a particular election,

(A) For a primary election, caucus or convention, if made before the date of the election, caucus or convention, or

(B) For a general election if made after the date of the primary election.

(b) (1) No person (except multicandidate committees under § 110.2) shall make contributions to the national committee of a political party, or to any political committee established, maintained or controlled by a national party, which in the aggregate exceed $20,000 in any calendar year.

(2) The recipient committee shall not be an authorized committee of any candidate.

(c) No person shall make contributions to any other political committee which in the aggregate exceed $5,000 in any calendar year.

(d) The limitations in (b) and (c) apply to contributions made to committees making independent expenditures, see Part 109.

(e) A contribution by a partnership shall—

(1) Be attributed to each partner in direct proportion to his or her share of the partnership profits, according to instructions provided by the partnership, or

(2) Be attributed by agreement of the partners, as long as—

(i) Only the profits of the partners to whom the contribution is attributed are reduced (or losses increased), and,

(ii) These partners' profits are reduced (or losses increased) in proportion to the contribution attributed to each of them; and,

(3) Not exceed $1,000 to any candidate with respect to any election.

(f) If an individual is a candidate for more than one Federal office, a person may contribute $1,000 for each election for each office, as long as—

(1) The contributor clearly designates in writing for which office each contribution is intended, and

(2) The candidate maintains separate campaign organizations, including separate principal campaign committees and separate accounts, and

(3) No funds are transferred, loaned or otherwise contributed between or among the separate campaigns and no expenditures are made by one campaign on behalf of another campaign, except as provided in 110.3(a)(2)(iii).

(g)(1) Contributions made to retire debts resulting from elections held prior to January 1, 1975 are not subject to the limitations of this Part 10, so long as contributions and solicitations to retire these debts are clearly designated for that purpose.

(2) Contributions made to retire debts resulting from elections held after December 31, 1974 are subject to the limitations of the Part 110.

(h) A person may contribute to a candidate or his or her authorized committee with respect to a particular election and also contribute to a political committee which has supported, or anticipates supporting, the same candidate in the same election, as long as

(1) The political committee is not the candidate's principal campaign committee or other authorized committee;

(2) The contributor does not give with the knowledge that a substantial portion will be contributed to that candidate for the same election; and

(3) The contributor does not retain control over the funds.

(i)(1) Even though a spouse in a single income family has contributed $1,000 to a candidate for an election, the other spouse may similarly contribute $1,000 to the same candidate for the same election.

(2) Minor children (children under 18 years of age) may contribute up to $1,000 to a candidate for an election if—

(i) The funds, goods or services contributed are owned or controlled exclusively by the minor child, such as income earned by the child, the proceeds of a trust for which the child is the beneficiary, or a savings account opened and maintained exclusively in the child's name; and

(ii) The contribution is not made from the proceeds of a gift, the purpose of which was to provide funds to be contributed, or is in any other way controlled by another individual.

(j)(1) The limitations on contributions in this subsection shall apply separately with respect to each election, except that all elections held in a calendar year for the office of President of the United States (except a general election for that office) shall be considered to be one election.

(2) An election in which a candidate is unopposed is a separate election.

(k) Transfers between and among political committees which are the national, state, district or local committees, and subordinate committees thereof, of the same political party are unlimited.

§ 110.2 Contributions by multi-candidate committees.

(a) No multi-candidate political committee shall make contributions—

(1) To any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $5,000; "with respect to any election" has the same meaning as in § 110.(a)(2);

(2) To the political committees established and maintained by a national political party in any calendar year, which, in the aggregate, exceed $15,000:

(i) The recipient committee shall not be an authorized committee for any candidate;

(ii) "Political committees established and maintained by a national political party" means the national committee, Senate and House committees, and any subordinate committees established and maintained by them; or,

(3) To any other political committee in any calendar year which, in the aggregate, exceed $5,000.

(b) Transfers between and among multi-candidate committees which are the national, state, district or local committees, and subordinate committees thereof, of the same political party are unlimited.

(c) For purposes of this section, "multi-candidate political committee" means a political committee which—

(1) Has been registered with the Commission, the Clerk, the Secretary for at least six months;

(2) Has received contributions for Federal elections from at least 50 persons; and

(3) Has made contributions to at least 5 Federal candidates. This subparagraph does not apply to state political party committees, but does apply to subordinate state party committees.

(d) Notwithstanding any other provision of the Act, the Republican and Democratic Senatorial campaign committees, or the national committee of a political party, or any combination thereof, may contribute not more than a combined total of $17,500 to a candidate for nomination or election to the Senate during the calendar year of the election for which he or she is a candidate. No more than $5,000 may be contributed to a candidate in a year other than that election year. It shall be considered to be part of the $17,500 total contribution limit for that election year.

(e)(1) The limitations on contributions in this subsection (other than (d)) shall apply separately with respect to each election, except that all elections held in a calendar year for the office of President of the United States (except a general election for that office) shall be considered to be one election.

(2) An election in which a candidate is unopposed in separate election.

§ 110.3 Affiliated committee; transfers.

(a)(1)(i) For the purpose of limitations in §§ 110.1 and 110.2, contributions shall be considered to be made by a single political committee (including a single separate segregated fund) if made by more than one political committee (including a separate segregated fund) established, financed, maintained or controlled by any corporation, labor organization, or any other person, including any parent, subsidiary, branch, division, department or local unit thereof, or by a group of those persons.

(ii) For purposes of this subsection, "established, financed, directed or controlled" means possession of the authority, power or ability of one entity to create, fund, establish policies for, or otherwise direct the activities of another entity. For example:

(A) All of the political committees set up by a single corporation and its subsidiaries are treated as a single political committee;

(B) All of the political committees set up by a single national or international union and its local unions or other subordinate organizations are treated as a single political committee;

(C) All of the political committees set up by an organization of national or international unions and all its state and local central bodies are treated as a single political committee;

(D) All the political committees (other than party committees) established by the membership organizations, such as trade associations or other groups of persons and its state and local entities are treated as a single political committee;

(E) All the political committees established by a group of persons.

(iii) For organizations not covered by (ii) above, indicia of this authority, power or ability include:

(A) Ownership of a controlling interest in voting shares or securities;

(B) Provisions of by-laws, constitutions or other document by which one entity has the authority, power or ability to direct another entity;

(C) The authority, power or ability to hire, appoint, discipline, discharge, demote or remove or otherwise influence the decision of the officers or members of an entity;

(D) Similar patterns of contributions;

(E) The transfer of funds between committees which represent a significant portion of the funds of either the transferor or transferee committee.

(iv) One entity shall not be considered to be established, financed, directed or controlled by another entity solely because the two entities engage in a joint solicitation on a shared cost basis in proportion to membership or other reasonable basis of apportionment.

(2) This section shall not limit transfers between—

(i) Political committees of the funds raised through joint fundraising;

(ii) Authorized committees of the same candidate, or between the candidate and his or her authorized committees, if the candidate has not received a waiver from reporting;

(iii) The primary campaign and general election campaign of a candidate, of funds unused for the primary;

(iv) The principal campaign committees of a candidate seeking nomination or election to more than one Federal office, as long as—

(A) The transfer is made when the candidate is not actively seeking nomination or election to more than one office. For purposes of this subparagraph, "not actively seeking" means a committee having filed a termination report with the Commission, or having notified the Commission that the candidate or his authorized committees will make no further expenditure, except in connection with the retirement of debts outstanding at the time of the notification;

(B) The limitations on contributions by persons are not exceeded by the transfer. To assure this, the contributions making up the funds transferred shall be reviewed, beginning with the last received and working back until the amount transferred is reached. Contributions shall be excluded if, when added to contributions already made to the transferee principal campaign committee, they cause the contributor to exceed his or her limitation; and

(C) The candidate has not received funds under 26 U.S.C. §§ 9004 or 9034.

(b) (1) For the purposes of the limitations in §§ 110.1 and 110.2, all contributions made by a single political committee established, financed, maintained, or controlled by each of—

(i) The national committee of a political party and,

(ii) By the state committee of a political party, shall not be considered to be made by a single political committee.

(2) For example, as a result of (1) above,

(i) The national committee of a party (or the House campaign committee), and the state committee of a party, including all of its subordinate committees, each may contribute $1000 ($5000 if a multicandidate committee) to a candidate for President of the United States or for the House for each election.

(ii) A state committee, including all of its subordinate committees, may contribute $1000 ($5000 if a multi-candidate committee) to a Senate candidate for each election. The national committees and the Senate campaign committees have special limitations regarding Senate candidates, see § 110.2(d).

§ 110.4 Prohibited contributions.

(a) (1) A foreign national shall not make a contribution, or expressly or impliedly promise to make a contribution, in connection with a convention, caucus, primary, general, special or runoff election in connection with any local, state or Federal public office.

(2) No person shall solicit, accept or receive a contribution as set out above from a foreign national.

(3) For purposes of this subsection, "foreign national" means—

(i) A foreign principal, as defined in 22 U.S.C. § 611(b); or

(ii) An individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in 8 U.S.C. § 1101(a)(20);

(iii) Except that "foreign national" shall not include any individual who is a citizen of the United States.

(b) (1) No person shall—

(i) Make a contribution in the name of another;

(ii) Knowingly permit his or her name to be used to effect that contribution; or,

(iii) Knowingly accept a contribution made by one person in the name of another.

(2) Examples of "contribution in the name of another" include—

(i) Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time of the contribution is made, see § 110.6; or

(ii) Making a contribution of money or anything of value and attributing as the source of the money or the thing of value another person when in fact the contributor is the source.

(c) (1) With respect to any campaign for nomination for election, or election, to Federal office, no person shall make contributions to a candidate or political committee of currency of the United States, or of any foreign country, which in the aggregate exceed $100.

(2) A candidate or committee receiving a cash contribution in excess of $100 shall promptly return the amount over $100 to the contributor.

(3) A candidate or committee receiving an anonymous cash contribution in excess of $50 shall promptly dispose of the amount over $50. The amount over $50 may be used for any lawful purpose unrelated to any Federal election, campaign or candidate.

§ 110.5 Annual limitation.

(a) No individual shall make contributions aggregating more than $25,000 in any calendar year.

(b) For purposes of this section,

(1) Any contribution made in a year other than in the calendar year in which an election is held shall be considered to be made during the calendar year in which the election is held, as long as the contribution is made with respect to a particular candidate and election;

(2) An individual's contribution to a political committee in a non-election year shall not be attributable to the calendar year in which an election is held, as long as the political committee is not the principal campaign committee, or other authorized committee, of a candidate, and as long as the contribution is not otherwise designated for a particular election.

(c) The limitation in (a) applies to contributions made to a person who is making independent expenditures, see Part 109.

§ 110.6 Earmarked contributions.

(a) All contributions by a person made on behalf of or to a candidate, including contributions which are in any way ear-marked or otherwise directed to the candidate through an intermediary or conduit, are contributions from the person to the candidate.

(b) For purposes of this section, earmarked means a designation, instruction or incumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

(c) The intermediary or conduit of the earmarked contributions shall report the original source and intended recipient of the contribution to the Commission, the Clerk of the House of Representatives, or the Secretary of the Senate, as appropriate (see Part 105), and to the intended recipient.

(1) The report to the Commission, Clerk or Secretary shall be included in the conduit or intermediary's next due quarterly, pre- or post-election or annual report, and shall,

(i) If the contribution passed through the conduit's account, disclose each contribution, regardless of amount, on schedules of itemized receipts and expenditures;

(ii) If the contribution was passed on in the form of the contributor's check, disclose each contribution on a separate schedule attached to the conduit's next report.

(2) The report to the intended recipient shall be made when the contribution is passed on to the intended recipient.

(3) The reports in (1) and (2) above shall contain—

(i) The identification of the contributor, and if the contribution exceeds $100, the contributor's occupation and principal place of business;

(ii) The amount of the contribution, the date received by the conduit; and the intended recipient as designated by the contributor;

(iii) The date the contribution was passed on to the intended recipient, and whether the contribution was passed on in cash, by the contributor's check, or by the conduit's check.

(d) (1) A conduit or intermediary's contribution limits are not affected by

passing on earmarked contributions, except where the conduit exercises any direction or control over the choice of the recipient candidate.

(2) If a conduit exercises any direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit, and shall be so reported by the conduit to the Commission, Clerk or Secretary, as appropriate, and to the recipient, and so reported by the recipient candidate in its report of contributions received.

§ 110.7 Party expenditures.

(a) (1) The national committee of a political party may make expenditures in connection with the general election campaign of any candidate for President of the United States affiliated with the party.

(2) The expenditure shall not exceed an amount equal to 2 cents multiplied by the voting age population of the United States.

(3) Any expenditure under subsection (a) shall be in addition to—

(i) Any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for President of the United States; and

(ii) Any contribution by the national committee to the candidate permissible under § 110.1 except to candidates receiving general election public financing, see Part 140–45.

(4) The national committee of a political party may not make independent expenditures (see Part 109) in connection with the general election campaign of a candidate for President of the United States.

[Alternative] [(4) Expenditures by the national committee of a political party on behalf of a candidate for president affiliated with or nominated by that party in connection with the general election campaign of a candidate for President shall be presumed not to be independent expenditures. If the national committee makes a showing that the expenditures are independent, they may be made without regard to (a) (2) of this section]

(b) (1) The national committee of a political party, or a state committee of a political party, including any subordinate committee of a state committee, may make expenditures in connection with the general election campaign of a candidate for Federal office in that state who is affiliated with the party.

(2) The expenditures shall not exceed—

(i) In the case of a candidate for election to the office of Senator, or of Representative from a state which is entitled to only one Representative, the greater of—

(A) Two cents multiplied by the voting age population of the state; or

(B) Twenty thousand dollars; and

(ii) In the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other state, $10,000.

(3) Any expenditure under subsection (c) shall be in addition to any contribution by a committee to the candidate permissible under § 110.1 (2 U.S.C. 441a).

(4) The party committees identified in (b) (1) may not make independent expenditures in connection with the general election campaign of candidates for Federal office.

[Alternative] [(4) Expenditures by the party committees identified in (b) (1) on behalf of candidates for Federal office affiliated with or nominated by that party in connection with the general election campaign of a candidate for Federal office shall be presumed not to be independent expenditures. If the party committees make a showing that the expenditures are independent, they may be made without regard to (a) (2) of this section]

(c) For limitation purposes, state committee includes subordinate state committees, and state committees and subordinate state committees combined shall not exceed the limits in (b) (2). To ensure compliance with the limitations, the state committee shall administer the limitation in one of the following ways:

(1) The state central committee shall be responsible for insuring that the expenditures of the entire party organization are within the limitations, including receiving reports from any subordinate committee, and filing consolidated reports showing all expenditures in the state with the Commission; or

(2) (i) The state committee shall file with the Commission an allocation statement setting forth the amounts each subordinate committee in the state will expend on which Federal candidate, as agreed upon by the state committee and the subordinate committees;

(ii) The state committee shall file with the allocation statement a list of participating subordinate committees which have filed a Statement of Organization with the Commission, Clerk or Secretary, and for those subordinate committees which have not filed a Statement of Organization, the information required in a Statement of Organization, see Part 102;

(iii) Each subordinate committee will be responsible for ensuring that it does not exceed its allocated limitation, and shall register with and report to the Commission as if it were a political committee if its expenditures exceed $100 in a calendar year. If its expenditures in the aggregate exceed $1,000, it shall register as a political committee pursuant to Part 103 and report pursuant to Part 105; or

(3) Any other method, submitted in advance and approved by the Commission which permits control over expenditures.

§ 110.8 Presidential candidate expenditure limitations.

(a) No candidate for the office of President of the United States who is eligible under 26 U.S.C. § 9003 (relating to conditions for eligibility for payments) or under 26 U.S.C. § 9033 (relating to eligibility for payments) to receive payments from the Secretary of the Treasury and has received payments, may make expenditures in excess of—

(1) $10,000,000 in the case of a campaign for nomination for election to the office, except the aggregate of expenditures under this subparagraph in any one state shall not exceed the greater of 16 cents multiplied by the voting age population of the state or $200,000; or

(2) $20,000,000 in the case of a campaign for election to the office.

(b) (1) The expenditure limitations shall not be considered violated if, after the day of the primary or general election, convention or caucus, receipt of refunds and rebates causes a candidate's expenditures to be within the limitations.

(c) For the state limitations in (a) (1)—

(1) Expenditures made in a state after the date of the primary election, convention or caucus relating to the primary election, convention or caucus count toward that state's expenditure limitation;

(2) Expenditures for fundraising activities targeted at a particular State and occurring within 28 days of the state's primary election, convention or caucus shall be presumed to be attributable to the expenditure limitation for that state, § 100.7(b) (1) ((relating to the 20% fundraising exemption) notwithstanding. The presumption may be rebutted to the extent that funds raised in the state exceed amount expended in the state.

(d) (1) If an individual is a candidate for more than one Federal office, or for a Federal office and a state office, he or she must designate separate principal campaign committees and establish completely separate campaign organizations.

(2) No funds, goods or services, including loans and loan guarantees, may be transferred between or used by the separate campaigns, except as provided in § 110.3(a) (2) (iv).

(3) Except for Presidential candidates receiving Presidential Primary Matching Funds, see 2 U.S.C. § 9032, or General Election Public Financing, see 2 U.S.C. § 9002, campaigns may share personnel and facilities, as long as expenditures are allocated between the campaigns, and payments are made from campaign accounts reflecting the allocation.

(e) (1) A political party may make reimbursement for the expenses of a candidate who is engaging in party-building activities, without the payment being considered a contribution to the candidate, and without the unreimbursed expense being considered expenditures counting against the limitations in (a) (1), so long as—

(i) The event is a legitimate party event or appearance; and

(ii) No aspect of the solicitation, setting and remarks or activities of the candidate were for the purpose of influencing the candidate's nomination or election.

(2) (i) An event or appearance meeting the requirements of (e) (1) and occuring prior to January 1 of the year of the election for which the individual is a candidate is presumptively party related;

(ii) Notwithstanding the requirements of (e) (1), an event or appearance occur-

ing on or after January 1 of year of the election for which the individual is a candidate, is presumptively for the purpose of influencing the candidate's election, and is governed by the contribution and expenditure limitation of this Part 110.

(iii) The presumptions in (i) and (ii) may be rebutted by a clear showing to the Commission that the appearance or event, was, or was not, party related, as the case may be.

(f) (1) Expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States.

(2) Expenditures from personal funds made by a candidate for Vice President shall be considered to be expenditures by the candidate for President, if the candidate is receiving General Election Public Financing, see 26 U.S.C. § 9004 (d).

(g) An expenditure is made on behalf of a candidate, including a vice presidential candidate, if it is made by—

(1) An authorized committee or any other agent of the candidate for purposes of making any expenditure; and

(2) Any person authorized or requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure; or

(3) A committee not authorized in writing, so long as it is requested by the candidate, an authorized committee of the candidate or an agent of the candidate to make the expenditure.

§ 110.9 Miscellaneous.

(a) *Violation of limitations.* No candidate or political committee shall accept any contribution or make any expenditure in violation of the provisions of Part 110. No officer or employee of a political committee shall accept a contribution made for the benefit or use of a candidate or make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this Part 110.

(b) *Fraudulent misrepresentation.* No person who is a candidate for Federal office or an employee or agent of such a candidate shall—

(1) Fraudulently misrepresent himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

(2) Willfully and knowingly participate in or conspire to participate in any plan, or design to violate paragraph (1).

(c) *Price index increase.* (1) Each limitation established by § 110.7 and § 110.8 shall be increased by the annual percent difference of the price index, as certified to the Commission by the Secretary of Labor. Each amount so increased shall be the amount in effect for that calendar year.

(2) For purposes of paragraph (1)—the term "price index" means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

(d) *Voting age population.* The Commission shall annually publish the voting age population based on an estimate of the voting age population of the United States, of each state, and of each congressional district, provided to the Commission by the Secretary of Commerce. The term "voting age population" means resident population, 18 years of age or older.

§ 110.10 Expenditures by candidates.

(a) Except as provided in Parts 130–39 and 140–49 pertaining to Presidential candidates, candidates for Federal office may make unlimited expenditures from personal funds.

(b) (1) For purposes of this subsection, "personal funds" means the total assets to which the candidate has legal and rightful title or over which the candidate has beneficial enjoyment under applicable federal or state law, and

(2) To which the candidate had access to or control over at the time he or she become a candidate, including funds from immediate family members.

(c) If a candidate did not have access to or control over the funds at the time he or she became a candidate, no person may contribute more than $1,000 per election.

§ 110.11 Communications; advertising.

(a) (1) Whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication—

(i) If authorized by a candidate, his authorized political committees or their agents, shall clearly and conspicuously state that the communication has been authorized and by what candidate, authorized committee or agent; or

(ii) If not authorized by a candidate, his authorized political committees, or their agents, shall clearly and conspicuously state that the communication is not authorized by any candidate, and state the name of the person who made or financed the expenditure for the communication, including, in the case a political committee the name of any affiliated or connected organization required.

(2) For purposes of this section, "clearly and conspicuously" means

(i) On the face or front page of printed matter, or at the beginning or end of a broadcast or telecast matter, and shall include the name of the committee, and the committee's treasurer; and

(ii) In a manner calculated to provide actual notice to a reader, listener or viewer.

(b) No person who sells space in a newspaper or magazine to a candidate, an authorized committee of a candidate, or an agent of the candidate or committee, for use in connection with the candidates' campaign for nomination or for election, shall charge an amount for the space which exceeds the amount charged for comparable use of the space for non-campaign purposes.

§ 110.12 Honorariums.

(a) No person while an elected or appointed officer or employee of any branch of the Federal Government shall accept—

(1) Any honorarium of more than $2,000 (excluding amounts accepted for actual travel and subsistence expenses for such person and spouse or an aide to such person, and excluding amounts paid or incurred for any agents' fees or commissions for any appearance speech, or article); or

(2) Honorariums (not prohibited by paragraph (1) of this section) aggregating more than $25,000 in any calendar year.

(b) The term "honorarium" means a payment of money or anything of value received by an officer or employee of the Federal government, regardless of whether it is offered gratuitously or for a fee, if it is accepted as consideration for an appearance, speech, or article. An honorarium does not include payment for or provision of actual travel and subsistence, including transportation, accommodations and meals for the officer or employee and spouse or an aide, and does not include amounts paid or incurred for any agents' fees or commissions.

(1) Officer or Employee. The term "officer or employee of the Federal government," or "officer or employee" means any person appointed or elected to a position of responsibility or authority in the United States government, regardless of whether the person is compensated for this position; and any other person receiving a salary, compensation, or reimbursement from the United States government, who accepts an honorarium for an appearance, speech, or article. Included within this class is the President; the Vice President; any Member of Congress, any judge of any court of the United States; any Cabinet officer; and any other elected or appointed officer or employee of any branch of the Federal government.

(2) Appearance. "Appearance" means attendance at a public or private conference, convention, meeting, social event, or like gathering, and the incidental conversation or remarks made at that time.

(3) Speech. "Speech" means an address, oration, or other form of oral presentation, regardless of whether presented in person, recorded, or broadcast over the media.

(4) Article. "Article" means a writing other than a book, which has been or is intended to be published.

(c) The term "honorarium" does not include:

(1) An award. An award is a gift of money or anything of value given;

(i) Primarily in recognition of religious, charitable, scientific, educational, artistic, literary, or civil achievement;

(ii) Based on a selection process with established criteria and which does not require the officer or employee to apply for or take any other action in the way of competition for the award;

(iii) Gratuitously under circumstances which do not require the recipient to make an appearance or speech, or write an article as a condition for receiving the award; and

(iv) Is not made to serve in place of an honorarium of a contribution.

