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HIGHLIGHTS OF THIS ISSUE

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Title 7—AGRICULTURE

Chapter VII—Agricultural Stabilization and Conservation Service (Agricultural Adjustment), Department of Agriculture

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

[Amdt. 9]

PART 722—COTTON

Subpart—Marketing Quotas for the 1966 and Succeeding Crops of Upland Cotton and Extra Long Staple Cotton

APPLICABILITY AND 1971 RATE OF PENALTY

This amendment is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U.S.C. 1281 et seq.). The purpose of this amendment is to establish the 1971 rate of penalty for extra long staple cotton and to make certain sections inapplicable to upland cotton produced in 1971, 1972, or 1973.

It is essential that the penalty rate be made available to producers and cotton buyers as soon as possible. Establishment of such rate involves a mathematical computation in accordance with the statutory formula. Accordingly, it is hereby determined and found that compliance with the notice, public procedure, and 30-day effective requirements of 5 U.S.C. 553 is impracticable and contrary to the public interest and this amendment shall be effective upon filing of this document with the Director, Office of the Federal Register.

The regulations for Marketing Quotas for the 1966 and Succeeding Crops of Upland Cotton and Extra Long Staple Cotton (31 F.R. 6573, 9445, 13035, 15791, 32 F.R. 9298; 33 F.R. 6701, and 9387; 34 F.R. 11082; 35 F.R. 10495) are amended as follows:

1. Section 722.61 of the regulations is amended to designate the existing language as paragraph (a) and by adding a new paragraph (b) to read as follows:

§ 722.61 Applicability.

* * * * *

(b) Notwithstanding the foregoing provisions of paragraph (a) of this section, the provisions of this subpart shall not apply to upland cotton produced in 1971, 1972, or 1973 since marketing quotas are not in effect for those years under the statutory amendments contained in the Agricultural Act of 1970 (Public Law 91-524, 84 Stat. 1358, et seq., approved Nov. 30, 1970): *Provided, however*, That the records and reports requirements under §§ 722.89 to 722.95, and 722.99 shall remain applicable to upland cotton produced in such period.

2. Section 722.100 of the regulations is amended by adding the following new paragraph (f) at the end thereof:

§ 722.100 Penalty rate for each crop year.

* * * * *

(f) *1971 crop*—(1) *Upland cotton.* Marketing quota penalty does not apply to upland cotton produced in 1971-73.

(2) *Extra long staple cotton.* The parity price for ELS cotton, effective as of June 15, 1971, is 79.9 cents per pound. The rate of penalty for ELS cotton produced in 1971 as calculated on the basis of 50 percent of such parity price shall be 39.9 cents per pound of ELS lint cotton.

(Secs. 346, 347, 373, 375, 63 Stat. 674, as amended, 63 Stat. 675, as amended, 52 Stat. 65, 66, as amended, 7 U.S.C. 1346, 1347, 1373, 1375)

Effective date: Date of filing this document with the Director, Office of the Federal Register.

Signed at Washington, D.C., on July 23, 1971.

CARROLL G. BRUNTHAVER,
Acting Administrator, Agricultural Stabilization and Conservation Service.

[FR Doc.71-10779 Filed 7-28-71;8:48 am]

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

[Valencia Orange Reg. 359]

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

Limitation of Handling

§ 908.659 Valencia Orange Regulation 359.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908, 35 F.R. 16625), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on July 27, 1971.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period July 30, 1971, through August 5, 1971, are hereby fixed as follows:

(i) District 1: 69,000 cartons;

(ii) District 2: 231,000 cartons;

(iii) District 3: Unlimited.

(2) As used in this section, "handler", "District 1", "District 2", "District 3", and "carton" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: July 28, 1971.

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

[FR Doc.71-10946 Filed 7-28-71;11:58 am]

PART 930—CHERRIES GROWN IN MICHIGAN, NEW YORK, WISCONSIN, PENNSYLVANIA, OHIO, VIRGINIA, WEST VIRGINIA, AND MARYLAND

Expenses and Rate of Assessment for Initial and 1971–72 Fiscal Period

On July 13, 1971, notice of rule making was published in the FEDERAL REGISTER (36 F.R. 13036) regarding proposed expenses and the related rate of assessment for the period beginning January 23, 1971, and ending April 30, 1972, pursuant to the marketing Order No. 930 (Part 930; 36 F.R. 1088), regulating the handling of cherries grown in Michigan, New York, Wisconsin, Pennsylvania, Ohio, Virginia, West Virginia, and Maryland. This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). After consideration of all relevant matters presented, including the proposals set forth in such notice, which were submitted by the Cherry Administrative Board (established pursuant to said marketing order), it is hereby found and determined that:

§ 930.201 **Expenses and rate of assessment.**

(a) *Expenses.* Expenses which are reasonable and likely to be incurred by the Cherry Administrative Board during the initial fiscal period, January 23 through April 30, 1971, and the 1971–72 fiscal period, May 1, 1971, through April 30, 1972 will amount to $100,000.

(b) *Rate of assessment.* The rate of assessment for such fiscal periods payable by each handler in accordance with § 930.41 is fixed at $1 per ton of first handled cherries.

Terms used in this part shall, when used herein, have the same meaning as is given to the respective term in said order and "ton of cherries" shall mean 2,000 pounds of raw cherries.

It is hereby further found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) handling of the current crop of cherries is currently underway; (2) the relevant provisions of said amended marketing agreement and this part require that the rate of assessment fixed for a particular season be applicable to all cherries from the beginning of such fiscal period; and (3) the period began January 23, 1971, and the rate of assessment herein fixed will automatically apply to all cherries beginning with such date.

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

Dated: July 23, 1971.

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

[FR Doc.71–10827 Filed 7–28–71; 8:53 am]

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Term of Validity of Certain Inspection Certificates

Notice was published in the July 3, 1971, issue of the FEDERAL REGISTER (36 F.R. 12696) of a proposal to change the term of validity for inspection certificates on lots of packed raisins from 21 calendar days to 90 calendar days. Interested persons were afforded an opportunity to file written data, views, or arguments on the proposal and none were received. The proposal was based on a unanimous recommendation of the Raisin Administrative Committee, and other available information.

Such term of validity is prescribed in § 989.159(e)(1) of the administrative rules and regulations (Subpart—Administrative Rules and Regulations; 7 CFR 989.101–989.176). The administrative rules and regulations are pursuant to the marketing agreement, as amended, and Order No. 989, as amended (7 CFR Part 989), hereinafter referred to collectively as the "order", regulating the handling of raisins produced from grapes grown in California. The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The longer term of validity for inspection certificates on packed raisins will greatly reduce the number of condition inspections and certifications, and is intended to improve handler operations with respect to shipping packed raisins. Furthermore, there have been only two instances in the past 15 years where packed raisins failed to meet a subsequent condition inspection. Hence, the Committee has concluded that this change is desirable and should have no adverse effect upon the quality of shipments of packed raisins.

After consideration of all relevant matter presented, including that in the notice, the information and recommendation of the Commitee, and other available information, and pursuant to § 989.59 of the order, amendment of subparagraph (1) of § 989.159(e) by substituting therein "90" for "21" is hereby approved.

Therefore, it is ordered, That subparagraph (1) of § 989.159(e) of the administrative rules and regulations is hereby amended to read as follows:

§ 989.159 **Regulation of the handling of raisins subsequent to their acquisition.**

* * * * *

(e) *Term of inspection certificate.* Any handler who:

(1) Fails to ship or make other final disposition for human consumption of any lot of packed raisins within 90 calendar days, or of any lot of natural condition raisins within 5 calendar days, after the date of the last inspection of the lot; or

* * * * *

It is hereby found that good cause exists for not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that: (1) Handlers are aware that this action has been recommended by the Committee and require no additional time to comply therewith; (2) this action relieves restrictions to the extent that most packed raisins are shipped within 90 days from the date of pack and the 90-day term of validity for inspection certificates herein approved should eliminate the need for practically all handler requests for condition inspection on such raisins; and (3) postponing the effective time of this action would serve no useful purpose.

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

Dated July 26, 1971, to become effective upon publication in the FEDERAL REGISTER (7–29–71).

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

[FR Doc.71–10829 Filed 7–28–71; 8:53 am]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regs., 1971 Crop Soybean Supp.]

PART 1421—GRAIN AND SIMILARLY HANDLED COMMODITIES

Subpart—1971 Crop Soybean Loan and Purchase Program

Correction

In F.R. Doc. 71–10169 appearing at page 13319 of the issue for Tuesday, July 20, 1971, in § 1421.393(a) the rate per bushel for Anderson Co., Kans., now reading "2.19", should read "2.17", and the rate per bushel for Orleans Parish, La., now reading "2.23", should read "2.28".

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 1427—COTTON

Subpart—Cotton Loan Program Regulations

In order to incorporate amendments and program changes, the regulations issued by Commodity Credit Corporation, published as the Cotton Loan Program Regulations in 33 F.R. 8802, as amended, are hereby revised to read as follows:

Sec.

AUTHORITY: The provisions of this subpart issued under secs. 4, 5, 62 Stat. 1070, as amended; secs. 101, 103, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714 b and c; 7 U.S.C. 1441, 1444, 1421.

§ 1427.1 General statement.

(a) The regulations in this subpart, including any amendments and the annual supplement hereto, set forth the requirements with respect to loans on cotton of the 1971 crop and each subsequent crop for which an annual supplement to this subpart is issued. Loans will be made available by CCC to eligible cotton producers on eligible upland cotton and eligible extra long staple cotton through county offices. For other than cotton cooperative marketing association loans, each producer shall obtain his loan(s) through the county office and is responsible for delivering the loan documents to the county office for disbursement of the loan(s). County committees or county executive directors may approve loan clerks at convenient locations to assist producers in preparing loan documents.

(b) Disbursement of Form A loan proceeds will be made by county offices.

§ 1427.2 Definitions.

As used in the regulations in this subpart, and in all instructions, forms, and documents in connection therewith, the words and phrases listed in this section shall have the meaning assigned to them therein unless the context or subject matter otherwise requires.

(a) "Person," "State Executive Director," "County Executive Director," and "farm," respectively, shall each have the same meaning as the definition of such term in Part 719 of this title and any amendment thereto.

(b) "CCC" shall mean Commodity Credit Corporation.

(c) "New Orleans Office" shall mean the New Orleans Agricultural Stabilization and Conservation Service Commodity Office, 120 Marais Street, New Orleans, LA 70112.

(d) "State committee" shall mean the Agricultural Stabilization and Conservation State Committee and shall include only the State committee and not its representative.

(e) "County committee" shall mean the Agricultural Stabilization and Conservation county committee and shall include only the county committee and not its representative.

(f) "County office" shall mean the Agricultural Stabilization and Conservation Service county office which keeps the farm records for the farm on which the cotton was produced.

(g) "Loan clerk" shall mean a person approved by CCC to assist producers in preparing loan documents other than in the county office.

(h) "Charges" shall mean all fees, costs, and expenses paid by CCC incident to insuring or reinsuring, reconcentrating, carrying, handling, storing, conditioning, and otherwise protecting the interest in the loan collateral of CCC and the producer.

(i) "Financial institution" shall mean (1) a bank in the United States which accepts demand deposits, (2) an association organized pursuant to State law and supervised by State banking authorities, or (3) a production credit association.

(j) "False-packed," "water-packed," "mixed-packed," "reginned," and "repacked" cotton shall each have the same meaning as the definition of such term in Part 28 of this title and any amendment thereto.

§ 1427.3 Administration.

(a) The Commodity Loan and Service Division, Agricultural Stabilization and Conservation Service, will administer the provisions of this subpart under the general supervision and direction of the Deputy Administrator, State and County Operations, Agricultural Stabilization and Conservation Service, in accordance with program provisions and policy determined by the CCC Board and the Executive Vice President, CCC. In the field, the program will be administered through State committees, county committees, and the New Orleans Office.

(b) Forms will be available at State and county offices and from loan clerks.

(c) State and county committees and employees thereof, loan clerks, the New Orleans Office, and employees thereof do not have authority to modify or waive any of the provisions of this subpart or any amendment or supplement thereto.

(d) No delegation herein to a State or county committee or to the New Orleans Office shall preclude the Executive Vice President, CCC, or his designee, from determining any question arising under the program or from reversing or modifying any determination made by a State or county committee or by the New Orleans Office.

§ 1427.4 Availability of loans.

(a) *Warehouse-storage loans.* Loans on cotton represented by warehouse receipts will be available to eligible producers on:

(1) Eligible upland cotton stored at CCC approved warehouses.

(2) Eligible extra long staple cotton produced in counties listed in Part 722 of this title and any amendment thereto and stored at CCC approved warehouses.

(b) *Bill of lading loans.* Loans on cotton represented by bills of lading will be available as provided in § 1427.21.

(c) *Period of availability of loans.* Loans on a crop of cotton will be available from the beginning of harvest of the crop through May 31 following the calendar year in which such crop is grown. Notes for loans must be signed by the producer and mailed or delivered to the county office within 15 days after the producer signs the notes and within this period of loan availability. Whenever the final date of availability falls on a nonworkday for county offices, the applicable final availability date shall be extended to include the next workday.

§ 1427.5 Eligible producer.

(a) *Producer.* An eligible producer is any individual, partnership, corporation, association, trust, estate, or other legal entity, a State or political subdivision thereof, or an agency of such State or political subdivision producing eligible upland or extra long staple cotton in the capacity of landowner, landlord, tenant, or sharecropper. If eligible cotton is produced on a farm by a landlord and his share tenant or sharecropper, a loan may be obtained only as follows:

(1) If the cotton is divided among the producers entitled to share in such cotton, each landlord, tenant, or sharecropper may obtain a loan on his separate share.

(2) If the cotton is not divided, all producers having a share in the cotton may obtain a joint loan on such cotton.

(b) *Estates and trusts.* A receiver of an insolvent debtor's estate, an executor or an administrator of a deceased person's estate, a guardian of an estate of a ward or an incompetent person, and

trustees of a trust estate shall be considered to represent the insolvent debtor, the deceased person, the ward or incompetent, and the beneficiaries of a trust, respectively, and the production of the received, executor, administrator, guardian, or trustee shall be considered to be the production of the person he represents. Loan documents executed by any such person will be accepted by CCC only if they are legally valid and such person has the authority to sign the applicable documents.

(c) *Eligibility of minors.* A minor who is otherwise an eligible producer shall be eligible for a loan only if he meets one of the following requirements: (1) The right of majority has been conferred on him by court proceedings or by statute; (2) a guardian has been appointed to manage his property and the applicable loan documents are signed by the guardian; (3) any note signed by the minor is cosigned by a financially responsible person; or (4) a bond if furnished under which a surety guarantees to protect CCC from any loss incurred for which the minor would be liable had he been an adult.

§ 1427.6 Eligible cotton.

Upland cotton produced by eligible producers or extra long staple cotton produced by eligible producers in counties listed in Part 722 of this title and any amendment thereto is eligible cotton if it meets the following requirements:

(a) Upland cotton must have been produced by a "cooperator" as defined in section 408(b) of the Agricultural Act of 1949, as amended, on a farm determined to be in compliance with the set-aside payment requirements of the Upland Cotton Program as prescribed in Parts 718, 722, and 791 of this title and any amendment thereto. Extra long staple cotton must have been produced by a "cooperator" as defined in section 408(b) of the Agricultural Act of 1949, as amended, on a farm determined to be in compliance with price support payment requirements of the Extra Long Staple Cotton Program as prescribed in Parts 718, 722, and 791 of this title and any amendment thereto. The cotton in any bale may have been produced by two or more cooperators on one or more farms if the bale is not a repacked bale.

(b) Such cotton must be tendered for a loan within the availability period of § 1427.4(c) and must be cotton of a crop for which loans are available, as provided in an annual supplement to the regulations in this subpart.

(c) Such cotton must be of a grade and staple length specified in (1) the schedule of premiums and discounts for upland cotton, or (2) the schedule of loan rates for extra long staple cotton, contained in the applicable annual supplement to the regulations in this subpart and must be represented by a warehouse receipt meeting the requirements of § 1427.19 or by a bill of lading meeting the requirements of § 1427.21.

(d) Such cotton must not be false-packed, water-packed, mixed-packed, reginned, or repacked; upland cotton must not have been reduced more than two grades because of preparation; extra long staple cotton must have been ginned on a roller gin, must not have a micronaire reading of 2.6 or less and must not have been reduced in grade for any reason.

(e) Such cotton must be in existence and in good condition.

(f) Such cotton must not be compressed to high density at a warehouse.

(g) The producer or association tendering the cotton for a loan must have the legal right to pledge it as security for a loan.

(h) If such cotton was produced on land owned by the Federal Government pursuant to a lease, permit, or other right of possession, it must not have been produced in violation of the provisions thereof. Such cotton must not have been produced on land owned by the Federal Government which is being occupied without lease, permit, or right of possession.

(i) The producer or association tendering such cotton must not have previously sold and repurchased such cotton or placed it under CCC loan and redeemed it.

(j) Each bale of cotton must weigh not less than 325 pounds net weight.

(k) Cotton which has been compressed, either at a warehouse or at a gin, must have not less than eight bands.

(l) Each bale must be packaged in (1) new material manufactured for cotton bale covering which meets CCC specifications for such bale coverings and bale ties or must be packaged in material and/or bale ties identified with the joint industry experimental bale packaging program sponsored by the National Cotton Council and the American Textile Manufacturers Institute or (2) used jute bagging material (commonly referred to as "sugar cloth bagging") which meets CCC specifications for such bagging. All bagging and ties must be clean, in sound condition, must adequately protect the cotton, must not have any kind of salt or other corrosive material added, and must not contain sisal or other hard fibers or any other material which will contaminate or adversely affect cotton as determined by the President or Executive Vice President, CCC. Heads of bales must be completely covered.

(m) Each bale must be ginned by a ginner who has furnished to the warehouseman storing the bale the tare weight of the bale (bagging and ties used to wrap the bale) or has entered the tare weight on the gin bale tag. Each bale must bear the gin bale number.

(n) The beneficial interest in the cotton must be in the producer tendering the cotton for a loan (or in the producer-member delivering the cotton to the cooperative marketing association which tenders the cotton for a loan) and must have always been in him or in him and a former producer whom he succeeded before it was harvested. To meet the requirements of succession to a former producer, the right, responsibilities, and interest of the former producer with respect to the farming unit on which the cotton was produced shall have been substantially assumed by the person claiming succession. Mere purchase of the crop prior to harvest without acquisition of any additional interest in the farming unit shall not constitute succession. The county committee shall determine whether the requirements with respect to succession have been met. A producer shall not be considered to have divested himself of the beneficial interest in the cotton if he enters into a contract to sell, or gives an option to buy his cotton if, under the contract or option, he retains control and risk of loss of and title to the cotton and retains control of it production.

(o) If the person tendering cotton for a loan is a landowner, landlord, tenant, or sharecropper, the cotton must be his separate share of the crop and must not have been acquired by him directly or indirectly from a landowner, landlord, tenant, or sharecropper or have been received in payment of fixed or standing rent.

§ 1427.7 Forms and authorizations.

(a) *Forms.* The following documents must be delivered by producers in connection with every loan except loans made pursuant to § 1427.26:

(1) Cotton Classification Memorandum, Form 1 or Form A3, for each bale showing the classification (including micronaire reading) assigned by a board of cotton examiners of the U.S. Department of Agriculture.

(2) Lien Waiver, Form CCC–679 (referred to in this subpart as "Form 679") or other form approved by CCC, or Lienholder's Subordination Agreement, Form CCC–864, if used in lieu of execution of Lienholder's Waiver on Form A in accordance with provisions of § 1427.14.

(3) Additional documents for warehouse-stored cotton:

(i) Cotton Producer's Note and Security Agreement, Form CCC Cotton A (referred to in this subpart as "Form A").

(ii) Schedule of Pledged Cotton, Form CCC Cotton A–1 (referred to in this subpart as "Form A–1").

(iii) Warehouse receipts complying with the provisions of § 1427.19.

(4) Additional documents for bill of lading cotton:

(i) Form A executed within an area and during the period in which such loans are available, as provided in § 1427.21.

(ii) Form A–1.

(iii) Order bill of lading in form acceptable to CCC and representing the cotton tendered as security for the loan.

(iv) If the receiving agency is not a warehouseman, Weight and Condition Certificates complying with the provisions of § 1427.21.

(v) Receiving Agency Certificate in form prescribed by CCC.

(b) *Powers of Attorney.* A producer who desires to appoint an attorney-in-fact to act in his place and stead in obtaining loans may use Power of Attorney,

Form ASCS–211 (referred to in this subpart as "Form 211"), or a power of attorney on another form if it is determined by CCC to be legally sufficient. The original or facsimile of the power of attorney or a copy certified by a notary public as a true and correct copy must be filed with the county office.

§ 1427.8 Approved storage.

Except as provided otherwise in § 1427.21, cotton will be accepted as security for loans only if stored at warehouses approved by CCC. When the warehouseman receives notice from CCC that a loan has been made by CCC on a bale of cotton, he shall, if such cotton is not stored within his warehouse, promptly place such cotton within the warehouse. Warehousemen desiring approval of their facilities should communicate with the New Orleans Office. The names of approved warehouses may be obtained from the New Orleans Office or from State or county offices. Storage charges paid by a producer on cotton which is later pledged to CCC as security for a loan will not be refunded by CCC. If cotton is redeemed from the loan, the person removing the cotton from storage shall pay all unpaid charges at the warehouseman's established tariff rate.

§ 1427.9 Weight, loan rate, and amount.

(a) *Weight.* Loans will be made on the net weight of the cotton, except that in the case of a bale which has a net weight of more than 600 pounds, the weight to be used in determining the amount of the loan on the bale shall be 600 pounds. If the loan is made on cotton represented by warehouse receipts, the net weight of the bale shall be the net weight shown on the warehouse receipt. If the loan is made on cotton represented by order bills of lading pursuant to § 1427.21, the net weight of the bale shall be the net weight shown on the Weight and Condition Certificate. Notes for loans on cotton pledged on reweights will not be accepted if CCC determines that such reweights reflect an increase in weight due to the absorption of moisture.

(b) *Loan rate.* (1) The base loan rate for Middling 1-inch upland cotton (except for the special condition upland cotton provided for in this section) of each crop at each approved warehouse location will be stated in the schedule of base loan rates for upland cotton by warehouse locations contained in the supplement to this subpart for such crop. The schedule will be available at county offices.

(2) The premium or discount applicable to each other eligible grade and staple length of upland cotton of each crop and the discount, if any, for each micronaire reading will also be contained in the supplement to this subpart for such crop.

(3) The loan rate for upland cotton for which the classification memorandum shows a reduction in grade because of the presence of extraneous matter (such as grass, bark, oil, sand, motes, etc.) or because of spindle twist shall be one-half cent per pound less than the loan rate for the quality (grade and staple length) to which the cotton is reduced. This discount shall be in addition to any discount for micronaire reading.

(4) Loan rates for extra long staple cotton of each crop will be contained in the supplement to this subpart for such crop.

(c) *Amount.* The amount of the loan for each bale will be determined by multiplying the net weight of the bale, as determined under paragraph (a) of this section by the applicable loan rate, as determined under paragraph (b) of this section and subtracting any unpaid warehouse receiving charges and any warehouse storage charges in excess of 60 days as of the date of tender to CCC, as provided in § 1427.19. CCC will not increase the amount loaned on any bale of cotton as a result of any redetermination of the quality of the bale after it is tendered to CCC and will not increase the amount loaned as a result of any redetermination of weight after the cotton is tendered to CCC, except that if it is established to the satisfaction of CCC that a bona fide error was made in the weight of the bale as shown on the warehouse receipt or in entering the weight of the bale or the loan rate for the bale on the Form A–1, such error may be corrected. In establishing the correct weight of the bale, CCC will deduct from the current weight of the bale any estimated weight gained while in storage.

§ 1427.10 Preparation of documents.

(a) *Preparation of loan forms.* The producer may obtain assistance in preparing and executing loan forms from his county office or from a loan clerk. All applicable blanks on the loan forms shall be filled in with typewriter or ballpoint pen. Documents containing additions, alterations, or erasures may be rejected by CCC. All copies shall be clearly legible, and the copies shall contain all information contained on the original, including all signatures.

(b) *Schedule of pledged cotton.* All cotton pledged as security for a loan must be stored in the same warehouse, must have same compression and compression paid status, and must have been shipped to the warehouse by same mode of transportation, but may be of different grades and staple lengths. All bales pledged on a single Form A–1 must be packaged with the same type bagging and ties and must have the same tare weight. Not more than 500 bales of upland or 200 bales of extra long staple cotton may be pledged as security for one loan.

(c) *Producer's request for payment.* The spaces provided in the Form A for the producer to request payment of the loan proceeds must be completed. If a person or firm has advanced the loan proceeds to the producer (by cash, book credit, or otherwise), the person or firm which advanced the loan proceeds is responsible under the regulations in §§ 1205.500–1205.540 of this title, and any amendment thereto, for collecting the $1 per bale research and promotion fee and for transmitting such fee to the Cotton Board.

(d) *Execution of loan forms.* Loan forms shall not be signed in blank under any circumstances. A Form A must be signed by the producer in the presence of the loan clerk or county office employee who witnesses the producer's signature, except that loan documents for nonresident producers may be prepared in the county office and mailed to the producer for signature. All applicable entries must be completed on the Form A and Forms A–1 prior to the time the Form A is signed by either the producer or by the witness. The loan clerk or county office employee shall not sign as witness on his own or his spouse's Form A. A loan clerk or county office employee who, under power of attorney, executes the Form A on behalf of the producer shall not sign as witness on the Form A.

§ 1427.11 Disbursement of loans.

Disbursement of each Form A loan will be made by the county office which keeps the farm program records for the farm on which the cotton was produced by means of drafts drawn on CCC by the county office. Service charges and cotton research and promotion fees will be deducted from the loan proceeds. If the producer so elects, clerk's fees may also be deducted from the loan proceeds instead of being paid in cash. The producer or his agent shall not present the Form A and supporting documents for disbursement unless the cotton covered by the Form A is in existence and in good condition. If the cotton is not in existence and in good condition at the time of disbursement, the producer shall immediately return the draft issued in payment of the loan, or if the draft has been negotiated, shall promptly refund the proceeds.

§ 1427.12 Service charges.

A producer shall pay a service charge to CCC for each loan disbursed at the rate of $1 per loan plus 15 cents for each bale thereon: *Provided, however,* That for a loan for which the loan documents are prepared by a loan clerk and the Forms A–1 are prepared in a manner which does not require retyping by CCC for machine processing, the fee shall be $1 plus 5 cents for each bale thereon. The service charge to be paid to CCC by the producer shall be in addition to any clerk fee paid to a loan clerk as authorized in § 1427.13. The service charge is not refundable.

§ 1427.13 Clerk fees.

Loan clerks may collect fees from producers for preparing loan documents not to exceed the fees shown in the following schedule: *Provided, however,* That if a loan clerk prepares Forms A–1 in a manner which does not require retyping by CCC for machine processing the loan clerk may collect fees from producers at the rate of 10 cents per bale in excess of the fees authorized in the following schedule:

Number of bales on note:	*Maximum fee allowed*
1	25 cents.
2–6	25 cents plus 15 cents for each bale over 1.
7 and over	$1.00 plus 10 cents for each bale over 6.

§ 1427.14 Liens.

Except as otherwise provided in this section, cotton tendered for loan must be free and clear of all liens (except the warehouseman's lien [including a warehouseman's lien held by a cooperative warehouse for its producer-patrons] for those charges which are authorized in the storage agreement with CCC). The signatures of the holders of all such existing liens on cotton tendered as security for a loan, such as landlords, laborers, or mortgagees, must be obtained on the lienholder's waiver on each Form A, except that in lieu of signing the lienholder's waiver on each Form A, the lienholder may waive his lien on all cotton of that crop produced by a producer on a farm (or on all farms) or pledged on one Form A by use of Form 679, or by use of another form approved by CCC. In lieu of waiving his prior lien on cotton tendered as security for a loan, a lienholder may execute a Lienholder's Subordination Agreement (Form CCC–864) with CCC in which he subordinates his security interests to the rights of CCC in the cotton. If cotton is subject to a warehouseman's lien for advances or charges not authorized in the storage agreement, the cotton will be acceptable hereunder if such liens are subordinated to the rights of CCC. A fraudulent representation as to prior liens or otherwise will render the producer personally liable and subject him, and any other person who causes the fraudulent representation to be made, to criminal prosecution under the provisions of the Commodity Credit Charter Act.

§ 1427.15 Setoffs.

(a) If any installment(s) on any loan made available by CCC on farm-storage facilities or drying equipment is due and payable under the provisions of the note evidencing such loan out of any amount due the producer under the program provided for in this subpart, the producer must designate CCC as payee of such amount to the extent of such installment(s), but not to exceed that portion of the amount remaining after deduction of clerk fees, service charges, research and promotion fees, and amounts due prior lienholders.

(b) If the producer is indebted to CCC, or if the producer is indebted to any other agency of the United States and such indebtedness is listed on the county claim control record, amounts due the producer under the program provided for in this subpart, after deduction of amounts payable under paragraph (a) of this section, shall be applied to such indebtedness, as provided in the Secretary's Setoffs and Withholdings Regulations, Part 13 of this title and any amendments thereto.

(c) Any amount which is to be set off must be entered by the county office on Form A.

(d) Compliance with the provisions of this section shall not deprive the producer of any right he otherwise has to contest the justness of the indebtedness involved in the setoff action, either by administrative appeal or by legal action.

§ 1427.16 Classification and micronaire readings of cotton.

(a) References made to "classification" in this subpart shall include micronaire readings. All cotton tendered for loan must be classed by a USDA Board of Cotton Examiners (referred to in this subpart as "the board") and tendered on the basis of such classification. A Cotton Classification Memorandum Form 1 showing the classification of a bale must be based upon a representative sample drawn from the bale in accordance with instructions to samplers drawing samples for organized improvement groups under the Smith-Doxey Program. If the producer's cotton has not been sampled for a Form 1 classification, the warehouseman shall sample such cotton and forward the samples to the board serving the district in which the cotton is located. Such warehouseman must be licensed by the Consumer and Marketing Service, U.S. Department of Agriculture, to draw samples for submission to the board. If a sample has been submitted for a Form 1 or Form A3 classification, another sample shall not be drawn and forwarded to a board except for a review classification. Where review classification is not involved, if through error or otherwise two or more samples from the same bale are submitted for classification, the loan rate shall be based on the classification having the lower loan value. The classification Form 1 or Form A3 must be dated not more than 15 days prior to the date the warehouse receipt was issued (State committees may in arid regions extend this period to not to exceed 30 days prior to the date the warehouse receipt was issued upon determining that such extension will not result in reduction in the grade of the cotton during the extension period), otherwise a review classification will be required. If a Form 1 or Form A3 review classification is obtained, the loan value of the cotton represented thereby will be based on such review classification.

(b) A classification charge of 45 cents per bale shall be collected from the producer by the warehouseman for all cotton for which samples are submitted to a board for a Form A3 classification or for a Form A3 review classification. The board will bill the warehouseman at the end of each month for such charges. Payment of these bills shall be made by check or money order payable to "Commodity Credit Corporation" and mailed to the New Orleans Office.

§ 1427.17 Interest rate.

Loans shall bear interest at the rate announced in a separate notice published in the FEDERAL REGISTER.

§ 1427.18 Maturity.

(a) Loans on Form A cotton (and loan advances to cotton cooperative marketing associations on Form G cotton) mature on the last day of the ninth calendar month following the month in which the loan (or loan advance) is disbursed, or upon such earlier date as CCC may make demand for payment, except that whenever such date falls on a nonworkday for county offices, the date of maturity shall be the next workday. CCC may, by public announcement, extend the time for repayment of the loan indebtedness or carry the loans in a past due status.

(b) Upon maturity and nonpayment of a note, CCC is authorized without notice to the producer to sell, transfer, and deliver the cotton, or documents evidencing title thereto, at such time, in such manner, and upon such terms and conditions as CCC may determine, at any cotton exchange or elsewhere, or through any agency, at public or private sale, for immediate or future delivery, and without demand, advertisement, or notice of the time and place of sale or adjournment thereof or otherwise; and, upon such sale, CCC may become the purchaser of the whole or any part of such cotton at its market value, as determined by CCC. Any overplus remaining from the proceeds received therefrom, after deducting from such proceeds the amount of the loan, interest, and charges, shall be paid to the producer or to his personal representative without right of assignment to or substitution of any other person. In the event the producer has made a fraudulent representation in the loan documents or in obtaining the loan, the proceeds received from the sale of the cotton shall be credited by CCC against the amount due on the loan, and the producer shall be personally liable for any balance due on the loan.

(c) On or after maturity and nonpayment of the note, title to the cotton shall, at CCC's election, without a sale thereof, vest in CCC, and CCC shall have no obligation to pay for any market value which such cotton may have in excess of the amount of the loan, plus interest and charges. In the event the producer has made a fraudulent representation in the loan documents or in obtaining the loan, CCC shall credit the market value of the cotton as of the date title vests in CCC, as determined by CCC, against the amount due on the loan, and the producer shall be personally liable for any balance due on the loan.

(d) To avoid administrative costs of making small payments and handling small accounts, amounts of $3 or less will be paid to the producer only upon his request. Deficiencies of $3 or less, including interest, may be disregarded

unless demand for payment is made by CCC.

§ 1427.19 Warehouse receipt and insurance.

Producers may obtain loans on cotton represented by warehouse receipts only if the warehouse receipts are negotiable machine card-type warehouse receipts, are issued by CCC approved warehouses, provide for delivery of the cotton to bearer or are properly assigned by endorsement in blank so as to vest title in the holder of the receipt, and otherwise are acceptable to CCC. The warehouse receipt must contain the tag number (warehouse receipt number), must show that the cotton is covered by fire insurance, and must be dated on or prior to the date the producer signs the note. If a bale is stored at the origin warehouse (the warehouse to which the bale was first delivered for storage after ginning), the warehouse receipt must contain the gin bale number. If a bale has been moved from the origin warehouse, the warehouse receipt shall, in lieu of the gin bale number, contain the tag number and identification of the origin warehouse. Open yard endorsement, if any, on the warehouse receipt must have been rescinded with the legend "open yard disclaimer deleted" with appropriate signature of the warehouseman or his authorized representative. Each receipt must set out in its written or printed terms the gross, tare, and net weight of the bale represented thereby. The gross weight shown on the warehouse receipt shall be the gross weight as determined by the warehouseman at the warehouse site, except that the warehouse receipt may show the gross weight established at a gin (1) in case the gin is in the immediate vicinity of the warehouse and is operated under common ownership with such warehouse or in any other case in which the showing of gin weights on the warehouse receipts is approved by CCC, and (2) if the showing of gin weights on the warehouse receipts is permitted by the warehouseman's licensing authority. The tare shown on the receipt shall be the tare furnished to the warehouseman by the ginner or entered by him on the gin bale tag. The net weight shown on the receipt shall be the difference between such gross and tare weights. A warehouse receipt reflecting an alteration in gross, tare, or net weight will not be accepted by CCC unless it bears, on the face of the receipt, the following legendor similar wording approved by CCC, duly executed by the warehouseman or his authorized representative:

Corrected (gross, tare, or net) weight_____
_____
(Name of warehouse)
By _____
Date _____

Alterations in other inserted data on the receipt must be initialed by the warehouseman or his authorized representative. If warehouse storage charges have been paid, the receipt must be stamped or otherwise noted to show the date through which the storage charges have been paid. For receipts showing accrued storage charges in excess of 60 days as of the date of tender to CCC, the loan amount will be reduced for each month of unpaid storage or fraction thereof in excess of 60 days by the monthly storage charge specified in the storage agreement between the warehouseman and CCC. If warehouse receiving charges have been paid or waived, the receipt must be stamped or otherwise noted to show such fact. If the receipt does not show that receiving charges have been paid or waived, the loan amount will be reduced by the amount of the receiving charges specified in the storage agreement. In any such case where the loan amount is reduced by unpaid storage or receiving charges, the charges will be paid to the warehouseman by CCC after loan maturity if the cotton is not redeemed from the loan or as soon as practicable after the cotton is ordered shipped by CCC or destroyed by fire while in loan status. If the bale was received by rail, the receipt must be stamped or otherwise noted to show such fact. If the bale has been compressed to standard density at a warehouse, gin standard density at a gin, or to a greater density approved by CCC at a warehouse or gin, the warehouse receipt must be stamped or otherwise noted to show such fact. If the compression charge has been paid, or if the warehouseman claims no lien for such compression, the receipt must also be stamped or otherwise noted to show such fact. Each receipt must show the type of bagging used to wrap the bale. Block warehouse receipts will not be accepted except on cotton to be reconcentrated pursuant to § 1427.22.

§ 1427.20 Special procedure where note amount advanced.

(a) *Purpose.* This special procedure is provided to assist persons or firms which in the course of their regular business of handling cotton for producers have made advances to eligible producers on eligible cotton to be placed under loan and desire to obtain credit at a financial institution for the amounts advanced. A financial institution which has made advances to eligible producers on eligible cotton may also obtain reimbursement for the amounts advanced under this procedure.

(b) *Eligible documents.* This special procedure shall apply only to loan documents covering cotton on which a person or firm has advanced to the producers (including payments to prior lienholders and other creditors) the note amounts shown on the Form A, except for authorized loan clerk fees, the $1 per bale research and promotion fee collected for transmission to the Cotton Board, and CCC loan service charges, and shall apply only if such person or firm is entitled to reimbursement from the proceeds of the loans for the amounts advanced and has been authorized by the producers to deliver the loan documents to the county office for disbursement of the loans.

(c) *Preparation of notes.* The Forms A and A–1 shall be prepared by an approved loan clerk who is the person who made the loan advances or is an employee of the person or firm which made the loan advances and shall show the entire proceeds of the loans, except for CCC loan service charges, for disbursement to (1) the financial institution which is to allow credit to the person or firm which made the loan advances or to such financial institution and such person or firm as joint payees, or (2) the financial institution which made the loan advances to the producers.

(d) *Delivery of notes to county offices.* Each Form A and related documents as required by § 1427.7 shall be mailed or delivered to the county office which keeps the farm records for the farm on which the cotton was produced. Unless the warehouse receipts and related documents will be received in the county office before such receipts reflect more than 60 days accrued storage, the loan must be reduced by the excess storage, as specified in § 1427.19. The documents shall be accompanied by Form CCC–825, Transmittal Schedule of Form A Cotton Loans, in original and two copies, numbered serially for each county office by the financial institution. The Form CCC–825 shall show the amounts invested by the financial institution in the loans, which shall be the amounts of the notes minus the amounts of CCC loan service charges shown on the notes. Upon receipt of the loan documents and Form CCC–825, the county office will stamp one copy of the Form CCC–825 to indicate receipt of the documents and return this copy to the financial institution.

(e) *Disbursement of loans.* The county office will review the loan documents prior to disbursement and will return to the financial institution any documents determined not to be acceptable because of errors or ineligibility. The county office will disburse the loans for which loan documents are acceptable by issuance of one draft to the payee indicated on the Forms A and will mail the draft to the address shown for such payee on the Forms A with a copy of Form CCC–825. The Form CCC–825 will show the date of disbursement by the county office and amount of interest earned by the financial institution.

(f) *Investment of funds by the financial institution.* The financial institution shall be deemed to have invested funds in the loans as of the date loan documents acceptable to CCC were delivered to the county office or, if received by mail, the date of mailing as indicated by postmark or the date of receipt in the county office if no postmark date is shown. Patron postage meter date stamp will not be recognized as a postmark date.

(g) *Basis of computing interest earned.* Interest will be computed on the total amount invested by the financial institution in the loans represented by accepted loan documents from and including the date of investment of funds by the financial institution to, but not including, the date of disbursement by the county office.

(h) *Rate of interest.* Interest will be at the rate of $0.00015 per day for each dollar of invested funds until such rate is increased or decreased by CCC in separate notices published in the FEDERAL REGISTER: *Provided*, That the effective date of any decrease in interest rate shall be at least 15 days after the date of publication of the notice.

(i) *Payment of interest.* Interest earned by the financial institution on the investment in loans disbursed during a month will be paid by the county office after the end of the month.

§ 1427.21 Loans on order bills of lading.

(a) Loans on cotton represented by order bills of lading will be available when specified by public announcement in areas and during periods where there is a shortage of storage space and where the necessary arrangements for handling the cotton have been made.

(b) Cotton represented by order bills of lading will be eligible for a loan only when it is shipped by an approved receiving agency as agent for the producer. Warehousemen, ginners, and other responsible parties in areas where such loans are available may be approved by CCC to act as receiving agencies. A receiving agency shall enter into a receiving agency agreement with CCC. When receiving agencies are approved, notifications will be given by letters or by published lists.

(c) A producer in any such area who is unable to find storage space in his local area and who wishes to obtain such a loan should deliver his cotton to a receiving agency with the request that it ship the cotton as agent for the producer, in accordance with shipping instructions furnished by CCC, to an approved warehouse where storage space is available. The receiving agency shall complete Form A–1. If the receiving agency is not a warehouseman, it shall have the cotton weighed by a public or licensed weigher and obtain a Weight and Condition Certificate in the form prescribed by CCC. The receiving agency shall also execute the Receiving Agency's Certificate. The receiving agency shall ship the cotton, secure order bills of lading in a form acceptable to CCC, and deliver to the producer the bills of lading, together with Form A–1, classification memorandums, and Weight and Condition Certificate (if any). Loans shall be made at the full loan rate at the point where the receiving agency receives the cotton (reduced by any unpaid receiving charges). CCC shall pay warehouse storage charges (not to exceed 60 days) on cotton tendered by the producer for a loan under this section if the receiving agency is a warehouseman. If the receiving agency is a warehouseman, it may collect from CCC fees for warehouse charges as permitted for the crop year and may collect from producers a fee of not to exceed 10 cents per bale to cover the costs of preparation of shipping documents. If the receiving agency is not a warehouseman, it shall, for the purpose of payment of gin compression only, be considered a warehouseman and shall be permitted to collect from CCC charges for gin compression, as provided in the storage agreement for the crop year between CCC and approved warehouses. It shall also be permitted to collect from producers a fee not in excess of the fee set forth in the Receiving Agency Agreement executed by the receiving agency and shall post in a conspicuous place a notice showing the fee to be charged producers.

§ 1427.22 Loans on cotton to be reconcentrated.

Loans on cotton to be reconcentrated shall be available only on cotton stored at warehouses specified by public announcement in areas where there is a shortage of storage space. The warehouseman shall enter into a reconcentration agreement with CCC. Warehouse receipts covering cotton to be reconcentrated under a reconcentration agreement must be in a form acceptable to CCC and must provide for delivery of the cotton to the order of CCC. Block warehouse receipts covering cotton to be reconcentrated under a reconcentration agreement will be accepted. A producer who desires to obtain a loan in this manner should request the warehouseman to issue a warehouse receipt to him in the form specified above and must furnish written authorization to the warehouseman for the reconcentration of the cotton after which the warehouseman will ship the cotton. The Forms A–1 and warehouse receipts covering cotton to be reconcentrated under a reconcentration agreement must show the reconcentration order number under which the cotton will be shipped. The producer shall obtain a loan by use of these documents in the usual manner, and after receipt of the loan and shipping documents, CCC will surrender the warehouse receipts to the warehouseman.

§ 1427.23 Custodial offices.

Forms A and A–1, collateral warehouse receipts, cotton classification memorandums, and related documents will be maintained in custody of the county office.

§ 1427.24 Loss of or damage to pledged cotton.

In any case where loss of or damage to cotton occurs while such cotton is pledged to CCC, CCC shall have the right to determine and file claims against any liable parties for the resulting loss. Upon determination of the identity of the bales of loan cotton lost or damaged, CCC will give credit on the producer's note for the loan value (including interest and charges) of such cotton. If the proceeds of the claim exceed the loan value of such cotton, the excess proceeds shall be remitted to the producer or to the party repaying the loan if the loan has been repaid.

§ 1427.25 Repayment of loan.

(a) If a producer desires to redeem one or more bales of cotton pledged to CCC as security for a loan, he may receive the warehouse receipts (and the classification memorandums applicable to such cotton, if requested) upon payment of the loan, interest, and charges applicable to the bales of cotton being redeemed at the county office. He may also request that the warehouse receipts (and classification memorandums) be forwarded to a bank for payment, in which case the amount of the loan, interest, and charges must be paid to the bank within 5 business days after the documents are received by the bank. Repayments will not be accepted after CCC acquires the cotton. All charges assessed by the bank to which the receipts are sent must be paid by the producer.

(b) A producer who desires to appoint an attorney-in-fact to act in his place and stead in redeeming his loan cotton, selling his equities in loan cotton, or executing Forms CCC–813, Release of Warehouse Receipts (referred to in this subpart as "Form 813"), shall use Form 211, except that a power of attorney on another form will be accepted if it is determined by CCC to be sufficient. The original or facsimile of the power of attorney or a copy certified by a notary public as a true and correct copy must be filed with the county office. The attorney-in-fact must execute and file with the county office an Agreement of Attorney-In-Fact, Form CCC–815 (referred to in this subpart as "Form 815"), and the attorney-in-fact will not be allowed to redeem cotton, or to execute Form 813, pursuant to the power of attorney if he does not file the required Form 815. The attorney-in-fact shall not make any purchase of cotton redeemed from a CCC loan or producers' equities in such cotton for his own account or as agent for others, or sell any such cotton or equities therein to any person by whom he is employed or who has the right to control or direct his sale of the redeemed cotton or equities, in any case where he redeems the cotton under authority of the power of attorney or signs the Form 813 under authority of the power of attorney. The attorney-in-fact shall not adopt any other scheme or device to circumvent the intent of the regulations in this subpart or Form 815. If the attorney-in-fact holds powers of attorney from more than one producer he may not pool their cotton or the proceeds therefrom nor make settlement with such producers on a pool basis upon sale of the cotton or the equities therein and will make an accounting to each producer for the proceeds of each bale of the producer's cotton which he redeems and sells and each equity which he transfers, unless he has a valid annual marketing agreement with such producers authorizing him to pool the cotton or the proceeds therefrom.

(c) Warehouse receipts redeemed by repayment shall be released only to the producer or his authorized agent, except that redeemed warehouse receipts may be released to persons designed on Form 813 executed by the producer or his authorized agent or the transferees of such persons. The Form 813 must be delivered to the county office within 30 days after the date the form is executed or the form

(and related equity transfers, if applicable) will be void. The warehouse receipts (and the classification memorandums, if requested) covering the cotton will be delivered to the person designated on the Form 813 or his transferee upon payment of the loan, interest, and charges within 5 business days after the Form 813 is delivered to the county office or, if it was requested that the documents be forwarded to a bank for payment, upon payment of the loan, interest, and charges within 5 business days after the documents are received by the bank. Repayments will not be accepted after CCC acquires title to the cotton on or after maturity of the loan. All charges assessed by the bank to which the documents are sent must be paid by the person redeeming the cotton. If payment is not effected within the applicable 5 business-day period and prior to the time at which the loan matures and CCC acquires the cotton, whichever is earlier, the Form 813 (and related equity transfers, if applicable) will be void.

§ 1427.26 Cotton cooperative marketing association loans.

A cotton cooperative marketing association which meets the eligibility requirements established by CCC as contained in the regulations in Part 1425 of this chapter and any amendment thereto may enter into a Cotton Cooperative Loan Agreement, Form CCC Cotton G, which provides for loans through the association to its producer-members. Copies of the form of agreement will be furnished to all associations which have been approved under such regulations. The loan rates under this agreement will be the same as for loans made to individual producers on Forms A and eligibility requirements for cotton and producers tendering cotton to the association and other loan provisions will be similar to those for Form A loans made to individual producers.

§ 1427.27 Failure to comply.

The obtaining of loans by producers on cotton which is not eligible for tender to CCC for loans will cause serious and substantial program damages to CCC, such as damage to its cotton loan program and the incurring of certain administrative and other special costs, in addition to any loss to CCC in disposing of the ineligible cotton. Inasmuch as it would be difficult, if not impossible, to prove the exact amount of such program damages, a producer obtaining a loan on cotton under this subpart shall pay to CCC as liquidated damages an amount equal to $5 for each bale of such cotton which (a) is not eligible cotton as defined in § 1427.6 or (b) is cotton which is subject to a prior lien (except the warehouseman's lien for those charges which are authorized in the storage agreement with CCC). By obtaining such loans, the borrower agrees with CCC that such amounts are reasonable estimates of the probable actual damages that would be incurred by CCC. Such amounts shall be paid to CCC promptly upon demand. Also, the borrower shall redeem such cotton upon demand by CCC; and, upon his failure to redeem such cotton, whether or not demand for redemption is made by CCC, shall be liable for any deficiency on the loan arising from sale of such cotton. Notwithstanding the foregoing provisions of this section, if it is determined by CCC that the borrower did not have knowledge of the ineligibility of the cotton or followed a procedure which could reasonably be expected to prevent the tender of ineligible cotton to CCC, liquidated damages shall not be payable to CCC and, if the cotton is made eligible for loan within 30 days from the date notification that the cotton is ineligible is given to the borrower by CCC, the cotton need not be redeemed.

§ 1427.28 Death, incompetency, or disappearance.

In the case of death, incompetency, or disappearance of any producer who is entitled to the payment of any proceeds in settlement of a loan, payment shall, upon proper application to the county office which disbursed the loan, be made to the person or persons who would be entitled to such producer's payment as provided in the regulations entitled Payment Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent, Part 707 of this title and any amendment thereto.

Effective date. This subpart shall become effective upon filing with the Office of the Federal Register for publication.

Signed at Washington, D.C., on July 23, 1971.

CARROLL G. BRUNTHAVER,
Acting Executive Vice President, Commodity Credit Corporation.

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Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 78—BRUCELLOSIS

Subpart D—Designation of Modified Certified Brucellosis Areas, Public Stockyards, Specifically Approved Stockyards, and Slaughtering Establishments

MODIFIED CERTIFIED BRUCELLOSIS AREAS

Pursuant to § 78.16 of the regulations in Part 78, as amended, Title 9, Code of Federal Regulations, containing restrictions on the interstate movement of animals because of brucellosis, under sections 4, 5, and 13 of the Act of May 29, 1884, as amended; sections 1 and 2 of the Act of February 2, 1903, as amended; and section 3 of the Act of March 3, 1905, as amended (21 U.S.C. 111–113, 114a–1, 120, 121, 125), § 78.13 of said regulations designating Modified Certified Brucellosis Areas is hereby amended to read as follows:

§ 78.13 Modified certified brucellosis areas.

The following States, or specified portions thereof, are hereby designated as Modified Certified Brucellosis Areas:

Alabama. The entire State;
Alaska. The entire State;
Arizona. The entire State;
Arkansas. The entire State;
California. The entire State;
Colorado. The entire State;
Connecticut. The entire State;
Delaware. The entire State;
Florida. The entire State;
Georgia. The entire State;
Hawaii. The entire State;
Idaho. The entire State;
Illinois. The entire State;
Indiana. The entire State;
Iowa. The entire State;
Kansas. The entire State;
Kentucky. The entire State;
Louisiana. The entire State;
Maine. The entire State;
Maryland. The entire State;
Massachusetts. The entire State;
Michigan. The entire State;
Minnesota. The entire State;
Mississippi. The entire State;
Missouri. The entire State;
Montana. The entire State;
Nebraska. The entire State;
Nevada. The entire State;
New Hampshire. The entire State;
New Jersey. The entire State;
New Mexico. The entire State;
New York. The entire State;
North Carolina. The entire State;
North Dakota. The entire State;
Ohio. The entire State;
Oklahoma. The entire State;
Oregon. The entire State;
Pennsylvania. The entire State;
Rhode Island. The entire State;
South Carolina. The entire State;
South Dakota. The entire State;
Tennessee. The entire State;
Texas. Anderson, Andrews, Angelina, Aransas, Archer, Armstrong, Atascosa, Austin, Bailey, Blandera, Bastrop, Baylor, Bee, Bell, Bexar, Blanco, Borden, Bosque, Bowie, Brazos, Brewster, Briscoe, Brooks, Brown, Burleson, Burnet, Caldwell, Calhoun, Callahan, Cameron, Camp, Carson, Cass, Castro, Chambers, Cherokee, Childress, Clay, Cochran, Coke, Coleman, Collin, Collingsworth, Colorado, Comal, Comanche, Concho, Cooke, Coryell, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dallas, Dawson, Deaf Smith, Delta, Denton, De Witt, Dickens, Dimmit, Donley, Duval, Eastland, Ector, Edwards, Ellis, El Paso, Erath, Falls, Fannin, Fayette, Fisher, Floyd, Foard, Franklin, Freestone, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Gray, Grayson, Gregg, Grimes, Guadalupe, Hale, Hall, Hamilton, Hansford, Hardeman, Hardin, Harrison, Hartley, Haskel, Hays, Hemphill, Henderson, Hidalgo, Hill, Hockley, Hood, Hopkins, Houston, Howard, Hudspeth, Hunt, Hutchinson, Irion, Jack, Jackson, Jasper, Jeff Davis, Jefferson, Jim Hogg, Jim Wells, Johnson, Jones, Karnes, Kaufman, Kendell, Kent, Kerr, Kimble, King, Kinney, Knox, Lamar, Lamb, Lampasas, Lavaca, Lee, Leon, Liberty, Limestone, Lipscomb, Live Oak, Llano, Loving, Lubbock, Lynn, McCullouch, McLennan, McMullen, Madison, Marion, Martin, Mason, Maverick, Medina, Menard, Midland, Milam, Mills, Mitchell, Montague, Montgomery, Moore,

Morris, Motley, Nacadoches, Navarro, Newton, Nolan, Ochiltree, Oldham, Orange, Palo Pinto, Panola, Parker, Parmer, Pecos, Polk, Potter, Presidio, Rains, Randall, Reagan, Real, Red River, Reeves, Refugio, Roberts, Robertson, Rockwall, Runnels, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, San Saba, Schleicher, Scurry, Shackelford, Shelby, Sherman, Smith, Somervell, Starr, Stephens, Sterling, Stonewall, Sutton, Swisher, Tarrant, Taylor, Terrell, Terry, Throckmorton, Titus, Tom Green, Travis, Trinity, Tyler, Upshur, Upton, Uvalde, Val Verde, Van Zandt, Walker, Ward, Washington, Webb, Wheeler, Wichita, Wilbarger, Williamson, Wilson, Winkler, Wise, Wood, Yoakum, Young, Zapata, and Zavala Counties;

Utah. The entire State;
Vermont. The entire State;
Virginia. The entire State;
Washington. The entire State;
West Virginia. The entire State;
Wisconsin. The entire State;
Wyoming. The entire State;
Puerto Rico. The entire area; and
Virgin Islands of the United States. The entire area.

(Secs. 4, 5, 23 Stat. 32, as amended; secs. 1, 2, 32 Stat. 791–792, as amended; sec. 3, 33 Stat. 1265, as amended; sec. 2, 65 Stat. 693; 21 U.S.C. 111–113, 114a–1, 120, 121, 125; 29 F.R. 16210, as amended, 9 CFR 78.16)

Effective date. The foregoing amendment shall become effective upon publication in the FEDERAL REGISTER (7–29–71).

The amendment adds the following additional areas to the list of areas designated as Modified Certified Brucellosis Areas because it has been determined that such areas come within the definition of § 78.1(i): Hughes, Hutchinson, and Sully Counties in South Dakota; Lavaca and San Patricio Counties in Texas.

Cameron County in Texas was deleted from the list of Modified Certified Brucellosis Areas on May 25, 1971. Since said date, it has been determined that such county again comes within the definition of § 78.1(i); and, therefore, it has been redesignated as a Modified Certified Brucellosis Area.

The amendment imposes certain restrictions necessary to prevent the spread of brucellosis in cattle and relieves certain restrictions presently imposed. It should be made effective promptly in order to accomplish its purpose in the public interest and to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under the administrative procedures provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedures with respect to the amendment are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 23d day of July 1971.

R. S. SHARMAN,
Director, Animal Health Division, Agricultural Research Service.

[FR Doc.71–10626 Filed 7–28–71;8:51 am]

SUBCHAPTER G—ANIMAL BREEDS

PART 151—RECOGNITION OF BREEDS AND BOOKS OF RECORDS OF PUREBRED ANIMALS

Recognized Breeds and Books of Record

Pursuant to the provisions of Item 100.01 of title I of the Tariff Act of 1930, as amended (19 U.S.C. 1202, Item 100.01), § 151.9 of Part 151, Title 9, Code of Federal Regulations, is hereby amended to recognize the additional breed of horses and book of record as follows:

The chart in § 151.9(a) is amended by inserting the following in alphabetical order under the heading "Horses":

Code	Name of breed	Book of record	By whom published
2235	Thoroughbred.	The General Stud Book of South Africa.	The Jockey Club of South Africa, Box 3409, Johannesburg, Union of South Africa.