(2) A gift. A gift is a voluntary conveyance of real or personal property which is made gratuitously, and is not supported by consideration, and is not made to serve in place of an honorarium or a contribution.

(3) A stipend. A stipend is payment for services on a continuing basis, including a salary. A stipend can not be paid by a political committee other than a candidate's principal campaign committee or other authorized committee to that candidate.

PART 111—COMPLIANCE PROCEDURE

Sec.

111.1 Scope.
111.2 Complaint; filing.
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111.9 Civil proceedings.
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111.11 Depositions.
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111.13 Motions to quash.
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§ 111.1 Scope.

These regulations provide procedures for processing apparent violations of the Federal Election Campaign Act of 1971, as amended (2 U.S.C. § 431, *et seq.*) and chapters 95 and 96 of the Internal Revenue Code of 1954 (26 U.S.C. § 9001, *et seq.* and 9031, *et seq.*).

§ 111.2 Complaint; filing.

(a) Any person may file a complaint with the Commission setting forth grounds for believing that a person has violated the Act or 26 U.S.C., chapters 95 and 96. A complaint shall be in writing and signed, and shall be sworn to and notarized.

(b) A complaint shall contain:

(1) The full name, address and telephone number of the complainant;

(2) A clear and concise statement of the acts which are alleged to constitute a violation of the Act;

(3) Any documentation of allegations of the complaint available to the complainant.

§ 111.3 Initial processing.

The General Counsel will review all materials filed with the Commission and report to the Commission on the factual and legal bases for the apparent violation. On the basis of the General Counsel's report and the relevant materials, the Commission will determine by the agreement of at least four of its members whether it has "reason to believe" that the Act or chapters 95 or 96 of the Internal Revenue Code of 1954 have been or will be violated and order any investigation it believes necessary.

§ 111.4 Notification.

Upon determination by agreement of four members of the Commission that it has reason to blieve that a violation of the Act has occurred, the General Counsel will notify respondent of that determination, providing a copy of the complaint or summary of the matters brought into question and advising respondent that he or she should submit any factual or legal information which he believes demonstrates that no action should be taken against him.

§ 111.5 Investigation.

(a) In any case in which the Commission finds it has reason to believe that a violation of the Act or Chapters 95 or 96 has occurred or will occur, it shall order an investigation into those matters about which it believes it needs further information.

(b) If a complaint is filed by a candidate, any investigation will include an investigation of the reports and statements filed by the complaining candidate, pursuant to 2 U.S.C. § 437g(a)(3). The Commission may direct, upon the recommendation of the General Counsel, that an investigation be conducted with regard to each candidate for the Federal office sought by respondent.

§ 111.6 Commission action.

After review of the relevant materials obtained during the investigation, the Commission will by agreement of at least four of its members determine whether there is reasonable cause to believe that respondent has committed or is about to commit a violation of the Act or of Chapter 95 or 96 of the Internal Revenue Code of 1954. In the event that the Commission so determines it will inform the respondent of its decision and seek voluntary compliance by the respondent.

§ 111.7 Conciliation.

(a) Within a reasonable time after the Commission has determined that it has reasonable cause to believe that the Act or Chapter 95 or 96 of the Internal Revenue Code of 1954 has been or will be violated, the General Counsel shall attempt to correct or prevent the violation by informal methods of conference, conciliation and persuasion.

(b) If a tentative conciliation agreement is reached with respondent, the General Counsel will submit it to the Commission for approval by agreement of at least four members.

(c) If, after attempting conciliation for the appropriate period of time (see 2 U.S.C. § 437g(a)(5)(A)) the General Counsel concludes that no acceptable conciliation agreement can be reached, he or she will prepare a report for the Commission which sets forth the reasons for the failure to obtain voluntary compliance.

§ 111.8 Disclosure of commission action.

If the Commission (a) has notified respondent of its decision that he or she has not violated the Act, it will make available to the public its determination and the basis for it; or

(b) Has concluded that it has "reasonable cause to believe" that a violation has occurred, it will make available the results of any conciliation attempts, including any conciliation agreement entered into.

§ 111.9 Civil proceedings.

The Commission, on the recommendation of the General Counsel after attempts to correct or prevent any violation by informal methods of conference, conciliation or persuasion have been unsuccessful, may determine by the agreement of at least four of its members that there is probable cause to believe that a violation of the Act or Chapter 95 or 96 of the Internal Revenue Code of 1954 has or will occur and may direct the General Counsel to commence civil proceedings and seek appropriate relief.

§ 111.10 Issuance of subpenas and subpenas duces tecum.

(a) The Chairman or the Vice Chairman shall issue subpenas requiring the attendance and testimony of witnesses and the production of documentary or other tangible evidence upon request by the General Counsel.

(b) Any party may request the General Counsel to subpena particular persons or evidence, but such subpenas shall not be obtainable as a matter of right.

§ 111.11 Depositions.

In any proceeding or investigation, the Commission, upon written notice, may order testimony to be taken by deposition before a person designated by the Commission to administer oaths.

§ 111.12 Service of subpenas and notices of depositions.

(a) Service of a subpena or notice of deposition upon a person named therein shall be made by delivering a copy to that person in the manner described by subparagraphs (b), (c) and (d). Fees for one day's attendance and mileage shall be tendered as specified in § 111.14.

(b) Whenever service is to be made upon a person who is represented in the pending proceeding by an attorney, the service may be made upon the attorney.

(c) Delivery of a copy of a subpena or notice of deposition and tender of the fees to a natural person may be made by handing them to the person; or leaving them at his office with the person in charge thereof; or leaving them at his dwelling place or usual place of abode with some person of suitable age and discretion then residing therein; or mailing them by registered or certified mail to him at his last known address; or

by any method whereby actual notice is given to him and the fees are made available prior to the return date.

(d) When the person to be served is not a natural person, delivery of a copy of the subpena or notice of deposition and tender of the fees may be effected by handing them to a registered agent for service, or to any officer, director, or agent in charge of any office of such person, or by mailing them by registered or certified mail to such representative at his last known address; or by any method whereby actual notice is given to such representative and the fees are made available prior to the return date.

§ 111.13 Motions to quash.

(a) Any person to whom a subpena is directed may, prior to the time specified therein for compliance, but in no event more than 5 days after the date of service of such subpena, apply to the Commission, to quash or modify such subpena, accompanying such application with a brief statement of the reasons therefor.

(b) The Commission may deny the application, or upon notice to the person upon those request the subpena was issued, and opportunity for reply, may (1) deny the application, (2) quash or, (3) modify the subpena.

§ 111.14 Witness fees and mileage.

(a) Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees are paid for like services in the courts of the United States.

(b) Witness fees and mileage shall be paid by the party at whose instance the witnesses appear.

(1) Section 111.10 provides for issuance of subpenas over the signature of the Chairman or Vice-Chairman without a majority vote of the Commission. In the General Counsel's opinion, 2 U.S.C. § 437d(a)(3), which provides for issuance of subpenas over the signature of the Chairman or Vice-Chairman gives the legal authority to issue subpenas without a majority vote of the Commission particularly since, under the regulations, a party can move to quash a subpena and obtain a ruling of the Commission as a whole before a subpena becomes effective. Requiring a vote of a majority of the Commissioners before a subpena is issued will in many instances delay obtaining materials to which there is no objection while providing no more opportunity to a subpenaed party to object.

(2) A provision (see § 111.10(b)) has been inserted stating that a party has a right to provide the General Counsel with the names and records they think should be subpenaed but explicitly stating that they do not have an independent right to obtain such materials.

(3) Section 111.11 substitutes a simple provision notifying the parties that once the Commission has opened a proceeding or investigation, it may order that testimony be taken by deposition by designating a person to take the testimony. This substitutes for the draft on depositions and interrogatories which was premised on the holding of full administrative hearings.

(4) The time for filing a motion to quash the subpena (Sec. 111.13) has been extended from 2 to 5 days, on the basic consideration that 2 days provides insufficient time for analysis and objection.

PART 112—ADVISORY OPINION PROCEDURE

Sec.

112.1 Request for advisory opinions.
112.2 Public availability of requests.
112.3 Written comments on requests.
112.4 Preliminary discussion of requests.
112.5 Issuance of advisory opinions.
112.6 Reliance on advisory opinions.
112.7 Reconsideration of advisory opinions.

§ 112.1 Requests for advisory opinions.

(a) Any (1) Holder of Federal office; (2) Candidate for Federal office; (3) Political committee; (4) National committee of a political party; or (5) Authorized agent of any of the foregoing persons if the agent discloses the identity of his or her principal may request, in writing, an advisory opinion concerning application to a specific factual situation of a general rule of law (i) stated in the Federal Election Campaign Act of 1971, as amended, or chapters 95 or 96 of the Internal Revenue Code of 1954, or (ii) duly prescribed as a rule or regulation by the Commission.

(b) Requests shall include all facts relevant to the specific factual situation with respect to which the request is made.

(c) Advisory opinion requests may be sent to the Federal Election Commission, Office of General Counsel, Advisory Opinion Section, 1325 K Street, N.W., Washington, D.C. 20463.

(d) Upon receipt by the Commission, each advisory opinion request (AOR) shall be assigned an AOR number for reference purposes.

§ 112.2 Public availability of requests.

(a) Advisory opinion requests submitted under § 112.1 shall promptly be made public at the Commission.

(b) A copy of the original request shall be available for public inspection and purchase, except when it involves a compliance action (see Part 111), at the Federal Election Commission, Public Records Division, 1325 K Street, N.W., Washington, D.C. 20463, telephone (202) 382-7012.

(c) Advisory opinion requests may be made public through other means, and publication in those cases shall be either in the form originally submitted or in an edited or paraphrased form as the Commission considers appropriate.

§ 112.3 Written comment on requests.

(a) Interested persons are invited to submit written comments concerning advisory opinion requests.

(b) Written comments may be submitted within 15 calendar days of the date the request is made public at the Commission. The Commission may in its discretion shorten the comment period on a particular request where there is reasonable cause for doing so.

(c) Comments on advisory opinion requests should refer to the AOR number of the request, statutory references should be to the United States Code citations, rather than to Public Law citations.

(d) Additional time in which to comment may be granted upon written request or in the discretion of the Commission.

(e) Written comments and requests for additional time to comment shall be sent to the Federal Election Commission, Office of General Counsel, Advisory Opinion Section, 1325 K Street, N.W., Washington, D.C. 20463.

(f) Before it issues an advisory opinion the Commission shall consider all timely comments received.

§ 112.4 Preliminary discussion of requests.

The Commission shall preliminarily discuss each pending Advisory Opinion Request in public session prior to the circulation of any draft opinion.

§ 112.5 Issuance of advisory opinions.

(a) Within a reasonable time after receiving a written request properly made under § 112.1 the Commission shall issue a written advisory opinion.

(b) The Commission may issue advisory opinions pertaining only to the Federal Election Campaign Act of 1971, as amended, chapters 95 or 96 of the Internal Revenue Code of 1954, or rules or regulations duly prescribed under those statutes.

(c) No advisory opinion may state a general rule of law, other than one which is stated in the Federal Election Campaign Act of 1971, as amended, or chapters 95 or 96 of the Internal Revenue Code of 1954, until that general rule is prescribed by the Commission as a rule or regulation pursuant to 2 U.S.C. section 438(c).

(d) No opinion of an advisory nature may be issued by the Commission or any of its employees except in accordance with the provisions of this § 112.5; however, this subsection does not preclude distribution by the Commission of information consistent with the Act and chapter 95 or 96 of the Internal Revenue Code of 1954.

(e) When issued by the Commission each advisory opinion shall be made public and sent by mail, or personally delivered, to the person who requested the opinion.

§ 112.6 Reliance on advisory opinions.

(a) An advisory opinion rendered by the Commission under this Part 112 may be relied upon by:

(1) Any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered, and

(2) Any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

(b) Notwithstanding any other provision of law, any person who relies upon any provision or finding of an advisory opinion in accordance with subsection (a) of this § 112.6 and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction provided by the Federal Election Campaign Act of 1971, as amended, or by chapter 95 or 96 of the Internal Revenue Code of 1954.

§ 112.7 Reconsideration of advisory opinions.

The Commission may reconsider advisory opinions on written request by the party originally submitting the request or request of a Commissioner who voted with the majority that approved the opinion.

PART 113—OFFICE ACCOUNTS: EXCESS CAMPAIGN FUNDS

Sec.

113.1 Definitions.
113.2 Deposits of funds contributed to a Federal or State officeholder.
113.3 Reports of office accounts.
113.4 Reports of franking accounts.
113.5 Contribution and expenditure limitations.

§ 113.1 Definitions.

When used in this part—

(a) *Funds contributed.* "Funds contributed" means all funds including, but not limited to gifts, loans, advances, credits or deposits of money which are contributed for the purpose of supporting the activities of a Federal or state officeholder; except for funds appropriated by Congress, a state legislature, or similar public appropriation.

(b) *Office account.* "Office account" means an account established for the purpose of supporting the activities of a Federal or state officeholder but does not include an account used exclusively for funds appropriated by Congress, a state legislature, or similar public appropriation, or a personal account of the officeholder which is not used principally for the purpose of supporting such activities, or an account used exclusively for activities pursuant to 39 U.S.C. § 3210 (a "franking" account).

(c) *Federal officeholder.* "Federal officeholder" means an individual elected to or serving in the office of President or Vice President of the United States; or a Senator or a Representative in, or Delegate or Resident Commissioner to, the Congress of the United States.

(d) *State officeholder.* "State officeholder" means an individual elected to or serving in any elected public office within a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico or any subdivision thereof.

(e) *Excess campaign funds.* "Excess campaign funds" means amounts received by a candidate as contributions which he or she determines are in excess of any amount necessary to defray his or her campaign expenditures.

§ 113.2 Deposits of funds contributed to a Federal or State officeholder.

All funds contributed to a Federal officeholder, or state officeholder who is a candidate for Federal office, shall be deposited into one of the following accounts:

(a) An account of the officeholder's principal campaign committee or other authorized committee pursuant to Part 103; or

(b) An office account; or

(c) An account used exclusively for activities pursuant to 39 U.S.C. § 3210 (franking account).

§ 113.3 Reports of office accounts.

(a) All Federal officeholders having office accounts shall report as if such account is a political committee, pursuant to Part 104, and on forms provided for that purpose.

(b) If a Federal officeholder has not designated a principal campaign committee, he or she shall file the reports required by § 113.3(a) with the Clerk of the House of Representatives in the case of a Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, or with the Secretary of the Senate in the case of a United States Senator, or with the Commission in the case of the President and Vice-President.

(c) When a Federal officeholder has designated a principal campaign committee, he or she shall file the reports required by § 113.3(a) with the principal campaign committee, which shall append them to its next regular report.

(d) When a state officeholder having an office account becomes a candidate for Federal office, pursuant to 2 U.S.C. § 431 (b), he or she shall file the reports with the principal campaign committee as if such account is a political committee, pursuant to Part 104, and on forms provided for that purpose. The principal campaign committee shall append them to its next regular report.

§ 113.4 Reports of franking accounts.

(a)(1) All Federal officeholders and former Federal officeholders having a franking account used exclusively for activities pursuant to 39 U.S.C. § 3210 shall file reports on April 10 and October 10 of each year with the Clerk of the House of Representatives in the case of a Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, or with the Secretary of the Senate in the case of a United States Senator or the Vice-President.

(2) In an election year, the report shall be filed with the pre-election report, due 10 days before the election, rather than on October 10.

(b) The April 10 report shall include all receipts and expenditures made from October 1 of the prior year to March 31 of the year in which the report is filed. The Ocober 10 report shall include all receipts and expenditures made from April 1 to September 30 (or, in an election year, 15 days before the election) of each year. These reporting obligations shall be effective prospectively on the effective date of this regulation (designated Part 113).

(c) These reports shall include the name, address, occupation and principal place of business of all persons making contributions aggregating in excess of $100 during the reporting period. Such reports shall include the name and address of all persons receiving expenditures aggregating more than $100 during the reporting period.

(d) Forms will be provided by the Commission to implement this section.

§ 113.5 Contribution and expenditure limitations.

(a) Any contributions to, or expenditures from, an office account which are made for the purpose of influencing a Federal election shall be subject to 2 U.S.C. § 441a and Part 110 of these regulations.

(b) No cash contribution exceeding $100 shall be made to an account listed in § 113.2 (see § 110.4(c)).

(c) If any treasury funds of a corporation or labor organization are contributed to an office account, no funds from that office account may be used in connection with a Federal election.

PART 114—CORPORATE AND LABOR ORGANIZATION ACTIVITY

Sec.

114.1 Definitions.
114.2 Prohibitions on contributions and expenditures.
114.3 Internal communications.
114.4 Communications to other persons.
114.5 Separate segregated funds.
114.6 Twice yearly solicitations.
114.7 Membership organizations, cooperative, or corporations without capital stock.
114.8 Trade associations.
114.9 Use of corporate or labor organization facilities and means of transportation.
114.10 Extension of credit and settlement of corporate debts.
114.11 Employee participation plan.
114.12 Miscellaneous provisions.

§ 114.1 Definitions.

"Contribution and Expenditure".

(a) For purposes of this section and 12(h) of the Public Utility Holding Company Act (15 U.S.C. 791(h))—

(1) The term contribution or expenditure shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan by a National or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, political party or committee, organization or any other person in connection with any election to any of the offices referred to in § 114.2 (a) or (b) as applicable.

(2) The term contribution and expenditure shall not include—

(i) Communications by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to

its members and their families on any subject; or

(ii) Nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and executive or administrative personnel and their families or by a labor organization aimed at its members and their families; or

(iii) The establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organiout capital stock.

(b) "Establishment, Administration and Solicitation Costs" means the cost of office space, phones, salaries, utilities, supplies, fundraising and other expenses incurred in setting up and running a separate segregated fund established by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock. Corporate and labor organization treasury monies may be used for establishment, administration and solicitation costs. However, the corporation or labor organization may not use the establishment, administration and solicitation process as a means of exchanging treasury monies for voluntary contributions. For example, a contributor may not be paid for his or her contributions through a bonus, expenses account or other form of direct or indirect compensation. A corporation or labor organization may utilize a raffle or other fundraising device which involves a prize, so long as state law permits and the prize is not disproportionally valuable. A reasonable practice to follow is for its separate segregated fund to reimburse the corporation or labor organization for solicitation expenditures which exceed 33% of the money contributed.

(c) "Executive or administrative personnel" means individuals employed by a corporation who are paid on a salary rather than hourly basis and who have policymaking, managerial, professional, or supervisory responsibilities.

(1) This definition includes:

(i) The individuals who run the corporation's business such as officers, other executives, and plant, division and section managers; and

(ii) Individuals following the recognized professions, such as lawyers and engineers.

(2) This definition does *not* include:

(i) Professionals who are represented by a labor organization; or

(ii) Salaried foremen and other salaried lower level supervisors having direct supervision over hourly employees.

(iii) Former or retired executive or administrative personnel who are not stockholders.

(d) "Labor organization" means any organization of any kind, or any agency or employee representative committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay hour of employment, or conditions of work.

(e) "Members" means all persons who are currently satisfying the requirements for membership in a membership organization, trade association, cooperative or corporation without capital stock and in the case of a labor organization, persons who are currently satisfying the requirements for membership in a local, national, or international labor organization. Members of a local union are considered to be members of any national or international union of which the local union is a part and of any federation with which the local, national or international union is affiliated. A person is not considered a member under this definition if the only requirement for membership is a contribution to a separate segregated fund.

(f) "Method of facilitating the making of contributions" means the manner in which the contributions are received or collected such as, but not limited to, payroll deduction or checkoff systems, other periodic payment plans or return envelopes enclosed in a solicitation request.

(g) "Method of soliciting voluntary contributions" means the manner in which the solicitation is undertaken including but not limited to mailings, oral requests for contributions, and hand distribution of pamphlets.

(h) "Stockholder" means the registered owner under the applicable state law.

(i) "Voluntary contributions" are contributions which have been obtained by the separate segregated fund of a corporation or labor organization in a manner which is in compliance with § 114.5 (a) and which is in accordance with other provisions of the Act.

§ 114.2 Prohibitions on contributions and expenditures.

(a) National banks, or any corporation organized by authority of any law of Congress, are prohibited from making a contribution or expenditure, as defined in § 114.1(a), in connection with election to any political office, including local, state and Federal offices, or in connection with any primary election or political convention or caucus held to select candidates for any political office, including any local, state, or Federal office. Such national banks and corporations may engage in the activities permitted by this Part, except to the extent that such activity is foreclosed by provisions of law other than the Act.

(b) Any corporation whatever or any labor organization is prohibited from making a contribution or expenditure, as defined in § 114.1(a) in connection with any Federal election.

(c) A candidate, political committee, or other person is prohibited from knowingly accepting or receiving any contribution prohibited by this section.

(d) No officer or director of any corporation or any national bank, and no officer of any labor organization shall consent to any contribution or expenditure by the corporation, national bank, or labor organization prohibited by this section.

§ 114.3 Internal communications.

(a) An internal communication is a communication made in connection with a Federal election, and

(1) One which a corporation directs to its stockholders and executive or administrative personnel and their families; or

(2) One which a labor organization directs to its members and their families.

(b) Expenditures for internal communications which expressly advocate the election or defeat of a clearly identified candidate must be reported in accord with § 100.7(b)(5).

(c) A corporation or labor organization may make internal communications of a partisan or nonpartisan nature. The manner in which internal communications can be made includes, but is not limited to:

(1) Allowing a candidate to address the stockholders and executive or administrative personnel of the corporation and their families at a meeting, convention, or other regularly scheduled function of the corporation which is primarily held for other purposes or allowing a candidate to address the members of a labor organization and their families at a meeting, convention, or other regularly scheduled function of the labor organization which is primarily held for other purposes.

(2) The distribution of printed material of a partisan or nonpartisan nature by a corporation to its stockholders and executive or administrative personnel and their families or by a labor organization to its members and their families, provided:

(i) That the material is produced at the expense of the corporation or labor organization or the separate segregated fund of either; and

(ii) That the material represents the views of the corporation or labor organization and is not a republication or reproduction, in whole or in substantial part, of any broadcast or any written, graphic, or other form of campaign materials prepared by the candidate, his campaign committees, or their authorized agents.

(3) Partisan or nonpartisan registration and get-out-the-vote activity by a corporation aimed at its stockholders and executive or administrative personnel and their families by a labor organization aimed at its members and their families.

§ 114.4 Communications to other persons.

(a) A corporation can support nonpartisan registration and get-out-the-vote activities which are not restricted to its stockholders and executive or administrative personnel and their families and a labor organization can support those activities which are not restricted to its members and their families if:

(1) The corporation or labor organization jointly sponsors the activities with a civic or other nonprofit organization which does not endorse candidates or political parties and if the activities are conducted by the other organization; and

(2) These activities are initiated and implemented without regard to political preference.

(3) A corporation or labor organization may donate funds to be used for nonpartisan registration and get-out-the-vote activities to civic or other nonprofit organizations which do not endorse candidates or political parties.

(b) Under the following circumstances, corporations may permit candidates (or their representatives) on corporate premises to address or meet employees in addition to stockholders and executive or administrative personnel:

(1) If a candidate for the House or Senate is permitted on the premises, all candidates for that seat who request to appear must be given the same opportunity to appear; or

(2) If a Presidential candidate is permitted on the premises, all candidates for that office who request to appear must be given the same opportunity to appear.