(Sec. 101, 76 Stat. 72, Item 100.01, title I, Tariff Act of 1930, as amended; 19 U.S.C. 1202, Item 100.01; 29 F.R. 16210, as amended)

The amendment recognizes the Thoroughbred breed of horses listed in the General Stud Book of South Africa, and said book.

The effect of the amendment is to provide for duty-free entry of certain purebred animals and, in order to be of maximum benefit to persons desiring to import such animals, the amendment should be made effective as soon as possible. Therefore, under the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that notice of rule-making and other public procedure on the amendment are impracticable and unnecessary, and the amendment may be made effective less than 30 days after publication in the FEDERAL REGISTER (7–29–71).

The foregoing amendment shall become effective upon publication in the FEDERAL REGISTER (7–29–71).

Done at Washington, D.C., this 22d day of July, 1971.

F. J. MULHERN,
Acting Administrator, Agricultural Research Service.

[FR Doc.71–10825 Filed 7–28–71;8:51 am]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 11252; Amdt. 767]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

This amendment to Part 97 of the Federal Aviation Regulations incorporates by reference therein changes and additions to the Standard Instrument Approach Procedures (SIAPs) that were recently adopted by the Administrator to promote safety at the airports concerned.

The complete SIAPs for the changes and additions covered by this amendment are described in FAA Forms 3139, 8260–3, 8260–4, or 8260–5 and made a part of the public rule making dockets of the FAA in accordance with the procedures set forth in Amendment No. 97–696 (35 F.R. 5610).

SIAPs are available for examination at the Rules Docket and at the National Flight Data Center, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20590. Copies of SIAPs adopted in a particular region are also available for examination at the headquarters of that region. Individual copies of SIAPs may be purchased from the FAA Public Document Inspection Facility, HQ–405, 800 Independence Avenue SW., Washington, DC 20590, or from the applicable FAA regional office in accordance with the fee schedule prescribed in 49 CFR 7.85. This fee is payable in advance and may be paid by check, draft, or postal money order payable to the Treasurer of the United States. A weekly transmittal of all SIAP changes and additions may be obtained by subscription at an annual rate of $125 per annum from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Since a situation exists that requires immediate adoption of this amendment, I find that further notice and public procedure hereon is impracticable and good cause exists for making it effective in less than 30 days.

In consideration of the foregoing, Part 97 of the Federal Aviation Regulations is amended as follows, effective on the dates specified:

1. Section 97.23 is amended by establishing, revising, or canceling the following VOR–VOR/DME SIAPs, effective August 26, 1971.

Boise, Idaho—Boise Air Terminal; VOR Runways 10 L & R, Amdt. 12; Revised.
Lambertville, Mich.—Wagonwheel; VOR–1, Original, effective Dec. 10, 70; Established (Reinstated).
Boise, Idaho—Boise Air Terminal; VORTAC Runway 28L, Amdt. 1; Revised.
Potsdam, N.Y.—Potsdam Municipal/Damon Field; VOR/DME Runway 24, Amdt. 1; Revised.

2. Section 97.27 is amended by establishing, revising, or canceling the following NDB/ADF SIAPS, effective August 26, 1971.

Boise, Idaho—Boise Air Terminal; NDB Runway 10 L & R, Amdt. 19; Revised.

3. Section 97.29 is amended by establishing, revising, or canceling the following ILS SIAPs, effective August 26, 1971.

Baltimore, Md.—Friendship International Airport; ILS Runway 10, Amdt. 1; Revised.
Boise, Idaho—Boise Air Terminal; ILS Runway 10L, Amdt. 21; Revised.
Grand Junction, Colo.—Walker Field; ILS Runway 11, Amdt. 21; Canceled.

4. Section 97.31 is amended by establishing, revising, or canceling the following Radar SIAPs, effective August 26, 1971.

Cleveland, Ohio—Cleveland Hopkins International Airport; Radar-1, Amdt. 18; Revised.

5. Section 97.33 is amended by establishing, revising, or canceling the following RNAV SIAPs, effective August 26, 1971.

Amarillo, Texas—Tradewind Airport; RNAV Runway 35, Original; Established.
Atlanta, Ga.—Fulton County Airport; RNAV Runway 8R, Amdt. 1; Revised.
Columbia, S.C.—Columbia Metropolitan Airport; RNAV Runway 5, Original; Established.
Eureka, Calif.—Murray Field; RNAV Runway 11, Original; Established.
Jacksonville, Fla.—Jacksonville International Airport; RNAV 13, Original; Established.
Jacksonville, Fla.—Craig Municipal Airport; RNAV Runway 31, Original; Established.
Muskegon, Mich.—Muskegon County Airport; RNAV Runway 14, Original; Established.
Sanford, Fla.—Sanford Airport; RNAV Runway 9, Original; Established.
Spartanburg, S.C.—Spartanburg-Downtown-Memorial Airport; RNAV Runway 4, Original; Established.

(Secs. 307, 313, 601, 1110, Federal Aviation Act of 1958; 49 U.S.C. 1438, 1354, 1421, 1510; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c), 5 U.S.C. 552(a)(1))

Issued in Washington, D.C., on July 22, 1971.

R. S. SLIFF,
Acting, Director,
Flight Standards Service.

NOTE: Incorporation by reference provisions in §§ 97.10 and 97.20 (35 F.R. 5610) approved by the Director of the Federal Register on May 12, 1969.

[FR Doc.71-10670 Filed 7-28-71;8:54 am]

Title 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

[Releases Nos. 33-5170, 34-9252]

PART 231—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES ACT OF 1933 AND GENERAL RULES AND REGULATIONS THEREUNDER

PART 241—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES EXCHANGE ACT OF 1934 AND GENERAL RULES AND REGULATIONS THEREUNDER

Disclosures Pertaining to Matters Involving the Environment and Civil Rights

The Securities and Exchange Commission today called attention to the requirements in its forms and rules under the Securities Act of 1933 (Securities Act) and the Securities and Exchange Act of 1934 (Exchange Act) for disclosure of legal proceedings and descriptions of registrant's business as these requirements relate to material matters involving the environment and civil rights.

I. *Certain matters pertaining to environment.* The Commission's requirements for describing a registrant's business on the forms and rules under the Securities and Exchange Act call for disclosure, if material,[1] when compliance with statutory requirements with respect to environmental quality e.g., various air, water and other antipollution laws, may necessitate significant capital outlays, may materially affect the earning power of the business, or cause material changes in registrant's business done or intended to be done.

Further, the Commission's disclosure requirements relating to legal proceedings call for disclosure, where material, of proceedings arising, for example, under the Rivers and Harbors Act of 1899 (33 U.S.C. 407), the Federal Water Pollution Control Act, as amended, (33 U.S.C. 466 et seq.) and the Clear Air Act, as amended, (42 U.S.C. 1857 et seq.) as well as under other statutes, federal, state or local, regulating the discharge of materials into the environment, or otherwise specifically relating to the protection of the environment. If such litigation is pending or known to be contemplated but disclosure thereof is omitted on the ground that it is not material, it will be the practice of the Division of Corporation Finance to request registrants to furnish as supplemental information and not as part of the filing, (1) a description of the omitted information and (2) a statement of the reasons for its omission.

II. *Certain Civil Rights matters.* The Commission's requirements for describing registrant's business in the forms and rules under the Securities Act and Exchange Act call for disclosure, if material, when legal proceedings arising under statutory requirements relating to Civil Rights would for example, result in the cancellation of a Government contract or termination of further business with the Government. Moreover, the Commission's disclosure requirements pertaining to legal proceedings call for disclosure, if material, of proceedings arising, for example, under the Civil Rights Act, any debarment or other sanctions imposed under Executive Order 11246, title VII of the Civil Rights Act of 1964, and any sanctions imposed for violation of the nondiscrimination rules of any Federal regulatory agency whenever such actions are material. If such legal proceedings are pending or known to be contemplated by Government agencies but disclosure thereof is omitted on the ground that it is not material, it is the practice of the Division of Corporation Finance to request registrants to furnish as supplemental information and not as a part of the filing, (1) a description of the omitted information and (2) a statement of the reasons for its omission.

By the Commission, July 19, 1971.

[SEAL] THEODORE L. HUMES,
Associate Secretary.

[FR Doc.71-10767 Filed 7-28-71;8:46 am]

[1] See definition of "material" in Rule 405 of the general rules and regulations under the Securities Act of 1933 (17 CFR 230.405) and in Rule 12b-2 of the general rules and regulations under the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 71-196]

PART 1—GENERAL PROVISIONS

Extension of Boundaries of Port of Nogales, Ariz.

In order to provide better Customs service to carriers and the importing community in the State of Arizona, it is considered desirable to extend the existing port limits of Nogales, Ariz.

Accordingly, by virtue of the authority vested in the President by section 1 of the Act of August 1, 1914, 38 Stat. 623, as amended (19 U.S.C. 2), which was delegated to the Secretary of the Treasury by the President in Executive Order No. 10289, September 17, 1951 (3 CFR Ch. II), and pursuant to authorization provided by Treasury Department Order No. 190, Rev. 7 (34 F.R. 15846), the geographical limits of the Customs port of Nogales, Ariz., in the Nogales, Ariz., district (Region VII) as extended by E.O. 9382, September 25, 1943; 8 F.R. 13083 are further extended. The boundaries of the Port of Nogales as extended shall include the area in Santa Cruz County, State of Arizona, described as follows:

Sections 1, 12, 13, 24, 25, 36, Township 23 South, Range 13 East, Gila and Salt River Base and Meridian.

Sections 7, 18, 19, 30, 31, 32, 33, and section 6 (excepting that part of section 6 designated as lots 1, 2, 3, 4, 5, 6, 7, and 8). Township 23 South, Range 14 East Gila and Salt River Base and Meridian.

Sections 4, 5, 6, 7, 8, 9, 16, 17, 18, 19, 20, 21, Township 24 South, Range 14 East Gila and Salt River Base and Meridian, Santa Cruz County, Ariz.

Section 1.2(c) of the Customs Regulations is amended by deleting "(including territory described in E.O. 9382, September 25, 1943; 8 F.R. 13083)," in the column headed "Ports of Entry" for the Nogales, Ariz., district (Region VII) and inserting in lieu thereof "(including the territory described in T.D. 71-196)."

(80 Stat. 379, sec. 1, 37 Stat. 434, sec. 1, 38 Stat. 623, as amended, R.S. 251, as amended, sec. 624, 46 Stat. 759; 5 U.S.C. 301, 19 U.S.C. 1, 2, 66, 1624)

This Treasury Decision shall become effective upon publication in the FEDERAL REGISTER (7-29-71).

[SEAL] WILLIAM L. DICKEY,
Acting Assistant Secretary of the Treasury.

JULY 20, 1971.

[FR Doc.71-10783 Filed 7-28-71;8:52 am]

[T.D. 71-197]

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

Supplies and Equipment for Aircraft

In accordance with section 309(d), Tariff Act of 1930, as amended (19 U.S.C. 1309(d)), the Department of Commerce has found and under date of June 2, 1971, has advised the Treasury Department that the Republic of the Philippines allows privileges to aircraft registered in the United States and engaged in foreign trade substantially reciprocal to those provided for in sections 309 and 317 of the Tariff Act of 1930, as amended (19 U.S.C. 1309, 1317). The same privileges are therefore hereby extended to aircraft registered in the Republic of the Philippines and engaged in foreign trade effective as of the date of such notification.

Accordingly, paragraph (f) of § 10.59, Customs Regulations, is amended by the insertion of the "Republic of the Philippines" in appropriate alphabetical order and the number of this Treasury decision in the opposite column headed "Treasury Decision(s)" in the list of nations in that paragraph.

(Secs. 309, 317, 624, 46 Stat. 690, as amended, 696, as amended, 759; 19 U.S.C. 1309, 1317, 1624)

[SEAL] MYLES J. AMBROSE,
Commissioner of Customs.

Approved: July 20, 1971.

WILLIAM L. DICKEY,
Acting Assistant Secretary of the Treasury.

[FR Doc.71-10784 Filed 7-28-71;8:52 am]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 7134]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Integration of Qualified Plans With Social Security Act; Correction

On Thursday, July 22, 1971, Treasury Decision 7134 was published in the FEDERAL REGISTER (36 F.R. 13592). The following correction is made to the Income Tax Regulations (26 CFR Part 1), as prescribed by T.D. 7134:

In § 1.401-3(e)(2)(iii)(c), the phrase "[the day before the date of publication of this notice of proposed rule making]," in line 3 should be deleted and replaced by the phrase "May 17, 1971,".

JAMES F. DRING,
Director, Legislation and Regulations Division.

[FR Doc.71-10836 Filed 7-28-71;8:53 am]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER M—ANIMALS

PART 932—PREVENTION AND CONTROL OF COMMUNICABLE DISEASES OF ANIMALS

Part 932 of Title 32 of the Code of Federal Regulations is revised as follows:

Sec.
932.1 Purpose.
932.2 Preparation and control measures.
932.3 Diagnostic tests and examinations.

AUTHORITY: The provisions of this Part 932 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012.

§ 932.1 Purpose.

This part directs the manner of prevention and control of animal diseases among Government-owned animals and other animals under military control.

§ 932.2 Prevention and control measures.

(a) *General.* The commander, on recommendation of the surgeon, may order or authorize the physical examination of animals in his command or in an area under his jurisdiction. Animals in an area not under his jurisdiction can present hazards to military operations. In this instance, the commander may authorize and direct the surgeon or, in his absence, the veterinarian to cooperate with various local and national health agencies to arrange examination of those animals. This investigation may be for a detailed study of enzootic or epizootic disease, or to examine its sudden increase and effect or potential effect upon the military population. Vaccination certificates or health certificates will be issued to meet the requirements of applicable laws and directives.

(b) *Rabies control.* (1) In accordance with local regulations, unvaccinated dogs, cats, and other privately owned animals will not be permitted to run at large on any military reservation but will be collected at frequent intervals and confined for a reasonable length of time prior to disposal.

(2) Military Police/Security Police personnel will collect all animals which are required to be confined. The confinement facility will be operated as prescribed by local regulations.

(3) When rabies occurs in an animal at a military station or base, the commander will initiate effective control measures recommended by the surgeon (Air Force Director of Base Medical Services) and/or the veterinarian.

(4) When any animal on a military reservation shows signs indicative of rabies or bites a person, the surgeon (Air Force Director of Base Medical Services) will notify the veterinarian and initiate action to have the animal confined or destroyed in accordance with local regulations. A domestic animal will be under the observation of a veterinarian until definite signs of rabies develop or the animal has been retained in isolation confinement for 10 days. A wild animal will be killed at once and its brain examined for evidence of rabies. If a suspect animal showing signs must be destroyed to prevent human exposure, the brain will not be damaged in the process of destroying the animal. As soon as possible after death, the animal carcass will be decapitated and the intact head forwarded to a laboratory for examination as prescribed in TB MED 237 and AFR 163-3 (Veterinary Laboratory Service), except that material suspected to contain rabies virus will not be submitted to laboratories located in rabies-free countries, unless the specimen originates within that country.

(5) Any animal not vaccinated against rabies who is bitten by another animal known or reasonably suspected to be rabid will be destroyed immediately or confined under observation of the veterinarian or the surgeon for a period of not less than 120 days, at the end of which period it may be released if no signs of rabies have developed and if rabies immunization is current. After confinement for a perod of not less than 30 days followed by revaccination, animals possessing a current rabies immunization may be released.

§ 932.3 Diagnostic tests and examinations.

(a) Tuberculin will be administered in accordance with U.S. Department of Agriculture regulations to cattle that are Government-owned or to privately owned cattle permitted by lease agreement to graze on military reservations. Privately owned cattle will be tested at the owner's expense and will be free of tuberculosis, with results of such tests forwarded to the installation.

(b) Brucellosis test: Government-owned or privately owned cattle permitted by lease agreement to graze on military installations will be tested for brucellosis in accordance with U.S. Department of Agriculture/State regulations. Privately owned cattle permitted by lease agreement to graze on military installations will be tested for brucellosis in accordance with U.S. Department of Agriculture/State regulations. Privately owned cattle will be tested at the owner's expense and will be free of brucellosis with results of such tests forwarded to the installation commander prior to entry on the military installation.

By order of the Secretary of the Air Force.

ALEXANDER J. PALENSCAR, Jr.,
Colonel, U.S. Air Force, Chief, Special Activities Group, Office of The Judge Advocate General.

[FR Doc.71-10760 Filed 7-28-71;8:45 am]

SUBCHAPTER W—AIR FORCE PROCUREMENT

PART 1001—GENERAL PROVISIONS

Miscellaneous Amendments

Part 1001 of Subchapter W—Title 32 of the Code of Federal Regulations is amended as follows:

§ 1001.101 [Amended]

1. The first sentence in § 1001.101 is amended by changing the words "The Hq USAF ASPR Supplement" to the "Air Force ASPR Supplement."

2. Section 1001.905-50 is revised as follows:

§ 1001.905-50 Air Force Contractor Experience List.

(a) *General.* The Directorate of Procurement Policy, Hq USAF/SPP, will maintain and publish an Air Force Contractor Experience List (AFCEL). The AFCEL and all correspondence disclosing the names of contractors on or proposed to be on the AFCEL will be marked "For Official Use Only" unless a security classification is required. The AFCEL will not be released outside the Government and information contained therein will not be made available for inspection by private individuals, firms or trade organizations. The AFCEL and the other Contractor Experience Lists attached thereto are the only official listings of this type that are authorized within the United States.

(b) *Purpose.* The purpose of the AFCEL is to identify contractors, including nonappropriated fund contractors, who have not performed satisfactorily or who have encountered other difficulties that might endanger future performance. The AFCEL alerts contracting officers to these difficulties prior to placing new business with listed contractors. It also serves to identify conditions which the contractor must correct to satisfactorily improve performance and justify removal from the AFCEL.

(c) *Limitation on use of the AFCEL.* The listing of a contractor on the AFCEL or on the other Contractor Experience Lists (CELs) attached thereto, will not be interpreted to mean that the list contractor will not be given an opportunity to bid or quote on a proposed procurement, that negotiations cannot be carried on with the contractor, or that award cannot be made to such contractor. The CELs have no relationship to the Joint Consolidated List of Debarred, Ineligible, and Suspended Contractors, and the inclusion of any contractor on a CEL will not in any sense be regarded as a determination of debarment or ineligibility. These procedures do not apply to contractors performing only outside the United States.

(d) *Reasons for listing contractors.* Contractors with one or more of the following deficiencies will be considered for the AFCEL, identified by the letter coding shown.

(1) D—Contractors who have a less than satisfactory record of delivery or schedule performance on one or more contracts.

(2) Q—Contractors who fail to meet the product quality standards established by the contract.

(3) T—Contractors who have had one or more contracts terminated for default. All defaulted contractors must be reported to Hq USAF for AFCEL listing.

(4) F—Contractors who have a less than adequate financial capability for contract performance. All contractors who file for bankruptcy or are placed in receivership must be reported to Hq USAF for AFCEL listing.

(5) M—Contractors whose performance is concerned unsatisfactory or whose responsibility is questioned for other specific reasons.

(e) *Procedures.* (1) Both purchasing and contract administration offices, as well as nonappropriated fund purchasing offices, may initiate recommendations for the AFCEL. The purchasing office will coordinate the intended AFCEL action with the contract administration office, or vice versa as applicable, and will obtain supporting information needed to substantiate the recommendation.

(2) To initiate an AFCEL case, the chief of the purchasing or contract administration office (or higher level authority as determined by the major command concerned) will notify the contractor by letter of the proposed AFCEL recommendation. State the specific deficiencies in the contractor's performance, and request a reply within 15 days if the contractor wishes to present reasons why he should not be recommended for AFCEL listing. For nonappropriated fund cases, this letter will be signed by the chief of the central purchasing office, or by the Base Commander, as appropriate.

(3) If the contractor does not respond within 15 days, or if the response is unsatisfactory, immediately advise the contractor that he has been recommended for the AFCEL. Simultaneously submit the recommendation to Hq USAF/SPP through procurement channels. The major command will forward the approved recommendation to arrive at Hq USAF within 15 days after receipt unless there are valid reasons for delay.

(4) Recommendations should be brief, but complete and factual. They should answer more questions than they generate. Copies of contracts and other lengthy documents are normally not required. All recommendations should include at least the following information:

(i) Contractor's full name, address, product line, and president's name. If only one part of the company is recommended, give necessary details of the relationship.

(ii) Purchasing and contract administration offices, including autovon phone number.

(iii) Codes for which the contractor is recommended. See paragraph (d) of this section.

(iv) Contract number, effective date, type of contract, dollar value, items covered, and unusual pertinent provisions.

(v) Brief narrative of contract requirements not met, and the contractor's actual performance, or other reasons for the recommended listing. If contractor's performance is considered less than satisfactory for only certain product lines or services, identify such qualification specifically in the recommendation, and any subsequent listing on the AFCEL will be so annotated.

(vi) Brief outline of previous corrective actions taken by the contracting officer, such as "show cause" or "cure" notices, including dates such actions were taken and results obtained.

(vii) For Code D give original contract delivery dates and changes thereto, including reasons therefor, action taken to assure that delivery schedules are current and realistic, and a brief summary of the frequency, duration, and seriousness of late deliveries considered to be the fault of the contractor.

(viii) For Code Q provide a brief current evaluation of the contractor's quality control plan or inspection system.

(ix) For Code T include reasons for the default termination and results of any appeal or other disposition of the case, if available. No further justification is required unless you recommend that the defaulted contractor not be listed.

(x) For Code F provide brief current financial data showing lack of financial capability. No further justification is required for a contractor in bankruptcy unless you recommend that he not be listed.

(xi) AFCEL recommendations from purchasing activities will include a copy of a statement from the cognizant contract administration office providing current performance evaluation on the specific contracts involved, pertinent overall performance, background information, and concurrence or nonconcurrence with the recommendation.

(5) The Hq USAF AFCEL Review Board will review all recommendations prior to final approval with the Director of Procurement Policy, Hq USAF/SPP.

(6) Normally within 30 days of receipt of the recommendation, Hq USAF/SPP will advise the contractor by letter of the decision on AFCEL listing, with copies to all offices involved in the recommendation.

(7) Hq USAF/SPP will publish an updated AFCEL quarterly and will distribute it to all major commands, DSA, and Navy for distribution to their procuring activities, including those dealing with nonappropriated funds. Interim changes will be published as required.

(8) AFCEL Review:

(i) Each contractor on the current AFCEL will be reviewed by the recommending activity each quarter to keep the listing current and to determine if removal from or retention on the list is warranted. If the purchasing office is the recommending activity, contact the appropriate contract administration activity to obtain an evaluation of the contractor's current overall performance. Promptly recommend removal when the contractor has corrected the deficiency for which he was placed on the AFCEL and no other major deficiencies exist. Specifically substantiate recommendations. If retention is recommended, also validate the letter coding.

(ii) Forward results of quarterly reviews by letter through procurement channels to arrive at Hq USAF/SPP by the 10th of February, May, August, and November of each year. Hq USAF/SPP will advise the contractor by letter if removal is approved, with copies to all offices concerned.

(iii) Recommend removal of a contractor who no longer has or seeks government contracts after 1 year on the list unless there are valid reasons for retention.

(iv) Recommend removal of a contractor who is subsequently included in the Joint Consolidated List of Debarred, Ineligible, and Suspended Contractors (AFR 70-23).

(v) Do not recommend removal of a contractor who has appealed any matter which caused AFCEL listing, other than Code T, until final resolution of the appeal with the contractor's position substantially upheld.

(vi) Do not recommend removal of a contractor who was listed for Code T until the termination for default is converted to a termination for convenience, the Armed Services. Board of Contract Appeals substantially upholds the contractor's position, or the contractor has been listed for 1 year.

(vii) Do not recommend removal of a contractor who was listed under Code F for bankruptcy/receivership until such proceedings have been completed and the contractor has been listed for 1 year.

(viii) Whenever a listed contractor changes name or address, promptly notify Hq USAF/SPP. Identify whether the new name or address replaces or is in addition to the present listing. This includes contractors listed on the Navy or DSA CELs.

(f) *Navy and Defense Supply Agency (DSA) Implementation.* Navy Procurement Directive (NPD) 1-950, Navy Contractor Experience List (NCEL); Defense Supply Procurement Regulation 1-950, DSA Contractor Experience List (DSACEL); and DSA Regulation No. 8335.1, Contractor Experience List for Contract Administration Services provide information on Air Force, Navy, and DSA Contractor Experience Lists. DSAR No. 8335.1 also provides instructions to DCAS organizations on their recommendation of contractors for the AFCEL. Hq USAF sends the AFCEL to Navy and DSA for distribution with the NCEL and DSACEL.

(g) *Letters to contractors.* The following are formats for letters to contractor top management.

(1) Format for Initial notice to contractor:

Dear Mr. ---------- (President) ----------

The Air Force has established a list of contractors whose performance or financial condition has been determined to be unsatisfactory. This list is the Air Force Contractor Experience List (AFCEL). The procedure for listing contractors on the AFCEL is set forth in § 1001.905-50 of Air Force Procurement.

This is to notify you that the Air Force considers your performance (or financial condition) to be unsatisfactory. (State specific deficiencies.)

Action is in process to recommend you for placement on the AFCEL. However, you are being afforded an opportunity to provide reasons why this action should not be taken and/or what corrective actions you propose to take to resolve the above cited deficiencies.

Please forward your response to this office on or before (15 days).

Sincerely

(2) Format for notice to contractor of recommendation to Hq USAF:

Dear Mr. ---------- (President) ----------

Your response of (date) has been carefully reviewed (or: No response has been received to my letter of (date) and the decision to recommend placing your company on the Air Force Contractor Experience List (AFCEL) is still considered appropriate. Therefore I have recommended that your firm be placed on the AFCEL. If this recommendation is approved by Hq USAF your firm will be listed on the next AFCEL. Your listing will be carefully reviewed at least quarterly. At such time as there is assurance that you have taken effective action to correct the unsatisfactory condition, we will recommend that your company be removed from the AFCEL.

Your listing on the AFCEL will not in any way prevent you from bidding on or submitting proposals for future contracts. The list will, however, alert contracting officers to companies whose performance has been determined to be currently unsatisfactory.

We sincerely hope that you soon correct the conditions that prompted this recommendation.

Sincerely

(10 U.S.C. Ch. 137, 10 U.S.C. 8012)

By order of the Secretary of the Air Force.

ALEXANDER J. PALENSCAR, Jr.,
Colonel, U.S. Air Force, Chief, Special Activities Group, Office of The Judge Advocate General.

[FR Doc.71-10759 Filed 7-28-71;8:45 am]

Chapter XVIII—Office of Civil Defense, Office of the Secretary of the Army

CONTRIBUTIONS FOR CIVIL DEFENSE PURPOSES

Chapter XVIII of Title 32 is amended as follows:

PART 1801—CONTRIBUTIONS FOR CIVIL DEFENSE EQUIPMENT

Paragraph (e) of § 1801.4 is amended by substituting in place of the words, "Public Law 875, 81st Congress," the words "the Disaster Relief Act of 1970 (Public Law 91-606) including any amendments thereto."

(64 Stat. 1250, 1255, 50 U.S.C. App. 2253, 2281; Reorg. Plan No. 1 of 1958, as amended, 72 Stat. 1799-1801, 23 F.R. 4991; E.O. 10952, as amended, 26 F.R. 6577; Establishment of the Office of Civil Defense and Delegation of Authority Regarding Civil Defense Functions, published Apr. 10, 1964, 29 F.R. 5017)

PART 1802—DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY FOR CIVIL DEFENSE PURPOSES

Paragraph (c) of § 1802.6 is amended by substituting in place of the words "Public Law 875, 81st Congress," the words, "the Disaster Relief Act of 1970 (Public Law 91-606) including any amendments thereto."

(64 Stat. 1255, 50 U.S.C. App. 2253; 70 Stat. 493, 40 U.S.C. 484 (j), (k); Reorg. Plan No. 1 of 1958, as amended, 72 Stat. 1799-1801, 23 F.R. 4991, E.O. 10952, as amended, 26 F.R. 6577; Establishment of the Office of Civil Defense and Delegation of Authority Regarding Civil Defense Functions, published Apr. 10, 1964, 29 F.R. 5017)

PART 1807—CONTRIBUTIONS FOR CIVIL DEFENSE PERSONNEL AND ADMINISTRATIVE EXPENSES

Paragraph (g) and paragraph (l) of § 1807.6 are amended by substituting in place of the words "Public Law 875, 81st Congress," the words "the Disaster Relief Act of 1970 (Public Law 91-606) including any amendments thereto."