(3) A corporation, its stockholders, executive or administrative personnel or other employees of the corporation or its separate segregated fund shall make no effort, either oral or written, to solicit or direct or control contributions by members of the audience or group to any candidate in connection with any appearance by any candidate under this section; and

(4) A corporation, its stockholders, executive or administrative personnel or other employees of the corporation or its separate segregated fund shall not, in connection with any candidate's appearances, endorse or otherwise support one particular candidate or group of candidates over another candidate or group of candidates.

(c) A labor organization may permit candidates (or their representatives) on the organization's premises to address employees of the labor organization in addition to members of the labor organization if the conditions in subsection (b) (1) and (2) are met. No official, member, or employee of a labor organization or its separate segregated fund shall make any effort, either oral or written, to solicit or direct or control contributions by members of the audience to any candidate in conjunction with any appearance by any candidate under this subsection. The labor organization must conduct the candidate's appearances under this section in a manner in accordance with subsection (b) (4).

§ 114.5 Separate segregated funds.

(a) *Voluntary contributions to a separate segregated fund.* (1) A separate segregated fund is prohibited from making a contribution or expenditure by utilizing money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal; or by dues; fees, or other monies required as a condition of membership in a labor organization or a condition of employment, or by monies obtained in any commercial transaction. For purposes of this section, fees or monies paid as a condition of acquiring or retaining membership or employment are monies required as a condition of membership, or employment even though they are refundable upon request of the payor.

(2) A corporation or labor organization or the separate segregated fund of either may not enforce a guideline for contributions, as by requiring that a certain percent of salary or wages must be contributed or that a certain percent of employees or members must contribute.

(3) Any person soliciting an employee or member for a contribution to the separate segregated fund must inform such employee or member of the political purposes of the fund at the time of the solicitation.

(4) Any persons soliciting an employee or member for a contribution to a separate segregated fund must inform the employee or member at the time of such solicitation, of his or her right to refuse to so contribute without any reprisal.

(5) Any written solicitation for a contribution to a separate segregated fund which is addressed to an employee or member must contain statements which comply with the requirements of subsections 2 and 3.

(b) *Control of funds.* A corporation, membership organization, cooperative, corporation without capital stock or a trade association or labor organization can exercise control over its separate segregated fund.

(c) *Disclosure.* Separate segregated funds are subject to the following disclosure requirements:

(1) A corporation or labor organization or the separate segregated fund of either is *not* required to report any payment or obligation incurred which is not a contribution or expenditure, as defined in § 114.1(a), except that the costs incurred by a membership organization, including a labor organization, or by a corporation, directly attributable to a communication expressly advocating the election or defeat of a clearly identified candidate (other than a communication primarily devoted to subjects other than the express advocacy of the election or defeat of a clearly identified candidate) shall, if those costs exceed $2,000 per election be reported in accordance with § 100.7(b) (5).

(2) A separate segregated funds is subject to all other disclosure requirements as set forth in Part 104.

(d) *Contribution limits.* Separate segregated funds are subject to the contribution limitations set forth in Part 110.

(e) *Solicitations.* Except as specifically provided in §§ 114.6, 114.7 and 114.8, a corporation and/or its separate segregated fund or a labor organization and/or its separate segregated funds is subject to the following limitations on solicitations:

(1) A corporation, or a separate segregated fund established by a corporation is prohibited from soliciting contributions to such a fund from any person other than its stockholders, and their families and its executive or administrative personnel and their families.

(2) A labor organization, or a separate segregated fund established by a labor organization is prohibited from soliciting contributions to such a fund from any person other than its members and their families. [optional: or the executive or administrative personnel of the labor organization and their families.]

(f) *Acceptance of contributions.* A separate segregated fund may accept contributions from persons otherwise permitted by law to make contributions.

(g) *Availability of methods.* Any corporation, including its subsidiaries, branches, divisions, and affiliates, that utilizes a method of soliciting voluntary contributions or facilitating the making of voluntary contribution, shall make available that method, on written request and at a cost sufficient only to reimburse the corporation for the expenses incurred thereby, to a labor organization representing any members working for the corporation, its subsidiaries, branches, divisions, and affiliates. For example:

(1) If a corporation or any of its subsidiaries, branches, division or affiliates utilizes a payroll deduction plan, check-off system or other plan which deducts contributions from the payroll or dividend checks of stockholders or executive or administrative personnel, the corporation shall, upon written request of the labor organization make that method available to members of the labor organization who wish to contribute to the separate segregated fund of the labor organization representing any members working for the corporation, or any of its subsidiaries, branches, divisions or affiliates. The corporation shall make the payroll deduction plan available to the labor organization at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby.

(2) If a corporation utilizes a computer for addressing envelopes or labels for a solicitation to its stockholders or executive or administrative personnel, the corporation shall, upon written request, allow the labor organization to utilize or program the computer to address envelopes or labels for a solicitation to its members. The corporation shall make the computer available at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby.

(3) If a corporation uses corporate facilities, such as a company dining room or cafeteria, for meetings of stockholders or executive or administrative personnel at which solicitations are made, the corporation shall, upon written request of the labor organization make the facilities available to the labor organization for meetings to solicit its members. The corporation shall make the facilities available at a cost sufficient only to reimburse the corporation for the actual expenses incurred thereby.

(4) If a corporation uses no method to solicit voluntary contributions or to facilitate the making of voluntary contributions from stockholders or executive or administrative personnel, it is not required by law to make any method available to the labor organization for its members. The corporation and the labor organization may agree upon mak-

ing any method available which is not otherwise required by law.

(3) The availability of methods for twice yearly solicitations is subject to the provisions of § 114.6(e).

(h) *Methods permitted by law to labor organizations.* Notwithstanding any other law, any method of soliciting voluntary contributions or of facilitating the making of voluntary contributions to a separate segregated fund established by a corporation, permitted by law to corporations with regard to stockholders and executive or administrative personnel, shall also be permitted to labor organizations with regard to their members.

§ 114.6 Twice yearly solicitations.

(a) A corporation and/or its separate segregated fund may make a total of two written solicitations per calendar year of its employees other than stockholders, executive or administrative personnel and their families. Employees as used in this section does not include former or retired employees who are not stockholders. Nothing in this subsection shall limit the number of solicitations a corporation may make of its stockholders and executive or administrative personnel under § 114.5(e).

(b) A labor organization and/or its separate segregated fund may make a total of two written solicitations per calendar year of employees, executive or administrative personnel or stockholders of a corporation in which the labor organization represents members working for the corporation. Nothing in this subsection shall limit the number of solicitations a labor organization may make of its members under § 114.5(e).

(c) Written solicitation. A solicitation under this section may be made only by mail addressed to stockholders, executive or administrative personnel or employees at their residences. All written solicitations must disclose:

(1) The existence of the trust arrangement described hereinafter;

(2) That the corporation, labor organization or the separate segregated fund of either cannot be informed of persons who do not make contributions; and

(3) That persons who, in a calendar year, make a single contribution of less than $50 or multiple contributions that aggregate less than $100 shall maintain their anonymity by returning their contributions to the trustee.

(d) The Trustee arrangement. In order to maintain the anonymity of persons who do not wish to contribute and of persons who wish to respond with a single contribution of less than $50 or multiple contributions aggregating less than $100 in a calendar year, and to satisfy the recordkeeping provisions, the corporation, labor organization or separate segregated fund of either shall establish a trust arrangement for collecting the contributions.

(1) The trustee shall be a fiduciary of the separate segregated fund. The trustee for a separate segregated fund established by a corporation shall not be a stockholder, officer, executive or administrative personnel or employee of the corporation, or an officer or employee of its separate segregated fund. For purposes of this subsection, stockholder does not include a financial institution which is the registered owner of stock held in trust. The trustee for a separate segregated fund established by a labor organization shall not be a member, officer or employee of the labor organization or its separate segregated fund.

(2) The trustee shall keep the records of contributions received in accordance with the requirements of Part 102 and shall also:

(i) Establish a campaign depository and deposit contributions in accordance with the provisions of Part 103;

(ii) Provide the fund with the identification of any person who makes a single contribution of $50 or more and the identification, occupation, and principal place of business of any person who makes multiple contributions aggregating over $100. The trustee must provide this information within a reasonable time prior to the reporting date of the fund under § 104.

(iii) Periodically forward all funds in the campaign depository, by check drawn on that account, to the separate segregated fund; and

(iv) Treat all funds which appear to be illegal in accordance with the provisions of Part 103.3(b).

(3) The trustee shall *not* (i) make the records of persons making a single contribution of less than $50 or multiple contributions aggregating less than $100 available to any person other than representatives of the Federal Election Commission or law enforcement officials;

(ii) Provide the corporation or the labor organization or the separate segregated fund of either with any information pertaining to persons who, in a calendar year, make a single contribution of $50 or less or multiple contributions aggregating less than $100 except that the trustee can forward to the corporation, labor organization or separate segregated fund of either the total number of contributions received; or

(iii) Provide the corporation, labor organization, or the separate segregated fund of either with any information pertaining to persons who have not contributed.

(4) The corporation, labor organization or the separate segregated fund of either shall provide the trustee with a list of all contributors indicating the name address and amount contributed which have been made directly to the separate segregated fund by any person within the group of persons solicited under this section.

(e) Availability of methods. (1) A corporation of labor organization or the separate segregated fund of either may not use a payroll deduction plan, a check-off system, or other plan which deducts contributions from an employee's paycheck as a method of facilitating the making of contributions under this section.

(2) The twice year solicitation may only be used by a corporation or labor organization to solicit contributions to its separate segregated fund and may not be used for any other purpose.

(3) A corporation is required to make available to the labor organization any method utilized by the corporation to make the twice yearly solicitation of employees and of stockholders who are not employees.

(i) If the corporation solicits employees during a calendar year under this section, the corporation shall

(A) Make the method utilized by the corporation available to the labor organization; or

(B) If the corporation does not wish to disclose the names and addresses of employees in any fashion, the corporation shall make the names and addresses of stockholders and employees available to an independent mailing service which shall be retained by *both* the corporation and the labor organization for twice yearly mailings.

(ii) Prior to the time of any solicitation under (i) above, the corporation and labor organization shall agree on whether the method will be made available or whether an independent mailing service shall be retained by both the corporation and the labor organization.

(iii) If the corporation does *not* solicit employees under this section, the corporation is required to make available to the labor organization any method utilized by the corporation to make a written solicitation of stockholders or executive or administrative personnel under § 114.5 (e) during the calendar year. If the corporation does not wish to disclose the names and addresses in any fashion, the corporation shall make the names and addresses available to an independent mailing service retained by the labor organization for this purpose.

(iv) If the corporation makes no written solicitation of employees under this section or of stockholders or executive or administrative personnel under § 114.5 (e) during the calendar year, the corporation is not required to make any method available to the labor organization.

(v) Nothing in subsection (e) (3) shall prevent a corporation and labor organization from agreeing upon making other methods available which are otherwise not required.

(4) If there are several labor organizations with members employed by a single corporation, the labor organization, either singularly or jointly, may not make a combined total or more than two written solicitations per calendar year. A written solicitation may contain a request for contributions to each separate segregated fund established by the various labor organizations making the combined mailing.

Prior to time that a mailing is made by any labor organization in a calendar year, the several labor organizations must agree among them as to which of them will make such solicitations.

§ 114.7 Membership organizations, cooperative, or corporations without capital stock.

(a) Membership organizations, cooperatives or corporations without capital stock, or separate segregated funds established by such persons may solicit contributions to the fund from members of the organization, cooperative, or corporation without capital stock.

(b) Nothing in this section waives the prohibition on contributions to the separate segregated fund by corporatons, national banks, or labor organizations which are members of a membership organization, cooperative, or corporation without capital stock.

(c) The question of whether a professional organization is a corporation is determined by the law of the state in which the professional organization exists.

(d) The term membership organization as used in this section does not include a trade association which is, in whole or in part, made up of corporations; solicitations by such trade associations are governed by § 114.8.

(e) There is no limitation upon the number of times an organization under this section may solicit its members.

(f) There is no restriction under this section on the method of solicitation or the method of facilitating the making of contributions which may be used.

(g) A membership organization, cooperative, or corporation without capital stock and the separate segregated funds of the organizations are subject to the prohibition in $114.5(a).

(h) A membership organization, cooperative or corporation without capital stock may communicate with its members under the provisions of § 114.3.

§ 114.8 Trade associations.

(a) A trade association or a separate segregated fund established by a trade association may solicit contributions from the stockholders and executive or administrative personnel of the member corporations of such trade association and the families of such stockholders and personnel if:

(1) The member corporation involved has separately and specifically approved the solicitation, in writing; and

(2) The member corporation has not approved a solicitation by any other trade association during the calendar year.

(b) There is no limitation on the number of times a trade association which complies with the requirements of subsection (a) may contact potential contributors.

(c) There is no restriction on the method of facilitating the making of contributions which a trade association can use. The member corporation may use a payroll deduction or check-off system for executive or administrative personnel contributing to the separate segregated fund of the trade association.

(d) A trade association and/or its separate segregated fund is subject to the provisions of § 114.5(a).

(e) If a subsidiary, branch, division, or affiliate of a corporation is itself a separate corporation it may, subject to the limitations of (a), be solicited by a trade association of which it is a member.

(f) A trade association may communicate to its members under the provisions of § 114.3. A trade association may communicate with the stockholders or employees of its members under the provisions of § 114.4.

§ 114.9 Use of corporate or labor organization facilities and means of transportation.

(a) Use of facilities. (1) Optional Additional. Except as otherwise in this Part, no person shall use the facilities of a corporation or labor organization for any activity which has been authorized or requested by a candidate, a candidate's authorized committee, or a candidate's agent.

(2) The facilities of a corporation may be used, with the permission of the corporation, by stockholders, employees of the corporation or its separate segregated fund for activities which are exempted from the definition of contribution or expenditure in § 114.1(a)(2) or as permitted by § 114.3 to 114.8 and § 114.11 without reimbursing the corporation or labor organization for the use of the facilities. The facilities of a labor organization may be used with the permission of the labor organization, by any officer, member or employee of the labor organization or its separate segregated fund for activities which are exempted from the definition of contribution and expenditure in § 114.1(a)(2) or as permitted by §§ 114.3 to 114.8 and § 114.11 without reimbursing the labor organization for the use of the facilities.

(b) Stockholders and executive or administrative personnel of a corporation may make occasional or incidental use of the facilities of a corporation for other activity of a corporation for other activity which is in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. Officers, members or employees of a labor organization may make occasional or incidental use of the facilities of a labor organization for other activity which is in connection with a Federal election and will be required to reimburse the labor organization only to the extent that the overhead or operating costs are increased. For example,

(1) An employee of a corporation makes several local phone calls on his or her office phone to friends suggesting that they contribute to or vote for a particular Federal candidate. The employee is not required to make any reimbursement since the use is occasional and incidental and the overhead costs of the corporation are not increased.

(2) An official of a labor organization makes several long distance phone calls on his or her office phone to friends suggesting that they contribute to or vote for a particular Federal candidate. The cost of the calls is billed to the official's office phone. The official is required to reimburse the labor organization for the cost of the calls since the corporation's overhead costs were increased by this amount.

(c) Stockholders and executives or administrative personnel or any employees of a corporation or officers, members or employees of a labor organization who make more than occasional or incidental use of the facilities of a corporation or labor organization for other activity which is in connection with a Federal election will be required to reimburse the corporation or labor organization in the amount of the normal and usual rental charge for the use of the facilities, including the office space and utilities which are used. For example,

(1) An employee of a corporation spends several nights and weekends making numerous phone calls on his or her office phone to friends suggesting that they contribute to or vote for a particular Federal candidate. The employee would be required to reimburse the corporation at the normal and usual charge for all long distance phone calls, a pro-rata cost of the monthly service charge per phone, pro-rata Federal and state tax, the equivalent deposit and the commercial rate for installation of the phone used as well as the normal and usual charge for the use of office space and utilities.

(d) Persons other than stockholders, executive or administrative personnel or employees of a corporation or officers or members of a labor organization who make any use of the facilities of a corporation or labor organization for other activity which is in connection with a Federal election are required to reimburse the corporation or labor organization in the amount of the normal and usual rental charge for the use of the facilities, including the office space and utilities, which are used. For example:

(1) A political party's volunteers use a corporation's or labor organization's telephones. The political party must pay the usual charge for all long distance calls, a pro-rata cost of the monthly service charge per phone, pro-rated Federal and state tax, the equivalent deposit and the commercial rate for installation of the number of phones used, as well as a fair market value for the use of office space and utilities.

(e) *Use of airplanes and other means of transportation.* (1) A candidate, candidate's agent, or person traveling on behalf of a candidate who uses an airplane which is owned or leased by a corporation or labor organization for travel in connection with a Federal election must reimburse the corporation or labor organization:

(i) In the case of travel to a city served by regularly scheduled commercial service, the first class air fare;

(ii) In the case of travel to a city not served by a regularly scheduled commercial service, the usual charter rate.

(2) A candidate, candidate's agent, or person traveling on behalf of a candidate who uses other means of transportation

owned or leased by a corporation or labor organization must reimburse the corporation or labor organization at the normal and usual rental charge.

Alternative (1) No candidate, a candidate's agent, or person traveling on behalf of a candidate may use an airplane or other means of transportation which is owned or leased by a labor organization or corporation which is not licensed to offer commercial transportation.

§ 114.10 Extension of credit and settlement of corporate debts.

(a) A corporation may extend credit to a candidate, political committee or other person in connection with a Federal election provided that the credit is extended in the ordinary course of the corporation's business and the terms are substantially similar to extensions of credit to nonpolitical debtors of similar risk and size of the obligation. Nothing in this section modifies regulations prescribed by the Civil Aeronautics Board, the Federal Communications Commission or the Interstate Commerce Commission issued pursuant to 2 U.S.C. § 451 or any other regulations prescribed by other Federal agencies with regard to credit extended by the regulated corporations.

(b) Except as specifically provided in subsection (c), a corporation may not forgive prior debts or settle debts which have been incurred by a candidate or political committee or other person for use in connection with a Federal election for less than the amount owed on the debt.

Alternative 1. (c) A corporation may, subject to Commission determination on a case-by-case basis, settle or forgive a debt if a showing is made to the Commission that the corporate creditor has treated the outstanding debt in a commercially reasonable manner. Such a showing must include at least the following:

(1) That the initial extension of credit was made in accordance with regulations issued pursuant to 2 U.S.C. § 451 or subsection (a).

(2) That the candidate or political committee or person has undertaken an exhaustive effort to satisfy the outstanding debt; and

(3) That the corporate creditor has pursued its remedies in a manner similar in intensity to that employed by the corporation in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances.

Alternative 2. (c) A corporation may settle or forgive a debt if the corporate creditor has treated the outstanding debt in a commercially reasonable manner. A settlement will be considered commercially reasonable if:

(1) Same as above.

(2) Same as above.

(3) Same as above.

The corporation and/or the debtor must file a statement with the Commission including the initial terms of credit, the steps the debtor has taken to satisfy the debt, and remedies pursued by the creditor. This statement must be filed prior to the termination of the reporting status of the debtor and the statement may be subject to Commission review.

§ 114.11 Employee participation plan.

(a) An employee participation plan (a/k/a "trustee plan") is a political giving program in which a corporation pays the costs of establishing and administering separate bank accounts for employees who wish to participate. The cost of administering and establishing includes the payment of costs for a payroll deduction or check-off plan and the cost of maintaining the separate bank accounts.

(1) The employees must exercise complete control and discretion over the disbursement of the monies in their accounts.

(2) The trustee, bank, or other administrator shall not provide the corporation or its separate segregated fund any report of the source or recipient of any contribution(s) or donation(s) into or out of any account or of the amount any employee has in an account.

(3) The trustee, bank, or other administrator may provide the corporation or its separate segregated fund with a periodic report limited to information about the total number of employees in the program, the total amount of funds in all accounts, and the total amount of contributions made to all candidates and committees.

(4) No stockholder, director or employee of the corporation or its separate segregated fund may exert pressure of any kind to induce participation in the program.

(5) No stockholder, director, or employee of the corporation or its separate segregated fund may exercise any direction or control, either oral or written, over contributions by participants in the program to any candidate, group of candidates political party or other person.

§ 114.12 Miscellaneous provisions.

(a) A political committee can incorporate and not be subject to the provision of the Act on the limitations on contributions and expenditures by corporations if the following conditions are met.

(1) The organization is a political committee as defined in § 100.

(2) The political committee has incorporated for liability purposes only.

(3) Notwithstanding the corporate status of the political committee, the chairman, treasurer and other persons of an incorporated political committee remain personally responsible for carrying out their respective duties under the Act.

(b) Notwithstanding anything in Part 114, a church, civic or community organization, clubs, associations, labor organizations, or corporation which customarily makes its premises or facilities available to clubs, civic or community organizations or other groups may make such facilities available to a political committee or candidate on a nonpartisan basis and on the same terms given to other groups using the facilities.

(c) A corporation or labor organization may not pay the employer's share of the cost of fringe benefits, such as health and life insurance and retirement, for employees or members on leave-without-pay to participate in political campaigns of Federal candidates. The separate segregated fund of a corporation or a labor organization may pay the employer's share of fringe benefits, and such payment would be a contribution in kind to the candidate. Service credit for periods of leave-without-pay is not considered compensation for purposes of this section if the employer normally gives identical treatment to employees placed on leave-without-pay for nonpolitical purposes.

PART 115—FEDERAL CONTRACTORS

Sec.

115.1 Definitions.
115.2 Prohibitions.
115.3 Corporations, labor organizations, memberships organizations, cooperatives, and corporations without capital stock.
115.4 Partnerships.
115.5 Individuals and sole proprietors.

§ 115.1 Definitions.

(a) A Federal contractor means a person, as defined in § 100.13 who—

(1) Enters into any contract with the United States or any department or agency thereof either for—

(i) The rendition of personal services, or

(A) Furnishing any material, supplies or equipment; or

(B) Selling any land or buildings;

(ii) If the payment for the performance of the contract or payment for the material, supplies, equipment, land, or building is to be made in whole or in part from funds appropriated by the Congress.

(b) The period during which a person is prohibited from making a contribution or expenditure is the time between when the request for proposals or bids are sent out and the latter of

(1) The completion of performance under; or

(2) The termination of negotiations for, the contract or furnishing of material, supplies, equipment, land or buildings.

(c) A contract includes a negotiated contract, a competitively bid contract, or any other type of contract entered into with the United States or any department or agency thereof.

(d) The basic contractual relationship must be with the United States or any department or agency thereof. A person who contracts with a state or local jurisdiction or entity other than the United States or any department or agency thereof is *not* subject to this section, even if the state or local jurisdiction or entity is funded in whole or in part from funds appropriated by the Congress.

(e) The term labor organization has the meaning given it by § 114.1(a).

§ 115.2 Prohibitions.

(a) It shall be unlawful for a Federal contractor, as defined in § 115.1(a)(1), to make either directly or indirectly any contribution or expenditure of money or

other things of value, or to promise expressly or impliedly to make any such contribution or expenditure to any political party, committee, or candidate for Federal office or to any person for any political purpose or use in connection with a Federal election.

(b) The prohibition runs for the time period set forth in § 115.1(b).

(c) It shall be unlawful for any person knowingly to solicit any contribution from a Federal contractor.

§ 115.3 Corporations, labor organizations, membership organizations, cooperatives, and corporations without capital stock.

Corporations, labor organizations, membership organizations, cooperatives, and corporations without capital stock to which this section applies may expend treasury monies to establish, administer, and solicit contributions to any separate segregated fund subject to the provisions of § 114, but may make no other expenditure in connection with a Federal election. Each specific prohibition, allowance and duty applicable to a corporation, labor organization, or separate segregated fund under § 114 applies to a corporation, labor organization, or separate segregated fund to which this section applies.