(64 Stat. 1255, 72 Stat. 533, 534, 50 U.S.C. App. 2253, 2286; Reorg. Plan No. 1 of 1958, as amended, 72 Stat. 1799-1801, 23 F.R. 4991; E.O. 10952, as amended, 26 F.R. 6577; Establishment of the Office of Civil Defense and Delegation of Authority Regarding Civil Defense Functions, published Apr. 10, 1964, 29 F.R. 5017)

Effective date. These amendments are effective immediately.

Dated: July 20, 1971.

JOHN E. DAVIS,
Director of Civil Defense.

[FR Doc.71-10761 Filed 7-28-71;8:45 am]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 1—Federal Procurement Regulations

PART 1-1—GENERAL

Withdrawal of Small Business Set-Asides

CROSS REFERENCE: For a temporary regulation amending the Federal Procurement Regulations with respect to withdrawals of unilateral small business set-asides, see F.R. Doc. 71-10814, General Services Administration, Notices section of this issue.

Title 45—PUBLIC WELFARE

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

PART 151—FEDERAL FINANCIAL ASSISTANCE FOR RESEARCH AND RESEARCH RELATED ACTIVITIES IN THE FIELD OF EDUCATION AND FOR CONSTRUCTION OF NATIONAL AND REGIONAL RESEARCH FACILITIES

Experimental Schools

On April 13, 1971, a notice of proposed rule making was published in the FEDERAL REGISTER (36 F.R. 7017). The proposed rule would amend Part 151 of Title 45 of the Code of Federal Regulations, and provide requirements applicable to the provision of Federal financial assistance under the Experimental Schools program.

Through inadvertence, § 151.51 (45 CFR 151.51) was omitted in the document published in the FEDERAL REGISTER at 36 F.R. 7017.

Interested persons were given 30 days in which to submit written comments, suggestions, or objections regarding the proposed regulations. No objections have been received, and the amendment as so proposed is hereby adopted, subject to the following changes:

1. The heading for the new Subpart E is amended.

2. Part 151 of Title 45 is amended by adding a new § 151.51.

3. Paragraph (a)(2) of § 151.52 is revised.

4. Paragraph (b) of § 151.54 is revised.

Effective date. These regulations shall become effective on the date of their publication in the FEDERAL REGISTER (7-29-71).

Dated: June 14, 1971.

S. P. MARLAND, Jr.,
U.S. Commissioner of Education.

Approved: July 26, 1971.

ELLIOT L. RICHARDSON,
Secretary.

Subpart E—Experimental Schools

§ 151.50 Scope.

The provisions contained in this subpart apply to the Experimental Schools program to be carried out by the Commissioner pursuant to the provisions of the Cooperative Research Act, Public Law 83-531. Except as otherwise provided in this subpart, the program is also subject to the provisions contained in Subparts A and B of this part.

(20 U.S.C. 331a)

§ 151.51 Purpose.

Payment of Federal funds under this subpart to eligible parties (as defined in § 151.3) shall be solely for the purpose of planning, development, and operation of experimental school projects which seek to achieve educational reform (a) through a comprehensive design that includes use of selected current promising educational practices, and products of educational research; or (b) through a comprehensive design that provides significant new approaches and alternatives to current school structures, programs, practices, and performances.

(20 U.S.C. 331a)

§ 151.52 Eligible applicants; applications.

(a) Assistance under this subpart will be made available only upon submission of an application (which may be in the form of a letter of interest) meeting the requirements of § 151.4 at such time or times, and in such manner, as the Commissioner deems necessary. One or more eligible parties may apply for assistance under a single application pursuant to a cooperative arrangement. In addition to such other information as the Commissioner may require, an application under this subpart shall set forth the goals of the project, including (1) the kind and purpose of the learning experiences to be provided and (2) the educational problems to be addressed, which problems are pertinent to the specific needs of children described in § 151.54(a)(2).

(b) In the case of a project described in clause (1) of § 151.51, under the initial phase of the program (see 36 F.R. 27, Jan. 1, 1971), an application for Federal financial assistance for the carrying out of such project beyond the planning stage will not be considered unless the applicant has received a planning award with respect to such project.

(c) An applicant for assistance under this subpart must demonstrate, to the satisfaction of the Commissioner, that such applicant is capable and competent to design and successfully implement a project thereunder.

(20 U.S.C. 331a)

§ 151.53 Geographic scope of project.

Assistance may be available under this subpart for an Experimental Schools project which involves students and teachers from, and which may be carried out in, one or more school districts, counties, States, or other political subdivisions.

(20 U.S.C. 331a)

§ 151.54 Project requirements.

(a) Federal financial assistance may not be made available for a project pursuant to this subpart unless the Commissioner determines that—

(1) The project involves a comprehensive educational program for not less than 2,000 children nor more than (approximately) 5,000 children which encompasses education from kindergarten (or, where kindergarten is not supported with public funds in the area to be served, from first grade) through 12th grade;

(2) The project will serve primarily children (i) who are from low-income families (as determined by the Commissioner) and (ii) who are not achieving educational success;

(3) The applicant has provided satisfactory assurance that the project will involve the broad participation of the affected community (or communities) in its design, implementation, and operation;

(4) The applicant has provided satisfactory assurance that all components of the project will be implemented during the initial year of its operation;

(5) The applicant has provided satisfactory assurance that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for the continuing evaluation of the effectiveness of the project in meeting its stated goals;

(6) The applicant has provided satisfactory assurance that it will furnish to the Commissioner such information and reports as he may deem necessary for the administration of the program;

(7) Except in the case of an application for planning assistance, the application—

(i) Sets forth such policies and procedures as will ensure that the project to be assisted has been planned and developed, and will be operated, in consultation with, and with the involvement of, parents of the children to be served by such project;

(ii) Contains satisfactory assurance that such parents have had an opportunity to present their views with respect to the application; and

(iii) Sets forth policies and procedures for adequate dissemination of project plans and evaluations to such parents and the public.

(20 U.S.C. 331a, 1231d)

(b) The elements of a project shall be compatible with, and mutually reinforcing of, its goals. Such elements shall include—

(1) The nature and substance of the curriculum;

(2) The nature, role, and organization of staff and necessary staff training;

(3) The use of time and space, including possible variations in the length of the school day, school year, or the number of years required of participants in the project;

(4) An administrative and organizational structure consistent with and supportive of the program; and

(5) An evaluation design and a strategy for its implementation.

(20 U.S.C. 331a)

§ 151.55 Priorities.

In considering applications under this subpart, in addition to the criteria set forth in § 151.7, the Commissioner shall consider the extent to which the project to be assisted reflects a comprehensive and creative design for the redefinition, reshaping, and reform of current school programs.

(20 U.S.C. 331a)

§ 151.56 Federal financial participation.

(a) Federal financial assistance under this subpart for any given period may not exceed the difference between (1) the

total cost of the project and (2) the number of students in the project multiplied by the average per pupil expenditure (as determined by the Commissioner) for the area to be served with respect to such period.

(b) An applicant for assistance under this subpart must establish that it has, or will have, the resources to continue the project without Federal support at the expiration of the demonstration period.

[FR Doc.71-10794 Filed 7-28-71;8:50 am]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 17703; FCC 71-606]

PART 89—PUBLIC SAFETY RADIO SERVICES

PART 91—INDUSTRIAL RADIO SERVICES

Use of Tertiary Frequencies

Correction

In F.R. Doc. 71-8909 appearing at page 12102 in the issue of Friday, June 25, 1971, the following changes should be made:

1. The table appearing under § 89.259 (f) should be transposed to follow the first table under § 91.304(a).

2. The second table under § 91.304(a) should be transposed to appear under § 89.259(f).

Title 49—TRANSPORTATION

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

PART 501—ORGANIZATION AND DELEGATION OF POWERS AND DUTIES

The purpose of this amendment is to provide a statement of the basic organization of the National Highway Traffic Safety Administration, established by the Highway Safety Act of 1970 (84 Stat. 1739), and a consolidated listing of all delegations from the Administrator to other officials of the Administration.

Since this amendment relates only to the internal management of the Administration, notice and public procedure thereon are not required and the amendment may be made effective in less than 30 days.

In consideration of the foregoing, effective July 29, 1971, Part 501 of Title 49, Code of Federal Regulations, is amended as set forth below.

Issued in Washington, D.C., on July 19, 1971.

DOUGLAS W. TOMS,
National Highway Traffic Safety Administrator.

Sec.
501.1 Purpose.
501.2 General.
501.3 Organization and general responsibilities.
501.4 Succession to Administrator.
501.5 Exercise of authority.
501.6 Secretary's reservations of authority.
501.7 Administrator's reservations of authority.
501.8 Delegations.
501.9 Redelegations.

AUTHORITY: The provisions of this Part 501 issued under sec. 9, Department of Transportation Act; 49 U.S.C. 1659.

§ 501.1 Purpose.

This part describes the organization of the National Highway Traffic Safety Administration (NHTSA) through Associate Administrator and Staff Office Director levels in NHTSA and provides for the performance of duties imposed, and the exercise of powers vested in the Administrator of the NHTSA (hereafter referred to as the "Administrator").

§ 501.2 General.

The National Highway Traffic Safety Administrator is delegated authority by the Secretary of Transportation (49 C.F.R. 1.51) to:

(a) Carry out the National Traffic and Motor Vehicle Safety Act of 1966, as amended (80 Stat. 718; 15 U.S.C. 1381, et seq.).

(b) Carry out the Highway Safety Act of 1966, as amended (80 Stat. 731) (Including chapter 4 of title 23, U.S.C.) except for highway safety programs, research, and development relating to highway design, construction and maintenance, traffic control devices, identification and surveillance of accident locations, and highway-related aspects of pedestrian safety.

(c) Exercise the authority vested in the Secretary by section 210(2) of the Clean Air Act (42 U.S.C. 1857, et seq.), as amended by section 10(b) of Public Law 91-604 (84 Stat. 1700).

(d) Exercise the authority vested in the Secretary by section 204(b) of the Federal Railroad Safety Act of 1970 (84 Stat. 972; 45 U.S.C. 433(b)) with respect to the laws administered by the National Highway Safety Administrator pertaining to highway, traffic, and motor vehicle safety.

(e) Carry out the Act of July 14, 1960, as amended (74 Stat. 526, 23 U.S.C. 313 note).

§ 501.3 Organization and general responsibilities.

The organization of, and general spheres of responsibility within, the NHTSA, through the level of the immediate Office of the Administrator (which includes the Deputy Administrator, Chief Scientist, Director, Office of Civil Rights, Director, Office of Consumer Affairs and Public Information, and the Executive Secretary), the offices of Associate Administrators, and the Chief Counsel (Assistant General Counsel for NHTSA), are as follows:

(a) *Office of the Administrator.* (1) Administrator—provides for—

(i) Representation of the Department and is the principal advisor to the Secretary in all matters relating to functions under the National Traffic and Motor Vehicle Safety Act of 1966, as amended; to the driver and motor vehicle functions assigned under the Highway Safety Act of 1966; and to such other authorities as delegated by the Secretary of Transportation (49 CFR 1.51);

(ii) Establishing NHTSA program policies, objectives, and priorities, and directing development of action plans to accomplish the NHTSA missions;

(iii) Directing, controlling, and evaluating the organization, program activities, and performance of NHTSA staff, program, and field offices;

(iv) Approving broad legislative, budgetary, fiscal and program proposals and plans; and

(v) Taking management actions of major significance, such as those relating to changes in basic organization pattern, appointment of key personnel, allocation of resources, and matters of special political or public interest or sensitivity.

(2) Deputy Administrator—assists the Administrator in the discharge of his responsibilities and is responsible for: directing and coordinating the Administration's management and operational programs as well as the related policies and procedures at headquarters and in the field; and day-to-day direction of the Regional Administrators.

(3) Chief Scientist—acts as staff advisor to the Administrator in scientific, engineering, and technical aspects of highway traffic safety and the safe performance of vehicles, evaluation of the overall advancement of the state-of-the-art for NHTSA's research application, and provides advice concerning the direction of motor vehicle safety research and investigations. Advises on international policies of NHTSA.

(4) Director, Office of Consumer Affairs and Public Information—acts as principal staff advisor to the Administrator on consumer affairs program, and provides comprehensive programs for public information covering all NHTSA activities.

(5) Director, Office of Civil Rights—acts as Director of Equal Employment Opportunity; Contracts Compliance Officer; Title VI (Civil Rights Act of 1964) Coordinator; assures Administration-wide compliance with related laws, Executive Orders, regulations, and policies; and provides assistance to the Office of the Secretary in investigating and adjudicating formal complaints of discrimination.

(6) Executive Secretary—provides a central facilitative staff for the Administrator and Deputy Administrator and services and support to the National Highway Safety Advisory Committee, the National Motor Vehicle Safety Advisory

Council, and such other committees as designated by the Administrator.

(b) *Associate Administrators.* (1) Associate Administrator for Motor Vehicle Programs—directs programs relating to: safety performance standards and other regulations for new and used motor vehicles and equipment including tires; investigation and notification or disclosure of safety related motor vehicle defects; tests, inspections, and investigations to assist enforcement of prescribed motor vehicle safety performance standards.

(2) Associate Administrator for Traffic Safety Programs—directs programs relating to: State and community uniform traffic safety performance standards; financial and technical assistance to States and communities to achieve comprehensive traffic safety programs; and promotion of National programs on traffic safety, including the reduction of alcohol and drug use by drivers.

(3) Associate Administrator for Research and Development—directs programs relating to: research; development; accident investigation and information collection, analysis and dissemination; and development of facilities requirements to support NHTSA research and development efforts.

(4) Associate Administrator for Planning and Programing—acts as advisor to the Administrator and Deputy Administrator on all matters involving NHTSA policies, objectives, programs, and plans, and their relationship to those of the Department of Transportation.

(5) Associate Administrator for Administration—acts as advisor to the Administrator and Deputy Administrator on all administrative and managerial matters as they relate to NHTSA missions, programs, and objectives; organization and delegations of authority; management studies; personnel management; training; logistics and procurement; budget; financial management; accounting and data systems design; paperwork management; investigations and security; audit; defense readiness; and administrative support services.

(6) Chief Counsel—The Chief Counsel (Assistant General Counsel for NHTSA) provides legal services to the Administrator and officers of the Administration, performing these services under the professional supervision and direction of the General Counsel, DOT, who is finally responsible for providing opinions and other legal services to the Administrator; the General Counsel provides these services on a day-to-day basis through the Chief Counsel.

§ 501.4 Succession to Administrator.

The following officials, in the order indicated, shall act as Administrator of the National Highway Traffic Safety Administration, in the case of the absence or disability of the Administrator, until the absence or disability ceases, or in case of a vacancy in the Office of the Administrator, until a successor is appointed:

(a) Deputy Administrator.

(b) Associate Administrator for Traffic Safety Programs.

(c) Associate Administrator for Motor Vehicle Programs.

(d) Associate Administrator for Research and Development.

(e) Associate Administrator for Planning and Programing.

(f) Associate Administrator for Administration.

(g) Chief Counsel.

§ 501.5 Exercise of authority.

(a) In exercising the powers and performing the duties delegated by this part, officers of the NHTSA and their delegates are governed by applicable laws, executive orders, regulations, and other directives, and by policies, objectives, plans, standards, procedures, and limitations as may be issued from time to time by or on behalf of the Secretary of Transportation, the Administrator and Deputy Administrator, or with respect to matters under their jurisdictions, by or on behalf of the Associate Administrators, and Directors of staff offices.

(b) Each officer to whom authority is delegated by this Part may redelegate and authorize successive redelegations of that authority subject to any conditions he may prescribe. Redelegations of authority shall be in written form and shall be published in the FEDERAL REGISTER when they affect the public.

(c) Each officer to whom authority is delegated will administer and perform the functions described in his respective functional statement.

§ 501.6 Secretary's reservations of authority.

The authorities reserved to the Secretary of Transportation are set forth in § 1.44 of Part 1 and in Part 95 of the regulations of the Office of the Secretary of Transportation in Subtitle A of this Title (49 CFR Parts 1 and 95).

§ 501.7 Administrator's reservations of authority.

The delegations of authority in this part do not extend to the following, authority for which is reserved to the Administrator:

(a) The authority under the National Traffic and Motor Vehicle Safety Act of 1966, as amended, to—

(1) Establish, amend, or revoke final new and used motor vehicle safety standards and regulations except for the issuance of amendments to existing standards through the abbreviated rulemaking procedures concerning tires and tire-rims;

(2) Make final determinations concerning violations of the Act and regulations issued thereunder; and

(3) Fix the rate of compensation for nongovernment members of the National Motor Vehicle Safety Advisory Council.

(b) The authority under the Highway Safety Act of 1966, as amended, to—

(1) Apportion authorization amounts and distribute obligation limitations for State and community highway safety programs (jointly with the Federal Highway Administrator);

(2) Promulgate uniform State and community highway safety standards;

(3) Amend or revoke State and community highway safety standards and appurtenant regulations; and

(4) Fix the rate of compensation for nongovernment members of the National Highway Safety Advisory Committee.

§ 501.8 Delegations.

(a) *Deputy Administrator.* The Deputy Administrator is delegated authority to act for the Administrator, except where specifically limited by law, order, regulation, reservation, or instructions of the Administrator. The Deputy Administrator is specifically delegated the authority to approve or disapprove comprehensive multiyear highway safety programs submitted by the States (jointly with the Federal Highway Administrator).

(b) *Director, Office of Civil Rights.* The Director, Office of Civil Rights is delegated authority to—

(1) Act as the NHTSA Director of Equal Employment Opportunity.

(2) Act as NHTSA Contracts Compliance Officer.

(3) Act as NHTSA coordinator for matters under Title VI of the Civil Rights Act of 1964, Executive Order 11247, and regulations of the Department of Justice.

(c) *Associate Administrator for Motor Vehicle Programs.* Except for those portions that have been reserved to the Administrator, the Associate Administrator for Motor Vehicle Programs is delegated authority to exercise the powers and perform the duties of the Administrator with respect to the National Traffic and Motor Vehicle Safety Act of 1966, as amended (80 Stat. 718; 15 U.S.C. 1381, et seq.), including the issuance of amendments to existing standards concerning tires and tire-rims through the prescribed abbreviated rulemaking procedures, subject to prior coordination with the Chief Counsel. (In exercising the authorities to issue Advance Notices and Notices of Proposed Rulemaking under the Act, the Associate Administrator for Motor Vehicle Programs shall announce his intention to issue an Advance Notice to the Administrator, Deputy Administrator, and Associate Administrators, and in the case of Notices of Proposed Rulemaking shall effect prior coordination with these officers.)

(d) *Associate Administrator for Traffic Safety Programs.* Except for those portions that have been reserved to the Administrator or that have been delegated to the Deputy Administrator, the Associate Administrator for Traffic Safety Programs is delegated authority to exercise the powers and perform the duties of the Administrator with respect to: the Highway Safety Act of 1966 (80 Stat. 731), as amended, in accordance with the delegation of authority contained in section 501.2(b) of this part, subject to prior coordination with the Chief Counsel; the authority vested by section 210(2) of the Clean Air Act (42 U.S.C. 1857, et seq.), as amended by section 10(b) of Public Law 91-604 (84 Stat. 1700); and the authority vested by section 204(b) of the Federal Railroad Safety Act of 1970 (84 Stat. 972; 45 U.S.C. 433(b)), with respect to the laws

administered by the Administrator pertaining to highway, traffic, and motor vehicle safety. In exercising authorities under the Act, the Associate Administrator for Traffic Safety Programs shall provide to the Deputy Administrator 10 days advance notification of his intended action concerning any of the following provisions—

(1) Waive highway safety standards on a temporary basis (sec. 402(a), Public Law 89–564).

(2) Waive the requirement that 40 per centum of all Federal funds apportioned under section 402 of the Act for any fiscal year be expended by political subdivisions (sec. 402(b), Public Law 89–564).

(3) Certify to the Environmental Protection Administrator, pursuant to the Clean Air Amendments of 1970 (84 Stat. 1700), that State agency grants are not consistent with any highway safety program developed pursuant to 23 U.S.C. 402.)

(e) *Associate Administrator for Research and Development.* The Associate Administrator for Research and Development is delegated authority to—

(1) Develop and conduct research and development programs and projects necessary to support the purposes of the National Traffic and Motor Vehicle Safety Act of 1966, as amended, and the Highway Safety Act of 1966, as amended, in coordination with the appropriate Associate Administrators and the Chief Counsel;

(2) Conduct safety research, either independently or in cooperation with other public or private organizations, to improve the total state-of-the-art of motor vehicle and highway traffic safety; and

(3) Carry out the Act of July 14, 1960, as amended (74 Stat. 526; 23 U.S.C. 313 note).

(f) *Associate Administrator for Planning and Programming.* The Associate Administrator for Planning and Programming is delegated authority to—

(1) Direct the NHTSA planning and programming system in conjunction with requirements of the Departmental PPBS system; and

(2) Develop, manage, and conduct analyses of systems for integrated program planning, programming, coordination, evaluation, and appraisal throughout the NHTSA.

(g) *Associate Administrator for Administration.* The Associate Administrator for Administration is delegated authority to—

(1) Exercise procurement authority with respect to requirements of the NHTSA;

(2) Administer and conduct personnel management activities of the NHTSA;

(3) Administer NHTSA fiscal management programs, including systems of funds control and accounts of all financial transactions, budgetary programs and controls, and the allocation of personnel resources; and

(4) Administer business management operations in support of NHTSA missions and programs.

(h) *Regional Administrators.* Each Regional Administrator is delegated authority to—

(1) Approve or disapprove any "Application for Highway Safety Project Grant" (Form HS–1) submitted by any State in his Region, including changes in the initial agreement and approval of final vouchers, in accordance with procedural requirements of the Administration;

(2) Approve or disapprove State annual highway safety work programs (jointly with the delegate of the Federal Highway Administrator), in accordance with procedural requirements of the Administration; and

(3) Administer the operational phases of alcohol safety action projects within his Region as contract technical manager.

§ 501.9 Redelegations.

(a) Redelegations of authority shall be made by organizational or position title rather than by name of individual, except where individual names may be necessary due to other legal requirements. Officers are encouraged to redelegate those functions, powers, and duties which can be performed most effectively by NHTSA Regional Administrators or subordinate elements within NHTSA Headquarters.

(b) Redelegations of authorities in this part to subordinate levels shall be made in writing with a copy to each delegate and to the Associate Administrator for Administration for retention as the official documentation of NHTSA delegations.

(c) Requests for delegation of authorities, other than those provided in this part, will be forwarded to the Administrator, NHTSA, through the Associate Administrator for Administration, for approval.

(d) Officers redelegating authority to Regional Administrators shall notify the Administrator at least 5 days before the redelegation. If there is no objection within this period, the redelegation may become effective.

[FR Doc.71–10841 Filed 7–28–71;8:50 am]

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

Seat Belt Assembly Anchorages for Side-Facing Seats

The purpose of this notice is to amend Motor Vehicle Safety Standard No. 210, Seat Belt Assembly Anchorages, to eliminate the strength requirement for seat belt anchorages on side-facing seats, in vehicles manufactured during the period from July 1, 1971, to January 1, 1972.

The existing seat belt assembly anchorage standard for passenger cars was extended to multipurpose passenger vehicles, trucks, and buses, effective on July 1, 1971, in a notice published on March 4, 1971 (36 F.R. 4291). At the same time the application to such vehicles of the amended Standard No. 210, as published November 26, 1970 (35 F.R. 18116), was postponed from July 1, 1971, to January 1, 1972.

The amended standard exempts belt anchorages on side-facing seats from the 5,000-pound strength requirement. The reason for the exemption is lack of a standard test procedure for side-facing seats. This problem was noted in the preamble to an earlier version of amended Standard No. 210 issued October 1, 1970 (35 F.R. 15293).

The actions of March 4, 1971 (36 F.R. 4291) inadvertently failed to incorporate into the existing standard the exemption for side-facing seats, which exemption would in any event be effective under the amended standard which takes effect January 1, 1972. Accordingly, S4.2.1 of the present Motor Vehicle Safety Standard No. 210 in § 571.21 (effective on July 1, 1971) is amended to read as follows:

S4.2.1 Except for side-facing seats, the anchorage for a Type 1 seat belt assembly or the pelvic portion of a Type 2 seat belt assembly shall withstand a 5,000-pound force when tested in accordance with § 5.1.

Effective date: July 29, 1971.

Because this amendment to Standard No. 210 relieves restrictions and imposes no additional burden on any person, notice and request for comments on such notices are found to be unnecessary and impracticable, and it is found, for good cause shown, that an effective date earlier than 180 days after issuance is in the public interest. For enforcement purposes, the standard as hereby amended will be considered to be applicable to all vehicles manufactured on or after July 1, 1971.

(Secs. 103, 119, National Traffic and Motor Vehicle Safety Act, 15 U.S.C. 1392, 1407; delegation of authority at 49 CFR 1.51)

DOUGLAS W. TOMS,
Acting Administrator.

JULY 21, 1971.

[FR Doc.71–10839 Filed 7–28–71;8:50 am]

Chapter X—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[S.O. 1075; Amdt. 1]

PART 1033—CAR SERVICE

Distribution of Refrigerator Cars

At a Session of the Interstate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 23d day of July 1971.

Upon further consideration of Service Order No. 1075 (36 F.R. 12305), and good cause appearing therefor:

It appearing, that, because of a work stoppage of operating employees interfering with railroad operations, various railroads are unable to conduct normal operations.

It is ordered, That:

Service Order No. 1075 be, and it is hereby amended by adding the following subparagraph (6) to paragraph (a)

thereof and by substituting the following paragraph (d) for paragraph (d) thereof:

§ 1033.1075 Service Order No. 1075.

(a) *Distribution of refrigerator cars.* * * *

(6) For the purpose of improving car utilization and the efficiency of railroad operations, or alleviating inequities or hardships, modifications for handling freight requiring protection from heat or cold, may be authorized by the Chief Transportation Officer of the Pacific Fruit Express Co., or by R. D. Pfahler, Director, Bureau of Operations, Interstate Commerce Commission. Modifications for handling freight requiring protection from heat or cold, authorized by the Pacific Fruit Express Co. must be confirmed in writing to W. H. Van Slyke, Chairman, Car Service Division, Association of American Railroads, Washington, D.C., for submission to and approval by R. D. Pfahler.

* * * * *

(d) *Expiration date.* This order shall expire at 11:59 p.m., August 31, 1971, unless otherwise modified, changed, or suspended by order of this Commission.

Effective date. This amendment shall become effective at 6:00 a.m., July 24, 1971.

(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 amendment 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 amendment 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.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10818 Filed 7-28-71;8:50 am]

[Ex Parte No. 252 (Sub-No. 1)]

PART 1036—INCENTIVE PER DIEM CHARGES ON BOXCARS

Application, Earmarking, and Use of Funds

At a General Session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 25th day of June 1971.

Upon reconsideration of the record in this proceeding, as set forth in our report on reconsideration herein, 339 I.C.C. 627, of this day:

It is ordered, That the rules and regulations set forth in Title 49, Chapter X, Part 1036, of the Code of Federal Regulations, be, and they are hereby, amended in part to read as follows:

§ 1036.1 Application.

Each common carrier by railroad subject to the Interstate Commerce Act shall pay to the owning railroads, including the owning railroads of Canada, the additional per diem charges set forth in § 1036.2 on all boxcars shown below * * *.

§ 1036.3 Earmarking.

Each common carrier by railroad shall segregate in Account 716, Capital and Other Reserve Funds, and shall transfer from Account 798, Retained Income, Unappropriated to Account 797, Retained Income, Appropriated, an amount equal to the net credit balance resulting from any incentive per diem settlement involving boxcars subject to this part. Canadian carriers shall transfer a net balance after taxes to a U.S. designee, which may be either a U.S. class I railroad or a U.S. corporation established solely to purchase, hold title to, and control general service, unequipped boxcars subject to the Department of Transportation's safety regulations and the Interstate Commerce Commission's rules pertaining to per diem and car service, and to any reporting requirements determined to be applicable by the Commission's Bureau of Accounts. If the designee of Canadian carriers is a U.S. railroad, it shall maintain a separate account for funds received on Canadian-owned boxcars. All boxcars purchased or built by such designee or such other corporation with incentive per diem funds earned on Canadian boxcars must be built in the United States. Any U.S. taxes incurred after transfer of a net balance to such designee may be deducted from the transferred amount for the purpose of determining a final net balance for investment. During any calendar year in which the carrier pays income taxes subject to a tax ruling governing incentive balances, the amount required to be earmarked by the carrier hereunder shall be reduced by the applicable statutory percent or by the percentage derived from dividing the income taxes in fact paid by the carrier on its net income, whichever percentage is less. The funds in such account shall be used to purchase or build new, unequipped boxcars for general service or to rebuild general service, unequipped boxcars with code numbers and mechanical designations set forth in § 1036.1 for addition to such carrier's or designee's fleet in accordance with this part. The unexpended funds remaining in the accounts of the carriers may be invested in Government bonds or other interest-bearing, temporary securities. The interest earned thereafter shall become part of the earmarked fund.