§ 115.4 Partnerships.

(a) Partnerships. The assets of a partnership which is a Federal contractor may not be used to make contributions or expenditures in connection with Federal elections.

(1) The partnership assets may be used to establish a political committee and to solicit voluntary contributions, as defined in § 114.5(a), to the committee.

(2) Nothing in this section prohibits employees of a partnership which is a Federal contractor from making contributions from his or her personal assets.

(b) Individual partners may make contributions in their own names from personal assets.

§ 115.5 Individuals and sole proprietors.

Individuals or sole proprietors who are Federal contractors are prohibited from making expenditures or contributions from either their business, personal or other funds under their dominion or control. The spouse of an individual or sole proprietor who is a Federal contractor is not prohibited from making a personal contribution or expenditure in his or her name.

§ 115.6 Employee contributions or expenditures.

Nothing in this Part shall prohibit the stockholders, officers or employees of a corporation, the employees, officers or members of an unincorporated association, cooperative, membership organization, labor organization, or sole proprietorship or other group or organization which is a Federal contractor from making contributions or expenditures from their personal assets.

PART 120—GENERAL PROVISIONS

Sec.
120.1 Scope.
120.2 Definitions.

AUTHORITY: Sec. 404(c)(13), 88 Stat. 1293, amending 26 U.S.C. section 9009(b). Interpret or apply section 406(a), 88 Stat. 1294 (26 U.S.C. § 9008).

§ 120.1 Scope.

(a) This part interprets 2 U.S.C. § 437 and 26 U.S.C. § 9008.

Section 9008 of Title 26 authorizes the Federal Election Commission to certify to the Secretary of the Treasury for payments of the amounts to which the national committee for any major or minor party is entitled under 26 U.S.C. § 9008 with respect to a presidential nominating convention, but the entitlement of each major party may not exceed the aggregate amount of $2,000,000 adjusted by the Consumer Price Index. Section 437 of Title 2 requires certain organizations to file convention reports.

(b) Under 26 U.S.C. § 9008(b) the national committees of both major and minor parties are entitled to payments from public funds to defray expenses which they incurred with respect to a presidential nominating convention. These expenses are limited to $2,000,000, as adjusted by the Consumer Price Index, whether or not the national committee decides to accept public funding. New parties are exempted from any expenditure limitation and are not entitled to any public fuds. For a minor party to be entitled to its proportionate share of share of public funds for convention expenses, its presidential candidate in the last election must have received (as the presidential candidate of that party) at least 5 percent of the total popular vote received by all presidential candidates in such election.

§ 120.2 Definitions.

The following definitions shall apply for the purposes of parts 120–129.

(a) "Commission" means the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

(b) "Fund" means the Presidential Election Campaign Fund established by 26 U.S.C. § 9006(a).

(c) "Major Party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office.

(d) "Minor party" means, with respect to any presidential election, a political party whose candidate for the office of President in the preceding presidential election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

(e) "New Party" means, with respect to any presidential election, a political party which is neither a major party nor a minor party.

(f) "Convention Expenses" or "Expenses or Expenditures incurred with respect to a presidential nominating convention" means an expense incurred for the purpose of conducting a presidential nominating convention of convention-related activities (including the payment of deposits) by or on behalf of the national committee of a political party, including:

(1) Any expense for preparing, maintaining and dismantling the physical site of the convention, including rental of the hall, platforms and seating, decorations, telephones, security, and convention hall utilities;

(2) Salaries and expenses of personnel whose responsibilities are planning, managing, or conducting the convention, including staff members of convention committees and similar personnel; and

(3) Any expenses of those persons employed by the national committee of a political party which were incurred in the performance of personal services for the convention that were in addition to their normal duties to the national committee, such as travel expenses to and from or at the convention city, but excluding any portion of the person's salary paid by the national committee, provided that the services of that person were incidental to the convention and not performed as a major responsibility.

(4) The expense of conducting meetings of or related to convention policy committees, such as rules, credentials and platform, including costs of renting meeting space and printing materials (except for certain legal and accounting expenses, see § 121.5(d));

(5) The expenses incurred in securing a convention city and facility;

(6) The expense of providing a transportation system in a convention city for the use of delegates and other persons attending or otherwise connected with the conventions;

(7) The expenses of entertainment activities which are part of official convention activity including but not limited to, dinners, concerts and receptions, but not including entertainment activities sponsored by, or on behalf of, candidates for nomination to President or Vice President, or state delegations, or activities sponsored by the national committee if the purpose of the activity is solely for national committee business, such as selecting new officers for the national committee, or entertainment activities sponsored by persons other than the national committee, not otherwise prohibited.

(8) The expenses of printing official convention programs, agendae, tickets and other official publications.

(9) The administrative and office expenses of conducting the convention such as stationery and office supplies, office machines, and telephone charges, but excluding the cost of any such services supplied by the national committee at its headquarters or principal office so long as such services were incidental to the convention and not utilized primarily for the convention.

(10) The interest on loans, the proceeds of which were used to defray convention expenses.

(11) The expenses of any candidate or delegate participating in any presidential nominating convention, subject to the provisions of §§ 121.5 and 122.5.

(f) "Secretary" means the Secretary of the Treasury of the United States.

§ 121.3 Exception.

The Commission may authorize the national committee of a major party or minor party to make expenditures for convention expenses which, in the aggregate, exceed the limitation established by § 121.1 or § 121.2. This authorization shall be based upon a determination by the Commission that, due to extraordinary and unforeseen circumstances, the expenditures are necessary to assure the effective operation of the presidential nominating convention by the committee. In no case, however, will such authorization entitle the national committees to receive public funds greater than the amount the national committees are entitled to under § 122.1 or § 122.2.

§ 121.4 Expenditures by municipal corporations.

(a) Expenditures with respect to a presidential nominating convention incurred by local governmental agencies and municipal corporations will not be considered either as expenditures made by a national party nor as illegal corporate contributions under 2 U.S.C. § 441b. These expenditures will therefore not be subject to the national party's expenditure limitations of §§ 121.1 and 121.2, provided that the facilities or services supplied at no charge or reduced charge to the national committee were not leased or bought from corporations, national banks, or labor organizations for less than their fair market value.

(b) Expenditures made under paragraph (a) are reportable under § 125.1.

§ 121.5 Expenditures by private corporations and labor organizations.

(a) Private corporations may provide at less than fair market value any of the services, benefits or uses of property described in subsection (a), such as reduction in standard rates of any goods or services, provided that such benefits are offered in the ordinary course of business by the corporation to other political and nonpolitical conventions of corresponding size and duration. The value of such benefits will not apply to the national party's expenditure limitation of §§ 121.1 and 121.2.

(b) Private corporations which are engaged at the local retail level in the business of supplying consumer goods or services to the public and labor organizations representing individuals employed by businesses engaged at the local retail level may contribute funds to a host committee such as a local civic association, business league, chamber of commerce, real estate board or board of trade (1) not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual, and (2) a principal objective of which must be the encouragement of that commerce which is necessarily entailed in the arrival of any major convention in the city where the corporations are located. These contributions must be made in the reasonable expectation of a commensurate commercial return during the life of the convention, as may be indicated by previous convention experience. The value of the contributions to or expenditures made by the host committees to defray the costs of items listed in § 121.4(a) will not apply to the national party's expenditure limitation of §§ 121.1 and 121.2, nor reduce its entitlement to public funds.

(c) Notwithstanding subsection (b), private profit and non-profit corporations which are not engaged at the local retail level in the business of supplying consumer goods or services to the public, and labor unions representing individuals employed by these types of businesses (whether incorporated or not) may contribute funds or make in-kind contributions to the host committee so long as these contributions are used solely for the administrative operation of the host committee and not for the benefit of any person attending the convention. If the host committee receives any contributions under this subsection, the committee shall maintain separate accounts and records with respect to the receipt and use of these contributions.

(d) For purposes of this section, unincorporated government contractors as that term is defined in § 115.1 may make any contribution or expense that is permitted by corporations under this section.

Section 121.4(e) is new and reflects the language of OC 1976–1 to Stanford Freedman of the NYC Host Committee that permits non-retail corporations to make contributions. This is expanded further here to include labor unions since the rationale for allowing non-retail corporations to contribute can apply to unions; namely, that the unions also have an interest in fostering the economic well-being of the convention city by spurring economic activity.

Section 121.4(f) is new and affords government contractors who are not incorporated the same exemptions that are permitted to corporations under AO–1 and labor unions under these proposed regulations.

Section 121.4(g) is new and follows OC 1976–1 to prevent improper use of contributions.

Alternative to § 121.4(c). Section 121,4(c). In addition to subsection (b), any corporation doing business in the convention city and labor unions representing individuals employed in these businesses may contribute funds or make in-kind contributions to the host committee so long as these contributions are used solely for the administrative operation of the host committee and not for the benefit of any person attending the convention.

§ 121.6 Expenditures by individuals and groups.

(a)(1) For purposes of this part, expenditures made by presidential candidates from campaign accounts, by delegates, or by any other individual out of their personal funds for the purpose of attending and participating in the convention or convention-related activities, or made on their behalf by state or local committees of a political party, will not be considered as expenditures made by or on behalf of the national party, and are therefore not subject to the overall expenditure limitations of §§ 121.1 and 121.2.

(2) Expenditures made under subsection (a)(i) by candidates from campaign accounts, or by state and local party committees, or any other political committee, shall be reported pursuant to Part 104, as expenditures made for the purpose of influencing an election.

(b) The payment of compensation by the regular employer to its employee for legal or accounting services rendered by the employee to or on behalf of the national committee of a political party shall not be treated as an expenditure made by or on behalf of such committee with respect to its limitations on presidential nominating convention expenses. Consequently, the payment shall not reduce the national party's entitlement to public funds. The payment is nevertheless reportable under Part 104.

Section 121.5(c) is new but only states explicitly what was implied before; namely, that private contributions not exempted will count as a contribution to the party thereby reducing the party's entitlement and, if the contribution is in-kind, reducing the party's expenditure limit by that amount.

Section 121.5(d) is new and reverses OC 1976–21 to Sheldon Cohen with the language of the proposed bill in section 303. Basically, the OC to Sheldon Cohen said that a law firm's payment of compensation to its lawyers who work for the national committee will count as a reportable contribution subject to the $25,000 limitation AND will reduce the expenditure limits and entitlement to public funds by the amount of the compensation so paid. The proposed bill eliminates the OC 'holding' by stating that the compensation will not count as an expense.

PART 122—ENTITLEMENT TO AND DISPOSITION OF PAYMENTS FROM THE FUND

Sec.

122.1 Major parties.
122.2 Minor parties.
122.3 Adjustment of entitlements.
122.4 Investment of funds.
122.5 Use of funds; candidate and delegate expenses.

AUTHORITY: Sec. 404(c)(13), 88 Stat. 1293, amending 26 U.S.C. § 9009(b). Interpret or apply section 406(a), 88 Stat. 1294 (26 U.S.C. § 9008).

§ 122.1 Major parties.

Subject to the provisions of this part, the national committee of a major party shall be entitled to receive payments under § 123.4, with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2 million.

§ 122.2 **Minor parties.**

Subject to the provisions of this part, the national committee of a minor party shall be entitled to payments under § 123.4, with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under § 122.1, as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the United States of the major parties in the preceding presidential election.

§ 122.3 **Adjustment of entitlements.**

(a) The entitlements established by this part shall be adjusted in the same manner as expenditure limitations established by and of Title 2, United States Code, are adjusted pursuant to the provisions of of such title.

(b) The entitlements established by this Part shall be decreased by the amount of income generated by the investment of public funds under § 122.4.

(c) The entitlements established by this Part shall be adjusted so as not to exceed the difference between the expenditure limitations of Part 121 and the amount of private contributions received under § 123.1 by the national commitee of a political party and used to defray convention expenses.

§ 122.4 **Investment of funds.**

Any investment of public funds or their use in any other way which generates income is permissible only if the income so generated is used for the purposes described in § 122.5. This income will be applied against the national committee's entitlement, and where appropriate, the Commission may determine that a repayment is required because of excess payment under § 124.1(a).

§ 122.5 **Use of funds; candidate and delegate expenses.**

(a) No part of any payment made under § 123.3 shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention.

The expenses of a person participating in the convention as official personnel of the national party may be defrayed with public funds even though that person is simultaneously participating as a delegate or candidate to the convention. Public funds shall not be used to defray any expense, the incurring or payment of which violates any law of the United States or of the State in which such expense is incurred or paid.

(b) Any payment shall be used only:

(1) To defray convention expenses incurred (including the payment of deposits) by or on behalf of the national committee receiving such payments, or

(2) To repay the principal and interest on loans the proceeds of which were used to defray convention expenses, or

(3) To restore funds (other than contributions to defray convention expenses received by the committee under § 123.1) used to defray convention expenses.

PART 123—PAYMENT PROCEDURE FOR PRESIDENTIAL NOMINATING CONVENTIONS

Sec.

123.1 Optional payments; private contributions.
123.2 Transfers to the fund.
123.3 Information required to qualify for public funds.
123.4 Payment schedule.

AUTHORITY: Sec. 404(c)(13), 88 Stat. 1293, amending 26 U.S.C. § 9009(b). Interpret or apply section 406(a), 88 Stat. 1294 (26 U.S.C. § 9008).

§ 123.1 **Optional payments; private contributions.**

(a) A major or minor party may elect to receive all, part, or none of the amounts to which it is entitled under § 122.1 and § 122.2.

(b) A major party electing to receive part or none of the amounts to which it is entitled under § 122.1 may receive and use private contributions for the nominating convention, so long as the sum of the contributions and the amount of entitlements elected to be received does not exceed the total expenditure limitation under § 121.1.

(c) A minor party electing to receive all, part, or none of the amounts to which it is entitled under § 122.2 may receive and use private contributions for the nominating convention so long as the sum of the contributions and the amount of entitlements elected to be received does not exceed the total expenditure limitation under § 121.2.

§ 123.2 **Transfer to the fund.**

If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to received under Part 122, there are moneys remaining in the account maintained by the Secretary of the Treasury for such national committee because of the adjustments due to §§ 122.3 (b)–(c) (interest received on investments and acceptance of private contributions), the Secretary shall transfer the moneys so remaining to the Presidential Election Campaign Fund.

§ 123.3 **Information required to qualify for public funds.**

(a) To qualify for public financing of their conventions, the national committees of the major and minor parties shall file an application statement and agreements containing the information in subsections (c) and (d) of this section with the Federal Election Commission.

(b) This statement shall be filed no earlier than June 1 of the calendar year preceding the year in which a presidential nominating convention of a political party is held.

(c) The application statement shall include:

(1) The name and address of the national committee;

(2) The name and address of the convention arrangements committee of the national committee or such similar committee in charge of the national convention.

(3) The name of the city where the convention is to be held and the approximate dates;

(4) The name, address, and position of the officers and members of the convention arrangements committee;

(5) The name, address, and position of the party officials designated by the national committee to sign requests for payment;

(6) The name and address of the commercial bank to be used as the depository of the convention arrangements committee;

(7) Signature cards, available from the Commission, signed by the designated party officials authorized to request payments.

(d) The national committees of the major and minor parties shall agree to limit the expenditures for their convention to the amount specified in Part 121.

(e) Any change in the information required by subsection (c) shall be reported to the Commission within a 10-day period following the change.

§ 123.4 **Payment schedule.**

After a national committee has properly submitted its application statement under § 123.1, payments will be disbursed upon the receipt of a payment request in installments in the manner specified in subsections (a)–(e).

(a) *Initial payment.* (1) A written request for an initial payment shall:

(i) Be signed by the authorized individual(s) whose name appears on the signature card;

(ii) Specify an amount to be received, not to exceed 30 percent of the aggregate amount to which the committee is entitled.

(iii) Specify one or more accounts established solely for the purpose of depositing therein and drawing therefrom all public funds received for convention financing, or certify that such account(s) will be established;

(iv) Specify one or more accounts established solely for the purpose of depositing therein and drawing therefrom all private contributions to defray convention expenses, or certify that such account(s) will be established if the national committee decides to receive such contributions;

(v) Be supported by a statement projecting and describing estimated convention expenses and those already incurred, if any, through and including the last day of the calendar quarter in which the request is made, except that projected expenditure categories need not be itemized in specific dollar figures.

(2) A request for an initial payment may be submitted to the Commission simultaneously with the application statement required under § 121.1 or at any time thereafter.

(3) A properly submitted payment request for initial payment shall be reviewed and certified by the Commission

to the Secretary for payment not later than 5 working days after being received by the Commission, or July 1 of the calendar year preceding the calendar year of the convention, whichever is later.

(b) *Quarterly payment requests.* (1) Requests for disbursements after the national committee has qualified for public financing under § 123.2 and received its initial disbursement under § 123.3(a) shall be submitted quarterly commencing with October 1 of the year prior to the year in which the convention will be held.

(2) The written requests shall:

(i) Be signed by the authorized individual(s);

(ii) Be accompanied by a statement of projected convention expenses estimated through the close of the quarterly period, except that no specific dollar figure need be assigned to the various expenditure categories;

(iii) Specify an amount to be received which shall reflect the amount of the projected expenses; and

(iv) Be submitted to the Commission any time during the quarter to which the request relates.

(c) *Special certification for accelerated payment schedule.* The Commission may certify more than one disbursement per quarter where a showing is made that a deficit is likely to be incurred unless a further disbursement is made. Any payment request for such further disbursement should be supported by a summary of actual convention expenses previously incurred for the quarter, together with the projected convention expenses which will occasion the deficit if a further disbursement is not forthcoming.

(d) *Amount of disbursement.* Each disbursement certification to the Secretary will be based upon the convention expenses projected for the requesting period, subject to any deductions as the Commission may determine under paragraph (e) of this section and § 124.1(f).

(e) *Post-convention disbursements.* (1) Notwithstanding the payment request for the last quarter preceding the convention, the Commission may, in its discretion and upon appropriate notice to the committee, certify to the Secretary for an amount less than the amount requested, but in no case may the amount of such adjustment downward exceed 10 percent of the total entitlement of that party.

(2) Funds withheld under this subsection, if any, shall be disbursed after the convention upon the proper submission of a post-convention payment request accompanied by the convention financing report required under Part 125.

(3) Post-convention payments shall be subject to audit by the Commission and deductions computed under § 124.1 (f) in addition to other requirements imposed by law.

(f) Properly submitted requests for quarterly, accelerated, and post-convention payments shall be certified by the Commission to the Secretary for disbursement within five working days after being received by the Commission.

PART 124—POST-DISBURSEMENT PROCEDURES

Sec.
124.1 Repayments.
124.2 Notification of need for repayments.
124.3 Examination and audits.

AUTHORITY: Sec. 404(c)(13), 88 Stat. 1293, amending 26 U.S.C. § 9009(b). Interpret or apply section 406(a), 88 Stat. 1294 (26 U.S.C. § 9008).

§ 124.1 Repayments.

(a) If the Commission determines that any portion of the payments to the national committees under § 121.3 was in excess of the aggregate payments to which the national committees were entitled, it shall so notify national committees and such national committees shall pay to the Secretary an amount equal to such portion.

(b) If the Commission determines that the national committees incurred convention expenses in excess of the aggregate payments to which the national committee of a major party was entitled, it shall notify such national committees of the amount of such excess and such national committees shall pay to the Secretary an amount equal to amount.

(c) If the Commission determines that the national committee of a major party accepted contributions to defray convention expenses which, when added to the amount of payments received exceeds the expenditure limitation of such party it shall notify such national committees of the amount of the contributions so accepted, and such national committees shall pay to the Secretary an amount equal to amount.

(d) If the Commission determines that any amount of any payment to the national committees under § 121.3 was used for any purpose other than those authorized by § 122.5, it shall notify such national committees to the amount so used, and such national committees shall pay to the Secretary an amount equal to such amount.

(e) No repayment shall be required from the national committees under this section, which, when added to other repayments required from such national committees under this section, exceeds the amount of payments received by such national committees under § 121.3.

(f) Subject to § 124.2, the Commission may obtain repayment by authorizing the Secretary of the Treasury to deduct the repayable amount determined under subsections (a)–(e) from the amount otherwise due the national committee for its next payment. All other repayments shall be made payable to the Secretary of the Treasury, and deposited by him in the general fund of the Treasury.

§ 124.2 Notification of need for repayment.

(a) If the Commisison determines that repayment is required under § 124.1, it shall give written notification to the affected national committee of the amounts required to be paid and the reasons thereof.

(b) No notification shall be made by the Commission under this section more than 3 years after the last day of the presidential nominating convention.

§ 124.3 Examinations and audits.

The Commission shall conduct an examination and audit of the convention expenses of the national party no later than December 31 of the calendar year of the convention, and may conduct at any time, other examinations and audits as it deems necessary.

PART 125—CONVENTION REPORTS

Sec.
125.1 Reports; committees shall report.
125.2 Reports; political parties.
125.3 Financial statements; time and content of filing.
125.4 Committees receiving Federal funds.
125.5 Convention expenses; definitions.

AUTHORITY: Sec. 308(a)(13), 86 Stat. 17, 2 U.S.C. 438, interpret or apply section 307, 86 Stat. 16, 2 U.S.C. 437, as amended.

§ 125.1 Reports by municipal and private host committees.

(a) Each committee or other organization which represents a state, a political subdivision thereof, or any other group of persons, in dealing with officials of a national political party with respect to matters involving a presidential nominating convention held in that state or political subdivision shall file reports with the Commission as set out in § 125.3 below.

(b) Municipalities need not report their unsuccessful efforts to attract the convention to their city.

§ 125.2 Reports by political parties.

(a) Each committee or other organization, including a national committee which represents a national major, minor, or new political party in making arrangements for the convention of that party held to nominate a candidate for the office of President or Vice President shall file reports with the Commission as set out in § 125.3 of this Part.

(b) A state party committee or a subordinate committee of a state party committee which only assists delegates and alternates to the convention from that state with travel expenses and arrangements, or which sponsors caucuses, receptions and similar activities at the convention site need not report under this Part 125.

§ 125.3 Post-Convention reports; time and content of filing.

(a) Each committee or organization required to file a financial statement shall within 60 days following the last day the convention is officially in session, but not later than 20 days prior to the date of the general election; file with the Commission a convention report on FEC Form 4, which shall contain all receipts and disbursements in connection with the convention, and contain all receipts and disbursements in connection with the convention, and shall be complete as of — days following the convention.

(b) If the committee spends or receives any funds after — days following the convention, the committee shall begin

to file, no later than 10 days after the end of the next calendar quarter, a report disclosing all transactions completed as of the close of that calendar quarter, and shall continue to file quarterly reports thereafter until the committee ceases activity.

(c) Each committee shall file a final report with the Commission not later than 10 days after it ceases activity, unless such status is reflected in either of the reports submitted pursuant to §§ 125.3(a) or (5).

§ 125.4 Committees receiving Federal funds; quarterly reports.

Any national committee of a major or minor party which receives, directly or indirectly, all or part of the payment for Presidential nominating conventions under 26 U.S.C. § 9008, shall, in addition to the post-convention reports required to be filed under § 125.3, file quarterly reports as follows:

(a) The first quarterly report shall be filed at the end of the calendar quarter in which the committee receives it first payment under 26 U.S.C. § 9008. A report shall be filed for each subsequent quarter in which the committee receives or expands any funds, except that a report need not be filed at the end of the quarter in which the committee files the report required by § 125.3.

(b) The reports shall contain the same information as required under § 109.3, shall be filed not later than 10 days after the end of the calendar quarter, and shall disclose all transactions as of the end of the calendar quarter.