§ 1036.4 Use of funds.

The net credit balances resulting from incentive per diem settlements, which are earmarked in accordance with § 1036.3, may be drawn down in whole or in part at any time by the carrier to build or purchase, in whole or in part, new, unequipped boxcars for general service described in § 1036.1: *Provided*, The carrier has in the same calendar year built or purchased its 1964–68 average number of such boxcars and made up any arrearage in having failed to maintain such average each year this order is in effect. Similarly, earmarked funds may be used in whole or in part to rebuild any number or portion or general service unequipped boxcar's described in § 1036.1: *Provided*, The carrier has in the same calendar year rebuilt its 1964-68 average number of such boxcars and made up any arrearage in having failed to maintain such average each year this order is in effect. Net balances on Canadian-owned cars may be drawn down without regard to prior acquisitions, but where the designee is a class I U.S. carrier such drawdowns shall not affect that carrier's accumulation of arrearages resulting from prior failure to build, rebuild, or purchase its 1964–68 averages. As used in this section, "build," "rebuild," or "purchase" refer to a commitment to build, rebuild, or purchase which results in the acquisition of a car on line ready for use within 10 months from the date of commitment.

It is further ordered, That a copy of this order shall be deposited with the Director of the Office of the Federal Register for publication therein.

And it is further ordered, That this order shall continue in full force and effect until the further order of the Commission.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10816 Filed 7-28-71;8:56 am]

[Ex Parte No. MC-30]

PART 1048—COMMERCIAL ZONES

Cincinnati, Ohio, Commercial Zone

At a Session of the Interstate Commerce Commission, Review Board No. 3, held at its office in Washington, D.C., on the 20th day of May 1971.

It appearing, that on September 4, 1970, Review Board No. 3, entered its decision and order, 112 M.C.C. 112, in this proceeding specifically defining the zone adjacent to and commercially a part of Cincinnati, Ohio;

It further appearing, that by petition filed January 27, 1971, the Greater Cincinnati Chamber of Commerce seeks redefinition and extension in certain respects of the Cincinnati, Ohio, commercial zone limits;

And it further appearing, that investigation of the matters and things involved in said petition having been made, and said review board having made and filed a report herein containing its findings of fact and conclusions thereon, which report is hereby made a part hereof;

It is ordered, That § 1048.7, as prescribed in this proceeding on September 4, 1970 (49 CFR 1048.7), be, and it is hereby, vacated and set aside, and the following revision is hereby substituted in lieu thereof:

§ 1048.7 Cincinnati, Ohio.

The zone adjacent to and commercially a part of Cincinnati, Ohio, within which transportation by motor vehicle, in interstate or foreign commerce, not under a common control, management, or arrangement for a continuing carriage to or from a point beyond the zone is partially exempt from regulation under section 203(b)(8) of the Interstate Commerce Act (49 U.S.C. 303(b)(8)), includes and is comprised of all points as follows:

Addyston, Ohio.	Mariemont, Ohio.
Cheviot, Ohio.	North Bend, Ohio.
Cincinnati, Ohio.	Norwood, Ohio.
Cleves, Ohio.	St. Bernard, Ohio.
Elmwood Place, Ohio.	Covington, Ky.
Fairfax, Ohio.	Newport, Ky.
	Cold Spring, Ky.

That part of Ohio bounded by a line commencing at the intersection of the Colerain-Springfield Township line and corporate limits of Cincinnati, Ohio, and extending along said township line in a northerly direction to its intersection with the Butler-Hamilton County line, thence in an easterly direction along said county line to its intersection with Ohio Highway 4, thence in a northerly direction along Ohio Highway 4 to its intersection with Seward Road, thence in a northerly direction along said road to its intersection with Port Union Road, thence east along Port Union Road to the Fairfield Township-Union Township line, thence northward along said township line to its intersection with the right-of-way of The Pennsylvania Railroad Co., thence southeasterly along the right-of-way of The Pennsylvania Railroad Co. to its intersection with Princeton-Glendale Road (Ohio Highway 747), thence southward along said road to its intersection with Mulhauser Road, thence in an easterly direction along said road to the terminus thereof west of the tracks of The Pennsylvania Railroad Co., thence continuing in an easterly direction in a straight line to Allen Road, thence along the latter to the junction thereof with Cincinnati-Dayton Road, thence in a southerly direction along Cincinnati-Dayton Road to the Butler-Hamilton County line, thence along the said county line to the Warren-Hamilton County line in an easterly direction to the Symmes-Sycamore Township line, thence in a southerly direction along the Symmes-Sycamore Township line to its intersection with the Columbia Township line, thence in a westerly direction along the Sycamore-Columbia Township line to Madeira Township, thence in a clockwise direction around the boundary of Madeira Township to the Sycamore-Columbia Township line, thence in a westerly direction along said township line to Silverton Township, thence in a southerly direction along the Silverton-Columbia Township line to the Cincinnati corporate limits, thence in a southerly direction along said corporate limits to junction with Redbank Road, thence in a southerly direction over Redbank Road to the Cincinnati corporate limits.

That part of Kenton County, Ky., lying on and north of a line commencing at the intersection of the Kenton-Boone County line and Dixie Highway (U.S. Highways 25 and 42), and extending over said highway to the corporate limits of Covington, Ky., including communities on the described line.

That part of Campbell County, Ky., lying on and north of a line commencing at the south corporate limits of Newport, Ky., and extending along Licking Pike (Kentucky Highway 9) to junction with Johns Hill Road, thence along Johns Hill Road to Junction with Alexandria Pike (U.S. Highway 27), thence northward along Alexandria Pike to junction with River Road (Kentucky Highway 445), thence over the latter to the Ohio River, including communities on the described line.

That part of Boone County, Ky., bounded by a line beginning at the Boone-Kenton County line west of Erlanger, Ky., and extending in a northwesterly direction along Donaldson Highway to its intersection with Zig-Zag Road, thence along Zig-Zag Road to its intersection with Kentucky Highway 237, thence along Kentucky Highway 237 to its intersection with Kentucky Highway 20, and thence easterly along Kentucky Highway 20 to the Boone-Kenton County line.

That part of Boone and Kenton Counties, Ky., bounded by a line commencing at the intersection of the Boone-Kenton County line with the southern corporate limits of Elsmere, Ky., and extending in a southerly direction along said county line approximately 0.9 mile to the northern boundary of the Northern Kentucky Industrial Foundation, thence in a westerly direction along said boundary to its intersection with the southern corporate limits of Florence, Ky., thence in a westerly direction along said corporate limits to their intersection with U.S. Highway 42, thence in a southwesterly direction along said highway to its intersections with Interstate Highway 75, thence in a southerly direction along Interstate Highway 75 to a point 2 miles south of the Florence, Ky., corporate limits, thence in a straight line in a northeasterly direction to Richardson Road, thence in an easterly direction over Richardson Road to junction with Kentucky State Route 1303 (Turkeyfoot Road), thence in a northerly direction over Kentucky State Route 1303 to the southern boundary of Edgewood, Kenton County, Ky.

(49 Stat. 543, as amended, 544, as amended, 546, as amended; 49 U.S.C. 302, 303, and 304)

It is further ordered, That this order shall become effective on August 9, 1971, and shall continue in effect until further order of the Commission.

And it is further ordered, That notice of this order shall be given to the general public by depositing a copy thereof in the Office of the Secretary of the Commission, at Washington, D.C., and by filing a copy with the Director, Office of the Federal Register.

By the Commission, Review Board No. 3.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10615 Filed 7-28-71;8:56 am]

[Ex Parte No. MC-30]

PART 1048—COMMERCIAL ZONES

Cincinnati, Ohio, Commercial Zone

In the above-entitled matter (§ 1048.7), by Review Board No. 3, decided May 20, 1971, and served June 14, 1971, 113 M.C.C. 430, the second ordering paragraph established the effective date of the above order as August 9, 1971.

This date is hereby extended to September 1, 1971. The report of the Commission on petition in this proceeding, which will appear in the Commission's bound volume, will be corrected accordingly.

By the Commission, Review Board No. 3.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10867 Filed 7-28-71;8:56 am]

Title 50—WILDLIFE AND FISHERIES

Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

PART 28—PUBLIC ACCESS, USE AND RECREATION

Wichita Mountains Wildlife Refuge, Okla.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 28.28 Special regulations, public access, use, and recreation; for individual wildlife refuge areas.

OKLAHOMA

WICHITA MOUNTAINS WILDLIFE REFUGE

Those portions of the refuge designated for public use are open for certain recreational uses January 1, 1972, through December 31, 1972. The public use area totals approximately 22,400 acres and is delineated on maps available from the Refuge Manager, Box 448, Cache, OK 73527 and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Post Office Box 1306, Albuquerque, NM 87103. Public access, use, and recreational activity shall be subject to the following special conditions:

1. Sightseeing, nature observation, photography, and hiking are permitted except where restricted by sign.

2. Camping and picknicking are permitted in areas where refuge tables and firegrates are provided. A written permit is required for stays in excess of seven (7) days. Camp stoves and charcoal grills may be used in camp and picnic areas. Dead and down timber may be used in firegrates provided by the refuge.

3. Boating is permitted in accordance with State and Federal boating regulations on the refuge portions of Elmer Thomas Lake except in marked swimming and scuba diving areas. All other floating devices are prohibited on all refuge waters unless permitted by other Federal regulations.

4. Swimming and wading are permitted at designated beaches. Life jackets and buoyant vests may be worn while swimming. Food and beverages are prohibited on swimming beaches. Snorkeling and skin diving are restricted to designated swimming areas.

5. Scuba diving is permitted in the refuge portions of Elmer Thomas Lake. Diving areas must be marked with appropriate warning flags when outside of marked swimming areas. Flags must be removed before leaving the area. Inflatable vests may be worn when diving.

6. Leashed pets under close control are permitted except on designated swimming beaches.

7. Possession of fireworks is prohibited.

The provisions of this special regulation supplement the regulations which govern recreation on wildlife refuges generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1972.

JULIAN A. HOWARD,
Refuge Manager, Wichita Mountains Wildlife Refuge, Cache, Okla.

JULY 19, 1971.

[FR Doc.71-10808 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Browns Park National Wildlife Refuge, Colo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

COLORADO

BROWNS PARK NATIONAL WILDLIFE REFUGE

Public hunting for cottontail rabbits is permitted on the Browns Park National Wildlife Refuge, Colo., from October 1, 1971, through February 28, 1972, inclusive, except in those areas designated by signs as closed to hunting. This open area, comprising 12,300 acres, is delineated on maps available at refuge headquarters, Greystone, Colo., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Post Office Box 1306, Albuquerque, NM 87103.

Hunting will be in accordance with all applicable State regulations covering the hunting and possession of cottontail rabbits.

The provisions of this special regulation supplements the regulations which govern hunting of wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through February 28, 1972.

H. J. JOHNSON,
Refuge Manager, Browns Park National Wildlife Refuge, Vernal, Utah.

JULY 19, 1971.

[FR Doc.71-10807 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Certain National Wildlife Refuges in Alaska

The following regulations are issued and are effective on date of publication of the FEDERAL REGISTER (7-29-71). These regulations apply to public hunting on portions of certain national wildlife refuges in Alaska.

General conditions. Hunting shall be in accordance with applicable State regulations. Information relative to hunting may be obtained from Refuge Managers addressed to respective refuges.

§ 32.12 Special regulations; migratory game birds; for individual wildlife refuge areas.

Migratory game birds may be hunted on the following refuge areas:

Aleutian Islands National Wildlife Refuge, Pouch No. 2, Cold Bay, Alaska 99571.

Special condition. Hunting permitted only on Unimak, Adak, Attu, Shemya, and Atka.

Arctic National Wildlife Range, 1412 Airport Way, Fairbanks, AK 99701.

Clarence Rhode National Wildlife Range, Post Office Box 346, Bethel, AK 99559.

Izembek National Wildlife Range, Pouch No. 2, Cold Bay, Alaska 99571.

Special condition. The landing of aircraft is prohibited except in the event of emergency.

Kenai National Moose Range, Post Office Box 500, Kenai, AK 99611.

Kodiak National Wildlife Refuge, Post Office Box 825, Kodiak, AK 99615.

Nunivak National Wildlife Range, Post Office Box 346, Bethel, AK 99559.

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

Upland game may be hunted on the following refuge areas:

Aleutian Islands National Wildlife Refuge, Pouch No. 2, Cold Bay, Alaska 99571.

Special condition. Exception Amchitka, Alaska.

Arctic National Wildlife Range, 1412 Airport Way, Fairbanks, AK 99701.

Clarence Rhode National Wildlife Range, Post Office Box 346, Bethel, AK 99559.

Izembek National Wildlife Range, Pouch No. 2, Cold Bay, Alaska 99571.

Special condition. The landing of aircraft is prohibited except in the event of emergency.

Kenai National Moose Range, Post Office Box 500, Kenai, AK 99611.

Special conditions. (1) Except in the event of an emergency, the landing of aircraft on that portion of the Kenai National Moose Range located south of the Sterling Highway is restricted to all lakes, streams, and other bodies of water except:

a. The following named lakes are closed to aircraft use: Cirque, Benchland, Fuller, Newman, Timberline, Trophy, Upper Jean, Watson, and those lakes in the Skilak Loop Recreational Area between the Sterling Highway and Skilak Lake.

b. The landing of wheeled aircraft south of the Sterling Highway and the landing of aircraft on any glacier or snow field is prohibited.

(2) The use of motorized vehicles is restricted to the established maintained road system.

Kodiak National Wildlife Refuge, Post Office Box 825, Kodiak, AK 99615.

Special condition. Except in the event of an emergency, the landing of aircraft on the Kodiak National Wildlife Refuge is restricted to the lakes, streams, and other bodies of water.

Nunivak National Wildlife Range, Post Office Box 346, Bethel, AK 99559.

§ 32.32 Special regulations; big game; for individual wildlife refuge areas.

Big game animals may be hunted on the following refuge areas:

Aleutian Islands National Wildlife Refuge, Pouch No. 2, Cold Bay, Alaska 99571.

Special conditions. (1) Species permitted to be taken: Caribou on the islands of Atka, Unimak, and Adak; brown bear on the island of Unimak.

(2) A Federal permit is required to take brown bear on Unimak Island. Permits may be obtained from the Refuge Manager, Aleutian Islands National Wildlife Refuge, Pouch No. 2, Cold Bay Alaska, 99571.

(3) Landing of aircraft on Unimak Island or taking aircraft off from Unimak Island, while transporting big game or big game hunters, is restricted to the following areas:

Area No. 1. The airstrip situated at the village of False Pass.

Area No. 2. The airstrip situated at Cape Sarichef.

Area No. 3. The waters of all lakes, bays, and lagoons on or adjacent to Unimak Island.

Arctic National Wildlife Range, 1412 Airport Way, Fairbanks, AK 99701.

Izembek National Wildlife Range, Pouch No. 2, Cold Bay, Alaska 99571.

Special condition. The landing of aircraft is prohibited except in the event of emergency.

Kenai National Moose Range, Post Office Box 500, Kenai, AK 99611.

Special conditions. (1) Except in the event of an emergency, the landing of aircraft on the Kenai National Moose Range is restricted to the following specified areas; north of the Sterling Highway, aircraft landing is permitted on lakes, and public airstrips, except those lakes with recreational developments including campgrounds, canoe routes, etc. Public campground lakes, Fuller Lakes, the Moose Range Canoe System lakes including Swanson River and Moose River will remain closed to aircraft landings. The landing of aircraft south of the Sterling Highway is restricted to lakes, streams, and other bodies of water except:

a. The following named lakes are closed to aircraft use: Cirque, Benchland, Horsetrail, Marmot Lakes, Newman's, Timberline, Trophy, and those lakes in the Skilak loop recreational area between the Sterling Highway, and the north shores of Skilak Lake and Kenai River.

b. The landing of wheeled aircraft south of the Sterling Highway and the landing of aircraft on any glacier or snow field is prohibited.

c. Maps describing closed areas are available at Moose Range Headquarters in Kenai, Alaska, and at the Bureau of Sport Fisheries and Wildlife Area Office, 6917 Seward Highway, Anchorage, AK.

(2) The use of motorized vehicles is restricted to the established maintained road system.

Kodiak National Wildlife Refuge, Post Office Box 825, Kodiak, AK 99615.

Special conditions. (1) Except in the event of an emergency, the landing of aircraft on the Kodiak National Wildlife Refuge is restricted to the lakes, streams, and other bodies of water.

(2) A Federal permit is required to hunt brown bear. Permits will be nontransferable and issued by hunting area units on a priority application basis from public announcement dates. Permits may be obtained by applying to the Refuge Manager, Bureau of Sport Fisheries and Wildlife, Post Office Box 825, Kodiak, AK 99615.

The provisions of these special regulations supplement the regulations which govern hunting on wildlife refuge areas generally and which are set forth in Title 50, Code of

Federal Regulations, Part 32, and are effective through June 30, 1972.

LOREN W. CROXTON,
Deputy Area Director, Bureau of Sport Fisheries and Wildlife, Anchorage, Alaska.

JUNE 22, 1971.

[FR Doc.71-10793 Filed 7-28-71;8:49 am]

PART 32—HUNTING

Seedskadee National Wildlife Refuge, Wyo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

WYOMING

SEEDSKADEE NATIONAL WILDLIFE REFUGE

Public hunting of cottontail rabbits on the Seedskadee National Wildlife Refuge, Wyo., is permitted from August 28, 1971, to March 31, 1972, inclusive. All of the refuge area, comprising 12,370 acres, and so designated by signs, is open to hunting. Maps of the area are available at the refuge office, Room 118, Courthouse, Green River, Wyo., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Box 1306, Albuquerque, NM 87103. Hunting shall be in accordance with all applicable State regulations governing the hunting of cottontail rabbits.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through March 31, 1972.

MERLE O. BENNETT,
Refuge Manager, Seedskadee National Wildlife Refuge, Green River, Wyo.

JULY 19, 1971.

[FR Doc.71-10810 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Seedskadee National Wildlife Refuge, Wyo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

WYOMING

SEEDSKADEE NATIONAL WILDLIFE REFUGE

Public hunting of sage grouse on the Seedskadee National Wildlife Refuge, Wyo., is permitted from August 28, 1971, to September 6, 1971, inclusive. All of the refuge area, comprising 12,370 acres, and so designated by signs, is open to hunting. Maps of the area are available at the refuge office, Room 118, Courthouse, Green River, Wyo., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Box 1306, Albuquerque, NM 87103. Hunting shall be in accordance with all applicable State regulations governing the hunting of sage grouse.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through September 6, 1971.

MERLE O. BENNETT,
Refuge Manager, Seedskadee National Wildlife Refuge, Green River, Wyo.

JULY 16, 1971.

[FR Doc.71-10811 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Browns Park National Wildlife Refuge, Colo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.32 Special regulations; big game; for individual wildlife refuge areas.

COLORADO

BROWNS PARK NATIONAL WILDLIFE REFUGE

Public hunting of deer is permitted on the Browns Park National Wildlife Refuge, Colo., for the 1971 archery, primitive weapons, and rifle seasons except in those areas designated by signs as closed to hunting. Archery and primitive weapon deer season is August 21 through September 12, 1971, inclusive. Rifle deer season is October 30 through November 1, 1971, inclusive.

Hunting will be in accordance with all applicable State regulations covering the hunting of deer.

The provisions of this special regulation supplements the regulations which govern hunting of wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through November 11, 1971.

H. J. JOHNSON,
Refuge Manager, Ouray National Wildlife Refuge, Vernal, Utah

JULY 19, 1971.

[FR Doc.71-10806 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Seedskadee National Wildlife Refuge, Wyo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.32 Special regulations; big game; for individual wildlife refuge areas.

WYOMING

SEEDSKADEE NATIONAL WILDLIFE REFUGE

Public hunting of mule deer on the Seedskadee National Wildlife Refuge, Wyo., is permitted as follows: West of the Green River from October 15 through October 31, 1971, inclusive; east of the Green River from October 15 through October 31, 1971, inclusive. All of the refuge area, comprising 12,370 acres, and so designated by signs, is open to hunting. Maps of the area are available at the refuge office, Room 118 Courthouse, Green River, Wyo., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Box 1306, Albuquerque, NM 87103. Hunting shall be in accordance with all applicable State regulations governing the hunting of mule deer.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through October 31, 1971.

MERLE O. BENNETT,
Refuge Manager, Seedskadee National Wildlife Refuge, Green River, Wyo.

JULY 20, 1971.

[FR Doc.71-10812 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Seedskadee National Wildlife Refuge, Wyo.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7-29-71).

§ 32.32 Special regulations; big game; for individual wildlife refuge areas.

WYOMING

SEEDSKADEE NATIONAL WILDLIFE REFUGE

Public hunting of antelope on the Seedskadee National Wildlife Refuge, Wyo., is permitted as follows: West of the Green River from September 4 through September 12, 1971, inclusive; east of the Green River from September 19 through September 30, 1971, inclusive. All of the refuge area, comprising 12,370 acres, and so designated by signs, is open to hunting. Maps of the area are available at the refuge office, Room 118 Courthouse, Green River, Wyo., and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Box 1306, Albuquerque, NM 87103. Hunting shall be in accordance with all applicable State regulations governing the hunting of antelope.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through September 30, 1971.

MERLE O. BENNETT,
Refuge Manager, Seedskadee National Wildlife Refuge, Green River, Wyo.

JULY 20, 1971.

[FR Doc.71-10813 Filed 7-28-71;8:52 am]

PART 33—SPORT FISHING

Wichita Mountains Wildlife Refuge, Okla.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7–29–71).

§ 33.5 Special regulations; sport fishing; for individual wildlife refuge area.

OKLAHOMA

WICHITA MOUNTAINS WILDLIFE REFUGE

Sport fishing on the Wichita Mountains Wildlife Refuge, Cache, Okla., is permitted from January 1, 1972, through December 31, 1972, inclusive, in all waters of that portion of the refuge open for recreational uses by the general public, except buoyed swimming areas and areas closed by appropriate signs. These open waters, comprising approximately 550 acres of lakes and 1 mile of intermittent stream, are delineated on maps available at refuge headquarters, Cache, Okla. 73527, and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Post Office Box 1306, Albuquerque, NM 87103. Sport fishing shall be in accordance with all applicable State regulations subject to the following special conditions:

(1) Fishing with closely attended poles and lines, including rods and reels is permitted. The taking of any fish by any other means is prohibited, except the taking of nongame fish from the Wichita Mountains Wildlife Refuge portion of Elmer Thomas Lake by the use of gigs, spears, or other similar devices (but not including bows and arrows) containing not more than three (3) points, with no more than two (2) barbs on each point, is permitted.

(2) Fishermen may use one-man inner tube type "fishing floaters" while fishing. Wading while fishing is permitted.

The provisions of this special regulation supplement the regulations which govern fishing on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 33, and are effective through December 31, 1972.

JULIAN A. HOWARD,
Refuge Manager, Wichita Mountains Wildlife Refuge, Cache, Okla.

JULY 16, 1971.

[FR Doc.71-10809 Filed 7-28-71;8:52 am]

PART 32—HUNTING

Shiawassee National Wildlife Refuge, Mich.

§ 32.12 Special regulations; migratory game birds; for individual wildlife refuge areas.

MICHIGAN

SHIAWASSEE NATIONAL WILDLIFE REFUGE

Public hunting of geese on the Shiawassee National Wildlife Refuge, Mich., is permitted from waterfowl opening hour to 12 m. each day from October 1, through November 14, 1971, but only on the areas designated by signs as open to hunting. This open area comprising approximately 1,100 acres is delineated on maps located at the refuge headquarters, Saginaw, Mich., and at the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, Federal Building, Fort Snelling, Twin Cities, Minn. 55111.

Hunting shall be in accordance with all applicable State and Federal regulations covering the hunting of geese subject to the following special conditions:

(1) Hunting shall be by Federal permit and only from assigned blinds and pits.

(2) A fee of $2 per hunter will be charged for services and hunting facilities provided.

(3) Two or three hunters will be permitted in each blind or pit.

(4) Applications for hunting must be postmarked not later than September 15, 1971.

(5) Assignment of blinds or pits will be at random by the refuge manager, and only successful applicants will be notified.

(6) After completion of the days hunt, all hunters must proceed to refuge headquarters for checkout and the submission of geese for examination.

The provisions of these special regulations supplement the regulations which govern hunting on wildlife refuges generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through November 14, 1971.

S. E. JORGENSEN,
Acting Regional Director, Bureau of Sport Fisheries and Wildlife.

JULY 20, 1971.

[FR Doc.71-10764 Filed 7-28-71;8:46 am]

PART 32—HUNTING

Crab Orchard National Wildlife Refuge, Ill.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER (7–29–71).

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

ILLINOIS

CRAB ORCHARD NATIONAL WILDLIFE REFUGE

Public hunting of black, gray, and fox squirrels on the Crab Orchard National Wildlife Refuge, Ill., is permitted, from sunrise August 1, 1971, to sunset November 15, 1971, only on the area designated by signs as open to hunting. This open area, comprising 9,380 acres is delineated on a map available at the refuge headquarters and from the Regional Director, Bureau of Sport Fisheries and Wildlife, Federal Building, Fort Snelling, Twin Cities, Minn. 55111. Hunting shall be in accordance with all applicable State regulations concerning the hunting of squirrels.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuges generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through November 15, 1971.

L. A. MEHRHOFF, Jr.,
Project Manager, Crab Orchard National Wildlife Refuge.

JULY 23, 1971.

[FR Doc.71-10792 Filed 7-28-71;8:49 am]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

REASONABLE ACCUMULATIONS BY CORPORATIONS

Notice of Proposed Rule Making

Notice is hereby given that the regulations set forth in tentative form in the attached appendix are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, by August 30, 1971. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner by August 30, 1971. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

In order to conform the Income Tax Regulations (26 CFR Part 1) under section 537 of the Internal Revenue Code of 1954 to section 906 of the Tax Reform Act of 1969 (83 Stat. 714), such regulations are amended as follows:

PARAGRAPH 1. Section 1.537 is amended by revising section 537 and adding a historical note to read as follows:

§ 1.537 Statutory provisions; reasonable needs of the business.

Sec. 537. *Reasonable needs of the business*—(a) *General rule.* For purposes of this part, the term "reasonable needs of the business" includes—

(1) The reasonably anticipated needs of the business,

(2) The section 303 redemption needs of the business, and

(3) The excess business holdings redemption needs of the business.

(b) *Special rules.* For purposes of subsection (a)—

(1) *Section 303 redemption needs.* The term "section 303 redemption needs" means, with respect to the taxable year of the corporation in which a shareholder of the corporation died or any taxable year thereafter, the amount needed (or reasonably anticipated to be needed) to make a redemption of stock included in the gross estate of the decedent (but not in excess of the maximum amount of stock to which section 303(a) may apply).

(2) *Excess business holdings redemption needs.* The term "excess business holdings redemption needs" means, with respect to taxable years of the corporation ending after May 26, 1969, the amount needed (or reasonably anticipated to be needed) to redeem from a private foundation stock which—

(A) Such foundation held on May 26, 1969 (or which was received by such foundation pursuant to a will or irrevocable trust to which section 4943(c)(5) applies), and

(B) Constituted excess business holdings on May 26, 1969, or would have constituted excess business holdings as of such date if there were taken into account (i) stock received pursuant to a will or trust described in subparagraph (A), and (ii) the reduction in the total outstanding stock of the corporation which would have resulted solely from the redemption of stock held by the private foundation.

(3) *Obligations incurred to make redemptions.* In applying paragraphs (1) and (2), the discharge of any obligation incurred to make a redemption described in such paragraphs shall be treated as the making of such redemption.

(4) *No inference as to prior taxable years.* The application of this part to any taxable year before the first taxable year specified in paragraph (1) or (2) shall be made without regard to the fact that distributions in redemption coming within the terms of such paragraphs were subsequently made.

[Sec. 537 as amended by sec. 906, Tax Reform Act 1969 (83 Stat. 714)]

PAR. 2. Section 1.537–1 is amended by revising paragraph (a) and adding new paragraphs (c), (d), and (e) to read as follows:

§ 1.537–1 Reasonable needs of the business.

(a) *In general.* The term "reasonable needs of the business" includes (1) the reasonably anticipated needs of the business, (2) the section 303 redemption needs of the business, as defined in paragraph (c) of this section, and (3) the excess business holdings redemption needs of the business as described in paragraph (d) of this section. See paragraph (e) of this section for additional rules relating to the section 303 redemption needs and the excess business holdings redemption needs of the business. An accumulation of the earnings and profits (including the undistributed earnings and profits of prior years) is in excess of the reasonable needs of the business if it exceeds the amount that a prudent businessman would consider appropriate for the present business purposes and for the reasonably anticipated future needs of the business. The need to retain earnings and profits must be directly connected with the needs of the corporation itself and must be for bona fide business purposes. For purposes of this paragraph the section 303 redemption needs of the business and the excess business holdings redemption needs of the business are deemed to be directly connected with the needs of the business and for a bona fide business purpose. See § 1.537–3 for a discussion of what constitutes the business of the corporation. The extent to which earnings and profits have been distributed by the corporation may be taken into account in determining whether or not retained earnings and profits exceed the reasonable needs of the business. See § 1.537–2, relating to grounds for accumulation of earnings and profits.

* * * * *

(c) *Section 303 redemption needs of the business.* (1) The term "section 303 redemption needs" means, with respect to the taxable year of the corporation in which a shareholder of the corporation died or any taxable year thereafter, the amount needed (or reasonably anticipated to be needed) to redeem stock included in the gross estate of such shareholder but not in excess of the amount necessary to effect a distribution to which section 303 applies. For purposes of this paragraph, the term "shareholder" includes an individual in whose gross estate stock of the corporation is includable upon his death for Federal estate tax purposes.

(2) This paragraph applies to a corporation to which section 303(c) would apply if a distribution described therein were made.

(3) If stock included in the gross estate of a decedent is stock of two or more corporations described in section 303(b)(2)(B), the amount needed by each such corporation for section 303 redemption purposes under this section shall, unless the particular facts and circumstances indicate otherwise, be that amount which bears the same ratio to the amount described in section 303(a) as the fair market value of such corporation's stock included in the gross estate of such decedent bears to the fair market value of all of the stock of such corporations included in the gross estate. For example, facts and circumstances indicating that the allocation prescribed by this subparagraph is not required would include notice given to the corporations by the executor or administrator of the decedent's estate that he intends to request the redemption of stock of only one of such corporations or the redemption of stock of such corporations in a ratio which is unrelated to the respective fair market values of the stock of the corporations included in the decedent's gross estate.

(4) The provisions of this paragraph apply only to taxable years ending after May 26, 1969.

(d) *Excess business holdings redemption needs.* (1) The term "excess business holdings redemption needs" means, with respect to taxable years of the corporation ending after May 26, 1969, the amount needed (or reasonably anticipated to be needed) to redeem from a private foundation stock which—

(i) Such foundation held on May 26, 1969 (or which was received by such foundation pursuant to a will or irrevocable trust to which section 4943(c)(5) applies), and either

(ii) Constituted excess business holdings on such date or would have constituted excess business holdings as of that date if there were taken into account (*a*) stock received pursuant to a will or trust described in subdivision (i) of this subparagraph and (*b*) the reduction in the total outstanding stock of the corporation which would have resulted solely from the redemption of stock held by the private foundation, or

(iii) Constituted stock redemption of which before January 1, 1975, is, by reason of section 101(l)(2)(B) of the Tax Reform Act of 1969 and § 53.4941(d)–4(b), permitted without imposition of tax under section 4941, but only to the extent such stock is to be redeemed before January 1, 1975, or is to be redeemed thereafter pursuant to the terms of a binding contract entered into on or before such date to redeem all of the stock of the corporation held by the private foundation on such date.

(2) The purpose of subparagraph (1) of this paragraph is to facilitate a private-foundation's disposition of certain excess business holdings, in order for the private foundation not to be liable for tax under section 4943. See section 4943(c) and the regulations thereunder for the definition of excess business holdings. For purposes of section 537(b)(2) and this paragraph, however, any determination of the existence of excess business holdings shall be made without taking into account the provisions of section 4943(c)(4) which treat certain excess business holdings as held by a disqualified person (rather than by the private foundation), except that the periods described in section 4943(c)(4)(B), (C), and (D), if applicable, shall be taken into account in determining the period during which an excess business holdings redemption need may be deemed to exist. Thus, an excess business holdings redemption need may, depending upon the facts and circumstances, be deemed to exist for a part or all of the 20-year, 15-year, or 10-year period specified in section 4943(c)(4)(B) during which the interest in the corporation held by the private foundation is treated as held by a disqualified person rather than by the private foundation, and, if applicable, (i) any suspension of such 20-year, 15-year, or 10-year period as provided by section 4943(c)(4)(C) and (ii) the 15-year "second phase" specified in section 4943(c)(4)(D). The foregoing sentence is not to be construed to prevent an accumulation of earnings and profits for the purpose of effecting a redemption of excess business holdings at a time or times prior to expiration of the periods described in such sentence. This subparagraph is not to be construed to prevent an accumulation of earnings and profits for the purpose of effecting a redemption described in subdivision (iii) of subparagraph (1) of this paragraph.

(3) The extent of an excess business holdings redemption need cannot exceed the total number of shares of stock so held or received by the private foundation (i) redemption of which alone would sufficiently reduce such private foundation's proportionate share of the corporation's total outstanding stock in order for the private foundation not be liable for tax under section 4943, or (ii) redemption of which is, by reason of § 503.4941(d)–4(b), permitted without imposition of tax under section 4941 provided that such redemption is accomplished within the period and in the manner prescribed in subdivision (iii) of subparagraph (1) of this paragraph. Thus, excess business holdings of a private foundation attributable to an increase in the private foundation's proportionate share of the corporation's total outstanding stock by reason of a redemption of stock after May 26, 1969, from any person other than the private foundation do not give rise to an excess business holdings redemption need.

(4) For purposes of subdivision (ii) of subparagraph (1) of this paragraph, an excess business holdings redemption need can arise with respect to shares of the corporation's stock under section 537(a)(3) only following actual acquisition by the private foundation of such shares and their characterization as an excess business holding. Thus, this paragraph does not apply to an accumulation of earnings and profits in one taxable year in anticipation of redemption of excess business holdings to be acquired by a private foundation in a subsequent year pursuant to a will or irrevocable trust to which section 4943(c)(5) applies or in anticipation of shares held becoming excess business holdings of the private foundation in a subsequent year by reason of additional shares to be received by the private foundation in such subsequent year pursuant to a will or irrevocable trust to which section 4943(c)(5) applies. Once having arisen, however, an excess business holdings redemption need may continue until redemption of the private foundation's excess business holdings described in this paragraph or other disposition of such excess business holdings by the private foundation.

(5) Notwithstanding any other provision of this paragraph, an excess business holdings redemption need will not be deemed to exist with respect to stock held by a private foundation the redemption of which would subject any person to tax under section 4941.

(6) For purposes of subdivision (ii) of subparagraph (1) of this paragraph, the number of shares of stock held by a private foundation on May 26, 1969 (or received pursuant to a will or irrevocable trust to which section 4943(c)(5) applies), redemption of which alone would sufficiently reduce such foundation's proportionate share of a corporation's total outstanding stock in order for the foundation not to be liable for tax under section 4943 may be determined by application of the following formula:

$$X = \frac{PH - (Y \times SO)}{1 - Y}$$

X = Number of shares to be redeemed.

Y = Maximum percentage of outstanding stock; which private foundation can hold without being liable for tax under section 4943.

PH = Number of shares of stock held by private foundation on May 26, 1969, or received pursuant to a will or irrevocable trust to which section 4943(c)(5) applies.

SO = Total number of shares of stock outstanding unreduced by any redemption from a person other than the private foundation.

(7) The provisions of this paragraph may be illustrated by the following example:

Example. (i) On May 26, 1969, Private Foundation A holds 60 of the 100 outstanding shares of the capital stock of corporation X, which is not a disqualified person with respect to A. None of the remaining 40 shares is owned by a disqualified person within the meaning of section 4946(a). On June 1, 1975, X redeems 10 shares of its stock from individual B, this reducing its outstanding stock to 90 shares. On June 1, 1976, A receives 20 additional shares of X stock by bequest under a will to which section 4943(c)(5) applies. As of June 1, 1976, then, A holds 80 of the 90 outstanding shares of X. Solely for purposes of this example and to illustrate the application of this paragraph, it will be assumed that in order not to be liable for the initial tax under section 4943, A must, before the close of the "second phase" described in section 4943(c)(4)(D), reduce its proportionate stock interest in X to 35 percent. A requests X to redeem from it a sufficient number of its shares to so reduce its proportionate stock interest in X to 35 percent, and X agrees to effect such a redemption.

(ii) As of May 26, 1969, A's excess business holdings are 25 shares of X, the number of shares which A would be required to dispose of to a person other than X in order to reduce its proportionate holdings in X to no more than 35 percent. If the disposition is to be by means of a redemption, however, A's excess business holdings on May 26, 1969, for purposes of determining X's excess business holdings redemption needs, are 39 shares, i.e., the number of shares X would be required to redeem in order to reduce A's proportionate stock interest to 35 percent. Although the redemption of 10 shares from B on June 1, 1975, creates additional excess business holdings of A because it effectively increases A's proportionate stock interest in X, this increase does not create an additional excess business holdings redemption

need because it resulted from a redemption from a person other than A. The bequest of 20 shares of X received by A on June 1, 1976, creates a further excess business holdings redemption need as of that date in the amount needed (or reasonably anticipated to be needed) to redeem an additional 31 shares from A, i.e., the number of shares which, when added to the excess business holdings of A on May 26, 1969, would have to be redeemed to reduce A's proportionate stock interest in X to 35 percent without taking the earlier redemption from B into account.

(e)(1) A determination whether and to what extent an amount is needed (or reasonably anticipated to be needed) for the purpose described in subparagraph (1) of paragraph (c) or (d) of this section is dependent upon the particular circumstances of the case, including the total amount of earnings and profits accumulated in prior years which may be available for such purpose and the existence of a reasonable expectation that a redemption described in paragraph (c) or (d) of this section will in fact be effected. Although paragraph (c) or (d) of this section may apply even though no redemption of stock is in fact effected, the failure to effect such redemption may be taken into account in determining whether the accumulation was needed (or reasonably anticipated to be needed) for a purpose described in paragraph (c) or (d).

(2) In applying subparagraph (1) of paragraph (c) or (d) of this section, the discharge of an obligation incurred to make a redemption shall be treated as the making of the redemption.

(3) In determining whether an accumulation is in excess of the reasonable needs of the business for a particular year, the fact that one of the exceptions specified in paragraph (c) or (d) of this section applies in a subsequent year is not to give rise to an inference that the accumulation would not have been for the reasonable needs of the business in the prior year. Also, no inference is to be drawn from the enactment of section 537(a) (2) and (3) that accumulations in any prior year would not have been for the reasonable needs of the business in the absence of such provisions. In fact, it may give rise to an inference that the accumulation was for the reasonable needs of the business in such prior year if, for example, the corporation was obligated by contract to effect a distribution to which section 303 applies upon a shareholder's death and such shareholder is of advanced age so that death within the next few years is a substantial possibility and the redemption price is reasonably ascertainable, or to effect an excess business holdings redemption which is certain to arise in the immediate future because of the impending distribution of stock to the private foundation under the terms of a section 4943(c)(5) irrevocable trust.

[FR Doc.71-10834 Filed 7-28-71;8:50 am]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[25 CFR Part 131]

PROTECTION OF ENVIRONMENT, CONSERVATION AND LAND USE REQUIREMENTS

Leasing and Permitting; Notice of Extension of Time for Comments

JULY 19, 1971.

There was published on page 11043 of the June 8, 1971, FEDERAL REGISTER (36 F.R. 11043), as a notice of proposed rule making, an amendment to expand the former § 131.11 of Title 25, Code of Federal Regulations, to incorporate mandatory requirements for protection of the environment.

That notice afforded all interested parties 30 days from tre date of publication within which to submit to the Commissioner of Indian Affairs written comments, suggestions, or objections with respect to the proposed regulations.

Notice is hereby given that all interested persons are afforded an extension of time until the close of business on August 6, 1971, within which to submit to the Commissioner of Indian Affairs, Washington, D.C. 20242, written comments, suggestions, or objections with respect to the proposed regulations.

LOUIS R. BRUCE,
Commissioner.

[FR Doc.71-10765 Filed 7-28-71;8:46 am]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 944]

CANNED RIPE OLIVES

Import Regulations

Notice is hereby given that the Department is considering an import regulation, as hereinafter set forth, to be issued pursuant to the provisions of section 8e (7 U.S.C. 608e-1) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674, as further amended by Public Law 91-670). Said regulation would govern the importation into the United States of canned ripe olives. As provided in said section 8e, imports of Spanish-style green olives are not affected. The regulation would prescribe grade and size requirements based on the applicable grade and size requirements in effect for canned ripe olives pursuant to the Federal marketing order for olives grown in California (Order No. 932; 7 CFR Part 932, 35 F.R. 13772, 14436, 13877, 14381, 17778, 19564). The regulation also would include a requirement that imports of canned ripe olives be inspected and certified by the Department in accordance with the regulations governing inspection and certification of processed fruits and vegetables, processed products thereof, and certain other processed food products (7 CFR Part 52). The import regulation that is issued would be made effective after such period, following the submission of written data, views, or arguments, as the Secretary determines to be reasonable but not less than 30 days after the regulation is published in the FEDERAL REGISTER.

The import regulation under consideration is as follows:

§ 944.401 Olive Regulation 1.

(a) Definitions:

(1) "Canned ripe olives" means olives in hermetically sealed containers and heat sterilized under pressure, of the two distinct types "ripe" and "green-ripe" as defined in § 52.3752 of the U.S. Standards for Grades of Canned Ripe Olives (§§ 52.3751-3766 of this title). The term does not include Spanish-style green olives.

(2) "Spanish-style green olives" means olives packed in brine and which have been fermented and cured, otherwise known as "green olives."

(3) "Variety Group 1" means the following varieties and any mutations, sports, or other derivations of such varieties: Aghizi Shami, Amellau, Ascolano, Ascolano dura, Azapa, Balady, Barouni, Carydolia, Cucco, Gigante di Cerignola, Gordale, Grosane, Jahlut, Polymorpha, Prunara, Ropades, Sevillano, Saint Agostino, Tafahi, and Touffahi.

(4) "Variety Group 2" means the following varieties and any mutations, sports, or other derivations of such varieties: Manzanillo, Mission, Nevadillo, Obliza, Redding Picholine.

(5) "USDA inspector" means an inspector of the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, or any other duly authorized employee of the Department.

(6) "Importation" means release from custody of the U.S. Bureau of Customs.

(b) On and after the effective date of this section the importation into the U.S. of any canned ripe olives is prohibited unless such olives are inspected and meet the following applicable requirements:

(1) Canned ripe olives shall grade at least U.S. Grade C;

(2) Canned whole ripe olives of Variety Group 1, except the Ascolano, Barouni, and Saint Agostino varieties, shall be of such a size that the individual olives in any lot weigh not less than 1/25 pound (6.0 grams) each: *Provided*, That not more than 25 percent, by count, of the olives may weigh less than 1/25 pound each except that not more than 10 percent, by count, of the olives may weigh

less than 1/82 pound (5.5 grams) each;

(3) Canned whole ripe Variety Group 1 olives of the Ascolano, Barouni, and Saint Agostino varieties, shall be of such a size that the individual olives in any lot weigh not less than 1/88 pound (5.1 grams) each: *Provided*, That not more than 25 percent, by count, of olives may weigh less than 1/88 pound each except that not more than 10 percent, by count, of the olives may weigh less than 1/68 pound (4.6 grams) each;

(4) Canned whole ripe olives of Variety Group 2, except the Obliza variety, shall be of such a size that the individual olives in any lot weigh not less than 1/140 pound (3.2 grams) each: *Provided*, That not more than 35 percent, by count, of the olives may weigh less than 1/140 pound each except that not more than 7 percent, by count, of the olives may weigh less than 1/100 pound (2.8 grams) each;

(5) Canned whole ripe Variety Group 2 olives of the Obliza variety, shall be of such a size that the individual olives in any lot weigh not less than 1/121 pound (3.7 grams) each: *Provided*, That not more than 35 percent, by count, of the olives may weigh less than 1/121 pound each except that not more than 10 percent, by count, of the olives may weigh less than 1/135 pound (3.3 grams) each;

(6) Canned whole ripe olives not identifiable as to variety or variety group shall be of such a size that the individual olives in any lot weigh not less than 1/140 pound (3.2 grams) each: *Provided*, That not more than 35 percent, by count, of the olives may weigh less than 1/140 pound each except that not more than 10 percent, by count, of the olives may weigh less than 1/100 pound (2.8 grams) each;

(7) Canned pitted ripe olives of Variety Group 1, except the Ascolano, Barouni, and Saint Agostino varieties, shall be of such a size that the individual olives in any lot shall each measure at least 21 millimeters in diameter: *Provided*, That not more than 25 percent, by count, of the olives may measure less than 21 millimeters in diameter;

(8) Canned pitted ripe Variety Group 1 olives of the Ascolano, Barouni, and Saint Agostino varieties, shall be of such a size that the individual olives in any lot shall each measure at least 19 millimeters in diameter: *Provided*, That not more than 25 percent, by count, of the olives may measure less than 19 millimeters in diameter;

(9) Canned pitted ripe olives of Variety Group 2, except the Obliza variety, shall be of such a size that the individual olives in any lot shall each measure at least 16 millimeters in diameter: *Provided*, That not more than 35 percent, by count, of the olives may measure less than 16 millimeters in diameter;

(10) Canned pitted ripe Variety Group 2 olives of the Obliza variety, shall be of such a size that the individual olives in any lot shall each measure at least 17 millimeters in diameter: *Provided*, That not more than 35 percent, by count, of the olives may measure less than 17 millimeters in diameter;

(11) Canned pitted ripe olives not identifiable as to variety or variety group shall be of such a size that the individual olives in any lot shall each measure at least 16 millimeters in diameter: *Provided*, That not more than 35 percent, by count, of the olives may measure less than 16 millimeters in diameter;

(c) The Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, is hereby designated as the governmental inspection service for the purpose of certifying the grade and size of canned ripe olives that are imported into the United States. Inspection by said inspection service with appropriate evidence thereof in the form of an official inspection certificate, issued by the service and applicable to the particular shipment of olives, is required on all imports of canned ripe olives. Such inspection and certification services will be available, upon application, in accordance with the applicable regulations governing the inspection and certification of processed fruits and vegetables, processed products thereof, and certain other processed food products (Part 52 of this title). Application for inspection shall be made not less than 10 days prior to the time when the olives will be imported. Since inspectors are not located in the immediate vicinity of some of the small ports of entry, importers of canned ripe olives should make arrangements for inspection through one of the following offices at least 10 days prior to the time when the olives will be imported:

Office	*Telephone*
Eastern Regional Office, Room 0712, South Building, Processed Products Branch, Fruit and Vegetable Division, C&MS, USDA, Washington, D.C. 20250.	(202) 388-7913 or 2088.
Central Regional Office, 1010 U.S. Custom House, 610 South Canal Street, Chicago, IL 60607.	(312) 353-6217 or 6218.
Western Regional Office, Room 7093, 390 Main Street, San Francisco, CA 94105.	(415) 556-4800.

(d) Inspection certificates shall cover only the quantity of canned ripe olives that is being imported at a particular port of entry by a particular importer.

(e) Inspection shall be performed by USDA inspectors in accordance with said regulations governing the inspection and certification of processed fruits and vegetables and related products (Part 52 of this title). The cost of each such inspection and related certification shall be borne by the applicant therefor. Applications for inspection shall be accompanied by, or there shall be submitted promptly thereafter, either (1) an "On Board" bill of lading designating the lots to be entered as canned ripe olives, or (2) a list of such lots and their identifying marks.

(f) Notwithstanding any other provisions of this regulation, any importation of canned ripe olives which, in the aggregate, does not exceed 100 pounds drained weight may be imported without regard to the requirements of this section.

(g) It is hereby determined, on the basis of the information currently available, that the grade and size requirements set forth in this regulation are comparable to those applicable to California canned ripe olives.

(h) No provisions of this section shall supersede the restrictions or prohibitions on canned ripe olives under the provisions of the Federal Food, Drug, and Cosmetic Act, or any other applicable laws or regulations or the need to comply with applicable food and sanitary regulations of city, county, State, or Federal agencies.

(i) The terms relating to grade and size, as used herein, shall have the same meanings as when used in the U.S. Standards for Grades of Canned Ripe Olives (7 CFR 52.3751–52.3766).

(j) Each inspection certificate issued with respect to canned ripe olives to be imported into the United States shall set forth, among other things:

(1) The date and place of inspection;

(2) The name of the shipper or applicant;

(3) The commodity inspected;

(4) The quantity of the commodity covered by the certificate;

(5) The principal identifying marks on the container;

(6) The railroad car initials and number, the truck and the trailer license number, the name of the vessel, or other identification of the shipment; and

(7) The following statement if the facts warrant: Meets the U.S. import requirements under section 8e of the Agricultural Marketing Agreement Act of 1937, as amended.

All persons who desire to submit written data, views, or arguments, for consideration in connection with the proposed regulation shall file the same, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the 60th day after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27 (b)).

Dated: July 23, 1971.

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

[FR Doc.71-10828 Filed 7-28-71;8:53 am]

[7 CFR Part 991]

HOPS OF DOMESTIC PRODUCTION

Method of Computing Eligible Handler's Shares of Pooled Reserve Hops

Notice is hereby given of a proposal to revise the method of computing eligi-

ble handler's shares of pooled reserve hops by providing that the quantity of reserve pool hops purchased from the preceding year's reserve pool be included in such computation. The proposal would revise § 991.141(c) of the administrative rules and regulations (Subpart—Administrative Rule and Regulations; 7 CFR 991.130–991.160). Section 991.141 is pursuant to § 991.40 of Order No. 991, as amended (7 CFR Part 991), regulating the handling of hops of domestic production, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The proposal was unanimously recommended by the Hop Administrative Committee.

Paragraph (c) of § 991.141 currently provides, in part, that each eligible handler's share of each variety or category of pooled reserve hops offered by the Committee for sale shall be the same proportion of the quantity offered as the proportion of the quantity so handled by such handler in the preceding marketing year is to the total quantity of hops so handled by all eligible handlers in such marketing year. In order to create additional incentive for handlers to buy reserve hops, the Committee has proposed that such method of computing a handler's share of a reserve offer should also recognize the quantity of reserve hops purchased by the handler in the preceding marketing year.

Consideration will be given to any written data, views, or arguments pertaining to the proposal which are received by the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than 7 days after the publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice should be in quadruplicate and will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The proposal is to amend paragraph (c) of § 991.141 to read as follows:

(c) *Handlers' shares.* Each eligible handler's share of each variety or category (e.g. Clusters, English, Fuggles, and residues from the preparation of hops for market) of the pooled reserve hops offered by the Committee shall be the same proportion of the quantity offered as the proportion of the quantity so handled by him in the preceding marketing year including the quantity purchased from the preceding year's reserve pool, is to the total quantity of hops so handled by all eligible handlers in such marketing year including the total quantity purchased for the preceding year's reserve pool by such handlers: *Provided*, That the Committee may adjust the share of any handler by less than one bale to avoid splitting of individual bales.

Dated: July 26, 1971.

PAUL A. NICHOLSON,
Deputy Director,
Fruit and Vegetable Division.

[FR Doc.71-10830 Filed 7-28-71;8:50 am]

[7 CFR Parts 1001, 1002, 1004, 1015]

[Docket No. AO-14-A49-R01 etc.]

MILK IN BOSTON REGIONAL (MASSACHUSETTS-RHODE ISLAND-NEW HAMPSHIRE) AND CERTAIN OTHER MARKETING AREAS

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreements and to Orders

7 CFR part	Marketing area	Docket No.
1001	Boston regional	AO-14-A49-R01.
1002	New York-New Jersey	AO-71-A62.
1004	Middle Atlantic	AO-160-A45.
1015	Connecticut	AO-305-A28.

Notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the aforesaid marketing areas.

Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The above notice of filing of the decision and of opportunity to file exceptions thereto is issued pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR 900).

PRELIMINARY STATEMENT

The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreements and to the orders as amended, were formulated, was conducted at New York City on March 30–31, and April 1, 1971, pursuant to notice thereof which was issued March 12, 1971 (36 F.R. 5141). With respect to the Boston Regional (Massachusetts-Rhode Island-New Hampshire) Order No. 1, this was a reopening of an earlier hearing held in October and December 1970 to consider, among others, proposals to expand the defined marketing area.

The material issues on the record of the hearing relate to:

1. Modification of the classification provisions under each of the four orders.
2. Modification of butterfat differentials under each of the four orders.
3. Revision of the shrinkage provisions of Order 2.
4. Elimination of the direct delivery differential provisions from Order 2.
5. Provision for exempt status under Order 4, of milk of a government agency moved to a regulated plant for custom processing.
6. Need for emergency action with respect to any or all issues 1 through 4.

FINDINGS AND CONCLUSIONS

The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *Classification provisions.* The classification provisions of Orders 1, 2, and 15 should be amended on the basis of this record but only to the extent necessary to provide a Class II classification for all mixtures of cream and milk or skim milk having a butterfat content of at least 10 percent. No change should be made in the classification provisions of the Middle Atlantic order.

The Middle Atlantic order presently prescribes a Class II classification for cream, half-and-half, and other mixtures of cream and milk or skim milk with a butterfat content of at least 10 percent.

Under the Boston Regional Order No. 1, cream and mixtures are Class II if the butterfat content is 16 percent or over. Mixtures with at least 10 percent, but less than 16 percent, butterfat are classified 50 percent Class I and 50 percent Class II by weight. Mixtures with a butterfat content of less than 10 percent are Class I.

Under the Connecticut Order No. 15, cream and mixtures are Class II if the butterfat content is 12 percent or over. Mixtures with a butterfat content of at least 10 percent, but less than 12 percent, are classified 50 percent Class I and 50 percent Class II by weight. Mixtures with a butterfat content of less than 10 percent are Class I.

Under the New York-New Jersey Order No. 2, cream (a minimum of 18 percent butterfat) is Class II and half-and-half (except sour) and other mixtures with a butterfat content of less than 18 percent are Class I.

A group of handlers under the New York-New Jersey order jointly proposed for that order only, a Class II classication for half-and-half in lieu of the Class I classification presently provided.

The New York-New England Dairy Cooperative Coordinating Committee, whose member cooperatives supply a large proportion of the total fluid milk supply for the New York-New Jersey and New England markets, proposed a uniform revision of the fluid milk product (Class I milk) definition in the four northeastern orders essentially for the purpose of providing a uniform Class II classification for half-and-half. At the same time, however, they proposed that such definition be further modified to eliminate, in the case of Orders 1, 2, and 15, the existing exception for sterilized milk and milk products in hermetically sealed containers. They further proposed that the definition under each of the four orders be

revised to provide specific standards of product composition which would serve as a means for classifying new products as they appear.

The principal reasons cited in support of a Class II classification for half-and-half were:

1. To promote uniformity of regulation among the northeastern Federal orders and thus assure greater equity among competing handlers.

2. To provide more equitable pricing for cream mixtures which are currently distributed in the subject markets in direct competition with lower-priced imitation cream products manufactured from nondairy product substitutes.

3. To provide, in the case of the New York-New Jersey order, more equitable pricing for cream mixtures sold in competition with similar products priced under the local State orders. The Commissioner of Agriculture and Markets, New York State, in March 1971 issued a determination that half-and-half should be a designated Class II product under the respective State orders for the Niagara Frontier and Rochester markets.

The present Class II classification prescribed under the Middle Atlantic order for half-and-half and other mixtures with a butterfat content of at least 10 percent was effected August 1, 1970, when the Washington, D.C., Upper Chesapeake Bay, and Delaware Valley orders were merged into the single and expanded regulation. In the Assistant Secretary's decision of May 18, 1970 (35 F.R. 7924), official notice of which is taken, it was pointed out that the record evidence with respect to classification matters was fundamentally directed to resolving the differences in classification of particular products among the orders. The decision thereon was, therefore, necessarily directed to resolving the then differences in classification. In concluding that half-and-half and other mixtures of cream and milk or skim milk containing at least 10 percent butterfat should be Class II, it was found that "Such classification will have no significant effect on producer returns but will implement the disposition of the excess butterfat in producer milk."