§ 125.5 Convention expenses; definition.

For the purposes of this part, receipts and disbursements, in connection with a convention, means convention expenses as defined in Part 120 of these regulations.

PART 130—DEFINITIONS

Sec.

130.1 Authorized committee.
130.2 Political committee.
130.3 Candidate.
130.4 Commission.
130.5 Matching payment account.
130.6 Matching payment period.
130.7 Primary election.
130.8 Matchable campaign contribution.
130.9 Unmatchable contributions.
130.10 Qualified campaign expense.
130.11 State.

§ 130.1 Authorized committee.

"Authorized committee" means any political committee which is authorized in writing by a candidate to solicit or receive contributions or to make expenditures on behalf of the candidate. This authorization shall be addressed to the authorized political committee, and a copy of the authorization shall be filed by the candidate with the Commission. A withdrawal of authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

§ 130.2 Political committee.

"Political committee" means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any individual for election to the office of President of the United States.

§ 130.3 Candidate.

(a) "Candidate" means an individual who seeks the nomination for election to be President of the United States. An individual is considered to seek the nomination for election if he or she—

(1) Takes the action necessary under the law of a state to qualify for nomination for election; or

(2) Receives contributions or incurs qualified campaign expenses; or

(3) Gives consent for any other person to receive contributions or to incur qualified campaign expenses on his or her behalf.

(b) "Candidate" shall not include any individual who is not actively conducting campaigns in more than one state in connection with seeking nomination for election to be President of the United States.

§ 130.4 Commission.

"Commission" means the Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463.

§ 130.5 Matching payment account.

"Matching Payment Account" means the Presidential Primary Matching Payment Account established by the Secretary of the Treasury under 26 U.S.C. section 9037(a).

§ 130.6 Matching payment period.

"Matching Payment Period" means the period beginning January 1 of the year in which a general election for the office of President of the United States is held and ending on the date on which the national convention of the party, whose nomination a candidate seeks, nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, the last day for the matching period shall be the earlier of (a) the date the party nominates its candidates for the office of President of the United States; or (b) the last day of the last national convention held by a major party.

§ 130.7 Primary election.

"Primary election" means an election, including a runoff election or a nominating convention or a caucus held by a political party,

(a) For the selection of delegates to a national nominating convention of a political party, or

(b) For the expression of a preference for the nomination of candidates for election to the office of President of the United States, or

(c) Which is an election that combines the features of both paragraphs (a) and (b) of this section.

§ 130.8 Matchable campaign contributions.

(a) "Matchable campaign contribution" means a gift of money made by a written instrument identifying the individual making the contribution by full name, and mailing address and made for the purpose of influencing the result of a primary election.

(1) Gifts of money will be considered matchable campaign contributions only to the extent of the first $250 contributed by an individual.

(2) The amount of the contribution which is submitted for matching shall be actually received by the candidate or any of the candidate's authorized committees and deposited in a designated campaign depository.

(3) The contribution shall be received and deposited by the candidate or authorized committee on or after the first day of the calendar year immediately preceding the calendar year of the presidential election, but no later than the last day of the matching payment period.

(b) For purposes of this section, the term "money" means currency of the United States and foreign currency, checks, money orders or any other negotiable instrument payable on demand.

(c)(1) For purposes of this section "written instrument" means either

(i)(A) A check written on a personal, escrow, or trust account, money order, a credit card transaction slip, or any other negotiable instrument payable on demand and to the order of, or specially endorsed without qualification to, the Presidential candidate or to his or her principal campaign committee (but only if the candidate's name is also included on the face or endorsement of the written instrument) and which contains the full name and signature of the contributor, the amount and date of the contribution, and the mailing address of the contributor;

(B) In cases of a check drawn on a joint-checking account, the contributor is considered to be the owner whose signature appears on the check. To be attributed equally to other joint tenants of the account, the check or other written instrument shall contain the other individual's signature(s).

(C) Checks drawn on escrow or trust accounts can only be a contribution from the person who has beneficial ownership of the account, and therefore must be signed by that person with the statement that the giving of the contribution does not violate the conditions of the trust or escrow agreement; or

(ii) A written record of a cash gift (not exceeding $100 and not made in violation of 2 U.S.C. 441g) signed by the contributor; including the contributor's full name, mailing address, the amount and date of the gift and a notation indicating the name of the recipient candidate. The information required under subsections (c)(1)(i) and (c)(1)(ii) may appear on the written instrument, an attached record, or by other written documentation.

(c)(2) In addition to contributions from individuals, contributions in the form of checks written on partnership accounts, or accounts of unincorporated associations or businesses are matchable contributions so long as

(i) The checks are accompanied by documentation which specifies that the contribution is made by a specific individual or individuals;

(ii) Such documentation is signed by the individual or individuals; and

(iii) The aggregate amount of the contributions drawn on a partnership, or unincorporated association or business account, does not exceed $1,000 to any one Federal candidate for an election.

§ 130.9 Unmatchable contributions.

A contribution to a candidate other than by a gift of money under § 130.8 is unmatchable, including—

(a) In-kind contributions of real or personal property,

(b) Subscription, loan, advance, or deposit of money, or anything of value,

(c) A contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose

(d) Funds from a corporation, labor organization, government contractor, political committee as defined in § 100.14 or any group of persons other than those under § 130.8(c)(2)

(e) Contributions which are illegally made or accepted such as contributions in the name of another, cash contributions over $100 from one donor, etc.

(f) Contributions in the form of a check drawn upon the account of a committee, corporation, union, or government contractor even though the funds represent personal funds earmarked by a contributing individual to a Presidential candidate.

(g) Contributions in the form of the purchase price paid for an item with significant intrinsic and enduring value, such as a watch.

(h) Contributions which are made by persons without the necessary donative intent to make a gift or made for any other purpose other than to influence the result of a primary election.

§ 130.10 Qualified campaign expense.

"Qualified campaign expense" means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value—

(a) Incurred by a candidate or by the candidate's authorized committees, in connection with his or her campaign for nomination for election; and

(b) Neither the incurrence, nor payment of which, constitutes a violation of any law of the United States or of any State in which the expense is incurred or paid, except that any State law which has been preempted by the Federal Election Campaign Act of 1971, as amended, shall not be considered a State law for purposes of this subsection.

(c) For purposes of this section, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or committee.

§ 130.11 State.

"State" means each State of the United States and the District of Columbia.

PART 131—ELIGIBILITY FOR PAYMENTS

Sec.

131.1 Candidate agreements.
131.2 Candidate certifications, threshold amount.
131.3 Matching payment threshold requirements.
131.4 Matching payments in excess of threshold.
131.5 Candidate entitlements.
131.6 Expenditure limitation.

§ 131.1 Candidate agreements.

A candidate seeking to become eligible to receive Presidential primary matching fund payments shall agree in a letter to the Commission, signed by the candidate, that the candidate will—

(a) Obtain and furnish to the Commission, upon reasonable written or oral request, any evidence the Commission may request regarding qualified campaign expenses;

(b) Keep, and furnish to the Commission upon reasonable written or oral request, any books, records or other information that the Commission may request;

(c) Permit an audit and examination by the Commission, pursuant to Part 133, and to pay any amounts required to be paid under that Part. In addition, the candidate shall submit the name and mailing address of the person to whom the payment should be sent and the name and address of the national or State bank designated by the candidate as a campaign depository as required in Part 104 of this Title and § 132.3(c) of this Part, and

(d) Comply with the disclosure requirements of Title 2, United States Code and Parts 100–108 of these regulations.

§ 131.2 Candidate certifications, threshold amount.

A candidate seeking to become eligible to receive Presidential primary matching fund payments shall certify to the Commission, in a written statement signed by the candidate, that—

(a) He or she is seeking nomination by a political party to the office of President of the United States in more than one State;

(b) The candidate and his or her authorized committee(s) will not incur qualified campaign expenses in excess of the limitation on such expenses under § 131.6.

(c) The candidate and his authorized committees have received matchable campaign contributions which, in the aggregate, exceed $5,000 in contributions from individuals who are residents of each of at least 20 States, and which in respect to any individual do not exceed $250. For each State in which the candidate certifies he or she has met this requirement, the candidate shall

(1) Submit an alphabetical list of contributors, showing each full name, residential address, date of the receipt of the contribution by the candidate or his or her committee and deposit into the designated campaign depository, the dollar amount of each contribution submitted for matching purposes, the matchable portion thereof, and the total amount of all matchable contributions submitted;

(2) Submit a photocopy of each check or other written instrument for each contribution which the candidate submits to receive matching funds. The photocopies shall be segregated alphabetically by deposit; and shall be accompanied by copies of the relevant deposit slip.

(d) The Commission may conduct audits of candidate records to determine eligibility, and shall notify candidates if it chooses to conduct the audits. In that case, the Commission may at its own discretion waive the submission requirement of § 131.2 (c)(1) and (c)(2).

§ 131.3 Matching payment threshold requirements.

During the matching payment period, the Commission shall, as soon as practicable and generally within 5 working days, examine the submission under § 131.1 and § 131.2 (a), (b) and (c) and shall either:

(a) Make a preliminary determination that the candidate has satisfied the requirement of raising an amount in excess of $5000 in contributions from individuals who are residents of each of at least 20 states, and which in respect to any individual do not exceed $250; or

(b) Promptly notify the candidate giving a detailed explanation of the reasons for the Commission's conclusion that the candidate has failed to satisfy the matching payment threshold requirements.

§ 131.4 Matching payments in excess of threshold.

(a) After a preliminary determination has been made that the candidate has sucessfully satisfied the threshold requirement under § 131.3, the Commission shall so notify the candidate and request the submission in good order of the necessary documentation of all contributions received and deposited by a date specified by the Commission.

(b) Contributions which have been submitted for matching purposes after notification that the candidate has met the threshhold requirement need not be segregated by state, including any resubmission of the threshold contributions. Each submission shall include an aggregate total of each individual's contribution submitted for matching purposes.

§ 131.5 Candidate entitlements.

A candidate who is certified by the Commission under § 132.1 below as eligible to receive payments is entitled to payments in an amount equal to the amount of each matchable campaign contribution, as defined in § 130.8, provided that the total amount of payments

to a candidate shall not exceed 50 percent of the total expenditure limitation applicable under 2 U.S.C. § 441a(b)(1)(A) as adjusted by 2 U.S.C. section 441a(c).

§ 131.6 Expenditure limitation.

(a) No candidate who has accepted matching funds shall knowingly

(1) Incur qualified campaign expenses in excess of the expenditure limitation applicable under 2 U.S.C. § 441a(b)(1)(A) and

(2) Make expenditures from his or her personal funds, or funds of his or her immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000.

(b) For purposes of this section, the term immediate family means a candidate, spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such persons.

(c) For purposes of applying subsection 131.6(a)(2) above, expenditures made by an individual after January 29, 1976 and before May 11, 1976 shall not be taken into account.

CROSS REFERENCE: Part 110, § 110.10.

PART 132—CERTIFICATION AND DISBURSEMENT

Sec.
132.1 Initial certification.
132.2 Additional certifications.
132.3 Payments and deposits of Presidential primary matching funds.
132.4 Insufficient Documentation.
132.5 Certification review and notice.
132.6 Resubmissions.

§ 132.1 Initial certification.

Within 10 calendar days after the Commission formally determines that a candidate has established his or her eligibility under Part 131 to receive payments, the Commission shall certify to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

§ 132.2 Additional certifications.

(a) To obtain subsequent certifications following the initial certification and payment, a candidate shall file all information required for the initial eligibility under part 131, except that

(1) The alphabetical listing of contributors need not be segregated by State and

(2) The candidate need not resubmit the agreements under § 131.1 and the certifications under § 131.2.

(b) Requests for additional certifications may be submitted not more often than twice a month, on the first and third Mondays thereof, unless the Commission in its discretion permits additional requests.

(c) Except as provided by § 132.4, requests for additional certification shall be made for those contributions received by the candidate after the close of the period for which the previous submission was made.

(d) The Commission shall certify to the Secretary of the Treasury any additional amount to which a candidate is entitled within 15 calendar days of receipt of information submitted under subsection (a).

§ 132.3 Payments and deposits of Presidential primary matching funds.

(a) Upon receipt of a written certification from the Commission but not before the beginning of the matching payment period, the Secretary of the Treasury or his or her delegate shall promptly transfer the amount certified from the matching payment account to the candidate.

(b) In making such transfers to candidates of the same political party, the Secretary or his or her delegate shall seek to achieve an equitable distribution of funds available in the matching payment account, and the Secretary or his or her delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

(c) Upon receipt of any matching funds, the candidate shall deposit the full amount received into the checking account maintained by the candidate's principal campaign committee in the depository designated by the candidate.

§ 132.4 Insufficient documentation.

Contributions which are otherwise matchable may be rejected for matching purposes because of insufficient supporting documentation. These contributions may become matchable if there is a proper resubmission in accordance with § 132.5–6. Insufficient documentation includes—

(a) Discrepancies in the written instruments such as

(1) Instruments drawn on other than personal accounts of contributors and not signed by the contributing individual;

(2) Signature discrepancies;

(3) Lack of the contributor's signature, the amount of the contribution, or the listing of the committee or candidate as payee;

(b) Discrepancies between listed contributions and supporting documentation, such as

(1) Contributor's name is misspelled;

(2) The listed amount requested for matching exceeds the amount contained on the written instrument;

(3) A written instrument has not been submitted to support a listed contribution;

(c) Discrepancies within or between contribution lists submitted such as

(1) The address of the contributor is missing or incomplete, or the contributor's name is alphabetized incorrectly, or more than one contributor is listed per item;

(2) A discrepancy in aggregation within or between submissions, or a listing of a contributor more than once within the same submission.

§ 132.5 Certification review and notice.

(a) If the Commission intends to certify to the Treasury for payment an amount which is less than the amount requested by the candidate, the Commission shall notify the candidate in writing in the form of a "Notice of Insufficient Documentation" or "Notice of Unmatchable Contributions", which notice or notices shall include:

(1) That less than full certification is being considered;

(2) As to the amount of the contribution and the name of the contributor which the Commission considers not matchable, and the reasons therefor;

(3) That the Commission will certify to the Treasury for payment the amount of matchable contributions that are not in dispute;

(4) That candidate will be accorded an opportunity to supply the Commission with additional documentation or other explanation in the form of a resubmission under § 132.6 so as to make the disputed contribution matchable.

(b) In any case where the candidate or his or her committee has knowledge that a contribution which has been submitted for matching purposes does not so qualify, such as a check returned to the committee for insufficient funds, the Commission shall be notified as soon as possible so that a proper adjustment may be made in the amount to be certified.

§ 132.6 Resubmissions and hearing opportunity.

(a) Contributions which were submitted and rejected under § 132.5(a) may be resubmitted with the necessary information.

(b) In order to be reviewed, the resubmission of disputed contributions shall be made on a separate list identifying the submission in which the contributions were originally submitted.

(c) Resubmissions must be presented to the Commission on the second and fourth Mondays of each month and to the extent approved will be certified to the Secretary of the Treasury within 15 calendar days.

(d) If a candidate chooses to make a resubmission and the Commission determines that the disputed contribution is still unmatchable, the Commission will notify the candidate in writing of such action and the reasons therefor, and will accord the candidate an opportunity for a hearing if he or she so requests within 7 days from the receipt of this second notification.

(e) The hearing shall be informal and shall be held before the Commission or a designee of the Commission who shall not have been responsible for the certification in question. The candidate or his or her representative shall bring to the hearing all documents relevant to the disputed contributions.

(f) The Commission shall certify for payment the amount of the disputed contributions which have been resolved at the hearing as being matchable. Failure of the Commission to certify unresolved disputed contributions shall constitute a final and conclusive determination by the Commission. The Commission shall so notify the candidate of its actions.

PART 133—TERMINATION OF PAYMENTS

Sec.
133.1 Continuation of certification.
133.2 Ineligibility dates.
133.3 Use of matching payments.
133.4 Determination of inactive candidacy.
133.5 Determination of active candidacy.
133.6 Reestablishment of eligibility dates.
133.7 Effect of Part 133 on candidates receiving funds prior to May 11, 1976.

§ 133.1 Continuation of certification.

(a) Candidates who have received matching funds may continue to submit contributions to the Commission to be certified for matching up to 14 calendar days following the end of the matching payment period.

(b) No contribution will be matched if it is submitted after the 14-day period, regardless of the date the contribution was deposited.

(c) No contribution will be matched if it is deposited after the matching payment period.

§ 133.2 Ineligibility dates.

(a) If a contribution is received after the date specified in subsection (1) or (2), that contribution may be submitted for matching, but no payment made to the candidate with respect to that contribution may be used to defray any expense incurred after the date in subsection (1) or (2), whichever occurs first.

(1) The day on which an individual ceases to be a candidate because the candidate is not actively conducting campaigns in more than one State in connection with seeking the nomination for election to the President of the United States. That date shall be the earlier of

(i) The date the candidate publicly announces to be the date that he or she will not be actively conducting campaigns in more than one State, or

(ii) The date which the Commission determines under § 133.4 to be the date that the candidate is not actively seeking election in more than one State.

(2) The 30th day following the date of the second consecutive primary election in which such individual receives less than 10 percent of the number of votes cast for all candidates of the same party for the same office in such primary election, if such individual permitted or authorized the appearance of his name on the ballot, unless such individual certifies to the Commission that he will not be an active candidate in the primary involved.

(i) For purposes of this paragraph, if the primary elections involved are held in more than one State on the same date, the highest precentage of votes a candidate receives in any one State will govern.

(ii) For purposes of this paragraph, the Commission may determine that notwithstanding the certification by the candidate that he is not an active candidate in the primary involved, he will be deemed to be an active candidate if the Commission so finds under § 133.5.

§ 133.3 Use of matching payment.

(a) Matching payments shall be used only to defray qualified campaign expenses incurred, without regard to the date of their incurrence, except as provided in subsection (b).

(b) If either § 133.2(a)(1) or § 133.2(a)(2) become applicable to a candidate, matching payments made to a candidate on the basis of contributions deposited by the candidate after the date when § 133.2(a)(1) or § 133.2(a)(2) became applicable, may only be used to defray qualified campaign expenses incurred prior to that date.

§ 133.4 Determination of inactive candidacy.

(a) The Commission may make an initial determination that a candidate is no longer actively seeking election in more than one State, unless the candidate chooses to do so by sending a letter to the Commission indicating an inactive status.

(b) A notice of initial detremination shall be sent to the candidate.

(c) The candidate will be afforded an opportunity to make a showing that he or she is an active candidate.

(d) After a proper hearing, the Commission may make a final determination that the candidate is inactive.

The Commission may consider, but is not limited to the following factors in making its determination.

(1) The frequency and type of public appearances speeches; and advertisement.

(2) Campaign activity with respect to soliciting contributions or purchasing campaign materials;

(3) Continued payment and employment of personnel and use of volunteers.

§ 133.5 Determination of active candidacy.

If a candidate certifies to the Commission that he will not be an active candidate in the primary involved the § 133.2(a)(2), the Commission may nevertheless determine that the candidate is active in the primary involved based upon the same criteria and procedure outlined in § 133.4.

§ 133.6 Reestablishment of eligibility dates.

(a) If a candidate is not actively conducting campaigns in more than one State the Commission may subsequently find that such individual is actively seeking election to the Office of President of the United States in more than one state. The Commission shall make this finding without requiring such individual to reestablish his eligibility to receive payments under § 131.2. This finding will be based upon a showing that the candidate is making a bona fide effort to campaign in more than one state. The Commission may consider, but is not limited to, the following factors in making its determination:

(1) The frequency and type of public appearances, speeches, and advertising;

(2) Campaign activity with respect to soliciting contributions or purchasing campaign materials; and

(3) Continued payment and employment of personnel and the use of volunteers, and the continued existence of a campaign organization in a State.

The day which the Commission determines to be the day the candidate became active again is the reestablishment of eligibility date.

(b) If it has been determined that § 131.2(a)(2) applies to a candidate, the reestablishment date shall be the day on which the candidate receives 20 percent or more of the total number of votes cast for candidates of the same party in a primary election held after the date on which the election was held which was the basis for terminating payments to him.

(c) If the candidate is reestablished under subsection (a), any contributions that are deposited on or after that date may be matched and the payment received may be used to defray qualified campaign expenses regardless of when the expense was incurred.

(d) If the candidate is reestablished under subsection (b), any contribution deposited after the date of reestablishment may be matched and the payment received thereby may be used to defray any qualified campaign expenses, regardless of when the expense was incurred. Furthermore, any contribution deposited after the deactivation dated in § 133.2(a)(2) but before the reestablishment date in subsection (b) of this section, may be matched.

§ 133.7 Effect of Part 133 on candidates receiving funds prior to May 11, 1976.

(a) If any candidate has submitted contributions to be matched with the Commission which were deposited before May 12, 1976, the full amount may be matched and the payment received may be used to defray qualified campaign expenses regardless of when incurred.

(b) If any presidential candidate would have been found to come within the deactivation date of § 133.2(a)(1) (inactive candidacy) before May 12, 1976, the Commission may make a determination under § 133.6 that the person is no longer an active candidate in more than one State and opportunity for a hearing may be afforded. The date that the Commission determines was the date the candidate became inactive shall become the deactivation date for that candidate, but that date may not be earlier than May 12, 1976.

(c) Any candidate who does not enter any primary after May 11, 1976, or certifies that he will not be an active candidate in one or more primaries after May 11, may nevertheless continue to receive matching funds to be used for qualified campaign expenses regardless of when they were incurred as long as the person is an active candidate in more than one State.

PART 134—EXAMINATIONS AND AUDITS, REPAYMENTS

Sec.
134.1 Audit.
134.2 Repayments.
134.3 Liquidation of obligation; repayment.

§ 134.1 **Audit.**

(a) Within 90 days of the close of a Matching Payment Period, the Commission shall conduct an audit of the qualified campaign expenses of every candidate and his or her authoribed committees who received presidential primary matching funds.

(b) In addition, the Commission may conduct other examinations and audits from time to time as it deems necessary to carry out the provisions of parts 130–139.

§ 134.2 **Repayments.**

(a) If the Commission determines that—

(1) Any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount to which such candidate was entitled, or

(2) Any amount of any payment made to a candidate from the matching payment account was used for any purpose other than

(i) To defray qualified campaign expenses; or

(ii) To repay loans which were used to defray qualified campaign expenses; or

(3) Any portion of any payment made to a candidate on the basis of contributions received after the deactivation dates in § 133.2 was used for any purpose other than to defray qualified campaign expenses incurred before the deactivation date the Commission shall so inform the candidate as soon as possible, but no later than 3 years after the end of such matching payment period, and the candidate shall repay to the Secretary of the Treasury within 90 days of the notice, an amount equal to the excess payments, or an amount equal to the amount of non-qualified campaign expenditures. Upon application submitted by the candidate, the Commission may grant a 90-day extension of the repayment period.

(b) If the candidate disputes the Commission's determination that a repayment is required, he or she shall notify the Commission within 30 days of receipt of the Commission's notification to the candidate.

(1) The commission, or its designee, shall conduct a hearing at a mutually agreeable time and place, at which the candidate may make a showing of where the Commission erred in its determination of repayment.

(2) Based on the hearing, the Commission shall reaffirm or modify its initial determination, which shall constitute final and conclusive determination, and shall so notify the candidate.

§ 134.3 **Liquidation of obligations; repayment.**

(a) Obligations incurred with respect to primary elections may be liquidated through use of matching payment funds during a period up to 6 months after the end of the Matching Payment period.

(b) After all obligations have been liquidated, the candidate shall so inform the Commission in writing.