Effective November 1, 1970, the classification provisions of the New York-New Jersey order were modified to provide a Class II classification for cream disposed of for fluid use. No consideration was given to a change in the classification of mixtures having a butterfat content of less than 18 percent, however. The Presiding Officer at the hearing had ruled that the proposals before the hearing were not sufficiently broad to permit consideration of a change in the classification of such products. His ruling in this regard was supported and reaffirmed by the Assistant Secretary in his decision of October 5, 1970 (35 F.R. 15927), official notice of which is taken.

A Class II classification for cream, it was concluded, would "promote uniformity of regulation among the northeastern Federal orders and thus remove the possibility of competitive disadvantage due to minimum order prices. Cream for fluid use is a minor portion of the present Class I disposition * * *. Since a Class II classification is desired by a major segment of the market, there is no compelling reason for denying such classification."

The principal product in the "mixtures" category sold in the several markets here being considered is commonly referred to as (and generally is labeled) "half-and-half." This product is a mixture of cream and milk or skim milk with a butterfat content in the range of 10 to 12 percent, varying with the market. The product is sold in the markets in a variety of containers ranging from half-ounce (individual servings of the product for use as coffee whiteners and referred to as "creamers") to half pints and, in some cases, to even larger containers.

Half-and-half and similar mixtures, compete to a considerable degree directly with cream for fluid outlets, and both cream and cream mixtures are in aggressive competition with nondairy substitutes for table-use, such as coffee whiteners, dessert toppings and dressings.

The competitive inroads which the nondairy substitutes have made into the mixture market have resulted in a significant overall decline in the sale of mixtures throughout the Federal order markets in recent years. In the case of the Boston Regional market, the decline in mixture sales amounted to slightly less than 13 percent during the 4-year period 1967–70, with little change in the volume of fluid milk sales. The Connecticut market, on the other hand, experienced an increase of about 4 percent in mixture sales and a decrease of slightly less than 3 percent in total volume of fluid milk products sold within the defined marketing area during such period. In the Middle Atlantic marketing area during the same period (the combined areas of the individual Washington, D.C., Upper Chesapeake Bay, and Delaware Valley orders, prior to their merger into the single regulation in August 1970), mixture sales declined about 18 percent while total sales of fluid milk products declined about 2.5 percent. Similar data immediately available for the New York-New Jersey order market for the months of July and August 1969 and for the same 2 months of 1970 show a decline in mixture sales in such marketing area of approximately 15 percent while total sales of fluid milk products were off about 3 percent.

The sales of half-and-half and similar mixtures, however, as in the case of cream, do not represent a significant percenatge of the markets' total disposition. In these markets for the year 1970, mixture sales as a proportion of total fluid milk product sales ranged from a low of 0.4 percent (Order 1) to a high of 1.2 percent (Order 2, based upon the July–August period).

A uniform Class II classification for half-and-half and other mixtures of cream and milk or skim milk with a butterfat content of at least 10 percent was generally supported by the principal producer groups in each of the respective markets as well as by handlers. There was no opposition voiced to such classification either in testimony at the hearing or in posthearing briefs. Under the circumstances, it is concluded that the requested uniform Class II classification should be adopted.

The fluid milk product definition of Orders 1, 2, and 15 therefore should be modified and the necessary corollary changes made in other provisions of such orders to implement this conclusion.

Further amendments to the fluid milk product definition of these orders, as proposed by the Coordinating Committee, should not be adopted at this time.

The Committee's proposed uniform definition which they would have incorporated in each order (in addition to providing for a Class II classification of half-and-half, as already discussed and here adopted) would prescribe product composition standards for the purpose of implementing the classification of new milk products as they may appear on the market. Further, as a corollary proposal, proponents would remove from Orders 1, 2, and 15 the exception under which sterilized milk or milk products in hermetically sealed containers are excluded from Class I.

Proponents' proposed fluid milk product definition is essentially that developed by the National Milk Producers Federation as a part of a classification plan proposed for use under Federal milk orders generally and which was considered at a hearing conducted at Clayton, Missouri, in July 1970 for adoption under seven midwestern order markets. They did not, however, have knowledge of the Department's findings and conclusions in the matters considered at that hearing since a recommended decision had not yet been issued. While we do not take issue with proponents' objective, nevertheless it is quite apparent that a uniform classification procedure for Federal orders generally is difficult to achieve on a market-to-market basis.

The reclassification to Class II of mixtures as here adopted eliminates the immediate problem which prompted the hearing call. Since the basic objective sought by such proposal is the same as that involved in the hearing already held on seven midwestern markets, i.e., to promote a uniform classification procedure among Federal orders generally, consideration of the matter desirably should be deferred pending the final disposition of the matter in the seven midwestern markets. Accordingly, no further action is taken on this record.

2. *Modification of butterfat differentials.* The producer butterfat differential provisions of each of the four northeastern orders should be modified but only to base the computation on the Chicago butter price (in lieu of the present New York butter price) and to provide for the rounding of the differential to the nearest one-tenth cent.

The butterfat differential (identical in each of the four orders) is now computed by multiplying by 0.115 the average daily wholesale selling price of Grade A (92-score) butter in the New York City market, as reported by the Department for the period from the 16th day of the preceding month through the 15th day of the current month, and rounding the result to the nearest even one-tenth cent.

Since the same butterfat differential value applies with respect to both Class I and Class II milk, the handler's cost for differential butterfat above or below the basic test at which milk is priced is the same, regardless of use. The differential butterfat values, therefore, need not be "cleared" through the equalization pool. In making payments to each producer, the handler adjusts the uniform price by the butterfat differential to reflect the test of milk received from such producer.

The Coordinating Committee proposed for each of the four orders, and it is here adopted, that the Chicago Grade A 92-score butter price be substituted for the New York City 92-score butter price in computing the butterfat differential and that the rounding of the differential be to the nearest one-tenth cent instead of the nearest even one-tenth cent.

The following points were advanced by proponents in support of this change:

(1) The differential as proposed would place less value on the butterfat portion of milk and more value on skim and thus, would better relate the costs of fat and skim milk to market values of their respective products;

(2) The proposed changes will result in better alignment of Northeast order prices with order prices in other regions; and

(3) By using the Chicago butter price (quoted on a monthly basis) instead of the New York butter price, currently employed, the butterfat differentials will relate more closely to the milk component values during the time period to which such differential applies.

On the record and in their post hearing brief proponents recognized that the announced product purchase prices, which the Commodity Credit Corporation will pay during the current 1971–72 marketing year to carry out the price support objectives, constitute a shift in emphasis as between butterfat and nonfat dry milk, placing a relatively higher market value on the latter. Proponents held that their proposed revisions of the butterfat differential similarly recognize this shift in emphasis and therefore is more consistent with the objectives of the support program.

They pointed out that a substantial volume of the total milk products in each of the markets is manufactured into concentrated forms of milk products. Since the butterfat differential for the manufacturing milk class most commonly employed in Federal orders is calculated at the Chicago butter price times 0.115, they suggested that the adoption of the same differential for the Northeast markets would enhance intermarket price alignment. In this connection, they also pointed out that in December 1970, when the butterfat differential for the Northeast markets was 8.2 cents, a total of 50 orders of the 58 Federal orders outside the Northeast had lower Class II butterfat differentials.

Proponents further pointed out that the Committee, at an earlier hearing (June 1969) for the Northeast markets, had proposed the adoption of modifications to the butterfat differential provisions of the Northeast orders identical to those here at issue. The situation, they stated, which gave rise to the Assistant Secretary's denial of these particular modifications at that time (discussed in his decision issued August 20, 1969, 34 F.R. 13601, and here officially noticed) does not now exist.

In that decision, the Assistant Secretary pointed out that the Order 1 members of the proponent Coordinating Committee were in agreement with the use of the Chicago butter price. However, because of the market practice in New England of paying producers on the basis of the actual butterfat test of milk delivered during the first 15 days of the month by the fifth day of the following month, together with the difficulty Order 4 cooperatives (the Pennmarva group) would have in modifying their computer programs to accommodate rounding to the nearest one-tenth cent, it had been requested that a Chicago butter quotation covering the period from the 26th of the preceding month through the 25th of the current month be used as the basis for calculating the differential.

Since no regular quotation on that basis was available, the Assistant Secretary provided for the use of the only other quotation that would accommodate the New England problem; i.e. the New York quotation for the period extending from the 16th day of the preceding month through the 15th day of the current month which was then being used in Orders 1, 2, and 15.

Pennmarva's computer program has recently been modified and the proposed rounding to the nearest one-tenth cent is no longer a problem. Further, the New England Cooperatives now support the shift to the use of the Chicago monthly butter quotation for computing the butterfat differential even though they recognize that their method of making partial payments to producers requires modification if such change is adopted.

It is concluded that the proposed changes in butterfat differential provisions of the four orders should be adopted. While the desired reapportionment of butterfat and skim values could have been accomplished by a change in the present factor of 0.115 and continued use of the New York butter quotation, the overall objectives of the proponent cooperatives can better be served by the procedure here adopted. Use of the Chicago butter price will permit better coordination of butterfat differentials among orders and will assist in future comparisons of prices among markets, reducing confusion as to the proper basis for such comparisons.

This change will have only a very slight effect on producers' returns in each of the four markets. The butterfat tests of milk received from pool producers under each of the four orders in recent years have average slightly higher than 3.5 percent butterfat test at which such order prices are announced. For 1970, such tests averaged 3.73, 3.61, and 3.67 percent respectively in Orders 1, 2, and 15 and under the Middle Atlantic order, for the 5-month period August–December 1970, 3.68 percent.

Had the modifications here adopted been effective during 1970, the butterfat differential would have been two-tenths of a cent lower for 7 months, one-tenth of a cent lower for 3 months, and unchanged for 2 months. The simple average of such differences for the year would have amounted to fourteen-hundredths of a cent, of which about nine-hundredths of a cent would have been due to the proposed change in the butter quotation and the remainder due to the proposed change in rounding. Although the new rounding procedure could cause a difference of one-tenth cent per point of butterfat (1 cent per pound of butterfat in any particular month), over time such rounding would have no significant effect on average-butterfat differential values.

A representative of several Order 2 milk dealers objected to a change in rounding procedures, claiming that such change would place an additional burden (in time and expense) on small milk dealers. There otherwise was no testimony by milk dealers regulated under any of the four markets in opposition to the changes adopted. There were no post hearing briefs filed by any milk dealer in opposition to this change.

One cooperative association whose membership includes dairy farmers supplying each of the four markets, while not opposed to the objectives sought by proponents, expressed its belief that the issue of appropriate values and costs associated with the basic components of milk should be reserved for consideration at a future hearing, after an in-depth study is made by industry on the subject of component pricing of milk.

The subject of component pricing has been under study by various industry groups and by the Department for some time, and is continuing. It is not appropriate, however, to withhold changes necessary to reflect current marketing conditions and as here proposed for adoption, solely on the basis of possible future considerations.

In conjunction with the change in the procedure for computing the butterfat differentials, the producer-payment procedure prescribed in Order 1 (§ 1001.70) should be modified by removing paragraph (d). That paragraph prescribes that, in making payment, the handler may use the simple average of the butterfat tests of semimonthly composites with specified exceptions. The prescribed procedure was implemented by full knowledge of the applicable butterfat differential prior to the payment date which permitted handlers to make final payment for differential butterfat in their payment for milk delivered the first

15 days of the month. Under the new procedures, the butterfat differential will not be known until after the time for making the partial payment. The continued application of section 1001.70 (d), therefore, would be burdensome to handlers and confusing to producers while at the same time have no significant effect on producer returns.

3. *Shrinkage.* No change should be made in the shrinkage provisions of the New York-New Jersey Order No. 2 on the basis of this record.

The order currently provides that shrinkage of skim milk and butterfat, respectively, shall be computed at each plant and bulk tank unit and allocated pro rata to classes of use in accordance with the respective volumes of skim milk and butterfat actually accounted for in each class. However, if shrinkage thus assigned to Class II should exceed 2 percent of the skim milk and butterfat, respectively, actually accounted for in such class, the excess is classified as Class I–A.

A proposal by three regulated handlers considered at the hearing and supported by certain other regulated handlers would modify the shrinkage provisions (§ 1002.42) to conform with the shrinkage provisions (§§ 1004.41 and 1004.42) of the Middle Atlantic Order No. 4.

Proponents' witness held that treatment of shrinkage under the New York-New Jersey order results in a higher cost of milk to Order 2 handlers than that of Order 4 handlers under the shrinkage provisions of the Middle Atlantic order. This, he alleged, places Order 2 handlers at a disadvantage in competition with Order 4 handlers in their common sales area. He estimated that for a handler doing essentially only a Class I business the additional costs under the Order 2 shrinkage provisions would be between 4 and 5 cents per hundredweight. He held that because there is a significant overlapping of sales areas of handlers under the two orders, particularly in certain areas of New Jersey, identical shrinkage provisions are required by the Act.

While the terms of a given order must apply uniformly to all handlers subject thereto, the Act prescribes that orders applicable to the same commodity (i.e., milk) so far as practicable shall prescribe such different terms as are necessary to give due recognition to the differences among areas, and that the terms of each order shall be based solely on the evidence adduced on the record of a public hearing called for that purpose. Consequently, where conditions and circumstances of regulation vary between markets, the order provisions also vary. Thus, the provisions of Orders 2 and 4 differ significantly with respect to pooling standards, point of pricing, price level, location differentials and their application, and the handling of shrinkage, to name a few. Each of these differences can and does have a significant effect on handlers' costs for milk. However, the respective provisions of the two orders were adopted on the basis of conditions in the markets reflected in separate and different records.

It is not sufficient simply to allege that the difference in shrinkage provisions results in unfair advantage to Order No. 4 handlers. Proponents have the burden of establishing the propriety of adopting Order 4 provisions under the conditions for handling and processing milk that prevail in the New York-New Jersey market. This they did not do. In this regard, it must be recognized that shrinkage under normal circumstances is an unaccounted for disappearance. The treatment of shrinkage, therefore, is intricately interrelated with the particular accounting and verification procedure employed under the order and the circumstances in the market.

Proponents' witness in his testimony also asked that a specific Class II classification be provided for skim milk and butterfat disposed of by dumpage or for livestock feed. This proposed order modification was not within the scope of the hearing and no action appropriately could be taken on this record.

4. *Direct-delivery differential.* No change should be made with respect to the direct-delivery differential provisions of Order 2 on the basis of this record.

The present provisions prescribe a 5-cent-per-hundredweight differential to be paid by each handler directly to his producers over and above the applicable uniform price for pool milk received at a plant, or pool unit milk received from a farm, in the 1–70 mile zone.

A proposal to revoke the direct-delivery differential provisions (§ 1002.82(b)), made on behalf of Lafayette Milk Co., a fully regulated handler, was included in the hearing notice. At the hearing, petitioner's representative stated that proponent had abandoned his proposal but that such proposal was supported on behalf of certain other handlers in the market. The basic position of the latter in support of the proposal was that: (1) In light of recent court decisions the provisions in existing form were deemed illegal, and (2) use of the direct-delivery differential for the purpose of equating handler costs under the order for nearby milk and distant milk is improper in that milk produced beyond the 70-mile zone in fact is being delivered to plants within the 70-mile zone at a lesser cost to handlers than nearby milk.

Producer witnesses held that the situation in the market is generally unchanged from that on which the current provisions were promulgated.

Proponent presented data comparing costs for receiving milk under various arrangements. Such data reflected the operations of only a single handler and purportedly demonstrated that higher costs are incurred in receiving milk from the nearby area (1–70 miles) than in receiving milk through distant country supply plants. In fact, however, the data did not include country-plant operating costs variously estimated by witnesses at from 6 to 15 cents. When such costs are included, as they must be for valid comparison of the cost of receiving milk through country plants and directly at city processing plants, it cannot be concluded that the direct-delivery differential is not appropriately accomplishing its intended purpose.

Data presented by the representative of another handler receiving milk directly at his plant in the nearby area from both farms within and outside the 1–70-mile zone would indicate that the application of the direct-delivery differential in this case increased an existing disparity in the cost of receiving nearby versus distant milk. However, it must be concluded that this handler, because of the particular location and circumstances of his operations, is not typical of the overall market.

For all the above reasons, there is no basis on this record for either deleting or modifying the direct-delivery differential provisions.

5. *Exempt milk of a Government agency.* The Middle Atlantic order should be amended to provide an exemption from pooling and pricing for any fluid milk products received at a pool plant or partially regulated distributing plant from a Government agency plant for processing and packaging to the extent that an equivalent volume of packaged fluid milk products are returned to the agency plant during the month.

The order presently exempts from regulation any plant operated by a Government agency from which there is route disposition in the marketing area. In conjunction with this exemption, the order specifically excepts an exempt Government agency from producer status. Thus, receipts at any pool plant from such agency are treated as other source receipts and are assigned first to available Class II utilization. On any such receipts assigned to Class I, the receiving handler incurs a per hundredweight pool obligation computed at the difference between the applicable Class I and Class II prices. The order also provides that transfers of any fluid milk product from a pool plant to the plant of a Government agency shall be classified and accounted for under the order as a Class I disposition.

These provisions were initially incorporated into the separate Washington, D.C., and Upper Chesapeake Bay orders (Orders 3 and 16, respectively) effective June 1, 1966, and were continued under the combined Middle Atlantic order. The basis of their adoption in the two orders and for their continuance in the combined order is set forth in the findings of the Assistant Secretary in his decisions of April 22, 1966 (31 F.R. 6375), and August 1, 1970 (35 F.R. 10273), official notice of which is taken.

A proposal to extend the Government agency exemption to include milk transferred to a regulated plant for custom processing and packaging was made on behalf of the Bureau of Corrections for the Commonwealth of Pennsylvania. Proponent's spokesman pointed out that Correctional Industries, a vocational training segment of the Bureau of Corrections within the Commonwealth of

Pennsylvania Department of Justice, is a self-sufficient and self-supporting entity within the Commonwealth's judicial system. It operates five dairy farms. All of the milk produced thereon is normally processed in its own milk-processing plant for distribution to facilities within the Bureau of Corrections, to Commonwealth mental hospitals (one of which is the Philadelphia State Hospital, an institution within the marketing area), and to various other Government tax-supported institutions.

Under normal operations, the movement of milk through Correctional Industries' own marketing system would fall within the existing exemptions provided for Government agency plants, and such milk therefore would not be affected by the Federal milk regulation. However, proponent spokesman indicated that the agency's processing plant for some time has not been adequate to handle the special packaging needs of certain of its institutional outlets. As a consequence, a portion of the agency's farm milk production regularly has been transferred to a pool plant regulated under the Middle Atlantic order for processing, custom packaging and return to the agency for distribution within its institutional system.

Under the terms of the current order, the packaging plant is held accountable for the route disposition—in this case the disposition by Correctional Industries to the Philadelphia State Hospital. This was not initially understood by either Correctional Industries or the processing handler. Only belatedly did they become aware that a substantial pool obligation was being incurred on milk custom processed for Correctional Industries. The obligation, while assessed on the processing pool handler, was apparently being passed back to Correctional Industries under the terms of their agreement.

The spokesman for Correctional Industries pointed out that the pool payment assessed on its milk moved through the pool plant for custom processing represented a significant cost to the agency which would not have been assessed if the milk had been handled exclusively through their own processing plant facilities. He suggested, therefore, that it was unnecessary and inappropriate to require a pool obligation on the Government agency's milk which is moved to a pool plant or a partially regulated distributing plant for processing and packaging and then returned to the agency for distribution solely to State institutions.

The witness indicated that the current problem was near culmination in that the agency's processing facility at Graterford, Pa., is being expanded and modernized. While this work has taken much longer than originally expected, they contemplate being in full operation in the near future. Notwithstanding, the possibility of future emergencies arising from equipment or power failures were recognized and proponent asked that the order be modified to accommodate the use of regulated plants for custom processing of the agency's milk.

Clearly, the operations of Correctional Industries, like those of the University of Maryland and similar Government agencies, are for the purpose of advancing the recognized function of the State in the public interest. These operations are not in the nature of operations of proprietary handlers whose regulation is necessary to effectuate the intent of the Act. It was on this basis that the present provisions were adopted. For the identical reasons it is desirable that the order be amended so that a Government agency can, if necessary, have access to a regulated plant for the processing of its milk, without incurring a pool obligation.

The exempt milk provisions here adopted are a logical and reasonable extension of the present provisions of the order applicable to plants of Government agencies. Their incorporation in the order will more fully implement the intent of the existing provisions.

To the extent that any Government agency delivers milk in any month in excess of the volume processed and returned to the agency plant in packaged form, such excess will be treated as an other source receipt and assigned to the lowest available use class. On any such milk so assigned to Class I, the processing pool handler will have a pool obligation computed at the difference between the applicable Class I and Class II prices. To this extent there is no change in the existing procedure. If the processing plant is a partially regulated distributing plant, such excess also would be treated as an other source receipt.

To fully implement the purpose of the exempt milk provisions, the allocation provisions are also modified to provide for the subtraction of exempt milk receipts from the processing plant's gross Class I disposition as one of the first steps in the allocation procedure. This is necessary to remove any possibility of a pool obligation on such milk.

6. *Emergency action.* In the notice of hearing it was pointed out that evidence would be taken to determine whether emergency marketing conditions exist that would warrant omission of a recommended decision on issues 1 and 2 (matters concerning classification and butterfat differentials).

On the record, and without prior notice, proponents of Order 2 amendments involving shrinkage and direct delivery differentials (issues 3 and 4, respectively), suggested that emergency action apply also with respect to such issues.

It may not be found on the basis of record evidence that due and timely execution of the action here proposed for adoption, for each of the four orders, imperatively and unavoidably requires the waiving of a recommended decision and the consequent opportunity for interested persons to file with the Hearing Clerk their exceptions.

All such proposals for emergency action, therefore, are denied.

Rulings on Proposed Findings and Conclusions

Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General Findings

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of each of the aforesaid orders and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

The following findings are hereby made with respect to each of the aforesaid tentative marketing agreements and orders:

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the tentative marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended Marketing Agreements and Orders Amending the Orders

The recommended marketing agreements are not included in this decision because the regulatory provisions thereof would be the same as those contained in the orders, as hereby proposed to be amended. The following orders amending the orders, as amended, regulating the handling of milk in the Boston Regional, New York-New Jersey, Middle Atlantic, and Connecticut marketing areas are recommended as the detailed and appropriate means by which the

foregoing conclusions may be carried out:

PART 1001—MILK IN THE BOSTON REGIONAL MARKETING AREA

§ 1001.22 [Amended]

1. In § 1001.22 *Fluid milk products*, the word "and" is inserted immediately preceding the phrase beginning "any mixture * * *"; and the provisions ,"and 50 percent of the quantity by weight of any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 16 percent butterfat" are revoked.

2. Section 1001.23 is revised as follows:

§ 1001.23 Cream.

"Cream", for purposes of this part, means that portion of milk, containing not less than 10 percent butterfat, which rises to the surface of milk on standing, or is separated from it by centrifugal force. The term also includes soured cream, frozen cream, fortified cream, reconstituted cream, and any mixture of milk or skimmed milk and cream containing 10 percent or more of butterfat.

3. In § 1001.32, paragraph (j) is revised as follows:

§ 1001.32 Additional duties of the market administrator.

* * * * *

(j) He shall publicly announce (by posting in a conspicuous place in his office and by such other means as he deems appropriate):

(1) By the 5th day of the month:

(i) The Class I price for the current month;

(ii) The Class II price and the butterfat differential for the preceding month, as computed under §§ 1001.61 and 1001.71 (b), respectively;

(2) By the 13th day of each month, the zone blended prices resulting from the adjustment of the basic blended price for the preceding month, as computed under § 1001.65, by the zone differentials contained in § 1001.62(d); and

(3) [Reserved]

(4) Whenever required for purpose of assigning receipts from other Federal order plants under § 1001.56(b), his estimate of the utilization (to the nearest whole percentage) in each class during the month of butterfat and skim milk, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose.

* * * * *

§ 1001.70 [Amended]

4. In § 1001.70 *Payments to producers*, paragraph (d) is revoked; the paragraph designation is reserved for future assignment.

5. In § 1001.71, paragraph (b) is revised as follows:

§ 1001.71 Butterfat differential.

* * * * *

(b) Multiply by 0.115 and round to the nearest one-tenth cent the simple average of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department for the month.

PART 1002—MILK IN NEW YORK-NEW JERSEY MARKETING AREA

1. Section 1002.15 is revised as follows:

§ 1002.15 Fluid milk product.

"Fluid milk product" means all skim milk and butterfat in the form of milk, fluid skim milk, filled milk, cultured or flavored milk drinks (except eggnog and yogurt), concentrated fluid milk disposed of in consumer packages, and any mixture of cream, milk, or skim milk containing less than 10 percent butterfat (other than frozen desserts, frozen dessert mixes, whipped topping mixtures, evaporated milk, plain or sweetened condensed milk or skim milk, sterilized milk or milk products in hermetically sealed containers, and any product which contains 6 percent or more nonmilk fat (or oil)). *Provided*, That when any fluid milk product is fortified with nonfat milk solids, the amount of skim milk to be included within this definition shall be only that amount equal to the weight of skim milk in an equal volume of an unmodified product of the same nature and butterfat content.

§ 1002.22 [Amended]

2. In paragraph (m)(1) of § 1002.22, subdivision (iii) is revoked. The unit designation "(iii)" is reserved for future assignment.

3. Section 1002.81 is revised as follows:

§ 1002.81 Butterfat differential.

(a) The butterfat differential for the adjustment of prices as specified in this part shall be plus or minus for each one-tenth of 1 percent of butterfat therein above or below 3.5 percent an amount computed as follows:

(b) Multiply by 0.115 and round to the nearest one-tenth cent the simple average of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department for the month.

PART 1004—MILK IN THE MIDDLE ATLANTIC MARKETING AREA

1. In § 1004.16, a new paragraph (h) is added as follows:

§ 1004.16 Milk and milk products.

* * * * *

(h) "Exempt milk" means bulk fluid milk products received at a pool plant or a partially regulated distributing plant from the plant of a handler pursuant to § 1004.10(e) for processing and packaging and for which an equivalent quantity of packaged fluid milk products is returned to such handler during the month.

2. In § 1004.46, paragraphs (a) (2) and (5) (iv) are revised as follows:

§ 1004.46 Allocation of skim milk and butterfat classified.

* * * * *

(a) * * *

(2) Subtract from the total pounds of skim milk in Class I, the pounds of skim milk in receipts of certified milk in packaged form and receipts of exempt milk;

* * * * *

(5) * * *

(iv) Receipts (other than exempt milk) of fluid milk products from a handler pursuant to § 1004.10(e):

* * * * *

3. Section 1004.81 is revised as follows:

§ 1004.81 Butterfat differential.

In making the payments to producers and cooperative associations required pursuant to § 1004.80, each handler shall add for each one-tenth of 1 percent of average butterfat content above 3.5 percent, or may deduct for each one-tenth of 1 percent of average butterfat content below 3.5 percent, as a butterfat differential an amount per hundredweight which shall be computed by the market administrator as follows: Multiply by 0.115 and round to the nearest one-tenth cent the simple average of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department for the month.

PART 1015—MILK IN THE CONNECTICUT MARKETING AREA

§ 1015.22 [Amended]

1. In § 1015.22 *Fluid milk products*, the word "and" is inserted immediately preceding the phrase beginning "any mixture * * *"; and the provisions ", and 50 percent of the quantity by weight of any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 12 percent butterfat" are revoked.

2. Section 1015.23 is revised as follows:

§ 1015.23 Cream.

"Cream," for purposes of this part, means that portion of milk containing not less than 10 percent butterfat which rises to the surface of milk on standing, or is separated from it by centrifugal force. The term also includes soured cream, frozen cream, fortified cream, reconstituted cream, and any mixture of milk or skimmed milk and cream containing 10 percent or more of butterfat.

§ 1015.51 [Amended]

3. In paragraph (a) of § 1015.51, the word "or" is inserted after the semicolon, and paragraph (b) is revoked. The paragraph designation is reserved for future assignment.

4. In § 1015.22, paragraph (a) is revised as follows:

§ 1015.52 Class II milk.

* * * * *

(a) Disposed of as cream;

* * * * *

5. Section 1015.71 is revised as follows:

§ 1015.71 Butterfat differential.

(a) In making the payments to producers and cooperative associations required under § 1015.70 or for overages under § 1015.63(d), each handler shall

add or subtract for each one-tenth of 1 percent that the average butterfat content of milk received from producers or the overage is above or below 3.5 percent, respectively, an amount per hundredweight which shall be computed by the market administrator as follows:

(b) Multiply by 0.115 and round to the nearest one-tenth cent the simple average of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported by the Department for the month.

Signed at Washington, D.C., on July 26, 1971.