(c) (1) Within 30 days of notification, and

(2) If any unexpended balance remains in any campaign depository of the candidate or any of his authorized committees, then the candidate shall repay to the Secretary of the Treasury an amount equal to that portion of the unexpended balance remaining into the candidate's depositories which bears the same ratio to the total unexpended or unencumbered balance as the total amount received from the matching payment account bears to the aggregate of all contributions and matching funds deposited in all of the candidate's depositories.

(d) All payments received by the Secretary under § 134.2 or § 134.3 shall be deposited in the matching payment account.

[FR Doc.76-15434 Filed 5-25-76;8:45 am]

federal register

WEDNESDAY, MAY 26, 1976

PART III:

FEDERAL RESERVE SYSTEM

■

OTC Margin Stock List

Title 12—Banks and Banking

CHAPTER II—FEDERAL RESERVE SYSTEM

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Regs. G, T, U and X]

PART 207—SECURITIES CREDIT BY PERSONS OTHER THAN BANKS, BROKERS OR DEALERS

PART 220—CREDIT BY BROKERS AND DEALERS

PART 221—CREDIT BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING MARGIN STOCKS

PART 224—RULES GOVERNING BORROWERS WHO OBTAIN SECURITIES CREDIT

OTC Margin Stock List

Pursuant to the authority of section 7 of the Securities Exchange Act of 1934 (15 U.S.C. section 78g) and in accordance with § 207.2(f)(2) of Regulation G, "Securities Credit by Persons other than Banks, Brokers or Dealers," § 220.2(e)(2) of Regulation T, "Credit by Brokers and Dealers," and § 221.3(d)(2) of Regulation U, "Credit by Banks for the Purpose of Purchasing or Carrying Margin Stocks," and in accordance with the criteria specified in § 207.5 of Regulation G, § 220.8(h) and (i) of Regulation T, and § 221.4(d) and (e) of Regulation U, there is set forth below the list of stocks traded over-the-counter, current as of May 24, 1976, that the Board of Governors has found meet the criteria specified above and thus have the degree of national investor interest, the depth and breadth of market, the availability of information respecting the stock and its issuer to warrant subjecting such stocks to the requirements of Regulations G, T, U and X, 12 C.F.R. 224 which makes Regulations G, T, and U applicable to borrowers of securities credit.

It is unlawful for any person to cause any representation to be made that inclusion of a security on this List indicates that the Board or the Securities and Exchange Commission has in any way approved such security or transaction therein. Also, any reference to the Board in connection with this List or any securities thereon in an advertisement or similar communications is unlawful.

The requirements of 5 U.S.C. section 553 with respect to notice and public participation were not followed in connection with the issuance of this List because following such requirements is unnecessary due to the objective character of the criteria for inclusion on the List, specified in 12 CFR 207.5 (d) and (e), 220.8 (h) and (i), and 221.4 (d) and (e). No additional useful information would be gained by public participation. The requirements of 5 U.S.C. section 553 with respect to deferred effective date have not been followed in connection with the issuance of this List because to do so would allow some persons to reap unfair profits and would not aid other persons affected thereby.

By order of the Board of Governors of the Federal Reserve System acting by its Director of the Office of Saver and Consumer Affairs pursuant to delegated authority (12 CFR 265.2(h)(1)), effective May 24, 1976.

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

LIST OF OTC MARGIN STOCKS
as of May 24, 1976

This List of OTC Margin Stocks is comprised of stocks traded over-the-counter (OTC) that have been determined by the Board of Governors of the Federal Reserve System to be subject to margin requirements as of May 24, 1976, pursuant to Sections 207.2(f) of Federal Reserve Regulation G, "Securities Credit by Persons other than Banks, Brokers or Dealers," 220.2(e) of Regulation T, "Credit by Brokers and Dealers," and 221.3(d) of Regulation U, "Credit by Banks for the Purpose of Purchasing or Carrying Margin Stocks."

The List is published from time to time by the Board as a guide for lenders subject to the regulations and the general public. Stocks will be added to the List, or deleted, in the interim between publications as deemed appropriate by the Board. This List supersedes the previous List of OTC Margin Stocks published as of September 29, 1975, including changes thereto.

CAUTION: It is unlawful for any person to cause any representation to be made that inclusion of a security on this List indicates that the Board or the Securities and Exchange Commission has in any way approved such security or transaction therein. Also, any references to the Board in connection with this List or any securities thereon in an advertisement or similar communication is unlawful.

Any inquiy relating to this List or to Regulation G, T, U or X should be addressed to the nearest Federal Reserve Bank.

(Prepared for Purposes of Regulations G, T, U and X)

BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

API TRUST
$1.00 par shares of beneficial interest

ASG INDUSTRIES, INC.
$1.00 par common

AVM CORPORATION
$1.00 par common

ACADEMY INSURANCE GROUP, INC.
$.10 par common

ACMAT CORPORATION
No par common

ACUSHNET COMPANY
$1.00 par common

ADDISON-WESLEY PUBLISHING COMPANY, INC.
Class B, no par common

ADVANCE ROSS CORPORATION
$.10 par common

ADVANCED MEMORY SYSTEMS, INC.
$.10 par common

ADVANCED MICRO DEVICES, INC.
$.01 par common

AFFILIATED BANKSHARES OF COLORADO, INC.
$5.00 par common

AG-MET, INC.
$.50 par common

*ALABAMA BANCORPORATION
$1.00 par common

ALABAMA-TENNESSEE NATURAL GAS COMPANY
$1.00 par common

ALEXANDER & ALEXANDER SERVICES INC.
$1.00 par common

ALEXANDER & BALDWIN, INC.
No par common

ALICO, INC.
$1.00 par common

ALLEGHENY BEVERAGE CORPORATION
$1.00 par common

ALLERGAN PHARMACEUTICALS
No par common

ALLIED BANCSHARES, INC.
$1.00 par common

ALLIED TELEPHONE COMPANY
$2.00 par common

ALLYN AND BACON, INC.
$.50 par common

AMAREX, INC.
$1.00 par common

AMERICAN APPRAISAL ASSOCIATES, INC.
$1.00 par common

*AMERICAN BANCSHARES INC.
$1.00 par common

AMERICAN BANK AND TRUST COMPANY OF PENNSYLVANIA
$5.00 par common-capital

AMERICAN BANKERS INSURANCE COMPANY OF FLORIDA
$1.00 par common

AMERICAN BANKERS LIFE ASSURANCE COMPANY OF FLORIDA
$1.00 par common

AMERICAN COMMONWEALTH FINANCIAL CORPORATION
$1.00 par common

AMERICAN EXPRESS COMPANY
$.60 par common

AMERICAN FIDELITY LIFE INSURANCE COMPANY
$1.00 par common

AMERICAN FINANCIAL CORPORATION
No par common

AMERICAN FLETCHER CORPORATION
$5.00 par common

*AMERICAN FOUNDERS LIFE INSURANCE COMPANY
$1.00 par common

AMERICAN FURNITURE COMPANY, INC.
$1.00 par common

AMERICAN GREETINGS CORPORATION
Class A, $1.00 par common

AMERICAN HERITAGE LIFE INVESTMENT CORPORATION
$1.00 par common

AMERICAN INCOME LIFE INSURANCE COMPANY
$1.00 par common

AMERICAN INTERNATIONAL GROUP, INC.
$2.50 par common

AMERICAN MICROSYSTEMS, INC.
$1.00 par common

AMERICAN NATIONAL FINANCIAL CORPORATION
$1.00 par common

AMERICAN NUCLEAR CORPORATION
$.04 par common

AMERICAN QUASAR PETROLEUM COMPANY
No par common

AMERICAN RE-INSURANCE COMPANY
$1.50 par capital

AMERICAN RESERVE CORPORATION
$2.00 par common

AMERICAN SAVINGS & LOAN ASSOCIATION
$.33-1/3 par permanent reserve guarantee stock

AMERICAN SECURITY CORPORATION
$4.00 par common

AMERICAN TELECOMMUNICATIONS CORPORATION
$.10 par common

AMERICAN TELEVISION AND COMMUNICATIONS CORPORATION
$.75 par common

AMERICAN WELDING & MANUFACTURING COMPANY, THE
No par common

*AMICOR INC.
$.02 par common

AMTERRE DEVELOPMENT INC.
$.01 par common

ANADITE, INC.
No par common

ANALOG DEVICES, INC.
$.16-2/3 par common

*ANDERSON JACOBSON, INC.
No par common

ANHEUSER-BUSCH, INC.
$1.00 par common

ANTA CORPORATION
$1.00 par common

*APEXCO, INC.
$1.00 par common

APPLIED DIGITAL DATA SYSTEMS, INC.
$.01 par common

ARDEN-MAYFAIR, INC.
$1.00 par common

ARIZONA BANK, THE
$2.50 par common

ARKANSAS WESTERN GAS COMPANY
$2.50 par common

ARVIDA CORPORATION
$1.00 par common

ASSOCIATED COCA-COLA BOTTLING COMPANY, INC.
$.50 par common

ASSOCIATED MADISON COMPANIES, INC.
$.40 par common

ASSOCIATED TRUCK LINES, INC.
Class A, $3.00 par common

*Addition to List

ATLANTA GAS LIGHT COMPANY
$5.00 par common

ATLANTIC BANCORPORATION
$1.00 par common

ATLANTIC STEEL COMPANY
$5.00 par common

ATWOOD OCEANICS, INC.
$1.00 par common

*AZCON CORPORATION
$1.00 par common

BBDO INTERNATIONAL, INC.
$.10 par common

BMA CORPORATION
$2.00 par common

BAIRD & WARNER MORTGAGE AND REALTY INVESTORS
No par shares of beneficial interest

BAIRD-ATOMIC, INC.
$1.00 par common

*BAKER, FENTRESS & COMPANY
$1.00 par common

BANCO CREDITO Y AHORRO PONCENO
$5.00 par common

BANCO DE PONCE
$5.00 par common

BANCO POPULAR DE PUERTO RICO
$10.00 par common

BANCOHIO CORPORATION
$6.66-2/3 par common

BANCOKLAHOMA CORPORATION
$4.00 par common

BANCSHARES OF NEW JERSEY
$5.00 par common

BANGOR HYDRO-ELECTRIC COMPANY
$5.00 par common

BANK BUILDING & EQUIPMENT CORPORATION OF AMERICA
$1.33-1/3 par common

BANK OF THE COMMONWEALTH
$.05 par common

BANKAMERICA CORPORATION
$3.125 par common

BANKAMERICA REALTY INVESTORS
$1.00 par shares of beneficial interest

BANKERS SECURITY LIFE INSURANCE SOCIETY
$2.00 par common

BANKERS TRUST OF SOUTH CAROLINA
$10.00 par common

BANKS OF IOWA, INC.
No par common, $2.50 stated value

BANTA, GEORGE COMPANY, INC.
$.10 par common

BARBER-GREENE COMPANY
$5.00 par common

BARDEN CORPORATION, THE
$1.00 par common

BARNES-HIND PHARMACEUTICALS, INC.
No par common

*BARNES MORTGAGE INVESTMENT TRUST
No par shares of beneficial interest

BARNETT BANKS OF FLORIDA, INC.
$2.00 par common

BARNETT WINSTON INVESTMENT TRUST
$.10 par shares of beneficial interest

BASSETT FURNITURE INDUSTRIES, INC.
$5.00 par common

BAYBANKS, INC.
$7.50 par common

BAYLESS, A. J. MARKETS, INC.
$1.00 par common

BEELINE FASHIONS, INC.
No par common

BEKINS COMPANY, THE
No par common

BENEFICIAL STANDARD CORPORATION
Class A, $1.00 par common
Class B, $1.00 par common

BENTLEY LABORATORIES, INC.
$.10 par common

BETZ LABORATORIES, INC.
$.10 par common

BI-LO, INC.
$.33-1/3 par common

BIBB COMPANY, THE
No par common

BIO-MEDICAL SCIENCES, INC.
$.10 par common

BIRD & SON, INC.
No par common

BLACK HILLS POWER AND LIGHT COMPANY
$1.00 par common

BLOCK DRUG COMPANY, INC.
Class A, $.10 par common

BLUE CHIP STAMPS
$1.00 par common

BLUEFIELD SUPPLY COMPANY
$2.00 par common

BOATMEN'S BANCSHARES, INC.
$10.00 par common

BOB EVANS FARMS, INC.
No par common

BOHEMIA INC.
No par common

BONANZA INTERNATIONAL, INC.
No par common

BOOTH NEWSPAPERS, INC.
$.50 par common

BOOZ, ALLEN & HAMILTON INC.
$.25 par common

BRADEN INDUSTRIES, INC.
$1.00 par common

BRENCO, INC.
$1.00 par common

BROADVIEW FINANCIAL CORPORATION
No par common

BROWNING
$1.00 par common

BUCKBEE-MEARS COMPANY
$.10 par common

BUCKEYE INTERNATIONAL, INC.
No par common

*BURNS, R. L. CORPORATION
$.10 par common

BURNUP & SIMS INC.
$.10 par common

BUTLER MANUFACTURING COMPANY
No par common

CBT CORPORATION
$10.00 par common

CFS CONTINENTAL, INC.
$1.00 par common

CP FINANCIAL CORPORATION
$1.00 par common

CALBIOCHEM
$1.00 par common

CALIFORNIA FIRST BANK
$5.00 par common

CALIFORNIA WATER SERVICE COMPANY
$12.50 par common

*Addition to List

CAMPBELL TAGGART, INC.
$1.00 par common

CANNON MILLS COMPANY
$5.00 par common

CARBOLINE COMPANY
$1.00 par common

*CARDIAC PACEMAKERS INC.
$.01 par common

CAYMAN CORPORATION
$.10 par common

CEDAR POINT, INC.
$1.00 par common

CENCOR, INC.
$1.00 par common

*CENTENNIAL CORPORATION
$1.00 par common

CENTRAL BANCORPORATION, INC., THE
$5.00 par common

CENTRAL BANCSHARES OF THE SOUTH, INC.
$2.00 par common

CENTRAL BANKING SYSTEM, INC.
$2.50 par capital

CENTRAL CAROLINA BANK & TRUST COMPANY
$5.00 par common

CENTRAL JERSEY BANK AND TRUST COMPANY, THE
$2.50 par capital

CENTRAL MORTGAGE AND REALTY TRUST
$1.00 par shares of beneficial interest

CENTRAL NATIONAL CORPORATION (Virginia)
$5.00 par common

CENTRAL VERMONT PUBLIC SERVICE CORPORATION
$6.00 par common

CENTRAN CORPORATION
$8.00 par common

CENTURY BANKS, INC.
$1.00 par common

CENTURY TELEPHONE ENTERPRISES, INC.
$1.00 par common

CHAMPION PARTS REBUILDERS, INC.
$.10 par common

*CHANNEL COMPANIES, INC.
$1.00 par common

CHART HOUSE, INC.
No par common

CHATHAM MANUFACTURING COMPANY
$1.00 par common

CHEMICAL LEAMAN TANK LINES, INC.
$2.50 par common

CHICAGO BRIDGE & IRON COMPANY
$5.00 par common

CHRISTIANA SECURITIES COMPANY
$1.25 par common

CHUBB CORPORATION, THE
$1.00 par common

CHURCH'S FRIED CHICKEN, INC.
$.12 par common

CINCINNATI FINANCIAL CORPORATION
$2.00 par common

*CIRCLE INCOME SHARES, INC.
$1.00 par common

CITIZENS AND SOUTHERN CORPORATION, THE (South Carolina)
$2.50 par common

CITIZENS AND SOUTHERN NATIONAL BANK, THE (Georgia)
$2.50 par common

CITIZENS UTILITIES COMPANY
Series A, $1.00 par common
Series B, $1.00 par common

CITY NATIONAL CORPORATION
$5.00 par common

CLARK, J. L. MANUFACTURING COMPANY
$1.00 par common

CLEVEPAK CORPORATION
$1.00 par common

CLEVETRUST CORPORATION
$10.00 par common

CLEVETRUST REALTY INVESTORS
$1.00 par shares of beneficial interest

CLOW CORPORATION
$6.25 par common

COASTAL STATES CORPORATION
$1.00 par common

COCA-COLA BOTTLING COMPANY CONSOLIDATED
$1.00 par common

COCA-COLA BOTTLING COMPANY OF LOS ANGELES
No par common

COCA-COLA BOTTLING COMPANY OF MIAMI, INC., THE
$.10 par common

COHERENT RADIATION
$.50 par common

COLLEGE/UNIVERSITY CORPORATION
No par common

*COLONIAL BANCORP, INC.
$10.00 par common

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
Class B, non-voting,
$1.00 par common

COLUMBIA CORPORATION
$1.00 par common

COMBANKS CORPORATION
$1.00 par common

COMBINED INSURANCE COMPANY OF AMERICA
$1.00 par common

COMMERCE BANCSHARES, INC.
$5.00 par common

*COMMERCE CLEARING HOUSE, INC.
$1.00 par common

*COMMERCIAL SHEARING, INC.
$1.00 par common

COMMERCIAL TRUST COMPANY OF NEW JERSEY
$5.00 par capital

COMMONWEALTH TELEPHONE COMPANY
$6.66-2/3 par common

COMMUNICATIONS PROPERTIES, INC.
$1.00 par common

COMPUTER AUTOMATION, INC.
$.10 par common

COMPUTER USAGE COMPANY
$.25 par common

COMPUTERVISION CORPORATION
$.05 par common

COMTEN, INC.
$.05 par common

CONNECTICUT FINANCIAL SERVICES CORPORATION
$5.00 par common

CONNECTICUT GENERAL INSURANCE CORPORATION
$2.50 par common

CONNECTICUT NATIONAL BANK
$5.00 par common

*CONNECTICUT NATURAL GAS CORPORATION
$12.50 par common

CONSOLIDATED PAPERS, INC.
$12.50 par capital

CONSUMERS WATER COMPANY
$1.00 par common

*Addition to List

CONTEXT INDUSTRIES, INC.
$.10 par common

*CONTINENTAL AMERICAN LIFE INSURANCE COMPANY
$5.00 par capital

CONTINENTAL BANK
$5.00 par common

CONTINENTAL WESTERN INDUSTRIES, INC.
$5.00 par common

CONWED CORPORATION
$5.00 par common

CORDIS CORPORATION
$1.00 par common

CORNELIUS COMPANY, THE
$.20 par common

COUSINS PROPERTIES INC.
$1.00 par common

CRADDOCK-TERRY SHOE CORPORATION
$1.00 par common

*CRITERION INSURANCE COMPANY
$2.00 par common

CROSS COMPANY, THE
$5.00 par common

CRUM & FORSTER
$1.25 par common

CULLUM COMPANIES, INC.
$1.00 par common

*CURTICE-BURNS, INC.
Class A, $5.00 par common

CURTIS NOLL CORPORATION
No par common

DANIEL INTERNATIONAL CORPORATION
$2.00 par common

DART DRUG CORPORATION
Class A, $1.00 par common

DATA 100 CORPORATION
$.50 par common

DATAPOINT CORPORATION
$.25 par common

DAYTON MALLEABLE INC.
No par common

DECISION DATA COMPUTER CORPORATION
$.10 par common

DECORATOR INDUSTRIES, INC.
No par common

DEKALB AGRESEARCH, INC.
Class B, no par common

DELHI INTERNATIONAL OIL CORPORATION
$.10 par common

DELUXE CHECK PRINTERS, INC.
$1.00 par common

DEPOSIT GUARANTY CORPORATION
No par common

DETREX CHEMICAL INDUSTRIES, INC.
$2.00 par common

DETROITBANK CORPORATION
$10.00 par common

DIAGNOSTIC DATA, INC.
$1.00 par common

DIAMOND CRYSTAL SALT COMPANY
$2.50 par common

DIAMOND SHAMROCK CORPORATION
Series E, $1.15 par convertible preferred

DIAMONDHEAD CORPORATION
$1.00 par common

DIXON, JOSEPH CRUCIBLE COMPANY, THE
$10.00 par common

DOCUTEL CORPORATION
$.10 par common

DOLLAR GENERAL CORPORATION
$.50 par common

DOMINION BANKSHARES CORPORATION
$5.00 par common

DOMINION MORTGAGE & REALTY TRUST
$.10 par shares of beneficial interest

DONALDSON COMPANY, INC.
$5.00 par common

DORCHESTER GAS CORPORATION
$.10 par common

DOW JONES & COMPANY, INC.
$1.00 par common

DOWNE COMMUNICATIONS, INC.
$1.00 par common

DOYLE DANE BERNBACH INC.
$.50 par common

DUCKWALL STORES, INC.
$2.50 par common

*DUCOMMUN INC.
$2.00 par common

DUNKIN' DONUTS INC.
$1.00 par common

DURHAM LIFE INSURANCE COMPANY
$5.00 par common

DURIRON COMPANY, INC., THE
$1.25 par common

ERC CORPORATION
$2.50 par common

EARTH SCIENCES, INC.
$.01 par common

EASTMET CORPORATION
$1.00 par common

ECONOMICS LABORATORY, INC.
$1.00 par common

EL PASO ELECTRIC COMPANY
No par common

ELBA SYSTEMS CORPORATION
No par common

ELECTRO-NUCLEONICS, INC.
$.02-1/2 par common

ELIZABETHTOWN WATER COMPANY
No par common

ELLIS BANKING CORPORATION
$1.00 par common

EMERSONS, LTD.
$.01 par common

EMPIRE GENERAL CORPORATION
$1.00 par common

ENERGY CONVERSION DEVICES, INC.
$.01 par common

*ENERGY RESERVES GROUP, INC.
$.03-1/3 par common

ENVIRODYNE, INC.
$.10 par common

EQUITABLE BANCORPORATION
$5.00 par common

EQUITABLE LIFE INSURANCE COMPANY OF IOWA
$1.00 par common

EQUITABLE SAVINGS & LOAN ASSOCIATION
$2.00 par reserve fund capital stock

EQUITY OIL COMPANY
$1.00 par common

ETHAN ALLEN, INC.
Class A, $1.00 par common

EXCHANGE BANCORPORATION, INC.
$2.50 par common

*EXTRACORPOREAL MEDICAL SPECIALTIES, INC.
No par common

FAIR LANES, INC.
$1.00 par common

FARINON ELECTRIC
No par common

*Addition to List

FARMER BROTHERS COMPANY
$1.00 par common

FARMERS GROUP, INC.
$1.00 par common

FARMERS NEW WORLD LIFE INSURANCE COMPANY
$1.00 par common

FEDERATED INCOME & PRIVATE PLACEMENT FUND
$1.00 par capital

FIDELCOR, INC.
$1.00 par common

FIDELITY AMERICAN BANKSHARES, INC.
$5.00 par common

FIDELITY CORPORATION
$1.00 par common

FIDELITY UNION LIFE INSURANCE COMPANY
$1.00 par common

FIFTH THIRD BANCORP
$6.66-2/3 par common

FINGERHUT CORPORATION
$1.00 par common

FIRST & MERCHANTS CORPORATION
$7.50 par common

FIRST ALABAMA BANCSHARES, INC.
$2.50 par common

FIRST AMERICAN FINANCIAL CORPORATION, THE
$1.00 par common

*FIRST AMTENN CORPORATION
$5.00 par common

FIRST BANC GROUP OF OHIO, INC.
No par common, $5.00 stated value

FIRST BANCGROUP-ALABAMA, INC.
$4.00 par common

FIRST BANCSHARES OF FLORIDA, INC.
$1.00 par common

FIRST BANK SYSTEM, INC.
$2.50 par capital

FIRST BOSTON CORPORATION, THE
$1.66-2/3 par capital

FIRST CAPITAL CORPORATION
$5.00 par common

FIRST CITY BANCORPORATION OF TEXAS, INC.
$6.50 par common

FIRST COLONY LIFE INSURANCE COMPANY
$1.00 par common

FIRST COMMERCE CORPORATION
$5.00 par common

*FIRST COMMERCE REALTY INVESTORS
No par shares of beneficial interest

FIRST COMMERCIAL BANKS INC.
$5.00 par common

FIRST CONTINENTAL REAL ESTATE INVESTMENT TRUST
$1.00 par shares of beneficial interest

FIRST EMPIRE STATE CORPORATION
$5.00 par common

FIRST EXECUTIVE CORPORATION
$2.00 par common

FIRST FINANCIAL CORPORATION (Florida)
$1.00 par common

FIRST GREATWEST CORPORATION
$4.00 par common

FIRST HAWAIIAN, INC.
$5.00 par common

FIRST JERSEY NATIONAL CORPORATION
$5.00 par capital

FIRST MARINE BANKS, INC.
$1.00 par common

FIRST MARYLAND BANCORP
$5.00 par common

*FIRST NATIONAL BANK OF SAN JOSE, THE
$5.00 par common

FIRST NATIONAL CHARTER CORPORATION
$12.50 par common

FIRST NATIONAL CINCINNATI CORPORATION
$5.00 par common

FIRST NATIONAL HOLDING CORPORATION
$5.00 par common

FIRST OKLAHOMA BANCORPORATION, INC.
$5.00 par common

FIRST SECURITY CORPORATION
$1.25 par common

FIRST TENNESSEE NATIONAL CORPORATION
$2.50 par common

FIRST TEXAS FINANCIAL CORPORATION
$1.00 par common

FIRST UNION BANCORPORATION
$10.00 par common

FIRST UNION CORPORATION
$3.33-1/3 par common

FIRST UNITED BANCORPORATION, INC.
$10.00 par common

FIRST WESTERN FINANCIAL CORPORATION
$1.00 par common

FLAGSHIP BANKS INC.
$1.00 par common

FLEXSTEEL INDUSTRIES, INC.
$1.00 par common

FLICKINGER, S. M. COMPANY, INC.
$2.50 par common

FLORIDA COMMERCIAL BANKS, INC.
$1.00 par common

FLORIDA CYPRESS GARDENS, INC.
$.25 par common

FLORIDA MINING & MATERIALS CORPORATION
$1.00 par common

FLORIDA NATIONAL BANKS OF FLORIDA, INC.
$12.50 par common

FOODWAYS NATIONAL, INC.
$.25 par common

FOREST OIL CORPORATION
$1.00 par common

*FOTOMAT CORPORATION
$.10 par common

FOUNDERS FINANCIAL CORPORATION
$1.00 par common

FRANKLIN ELECTRIC COMPANY, INC.
$.50 par common

FRANKLIN LIFE INSURANCE COMPANY, THE
$2.00 par common

FRASER MORTGAGE INVESTMENTS
No par shares of beneficial interest

FREDERICK & HERRUD, INC.
$.10 par common

FRIENDLY ICE CREAM CORPORATION
$1.00 par common

FULLER, H. B. COMPANY
$1.00 par common

FURR'S CAFETERIAS, INC.
No par common

GATES LEARJET CORPORATION
$1.00 par common

GATEWAY TRANSPORTATION COMPANY, INC.
$.62-1/2 par common

GELCO CORPORATION
$.50 par common

*Addition to List

GELMAN INSTRUMENT COMPANY
$.10 par common

GENERAL AUTOMATION, INC.
$.10 par common

GENERAL AUTOMOTIVE PARTS CORPORATION
No par common

GENERAL BINDING CORPORATION
$.25 par common

GENERAL ENERGY CORPORATION
$1.00 par common

GENERAL HEALTH SERVICES, INC.
$1.00 par common

GENERAL REINSURANCE CORPORATION
$2.00 par common

GENERAL SHALE PRODUCTS CORPORATION
No par common

GEORGE WASHINGTON CORPORATION
$1.00 par common

GILBERT ASSOCIATES, INC.
Class A, non-voting,
$1.00 par common

GILFORD INSTRUMENT LABORATORIES, INC.
No par common

GIRARD COMPANY, THE
$1.00 par common

GLOBE LIFE AND ACCIDENT INSURANCE COMPANY
$1.00 par common

GOVERNMENT EMPLOYEES INSURANCE COMPANY
$4.00 par common
Warrants (expire 08/01/78)

GOVERNMENT EMPLOYEES LIFE INSURANCE COMPANY
$1.50 par common

*GRACO INC.
$1.00 par common

GRAHAM MAGNETICS INC.
$.10 par common

GRAPHIC CONTROLS CORPORATION
$1.00 par common

GRAPHIC SCANNING CORPORATION
$.01 par common

GRAY TOOL COMPANY
$1.00 par common

GREAT SOUTHERN CORPORATION
$2.00 par common

GREATER JERSEY BANCORP
$5.50 par common

GREEN MOUNTAIN POWER CORPORATION
$3.33-1/3 par common

GREY ADVERTISING INC.
$1.00 par common

HNC MORTGAGE & REALTY INVESTORS
No par shares of beneficial interest

HACH CHEMICAL COMPANY
$1.00 par common

HAMILTON BANCSHARES, INC.
No par common

HAMILTON BROTHERS PETROLEUM CORPORATION
$1.00 par common

HAMILTON INTERNATIONAL CORPORATION
$1.00 par common

HAMILTON INVESTMENT TRUST
$1.00 par shares of beneficial interest

HANOVER INSURANCE COMPANY, THE
$2.00 par capital

HARPER & ROW, PUBLISHERS, INC.
$.10 par common

HARRIS BANKCORP, INC.
$8.00 par common

HARTFORD NATIONAL CORPORATION
$6.25 par common

HAVATAMPA CORPORATION
$7.50 par common

HAWAII BANCORPORATION, INC.
$2.00 par common

HAWAII CORPORATION, THE
No par common

HAWKEYE BANCORPORATION
$3.00 par common

HAWTHORNE FINANCIAL CORPORATION
$1.00 par capital

HEATH TECNA CORPORATION
No par common

HENREDON FURNITURE INDUSTRIES, INC.
$2.00 par common

HERITAGE BANCORPORATION
No par common, $2.50 stated value

HEXCEL CORPORATION
$1.00 par common

HICKORY FURNITURE COMPANY
$.10 par common

*HOME BENEFICIAL CORPORATION
Class B, non-voting,
$2.50 par common

HON INDUSTRIES, INC.
$1.00 par common

HOOK DRUGS, INC.
No par common

HOOVER COMPANY, THE
$2.50 par common

HORIZON BANCORP
$4.00 par common

HUDSON UNITED BANK
$8.00 par capital

HUGHES SUPPLY, INC.
$1.00 par common

HUNTINGTON BANCSHARES INC.
$10.00 par common

HYATT CORPORATION
$.50 par common

HYATT INTERNATIONAL CORPORATION
Class A, $.10 par common

HYDRAULIC COMPANY, THE
No par common

HYSTER COMPANY
$.50 par common

I.M.S. INTERNATIONAL, INC.
$.01 par common

INDEPENDENCE MORTGAGE TRUST
$1.00 par shares of beneficial interest

INDEPENDENCE SQUARE INCOME SECURITIES, INC.
$.10 par common

INDEPENDENT LIFE & ACCIDENT INSURANCE COMPANY, THE
Non-voting, $1.00 par common

*INDIAN HEAD INC.
$1.00 par common

INDIANA GROUP, INC.
$1.25 par common

INDIANA MORTGAGE & REALTY INVESTORS
$1.00 par shares of beneficial interest

INDIANA NATIONAL CORPORATION
No par common

INDIANAPOLIS WATER COMPANY
$7.50 par common

INDUSTRIAL NUCLEONICS CORPORATION
$1.00 par common

INDUSTRIAL VALLEY BANK AND TRUST COMPANY
$5.00 par common

*Addition to List

INFOREX, INC.
$.25 par common

INFORMATION INTERNATIONAL, INC.
$.25 par common

INTEL CORPORATION
No par common

INTERFINANCIAL INC.
$1.00 par common

INTERMOUNTAIN GAS COMPANY
$1.00 par common

INTERNATIONAL BANK
(Washington, D. C.)
$1.00 par common
Class A, $1.00 par common

INTERNATIONAL LIFE HOLDING CORPORATION
$.50 par common

INTERSIL, INC.
$.01 par common

INTEXT, INC.
No par common

IOWA SOUTHERN UTILITIES COMPANY
$10.00 par common

IVAC CORPORATION
$.10 par common

IVEY, J. B. & COMPANY
$2.50 par common

JAMESBURY CORPORATION
$1.00 par common

JEFFERSON NATIONAL LIFE INSURANCE COMPANY
$1.00 par capital

*JERRICO, INC.
No par common

*JOHNSON, E. F. COMPANY
$.50 par common

JOSLYN MANUFACTURING AND SUPPLY COMPANY
$1.25 par common

KMS INDUSTRIES, INC.
$.01 par common

KAISER STEEL CORPORATION
$.66-2/3 par common
* $1.46 par cumulative preferred

KALVAR CORPORATION
$.02 par common

KAMAN CORPORATION
Class A, $1.00 par common

KAMPGROUNDS OF AMERICA, INC.
$.12-1/2 par common

*KANSAS CITY LIFE INSURANCE COMPANY
$7.50 par common

KEARNEY & TRECKER CORPORATION
$2.00 par common

KEARNEY-NATIONAL INC.
$.50 par common

KELLY SERVICES, INC.
$1.00 par common

KEMPER CORPORATION
$5.00 par common

KENTUCKY CENTRAL LIFE INSURANCE COMPANY
Class A, non-voting,
$1.00 par common

KEYES FIBRE COMPANY
$1.00 par common

KEYSTONE CUSTODIAN FUNDS, INC.
Class A, non-voting,
no par common

KEYSTONE INTERNATIONAL, INC.
$1.00 par common

KEYSTONE OTC FUND, INC.
$1.00 par common

KNAPE & VOGT MANUFACTURING COMPANY
$2.00 par common

KNUDSEN CORPORATION
$1.00 par common

KOSS CORPORATION
$.01 par common

KUHLMAN CORPORATION
$1.00 par common

KULICKE AND SOFFA INDUSTRIES, INC.
No par common

KUSTOM ELECTRONICS, INC.
$.10 par common

LMF CORPORATION
$.40 par common

*LTV CORPORATION, THE
Warrants (expire 01/15/78)

*LACLEDE STEEL COMPANY
$20.00 par common

LANCASTER COLONY CORPORATION
$4.00 par common

LANCE, INC.
$1.25 par common

LAND RESOURCES CORPORATION
$.10 par common

LANDMARK BANKING CORPORATION OF FLORIDA
$1.00 par common

LANE COMPANY, INC., THE
$5.00 par common

LAWSON PRODUCTS INC.
No par common, $1.00 stated value

LAWTER CHEMICALS, INC.
$1.00 par common

LA-Z-BOY CHAIR COMPANY
$1.00 par common

LEE WAY MOTOR FREIGHT, INC.
$1.00 par common

LEGGETT & PLATT, INC.
$1.00 par common

LIBERTY HOMES, INC.
$1.00 par common

LIBERTY NATIONAL LIFE INSURANCE COMPANY
$2.00 par common-capital

LIFE INSURANCE COMPANY OF GEORGIA
$2.50 par capital

LIFE INVESTORS INC.
$1.00 par common

LIMITED STORES, INC., THE
No par common

LIN BROADCASTING CORPORATION
$2.00 par common

LINCOLN FIRST BANKS INC.
$10.00 par common
$4.50 par cumulative preferred

LINCOLN MORTGAGE INVESTORS
No par shares of beneficial interest

LINCOLN TELEPHONE & TELEGRAPH COMPANY, THE
$6.25 par common

LITCO CORPORATION OF NEW YORK
$5.00 par common

LOCTITE CORPORATION
No par common

LONE STAR BREWING COMPANY
$1.00 par common

LOUISIANA LAND OFFSHORE EXPLORATION COMPANY, INC.
Class B, $1.00 par common

LOWE'S COMPANIES, INC.
$.50 par common

MCI COMMUNICATIONS CORPORATION
$.10 par common

*M & T MORTGAGE INVESTORS
$1.00 par shares of beneficial interest

*Addition to List

MSI DATA CORPORATION
$1.00 par common

MACDERMID INC.
No par common

MADISON GAS AND ELECTRIC COMPANY
$8.00 par common

MAGMA POWER COMPANY
$.10 par common

MAJOR REALTY CORPORATION
$.01 par common

MALLINCKRODT, INC.
$1.00 par common

*MANAGEMENT ASSISTANCE INC.
$.10 par common

MANCHESTER LIFE & CASUALTY MANAGEMENT CORPORATION
$1.00 par common

MANITOWOC COMPANY, INC., THE
$2.50 par common

MANUFACTURERS BANK (Los Angeles)
$3.75 par capital

MANUFACTURERS NATIONAL CORPORATION
$10.00 par common

MARCUS CORPORATION, THE
$1.00 par common

*MARION CORPORATION -
$1.00 par common

MARK TWAIN BANCSHARES, INC.
$5.00 par common

MARY KAY COSMETICS, INC.
$.10 par common

MARYLAND NATIONAL CORPORATION
$2.50 par common

MAUI LAND & PINEAPPLE COMPANY, INC.
No par common

MAY PETROLEUM INC.
$.05 par common

McCORMICK & COMPANY, INC.
Non-voting, no par common

McDOWELL ENTERPRISES, INC.
No par common

*McMORAN EXPLORATION COMPANY
No par common

McQUAY-PERFEX INC.
$1.00 par common

MEASUREX CORPORATION
No par common

MEDCOM, INC.
$.10 par common

MEDICENTERS OF AMERICA, INC.
$1.00 par common

MEDTRONIC, INC.
$.10 par common

MELLON NATIONAL CORPORATION
$1.00 par common

MERCANTILE BANCORPORATION INC. (Missouri)
$5.00 par common

MERCANTILE BANKSHARES CORPORATION (Maryland)
$2.00 par common

MERCHANTS NATIONAL CORPORATION
No par common, $5.00 stated value

MERCURY SAVINGS AND LOAN ASSOCIATION
$1.00 par guarantee stock

MERVYN'S
$1.00 par common

*METPATH INC.
$.10 par common

MEYER, FRED INC.
Class A, no par common

MICHIGAN NATIONAL CORPORATION
$10.00 par common

MICRODATA CORPORATION
No par common

*MICROFORM DATA SYSTEMS, INC.
$.20 par common

MICROWAVE SEMICONDUCTOR CORPORATION
$.50 par common

MIDLANTIC BANKS INC.
$10.00 par common

MIDWESTERN DISTRIBUTION, INC.
No par common

MIDWESTERN FIDELITY CORPORATION
$1.66-2/3 par common

MIDWESTERN UNITED LIFE INSURANCE COMPANY
$1.00 par common

MILLIPORE CORPORATION
$.16-2/3 par common

MINNESOTA FABRICS, INC.
$.05 par common

MRS. SMITH'S PIE COMPANY
$1.00 par common

MODERN MERCHANDISING, INC.
$.01 par common

*MODULAR COMPUTER SYSTEMS, INC.
$.05 par common

MOGUL CORPORATION, THE
No par common

MONARCH CAPITAL CORPORATION
$1.00 par common

MONFORT OF COLORADO, INC.
$1.00 par common

MONUMENTAL CORPORATION
$3.50 par common

MOORE, SAMUEL AND COMPANY
No par common

MOORE PRODUCTS COMPANY
$1.00 par common

*MORRISON INC.
$5.00 par common

MORTGAGE INVESTORS OF WASHINGTON
$1.00 par shares of beneficial interest

MOSTEK CORPORATION
$.10 par common

MOTOR CLUB OF AMERICA
$.50 par common

MUTUAL SAVINGS LIFE INSURANCE COMPANY
$1.00 par common

MYERS INDUSTRIES, INC.
No par common

NCNB CORPORATION
$2.50 par common

NN CORPORATION
$5.00 par common

NATIONAL CENTRAL FINANCIAL CORPORATION
$5.00 par common

NATIONAL CITY CORPORATION
$4.00 par common

NATIONAL DATA CORPORATION
$.12-1/2 par common

NATIONAL LIBERTY CORPORATION
$1.00 par common

NATIONAL LIFE OF FLORIDA CORPORATION
$1.00 par common

NATIONAL OLD LINE INSURANCE COMPANY
- Class BB, non-voting, $1.00 par common

NATIONAL STATE BANK, THE (Elizabeth, New Jersey)
$5.00 par common

*Addition to List

NATIONAL UTILITIES & INDUSTRIES CORPORATION
$10.00 par common

NATIONAL WESTERN LIFE INSURANCE COMPANY
Class A, $1.00 par common

NATIONWIDE CORPORATION
Class A, $2.50 par common

NATIONWIDE REAL ESTATE INVESTORS
No par shares of beneficial interest

NEVADA SAVINGS AND LOAN ASSOCIATION
$1.00 par permanent capital stock

NEW ENGLAND MERCHANTS COMPANY, INC.
$5.00 par common

NEW JERSEY NATIONAL CORPORATION
$5.00 par common

NEW JERSEY NATURAL GAS COMPANY
$5.00 par common

NEWELL COMPANIES, INC.
$1.00 par common

*NICOLET INSTRUMENT CORPORATION
$.25 par common

NIELSEN, A. C. COMPANY
Class A, non-voting, $1.00 par common
Class B, non-voting, $1.00 par common

NOLAND COMPANY
$20.00 par common

NORDSTROM, INC.
No par common

NORIN CORPORATION
$1.00 par common

NORTH CAROLINA NATURAL GAS CORPORATION
$2.50 par common

NORTHEAST BANCORP, INC.
$5.00 par common

NORTHERN CALIFORNIA SAVINGS AND LOAN ASSOCIATION
No par guarantee capital stock

NORTHERN STATES BANCORPORATION
$5.00 par common

NORTHRUP, KING & COMPANY
$.50 par common

NORTHWEST NATURAL GAS COMPANY
$3.00-1/6 par common

NORTHWESTERN FINANCIAL CORPORATION
$1.00 par common

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY
$1.25 par common

NORTHWESTERN PUBLIC SERVICE COMPANY
$7.00 par common

NORTRUST CORPORATION
$10.00 par common

NOXELL CORPORATION
Class B, non-voting, $1.00 par common

OCEAN DRILLING & EXPLORATION COMPANY
$.50 par common

*OCEANIC EXPLORATION COMPANY
$.06-1/4 par common

OFFSHORE LOGISTICS, INC.
No par common

OHIO CASUALTY CORPORATION
$.50 par common

OHIO FERRO-ALLOYS CORPORATION
$1.00 par common

OIL SHALE CORPORATION, THE
$.15 par common

OLD REPUBLIC INTERNATIONAL CORPORATION
$1.00 par common

OLYMPIA BREWING COMPANY
$10.00 par common

OMNI SPECTRA, INC.
$1.00 par common

OPTICAL COATING LABORATORY, INC.
No par common

ORBANCO, INC.
No par common

ORMONT DRUG & CHEMICAL COMPANY, INC.
$.10 par common

OTTER TAIL POWER COMPANY
$5.00 par common

OVERSEAS NATIONAL AIRWAYS, INC.
$1.00 par common

PVO INTERNATIONAL INC.
$5.00 par capital

PABST BREWING COMPANY
No par common

PACCAR INC.
$12.00 par common

PACIFIC GAMBLE ROBINSON COMPANY
$5.00 par common

PACIFIC STANDARD LIFE COMPANY
$1.00 par common

*PAKO CORPORATION
$2.50 par common

PAN AMERICAN BANCSHARES, INC.
$1.00 par common

*PANDICK PRESS, INC.
$.10 par common

PARK-OHIO INDUSTRIES INC.
$1.00 par common

PAULEY PETROLEUM INC.
$1.00 par common

PAY LESS DRUG STORES
No par common

PAY 'N PAK STORES, INC.
$.10 par common

PAY'N SAVE CORPORATION
No par common

PAYLESS CASHWAYS, INC.
$.50 par common

PEACHTREE DOORS, INC.
$1.00 par common

PEAVEY COMPANY
$2.50 par common

PEERLESS INSURANCE COMPANY
$2.50 par common

PENNSYLVANIA ENTERPRISES, INC.
No par common, $10.00 stated value

PENNSYLVANIA LIFE COMPANY
$.50 par common

PENNZOIL LOUISIANA AND TEXAS OFFSHORE, INC.
Class B, $1.00 par common
* 6% convertible subordinated debentures

PENNZOIL OFFSHORE GAS OPERATORS, INC.
Class B, $1.00 par common

PENTAIR INDUSTRIES, INC.
$.16-2/3 par common

PETERSON, HOWELL & HEATHER, INC.
No par common

PETROLITE CORPORATION
No par common

PETTIBONE CORPORATION
$10.00 par common

PHILADELPHIA LIFE INSURANCE COMPANY
$1.00 par common

*Addition to List

PHILADELPHIA NATIONAL CORPORATION
$1.00 par common

PIEDMONT AVIATION, INC.
$1.00 par common

PINKERTON'S, INC.
Class B, non-voting, no par common

PIONEER HI-BRED INTERNATIONAL, INC.
$1.00 par common

PIONEER WESTERN CORPORATION
$1.00 par common

PITTSBURGH NATIONAL CORPORATION
$5.00 par common

*PIZZA INN, INC., THE
$1.00 par common

POPEIL BROTHERS, INC.
$.40 par common

POST CORPORATION
$1.00 par common

POTT INDUSTRIES INC.
$1.00 par common

*POWERS REGULATOR COMPANY
$5.00 par common

PRECIOUS METALS HOLDINGS, INC.
$1.00 par common

PREFERRED RISK LIFE INSURANCE COMPANY
$1.00 par common

PRESTO PRODUCTS, INC.
$.10 par common

PRESTON TRUCKING COMPANY, INC.
$1.00 par common

PROGRESSIVE CORPORATION, THE (Ohio)
$1.00 par common

PROGROUP, INC.
$.50 par common

PROPERTY TRUST OF AMERICA
$1.00 par shares of beneficial interest

PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY
$3.00 par common

PROVIDENT LIFE INSURANCE COMPANY
$2.50 par common

PROVIDENT NATIONAL CORPORATION
$1.00 par common

PUBLIC SERVICE COMPANY OF NORTH CAROLINA, INC.
$1.00 par common

PULASKI FURNITURE CORPORATION
$5.00 par common

*PUTNAM DUOFUND, INC.
$1.00 par capital shares

QUALITY INNS INTERNATIONAL, INC.
$1.00 par common

RPM, INC.
No par common

RAINBOW RESOURCES, INC.
$.10 par common

RAINIER BANCORPORATION
$2.50 par common

RAINIER COMPANIES, INC., THE
$1.00 par common

RAYCHEM CORPORATION
No par common

RAYMOND CORPORATION, THE
$1.50 par common

REALTY & MORTGAGE INVESTORS OF THE PACIFIC
No par shares of beneficial interest

RECOGNITION EQUIPMENT INC.
$.25 par common

REDKEN LABORATORIES, INC.
$.50 par common

REGENCY ELECTRONICS, INC.
No par common

REID-PROVIDENT LABORATORIES, INC.
$1.00 par common

RELIANCE UNIVERSAL INC.
$1.25 par common

REPUBLIC NATIONAL LIFE INSURANCE COMPANY
$1.00 par common

REPUBLIC OF TEXAS CORPORATION
$5.00 par common

RESERVE OIL & MINERALS CORPORATION
$1.00 par common

REYNOLDS AND REYNOLDS COMPANY, THE
Class A, $1.25 par common

RICH'S, INC.
No par common

RIGGS NATIONAL BANK OF WASHINGTON, D.C., THE
$5.00 par common

RING AROUND PRODUCTS, INC.
$.20 par common

RIVAL MANUFACTURING COMPANY
$1.00 par common

ROADWAY EXPRESS, INC.
No par common

ROCKET RESEARCH CORPORATION
No par common

ROUSE COMPANY, THE
$.01 par common

*ROYSTER COMPANY
$.50 par common

RUCKER PHARMACAL COMPANY, INC.
No par common, $1.00 stated value

RUSSELL STOVER CANDIES, INC.
$1.00 par common

SAFECO CORPORATION
$5.00 par common

ST. PAUL COMPANIES, INC., THE
$1.50 par common

SANTA ANITA CONSOLIDATED, INC.
No par common

SCHERER, R. P. CORPORATION
$.33-1/3 par common

*SCHOLL, INC.
$1.00 par common

SCHULMAN, A., INC.
$1.00 par common

SCOPE INC.
$1.00 par common

SCOTTISH INNS OF AMERICA, INC.
$.10 par common

SEA WORLD, INC.
$.50 par common

SEAFIRST CORPORATION
$5.00 par common

SEALED AIR CORPORATION
$.01 par capital

SECURITY LIFE AND ACCIDENT COMPANY
Series A, $2.00 par common

SECURITY NEW YORK STATE CORPORATION
$5.00 par common

SECURITY PACIFIC CORPORATION
$10.00 par common

SEEBURG INDUSTRIES, INC.
Class A, $.50 par common

*Addition to List

SEISCOM DELTA INC.
$.10 par common

SENECA FOODS CORPORATION
$1.00 par common

SERVICE MERCHANDISE COMPANY, INC.
$1.00 par common

SERVICEMASTER INDUSTRIES INC.
$1.00 par common

SEVEN-UP COMPANY, THE
$1.00 par common

SHAKLEE CORPORATION
No par common

SHAWMUT CORPORATION
$5.00 par common

SHEDAHL, INC.
$.50 par common

SHIPPERS DISPATCH, INC.
Class A, $1.00 par common

SHONEY'S BIG BOY ENTERPRISES, INC.
$1.00 par common

SHOREWOOD CORPORATION, THE
$1.00 par common

SIGMOR CORPORATION
Class A, $1.00 par common

SILVER KING MINES, INC.
$1.00 par common

SIMPSON INDUSTRIES, INC.
$1.00 par common

SKYLINE OIL COMPANY
$1.00 par capital

SNAP-ON TOOLS CORPORATION
$1.00 par common

SOCIETY CORPORATION
$1.00 par common

SOLID STATE SCIENTIFIC INC.
$.40 par common

SONOMA VINEYARDS, INC.
$.25 par common

SOURCE CAPITAL, INC.
$1.00 par common
$2.40 par cumulative preferred

SOUTH CAROLINA INSURANCE COMPANY
$1.00 par common

SOUTH CAROLINA NATIONAL CORPORATION
$5.00 par common

SOUTHEAST NATIONAL BANK OF PENNSYLVANIA
$6.00 par common

SOUTHERN AIRWAYS, INC.
$2.00 par common

SOUTHERN BANCORPORATION OF ALABAMA
$5.00 par common

SOUTHERN CALIFORNIA WATER COMPANY
$5.00 par common

SOUTHERN CONNECTICUT GAS COMPANY, THE
$13.33-1/3 par common

SOUTHERN INDUSTRIES CORPORATION
No par common

SOUTHLAND EQUITY CORPORATION
$.16-2/3 par common

SOUTHLAND FINANCIAL CORPORATION
$1.00 par common

SOUTHLAND PAPER MILLS, INC.
No par common

SOUTHWEST BANCSHARES, INC.
$5.00 par common

SOUTHWEST GAS CORPORATION
$1.00 par common

SOUTHWESTERN LIFE CORPORATION
$2.50 par common

SOVEREIGN CORPORATION
$1.00 par common

SPECTRA-PHYSICS, INC.
$.20 par capital

SPEIDEL NEWSPAPERS INC.
$1.00 par common

STA-RITE INDUSTRIES, INC.
$2.00 par common

STANADYNE, INC.
$5.00 par common

STANDARD LIFE INSURANCE COMPANY OF INDIANA
$1.50 par common

STANDARD REGISTER COMPANY, THE
$.50 par common

STANLEY HOME PRODUCTS, INC.
Non-voting, $1.00 par common

STATE STREET BOSTON FINANCIAL CORPORATION
$10.00 par common

STATESMAN GROUP, INC., THE
$1.00 par common

STEAK AND ALE RESTAURANTS OF AMERICA INC.
$.05 par common

STEAK N SHAKE, INC.
$.50 par common

STECHER-TRAUNG-SCHMIDT CORPORATION
$5.00 par common

*STEWART SANDWICHES, INC.
$1.00 par common

STRATFORD OF TEXAS, INC.
$.10 par common

STRAWBRIDGE & CLOTHIER
$5.00 par common

SUBARU OF AMERICA, INC.
$.01 par common

SUBURBAN BANCORPORATION
$5.00 par common

SULLAIR CORPORATION
No par common

*SUMITOMO BANK OF CALIFORNIA, THE
$5.00 par common

SUMMIT PROPERTIES
No par shares of beneficial interest

SUN BANKS OF FLORIDA, INC.
$2.50 par common

SUPERIOR ELECTRIC COMPANY, THE
$1.00 par common

SUPREME EQUIPMENT & SYSTEMS CORPORATION
$.66-2/3 par common

SYCOR, INC.
$.50 par common

SYNERCON CORPORATION
$1.00 par common

T.I.M.E.-DC, INC.
$2.00 par common

TACO BELL
$.10 par common

TALLY CORPORATION
$.16-2/3 par common

TAMPAX INC.
$.25 par common

TAYLOR WINE COMPANY, INC., THE
$2.00 par common

TECUMSEH PRODUCTS COMPANY
$1.00 par common

TELE-COMMUNICATIONS, INC.
$1.00 par common

TELECREDIT, INC.
$.01 par common

TELEPHONE UTILITIES, INC.
$1.00 par common

*TELESCIENCES, INC.
$.10 par common

*Addition to List

TENNECO OFFSHORE COMPANY, INC.
$1.00 par common
* 6% convertible subordinated debentures

TENNESSEE NATURAL GAS LINES, INC.
$1.00 par common

TENNESSEE VALLEY BANCORP, INC.
$6.66-2/3 par common

TEXAS AMERICAN BANCSHARES, INC.
$5.00 par common

*THALHIMER BROTHERS, INC.
$2.50 par common

THERMO ELECTRON CORPORATION
$1.00 par common

THIRD NATIONAL CORPORATION
$10.00 par common

TIFFANY & COMPANY
$1.00 par common

TIME HOLDINGS, INC.
$2.00 par common

TIPPERARY CORPORATION
$.50 par common

*TOLLEY INTERNATIONAL CORPORATION
$.25 par common

TOM BROWN, INC.
$.10 par common

TORO COMPANY, THE
$1.00 par common

TOWLE MANUFACTURING COMPANY
No par common

TRANSCONTINENTAL OIL CORPORATION
$.10 par common

TRANSOCEAN OIL, INC.
$1.00 par common

TRANSPORT LIFE INSURANCE COMPANY
$1.00 par common

TREMCO INC.
$1.00 par common

TRIANGLE CORPORATION, THE
$.50 par common

TRICO PRODUCTS CORPORATION
No par common

TRITON OIL & GAS CORPORATION
$1.00 par common

*TRUST COMPANY OF GEORGIA
$5.00 par common

TWIN DISC, INC.
No par common

TYMSHARE, INC.
No par common

TYSON FOODS, INC.
$1.00 par common

*UA-COLUMBIA CABLEVISION, INC.
$.05 par common

UB FINANCIAL CORPORATION
$5.00 par common

UNICAPITAL CORPORATION
$1.00 par common

UNICOA CORPORATION
$2.50 par common

UNION ELECTRIC STEEL CORPORATION
$1.25 par common

UNION PLANTERS CORPORATION
$5.00 par common

UNION SPECIAL CORPORATION
$1.00 par common

UNITED BANK CORPORATION OF NEW YORK
$5.00 par common

UNITED BANKS OF COLORADO, INC.
$5.00 par common

UNITED CABLE TELEVISION CORPORATION
$.10 par common

UNITED SERVICES LIFE INSURANCE COMPANY
$1.00 par common

U. S. BANCORP
$5.00 par common

UNITED STATES BANKNOTE CORPORATION
$1.00 par common

UNITED STATES SUGAR CORPORATION
$1.00 par common

U. S. TRUCK LINES INC. OF DELAWARE
$1.00 par common

UNITED STATES TRUST COMPANY OF NEW YORK
$5.00 par capital

UNITED TENNESSEE BANCSHARES CORPORATION
$2.00 par common

UNITED VIRGINIA BANKSHARES INC.
$10.00 par common

UNIVERSAL FOODS CORPORATION
$1.00 par common

UNIVERSAL INSTRUMENTS CORPORATION
$1.25 par common

UPPER PENINSULA POWER COMPANY
$9.00 par common

UTILITIES & INDUSTRIES CORPORATION
$.10 par common

VAIL ASSOCIATES, INC.
No par common

VALLEY NATIONAL BANK OF ARIZONA, THE
$2.50 par common

VALMONT INDUSTRIES, INC.
$1.00 par common

VAN DYK RESEARCH CORPORATION
$.10 par common

VAN SCHAACK & COMPANY
$1.00 par common

VARIABLE ANNUITY LIFE INSURANCE COMPANY, THE
$1.00 par common

VELO-BIND, INC.
$1.00 par common

VICO CORPORATION
$1.00 par common

VICTORIA STATION INC.
No par common

VIRGINIA NATIONAL BANKSHARES, INC.
$5.00 par common

VIRGINIA REAL ESTATE INVESTMENT TRUST
No par shares of beneficial interest

VOLUME SHOE CORPORATION
$.50 par common

WALDBAUM, INC.
$1.00 par common

WARNER ELECTRIC BRAKE & CLUTCH COMPANY
$1.00 par common

WASHINGTON NATURAL GAS COMPANY
$5.00 par common

WEATHERFORD INTERNATIONAL INC.
$.10 par common

WEBB RESOURCES, INC.
$.10 par common

WEEDEN HOLDING CORPORATION
$1.00 par common

*Addition to List

WEIGHT WATCHERS INTERNATIONAL, INC.
$.25 par common

WELLINGTON MANAGEMENT COMPANY
Class A, $.10 par common

WESTERN CASUALTY AND SURETY COMPANY, THE
$1.25 par capital

WESTERN GEAR CORPORATION
$1.00 par common

WESTMORELAND COAL COMPANY
$2.50 par common

WETTERAU INC.
$1.00 par common

WHITE SHIELD CORPORATION
$.05 par common

WIEN AIR ALASKA, INC.
$1.00 par common

WILLAMETTE INDUSTRIES, INC.
$.50 par common

WINCORP
No par common

WINTER, JACK INC.
$1.00 par common

WINTER PARK TELEPHONE COMPANY, THE
$1.25 par common

WISCONSIN REAL ESTATE INVESTMENT TRUST
$1.00 par shares of beneficial interest

*WISER OIL COMPANY, THE
$10.00 par common

WOLVERINE-PENTRONIX, INC.
$1.00 par common

WOODWARD & LOTHROP INC.
$10.00 par common

WORCESTER BANCORP, INC.
$1.00 par common

WORLD SERVICE LIFE INSURANCE COMPANY
$1.00 par common

WORTHINGTON INDUSTRIES, INC.
No par common

WRIGHT, WILLIAM E. COMPANY
$.50 par common

YELLOW FREIGHT SYSTEM, INC.
$1.00 par common

YOUNKER BROTHERS, INC.
No par common

*ZIEGLER COMPANY, INC., THE
$1.00 par common

ZIONS UTAH BANCORPORATION
No par common

[FR Doc.76-15355 Filed 5-21-76;3:45 pm]

*Addition to List

federal register

WEDNESDAY, MAY 26, 1976

PART IV:

ARMS CONTROL AND DISARMAMENT AGENCY

■

PRIVACY ACT OF 1974

Systems of Records and Proposed Routine Uses; Corrections and Additions

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

PRIVACY ACT OF 1974

Notice of Systems of Records and Proposed Routine Uses; Corrections and Additions

As required by sections (e)(4) and (11) of 5 U.S.C. 552a, the Privacy Act of 1974 (Pub. L. 93-579), the U.S. Arms Control and Disarmament Agency published a notice of systems of records and proposed routine uses on August 28, 1975 in the Federal Register (40 F.R. 39665-39669) for public information and comment. No comments were received.

This notice amends the previously published notice by correcting and updating the descriptions of the systems of records previously disclosed and by describing four additional systems of records. These systems of records were in existence on September 27, 1975, and should have been published in the notice on August 28, 1975. Three of these systems of records were omitted from that notice due to administrative oversight. The fourth system of records, designated ACDA-14, was originally considered to be part of the system of records designated ACDA-1, but is now being listed as a separate system because it has a different system manager.

Pursuant to 5 U.S.C. 552a(e)(11) the routine uses of each system of records maintained by the Agency as amended or added by this notice are hereby set out for public comment. Interested persons are invited to submit written data, views, or arguments with respect to such routine uses, in duplicate, to the General Counsel, United States Arms Control and Disarmament Agency, 320 21st St., N.W., Washington, D.C. 20451, within thirty days of the publication date of this notice.

Dated: May 3, 1976

JOHN F. LEHMAN,
Acting Director.

1. In the descriptions of each of the systems of records designated ACDA-1 through ACDA-10 inclusive (40 F.R. 39665-39669), at the end of the section on routine uses add the following paragraph:

Disclosure may be made to a congressional office as a routine use from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

2. In the description of the system of records designated ACDA-1 (40 F.R. 39665), at the end of the section on routine uses, as modified by paragraph 1 above, add the following paragraph:

Disclosure may be made to financial and credit institutions for loan and credit purposes to verify the employee's employment with ACDA, date of employment, present and past positions, titles, grades, salaries, and duty stations.

3. In the description of the system of records designated ACDA-2:

a. The first paragraph of the section on routine uses (40 F.R. 39665) is amended by deleting the word "only" so that the paragraph as amended reads as follows:

Used by ACDA management for the evaluation of employment potential and to establish entitlement to rights under the federal personnel system.

b. The third * by deleting the garbled line which reads "other relevant maintaining civil, criminal or" so that the paragraph as amended reads as follows:

A record from this system of records may be disclosed as a routine use to a federal, state, or local agency maintaining civil, criminal or other relevant enforcement information or other pertinent information, such as current licenses, if necessary to obtain information relevant to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.

c. The text of the section entitled "Retention and Disposal" (40 F.R. 39666) is amended by adding the word "final" before the word "decision" so that the paragraph as amended reads as follows:

Records are maintained only until a final decision is made regarding employment, and are then either destroyed or replaced by an official personnel folder: access limited to ACDA management on a need-to-know basis.

4. In the description of the system of records designated ACDA-3 (40 F.R. 39666):

a. The second paragraph of the section on routine uses is amended by adding the words "general statute or particular program" after the words "arising by," and by substituting the words "the system of records" for the words "this system," and by adding the words, "as a routine use," after the words "may be referred" so that the paragraph as amended reads as follows:

In the event that these records indicate a violation or potential violation of law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular Program statute, or by regulation, rule or order issued pursuant thereto, the relevant records in the system of records may be referred, as a routine use, to the appropriate agency, whether federal, state, local or foreign, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto.

b. The third paragraph of the section on routine uses is amended by substituting the words "of records may be disclosed as a routine use" for the words "may be disclosed" and by adding the words "or other pertinent information, such as current licenses," before the words "if necessary" so that the paragraph as amended reads as follows:

A record from this system of records may be disclosed as a routine use to a federal, state, or local agency maintaining civil, criminal or other relevant enforcement information or other pertinent information, such as current licenses, if necessary to obtain information relevant to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.

c. The fourth paragraph of the section on routine uses is amended by adding the words "of records" after the word "system" so that the paragraph as amended reads as follows:

A record from this system of records may be disclosed to a federal agency, in response to its request, in connection with the hiring or retention of an employee, the issuance of a security clearance, the reporting of an investigation of an employee, the letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

5. In the description of each of the systems of records designated ACDA-4, ACDA-5, and ACDA-6 (40 F.R. 39667 and 39668), the text of the section entitled "System manager(s) and address" is amended by substituting the words "Chief, Communications and Services Section, Rm. 5666" for the words "Chief, Communications and Information Center, Rm. 5666."

6. In the description of the system of records designated ACDA-4 (40 F.R. 39667), following the section entitled "System manager(s) and address," as amended by paragraph 5 above, add the following:

Notification procedure: Privacy Act Officer, Rm. 5725.
Record access procedures: Same as above.
Contesting record procedures: Same as above.

7. In the description of the system of records designated ACDA-8 (40 F.R. 39668), the text of the section entitled "System manager(s) and address," is amended by substituting the words "Contracting Officer, Rm. 5534" for the words "Contracting Officer, Rm. 2318".

8. In the description of the system of records designated ACDA-10 (40 F.R. 39669), the text of the section entitled "Notification procedure" is amended by substituting the words "Privacy Act Officer, Rm. 5725" for the words "Same as above."

9. Whenever the term "Privacy Officer" appears it should be deleted and the term "Privacy Act Officer" substituted.

10. Notice is hereby given by the U.S. Arms Control and Disarmament Agency of its maintenance of the following four additional systems of records:

ACDA-11

System name: World Military Expenditures Mailing List--ACDA

System location: Agency headquarters, Department of State Building 320 21st St., N.W., Washington, D.C. 20451.

Categories of individuals covered by the system: Requesters of the publication "World Military Expenditures and Arms Transfers".

Categories of records in the system: Names and addresses of requesters of the publication.

Authority for maintenance of the system: 22 U.S.C. 2551.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Available to Agency officials for use in disseminating current editions of the publication "World Military Expenditures and Arms Transfers"

Disclosure may be made to a congressional office as a routine use from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Maintained on standard 3x5 file cards.

Retrievability: By last name of requester.

Safeguards: Records are maintained in a bar-lock steel cabinet.

Retention and disposal: Records are maintained indefinitely.

System manager(s) and address: Project Officer for WMEAT.

Notification procedure: Privacy Act Officer, Room 5725.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Authors of requests for the publication.

ACDA-12

System name: ACDA mailing list

System location: State Department Computer Bank, Department of State Building, 320 21st St., N.W., Washington, D.C. 20451.

Categories of individuals covered by the system: Requesters of information on arms control and related affairs.

Authority for maintenance of the system: Authority for maintenance of the system: 22 U.S.C. 2551.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Available to Agency officials for use in disseminating public information and publications concerning arms control and related affairs.

Disclosure may be made to a congressional office as a routine use from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Maintained on computer tape.

Retrievability: By last name of requester.

Safeguards: Records are maintained in the computer which has limited access for official use only by authorized personnel.

Retention and disposal: Records are maintained for two years at which time the individuals are sent an address card which must be filled out and returned or the name and address of the individual concerned will be removed from the list.

System manager(s) and address: Deputy Public Affairs Advisor, Room 5923.

Notification procedure: Privacy Act Officer, Room 5725.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Authors of requests for information on arms control and related affairs.

ACDA-13

System name: Travel Authroization File--ACDA

System location: Agency Headquarters, Department of State Building, 230 21st St., N.W., Washington, D.C. 20451.

Categories of individuals covered by the system: Covered by the system: Any individuals who travel on Agency business.

Categories of records in the system: Categories of records in the system: Travel authorizations and completed travel vouchers.

Authority for maintenance of the system: 31 U.S.C. 200; 31 U.S.C. 66a.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Available to Agency officials for use in monitoring official Agency travel.

In the event that these records indicate a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule or order issued pursuant thereto, the relevant records in the system of records may be referred, as a routine use, to the appropriate agency, whether federal, state, local or foreign, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto.

A record from this system of records may be disclosed as a routine use to a federal, state, or local agency maintaining civil, criminal or other relevant enforcement information or other pertinent information, such as current licenses, if necessary to obtain information relevant to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.

A record from this system of records may be disclosed to a federal agency, in response to its request, in connection with the hiring or retention of an employee, the issuance of a security clearance, the reporting of an investigation of an employee, the letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

The information contained in this system of records will be disclosed to the Office of Management and Budget in connection with the review of private relief legislation as set forth in OMB Circular No. A-19 at any stage of the legislative coordination and clearance process as set forth in that circular.

Disclosure may be made to a congressional office as a routine use from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Maintained in standard file folders.

Retrievability: By last name of traveler.

Safeguards: Records are maintained in a bar-lock steel cabinet.

Retention and disposal: Records are maintained three years.

System manager(s) and address: Budget Officer, State Department Annex No. 6, Room 804.

Notification procedure: Privacy Act Officer, Room 5725.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Individuals who travel on official Agency business.

ACDA-14

System name: Confidential Statement of Employment and Financial Interests Records--ACDA

System location: Agency Headquarters, Department of State Building, 320 21st St., N.W., Washington, D.C. 20451.

Categories of individuals covered by the system: Special Government employees (consultants) of the Agency and individuals occupying positions listed in 22 CFR 606.735-71(a).

Categories of records in the system: Statements of Employment and Financial Interests and letters and memoranda relating thereto, except to the extent controlled by the CSC.

Authority for maintenance of the system: Executive Order 11222.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Available to the Agency Ethics Counselor and Deputy Ethics Counsel and to other Agency personnel on a need-to-know basis as may be required in the performance of their duties. Records in the system may also be used as follows, except that information from a statement may be disclosed only upon the determination of the CSC or the ACDA Director that such disclosure is for good cause shown:

In the event that these records indicate a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute, or by regulation, rule or order issued pursuant thereto, the relevant records in the system of records may be referred, as a routine use, to the appropriate agency, whether federal, state, local or foreign, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto.

A record from this system of records may be disclosed as a routine use to a federal, state, or local agency maintaining civil, criminal or other relevant enforcement information or other pertinent information, such as current licenses, if necessary to obtain information relevant to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.

A record from this system of records may be disclosed to a federal agency, in response to its request, in connection with the hiring or retention of an employee, the issuance of a security clearance, the reporting of an investigation of an employee, the

letting of a contract, or the issuance of a license, grant or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

The information contained in this system of records will be disclosed to the Office of Management and Budget in connection with the review of private relief legislation as set forth in OMB Circular No. A-19 at any stage of the legislative coordination and clearance process as set forth in that circular.

Disclosure may be made to a congressional office as a routine use from the record of an individual in response to an inquiry from the congressional office made at the request of that individual.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Maintained in standard file folders.

Retrievability: By last name of employee.

Safeguards: Records are maintained in a three-way combination lock steel container located in the office of the Deputy Ethics Counselor.

Retention and disposal: Records are maintained indefinitely.

System manager(s) and address: Ethics Counselor, Room 5534.

Notification procedure: Privacy Act Officer, Room 5725.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Individuals who file Confidential Statements of Employment and Financial Interests with the Agency.

[FR Doc.76-15085 Filed 5-25-76;8:45 am]

Just Released

CODE OF FEDERAL REGULATIONS

(Revised as of January 1, 1976)

Title 16—Commercial Practices (Part 150–End)_____ $6.80

[*A Cumulative checklist of CFR issuances for 1976 appears in the first issue of the Federal Register each month under Title 1*]

**Order from Superintendent of Documents,
United States Government Printing Office,
Washington, D.C. 20402**