JOHN C. BLUM,
Deputy Administrator,
Regulatory Programs.

[FR Doc.71-10831 Filed 7-28-71;8:50 am]

Packers and Stockyards Administration

[9 CFR Part 201]

POSTING STOCKYARDS; REGISTRATION; BOND EQUIVALENTS; AMOUNT OF BONDS; RECOVERY UNDER BOND; TERMINATION OF BOND

Notice of Proposed Rule Making

Notice is hereby given that, pursuant to the authority contained in an act of Congress approved July 12, 1943 (7 U.S.C. 204), and in sections 302, 303, and 407(a) of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202, 203, 228), the Packers and Stockyards Administration proposes to amend §§ 201.5, 201.10(a), 201.10(b), 201.13, 201.27, 201.29(b), 201.30(a), 201.33, and 201.34 (9 CFR 201.5, 201.10(a), 201.10(b), 201.13, 201.27, 201.29(b), 201.30(a), 201.33, and 201.34) of the regulations under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.).

Statement of considerations. As provided in section 302(b) of the Act, stockyards have been posted under the Act when certain statutory requirements have been met. Since the posting in the past has been by name, each time a change in the market name has occurred notices had to be prepared and posted at the market, and other procedures followed to change the name of the facility. It is proposed that the posting procedure be revised, each market to be assigned a number, which number would thereafter remain as the facility identification, regardless of the name and ownership of the stockyard or the market agencies operating thereon, as long as the facility functions as a stockyard. Existing facilities would be redesignated by number as soon as feasible.

The current regulations and procedures do not require applicants for registration under the Act to make a showing of solvency prior to the acceptance of their registrations. In order to bring more financial stability to the industry the Administration proposes to require each new applicant to file with his application for registration a financial statement listing all of his current assets and liabilities. If such statement shows the applicant's current liabilities exceed his current assets the Administration will promptly cause the institution of an administrative action in which the applicant will be afforded an opportunity to show cause why his application for registration should not be denied. If the applicant cannot make a showing of solvency his application for registration under the Act will be denied.

Registrations of dealers and market agencies, under the Act, are currently rendered inactive when the person discontinues business. There is no procedure for cancellation of any registration. It is proposed to revise the procedure to provide that when the Administrator receives actual notice from a registrant that he is no longer doing business as registered, or the Administration has reason to believe that a registrant has not engaged in business for which registration is required for a period of 1 year, the registration may be canceled and notice thereof served upon the registrant. The cancellation would become effective 15 days after service of such notice unless the registrant requests that the registration be continued in effect. If a person whose registration has been so canceled wanted to resume operations in a capacity for which registration is required, it would be necessary to make application for registration and file a surety bond or bond equivalent. Persons resuming their operations as a market agency or dealer without reapplying for registration and filing a bond or bond equivalent would be in violation of section 303 of the Act. Registrations would also be canceled if the Administrator receives notice or information establishing that the registrant has deceased.

Section 201.27(b) of the regulations provides that in lieu of the bond requirements, a bond equivalent may be filed. Bond equivalents have been accepted in the form of trust fund agreements based on cash, certificates of deposit, and fully negotiable treasury bonds of the U.S. Government. The Federal Deposit Insurance Corporation has advised the Packers and Stockyards Administration that when cash in the form of savings accounts and certificates of deposit are deposited in a member bank to comply with trust fund agreements said deposits are insured only to the extent of $20,000.

It is essential to our bonding program for the total amount stated in a bond or trust fund agreement to be available for distribution to all parties having legal claims against such bond or trust fund agreement. It is proposed to amend § 201.27(b) of the regulations to provide for the deposit of fully negotiable treasury bonds of the U.S. Government, savings accounts, and certificates of deposit as collateral under trust fund agreements. Negotiable bonds of the U.S. Government may be filed in any amount necessary to meet the requirements of the bonding regulations. However, cash in the form of savings accounts and certificates of deposit must be deposited with a bank having FDIC insurance coverage, such bank must be named as trustee under the trust fund agreement, and the amount of any such trust fund agreement filed by a registrant with any FDIC insured bank shall not exceed $20,000. If a registrant is required to have on file a bond equivalent in excess of $20,000 he must make provision for the filing of two or more trust fund agreements naming different FDIC insured banks as depositories and trustees for the respective accounts. It is also proposed to require that the value of the Government bonds and certificates of deposit be computed on their cash surrender value and not on the face value of such instrument.

It is proposed to amend § 201.29(b) of the regulations to provide clarification of the bonding requirements relating to separate activities. The proposed amendment would clarify that those engaged in business both as a market agency buying on commission and as a dealer may file a single bond with the applicable condition clause. A market agency selling livestock on a commission basis and buying livestock on a commission or dealer basis must file separate bonds to provide separate coverage for its selling and buying activities.

Presently § 201.30(a) of the regulations provides that in computing bonds for a market agency or dealer, the amount of each bond of $26,000 or less shall be not less than the next multiple of $2,000 above the average amount of livestock sales by a market agency or livestock purchases by a market agency or dealer during a period equivalent to 2 business days. It also provides that the bond of a market agency selling livestock on a commission basis at public auction is computed by dividing the total value of the livestock sold in the preceding 12 months by the actual number of auction sales but in no case shall the divisor be greater than 130.

Presently, bonds above $26,000 are computed in multiples of $5,000. When the amount of a bond exceeds $50,000, the amount of the bond need not exceed $50,000 plus 10 percent of the excess, unless the Administrator has reason to believe a bond in such amount to be inadequate.

During the past year, study has been given to the problems involved in the area of financial protection provided by these regulations. Meetings were held with various farm organizations and industry groups to discuss ways and means of implementing the financial protection programs. After review of the suggestions received by the Packers and Stockyards Administration in connection with these meetings, it is proposed to amend § 201.30(a) of the regulations. The proposed amendment provides that the amount of each bond shall be not

less than the next multiple of $5,000.

This amendment would strengthen the general protection afforded under the bonding regulations in that, in many instances, it would increase the individual coverage required. The proposed amendment would also lessen the clerical work of the registrant, surety, and Administration in securing and servicing increases or decreases in the amount of bond required due to yearly fluctuation in business on the part of registrants.

Section 201.33 of the regulations provides that any person damaged by failure of the principal to comply with the condition clauses of the bond may maintain suit to recover on the bond. Filing of claims under this provision is limited in time only by the requirements of the statutes of the State in which the transaction occurred. Claims have been filed 2 or 3 years after the transactions in question occurred and the bonds have been terminated. The time limit (to the extent of State statutes) in which a claim may be filed is one of the factors considered by surety companies in assessing the risk involved when writing livestock bonds.

In order to provide the protection intended, claims against surety bonds should be filed promptly to enable settlement of all claims against the respective bond within a reasonable period of time. Therefore, it is proposed to amend § 201.33 of the regulations to require that claims against registrants' bonds must be filed within 120 days from the date of the transaction on which the claim is based.

On many occasions, surety companies or trustees have requested courts to resolve claims filed against bonds. The action has been taken because of the uncertainty that all claims have been filed. Under the proposed amendment, the surety and trustee would be assured that under the terms of the bond no claims received after the expiration of 120 days following the termination date of the bond would be valid and all valid claims could be satisfied to the extent of the bond. The proposed amendment will lessen the need for court adjudication of bond claims and expedite the settlement of such claims. Sureties often require collateral from the assured when writing a bond and are reluctant to release such collateral until they are certain that all claims, if any, have been filed. Thus, the proposed amendment would also facilitate the release of such collateral to the principal in those instances where no claims are filed and the bond has been terminated for 120 days.

The proposed amendment to § 201.33 also provides that the amount of the bond should not be depleted by the payment of fees, salaries, or expenses for legal representation of the surety or principal. This is proposed to insure that the intended coverage of the bond is fully available to pay valid livestock claims.

Section 201.34 of the regulations provides that each bond shall contain a provision requiring that, prior to termination, at least 30 days' notice shall be given to the Administrator. The regulation is not clear with respect to the termination provisions applicable to the bond of a market agency clearing other registrants. It is proposed to amend § 201.34 to clarify the present policy relating to the procedure for terminating the bond coverage of a clearee named in the bond of a market agency furnishing clearing services.

It is proposed to amend § 201.10(a) to conform to the references made therein to these amendments if adopted.

It is proposed that §§ 201.5, 201.10(a), 201.10(b), 201.13, 201.27, 201.29(b), 201.30(a), 201.33, and 201.34 (9 CFR 201.5, 201.10(a), 201.10(b), 201.13, 201.27, 201.29(b), 201.30(a), 201.33, and 201.34) be amended to read as follows:

§ 201.5 Investigation; notice and posting of stockyards.

After it has been determined as provided in section 302(b) of the Act, that a stockyard comes within the definition of that term as contained in section 302(a), the stockyard shall be given a number as its official designation under the Act and posting of the stockyard shall be accomplished by (a) giving notice of such determination and official designation to the stockyard owner by certified mail or in person, and (b) giving notice thereof to the public by posting copies of such notice in at least three conspicuous places at such stockyard and by publication of the determination and official designation in the FEDERAL REGISTER. A stockyard so posted shall remain subject to the provisions of the Act and these regulations until the stockyard has been deposted, regardless of any change in the ownership or control of such stockyard or in the name of the stockyard or any market agencies operating at such stockyard.

§ 201.10 Requirements and procedures.

(a) Every person operating or desiring to operate as a market agency or dealer as defined in section 301 of the Act shall apply for registration under the Act by filing, on forms which will be supplied by the Administrator or any Area Supervisor on request, a properly executed application containing all the information required by such forms, and shall, concurrently with the filing of such application, file the bond as required in §§ 201.27 through 201.34, and a financial statement listing all of the applicant's current assets and his current liabilities. The terms "current assets" and "current liabilities" are defined in section 203.10 of the Statements of General Policy under the Packers and Stockyards Act (9 CFR 203.10).

(b) Each application for registration shall be filed with the Area Supervisor, for the area in which the applicant proposes to operate, who shall mail it to the Administrator at Washington, D.C. If the financial statement required by these regulations shows that the applicant's current liabilities exceed his current assets or if the Administrator has reason to believe that the applicant is unfit to engage in the activity for which application has been made by reason of the fact that the applicant has within 2 years prior to filing the application engaged in activities constituting dishonest or fraudulent practices of the character prohibited by the Act which previously have not been the subject of a formal administrative proceeding under the Act resulting in the imposition of a sanction against the applicant, an administrative proceeding shall be promptly instituted in which the applicant will be afforded opportunity for full hearing in accordance with the rules of practice under the Act, for the purpose of showing cause why the application for registration should not be denied. In the event it is determined that the application should be denied, the applicant shall not be precluded as soon as conditions warrant from again applying for registration.

§ 201.13 Registrants to report changes in name, address, control or ownership; cancellation of registration.

(a) Whenever any change is made in the name or address or in the management or nature or in the substantial control or ownership of the business of a registrant, such registrant shall report such change in writing to the Administrator, Washington, D.C., within 10 days after making such change.

(b) Registrations shall be canceled when (1) the registrant gives notice to the Administrator that he is no longer doing business as registered, or (2) the Administrator has reason to believe that the registrant has not operated in any capacity for which registration is required for a period of 1 year: *Provided, however*, That no registration shall be canceled if an administrative proceeding is pending against the registrant or if the Administrator is considering the institution of an administrative proceeding against the registrant. In the event a registration is canceled under the above provisions of this subsection, the registrant will be served notice of such cancellation by certified mail and such cancellation will become effective 15 days after service of such notice unless the registrant files with the Administrator a request that such registration be continued in which event the notice of cancellation will be automatically revoked upon receipt of such request by the Administrator. Registrations shall also be canceled if the Administrator receives notice or information establishing that the registrant has deceased.

§ 201.27 Underwriter; equivalent in lieu of bonds; standards forms.

(a) The surety on bonds maintained under these regulations shall be a surety company (1) which is currently approved by the U.S. Treasury Department for bonds executed to the United States, and (2) which has not failed or refused to satisfy its legal obligations under bonds issued under said regulations.

(b) A bond equivalent may be filed or maintained in lieu of a bond. A bond

equivalent shall be in the form of a trust fund agreement based upon the cash surrender value of fully negotiable Treasury bonds of the U.S. Government savings accounts, or certificates of deposit. Savings accounts or certificates of deposit pledged as collateral under trust fund agreements must be on deposit with or issued by a bank covered by insurance issued by the Federal Deposit Insurance Corporation. No trust fund agreement based on savings accounts or certificates of deposit shall be in excess of $20,000 and a bank having FDIC insurance must be named as the depository and trustee therein. In the event that a registrant's bond requirement is in excess of $20,000 and such registrant desires to pledge savings accounts or certificates of deposit as collateral under trust fund agreements, said registrant shall file two or more trust fund agreements, naming a different FDIC insured bank as depository and trustee in each such agreement, none of which shall exceed $20,000. The provisions of §§ 201.28 through 201.38 shall be applicable to such trust fund agreements.

(c) The following forms of a bond and trust fund agreement are suggested for use in connection with the filing of bonds or bond equivalents as required by these regulations:

Bond No. _____

BOND REQUIRED OF LIVESTOCK MARKET AGENCIES AND DEALERS UNDER THE PACKERS AND STOCKYARDS ACT, 1921, AS AMENDED (7 U.S.C. 181 ET SEQ.) AND THE REGULATIONS ISSUED THEREUNDER (9 CFR 201.27 THROUGH 201.34)

Know all men by these presents, that we _____ of _____ as Principal, and _____ as Surety, are held and firmly bound unto _____

(Trustee need not be named unless required by State, principal, or surety)

(or his successors in official position, if any) as Trustee for all persons who may be damaged through the breach of this bond, as Obligee, in the aggregate sum of _____ Dollars ($_____), lawful money of the United States of America, for the payment whereof to the Obligee we bind ourselves, our heirs, executors, administrators, successors and assigns jointly and severally by these presents.

Signed, sealed and dated this _____ day of _____, 19____.

Now, Therefore, the Condition of this Bond is such that:

Applicable if Principal SELLS on commission:

(1) If the said Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said Principal,

Applicable if Principal BUYS on commission or as a dealer:

(2) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account or for the accounts of others, and if the said Principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others,

Applicable if others clear through Principal:

(3) If the said Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz.: (insert here the names of such other registrants as they appear in the application for registration)

, or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of such Principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others,

then this bond shall be null and void, otherwise to remain in full force and virtue, subject to the following terms, conditions, and limitations:

(a) This bond shall apply only to transactions occurring on or at any time after the date hereof, and before the effective date of termination hereof as hereinafter provided.

(b) Payment by Surety to a claimant or to the Trustee in settlement of one or more claims shall discharge Surety as to those claims and shall reduce the penal sum of this bond to the extent of the payment or payments. The proceeds of this bond cannot be used to pay fees, salaries, or expenses for legal representation of the Surety or Principal.

(c) Any person damaged by the breach of any condition hereof may maintain an action on this bond in his own name to recover his damages, after first giving written notice to the Surety, the Administrator, Packers and Stockyards Administration, Washington, D.C., and the Trustee herein, if named; or the Trustee herein, or such Trustee as may be appointed by the Administrator in accordance with the provisions of this bond and the regulations under the Packers and Stockyards Act, may maintain an action in his own name, the recovery to be made for the use of the persons damaged; and both Principal and Surety herein waive every defense, if any there might be, based upon the fact that any person damaged or in whose name the suit shall be brought is not a party or privy to this bond.

(d) No claim will be allowed under this bond unless it is filed within 120 days from the date of the transaction on which the claim is based. Claims may be filed with the Surety, Trustee or Administrator, Packers and Stockyards Administration, Washington, D.C., in the event claims are filed with the Surety or Trustee, the Surety or Trustee should notify the other and the Administrator, Packers and Stockyards Administration, Washington, D.C., within 5 days of receipt of such claim. If the claim is filed with the Administrator, the Administrator should notify the Surety and Trustee of such claim within 5 days of receipt of such claim. If the Trustee fails or is unable to act or serve or if a Trustee is not designated herein and claim is made or action is required to recover damages for breach of any condition of this bond, the Administrator, Packers and Stockyards Administration, is authorized to designate a Trustee to represent all claimants under this bond in accordance with the regulations under the Packers and Stockyards Act.

(e) The term "person" as used in this bond shall be construed to mean and include both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigns thereof.

(f) The acts, omissions or failures of authorized agents or representatives of said Principal or persons whom said Principal shall knowingly permit to represent themselves as acting for said Principal shall be taken and construed to be the acts, omissions or failures of said Principal and to be within the protection of this bond to the same extent and in the same manner as if they were the personal acts of said Principal.

(g) Termination of the clearance of a registrant under clause 3 of this bond may be accomplished by issuance of a rider or endorsement by the surety herein deducting the name of the clearee. Termination of the clearance shall become effective 30 days after the date of receipt of the rider or endorsement by the Administrator, Packers and Stockyards Administration, Washington, D.C.

(h) This bond may be terminated by either party hereto by delivering a written notice of termination to the other party, and to the Administrator of the Packers and Stockyards Administration at Washington, D.C., at least 30 days prior to the effective date of such termination. In the event that the Surety named herein writes a new bond to replace this bond the 30-day termination provisions will be waived and this bond will become terminated as of the effective date of the replacement bond.

(i) Fully executed duplicates of bonds, endorsements, amendments, riders and other attachments thereto shall be filed with the Area Supervisor, Packers and Stockyards Administration, for the area in which the registrant or licensee resides or its principal place of business is located.

(j) Conditions _____ and _____ were deleted prior to execution and are not part hereof.

In witness whereof the parties hereto have executed this bond under their seals on the day and date appearing herein.

_____ [SEAL]
(Principal)

By _____

_____
(Surety)

By _____

_____
(Trustee—if named)

P&SA-23

TRUST FUND AGREEMENT

Whereas, the provisions of the Packers and Stockyards Act, 1921, as amended and supplemented, and the regulations of the Secretary of Agriculture issued pursuant thereto, require a good and sufficient surety bond or its equivalent of all market agencies and dealers as defined in the Packers and Stockyards Act to cover their obligations as such; and

Whereas, _____, hereinafter known as the Principal, is engaged in business as a market agency and dealer as defined in the Packers and Stockyards Act. (Strike item not applicable.)

Now therefore, the sum of _____ $_____, in fully negotiable U.S. Treasury Bonds, savings accounts or certificates of deposit, having a cash surrender value of $_____

(Cash surrender value of bonds at time of execution of this agreement)

bearing the following serial numbers _____ is hereby deposited by _____

(Name of Principal)

with the _____

(Name of Depository)

as trustee, for the following purposes and subject to the following conditions.

Applicable if Principal SELLS on commission:

(1) If the said Principal shall pay when due to the person or persons entitled thereto the gross amount, less lawful charges, for which all livestock is sold for the accounts of others by said Principal,

Applicable if Principal BUYS on commission or as a dealer:

(2) If the said Principal shall pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by said Principal for his own account or for the accounts of others, and if the said Principal shall safely keep and properly disburse all funds, if any, which come into his hands for the purpose of paying for livestock purchased for the accounts of others,

Applicable if others clear through Principal:

(3) If the said Principal, acting as a clearing agency responsible for the financial obligations of other registrants engaged in buying livestock, viz.: (insert here the names of such other registrants as they appear in the application for registration)

, or if such other registrants, shall (1) pay when due to the person or persons entitled thereto the purchase price of all livestock purchased by such other registrants for their own account or for the accounts of others and (2) safely keep and properly disburse all funds coming into the hands of such Principal or such other registrants for the purpose of paying for livestock purchased for the accounts of others,

then this fund shall not be liable; but if there shall be any defaults, failures, or neglects under any one or more of said conditions, then this fund shall be liable.

(a) This trust fund agreement shall apply only to transactions occurring on or at any time after the date hereof, and before the effective date of termination hereof as hereinafter provided.

(b) Any person damaged by the breach of any condition hereof may maintain an action against the trustee of the within fund under this agreement in his own name to recover his damages, after first giving written notice to the Trustee and the Administrator, Packers and Stockyards Administration, Washington, D.C.; and both Principal and Trustee herein waive any defense, if any there might be based upon the fact that any person damaged or in whose name such action may be brought is not a party or privy to this trust fund agreement. The proceeds of this trust fund agreement cannot be used to pay fees, salaries or expenses for legal representation of the principal.

(c) No claim will be allowed under this trust fund agreement unless it is filed within 120 days from the date of the transaction on which the claim is based. Claims may be filed with the Trustee or Administrator, Packers and Stockyards Administration, Washington, D.C. In the event claims are filed with the Trustee, the Trustee should notify the Administrator, Packers and Stockyards Administration, Washington, D.C., within 5 days of receipt of such claims. If the claim is filed with the Administrator, the Administrator should notify the Trustee of such claim within 5 days of receipt of such claim. Immediately upon receipt of a claim under this agreement, after determination by the Trustee that such claim is valid, the Trustee shall cause the termination of this agreement in accordance with paragraph (1).

(d) In case of failure or inability further to act or serve on the part of the Trustee under this agreement, a suitable successor shall be promptly appointed and in case this is not done, the Administrator of the Packers and Stockyards Administration may designate a person to act as Trustee.

(e) The securities pledged by the principal under this agreement may be disbursed to known valid claimants by the Trustee after he has been presented with a sworn proof of claim form and other papers to support such claims. In the event that claims filed against this agreement exceed the penal sum of the securities pledged hereunder, the securities shall be prorated to the known valid claimants by the Trustee. The Trustee named herein shall determine the total amount of claims prior to disbursing any portion of the securities pledged under this trust fund agreement.

(f) The term "person" as used in this agreement, shall be considered to mean and include, both singular and plural, corporations, partnerships, associations, individuals, and the heirs, executors, administrators, successors, or assigns thereof.

(g) The acts, omissions, or failures of authorized agents or representatives of said Principal or persons whom said Principal shall knowingly permit to represent themselves as acting for said Principal as such market agency and/or dealer shall be taken and construed to be the acts, omissions, or failures of said Principal and to be within the protection of this agreement to the same extent and in the same manner as if they were the personal acts of said Principal.

(h) Termination of the clearance of a registrant under clause 3 of this trust fund agreement may be accomplished by issuance of a rider deducting the name of the clearee. Termination of the clearance shall become effective thirty days after the date of receipt of the rider by the Administrator, Packers and Stockyards Administration, Washington, D.C.

(i) This agreement may be terminated by either party hereto delivering written notice of such termination to the other party and the Administrator of the Packers and Stockyards Administration at Washington, D.C., at least 30 days prior to the effective date of such termination. In no case shall the funds deposited with the Trustee herein be returned to the Principal until a Trust Fund Agreement Special Report Form P&SA-5, has been submitted by the Principal to the Administrator of the Packers and Stockyards Administration certifying that all obligations arising under the conditions of this agreement prior to the effective date of its termination have been discharged and authorization for the release of the funds has been received from the Administrator.

(j) The interest or dividends accruing on the above-described bonds or other securities are to be delivered by the Trustee to _____ _____ hereby accepts the trust hereunder, and agrees that it will hold all the bonds or other securities herein described, under the above agreement.

(k) Conditions _____ and _____ were deleted prior to execution and are not part hereof.

Signed at _____ this _____ day of _____, 19____.

I accept the obligations as Trustee:

_____ [SEAL]

(Signature of Trustee)

_____ [SEAL]

(Signature of Principal)

§ 201.29 Market agencies and dealers required to file and maintain bonds.

* * * * *

(b) Every market agency buying on a commission basis and every dealer buying for his own account shall file and maintain a bond to secure the performance of his buying obligations for his own account or for the accounts of others, such bond to contain condition clause No. 2 as set forth in § 201.31(b) of these regulations. If a registrant operates as both a market agency buying on a commission basis and as a dealer, only one bond to cover both buying operations need be filed. Any person operating as a market agency selling on a commission basis and as a market agency buying on a commission basis or as a dealer, shall file and maintain separate bonds to cover his selling and buying operations. The bond maintained for his selling operations shall contain condition clause No. 1 set forth in § 201.31(a) of these regulations and the bond for his buying operations shall contain condition clause No. 2 of § 201.31(b) of these regulations.

* * * * *

§ 201.30 Amount of market agency and dealer bond.

(a) Except as hereinafter otherwise provided, the amount of each bond shall be not less than the next multiple of $5,000 above the average amount of sales of livestock by a market agency, or purchases of livestock by a person buying livestock as a market agency or dealer, or both, during a period equivalent to 2 business days based on the total number of business days, and the total amount of such transactions in the preceding 12 months, or in such substantial part thereof in which such market agency or dealer did business, if any, computed as set out in this section. For the purpose of this computation, 260 shall be deemed the number of business days in any year. When the principal part of the livestock handled by a market agency selling livestock on a commission basis is sold at public auction, the amount of the bond shall be not less than the next multiple of $5,000 above an amount determined by dividing the total value of the livestock sold by the market agency during the preceding 12 months, or such substantial part thereof as the market agency was engaged in business, by the actual number of auction sales at which livestock was sold by the market agency, but in no instance shall the divisor be greater than 130. When the amount of a bond for any market agency or dealer, calculated as hereinbefore specified, exceeds $50,000, the amount of the bond need not exceed $50,000 plus 10 percent of the excess, unless the Administrator has reason to believe a bond in such amount to be inadequate pursuant to paragraph (f) of this section.

* * * * *

§ 201.33 Persons damaged may maintain suit; Administrator to be notified; time limitation for filing of claims; legal fees; disclosure of information.

(a) Each bond shall contain provisions that (1) any person damaged by failure of the principal to comply with any condition clause of the bond may maintain suit to recover on the bond even though such person is not a party named in the bond, (2) in the event claims are filed with the surety or trustee, the surety or trustee should notify the other and the Administrator within 5 days of receipt of such claim, and (3) the Administrator is authorized to designate a trustee pursuant to § 201.32.

(b) Each bond shall contain provisions that no claim will be allowed under the bond unless it is filed with the surety, trustee, or Administrator within 120 days from the date of the transaction on which the claim is based.

(c) Each bond shall contain provisions that the proceeds of the bond are not to be used to pay fees, salaries, or expenses for legal representation of the surety or principal.

(d) Representatives of the Packers and Stockyards Administration are authorized to disclose to principals named in bonds, clearees, trustees, claimants, and bonding companies such information as may be necessary to facilitate the settlement of claims against a bond filed pursuant to these regulations.

§ 201.34 Termination of market agency and dealer bonds.

(a) Each bond shall contain a provision requiring that, prior to terminating such bond, at least 30 days' notice in writing shall be given to the Administrator, Packers and Stockyards Administration, U.S. Department of Agriculture, Washington, D.C. 20250, by the party terminating the bond. Such provision may state that in the event the surety named therein writes a replacement bond for the same principal, the 30-day notice requirement may be waived and the bond will be terminated as of the effective date of the replacement bond.

(b) Each bond filed by a market agency who clears other registrants who are named in the bond shall contain a provision requiring that, prior to terminating the bond coverage of any clearee named therein, at least 30 days' notice in writing shall be given to the Administrator, Packers and Stockyards Administration, U.S. Department of Agriculture, Washington, D.C. 20250, by the surety. Such written notice shall be in the form of a rider or endorsement to be attached to the bond of the clearing agency.

Any person who wishes to submit written data, views, or arguments concerning the proposed amendments may do so by filing them in duplicate with the Hearing Clerk, Department of Agriculture, Washington, D.C., on or before October 1, 1971.

All written submissions made pursuant to this notice will be made available for public inspection at such time and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Done at Washington, D.C., this 23d day of July 1971.

(Sec. 407 of the Packers and Stockyards Act, 42 Stat. 159, as amended, 7 U.S.C. 228 and 57 Stat. 422, 7 U.S.C. 204)

ODIN LANGER,
Administrator, Packers and Stockyards Administration.

[FR Doc.71-10832 Filed 7-28-71;8:53 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

[42 CFR Part 53]

GRANTS, LOANS, AND LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

Notice of Proposed Rule Making

Notice is hereby given that the Administrator, Health Services and Mental Health Administration, with the approval of the Secretary of Health, Education, and Welfare, proposes to revise Part 53 of Title 42, CFR, governing assistance for the construction of hospital and medical facilities under title VI of the Public Health Service Act as amended (42 U.S.C. 291 et seq.), as set out below.

The principal purposes of the revision are to implement the amendments made to title VI of the Public Health Service Act by the Medical Facilities Construction and Modernization Amendments of 1970 (Public Law 91-296; 84 Stat. 336), including

(1) Authorization of Federal loans to public agencies, and Federal guarantees of loans, together with interest subsidies, to nonprofit private agencies, for the construction and modernization of hospitals and other medical facilities;

(2) Authority to give preferential grant support (up to 90 percent of the cost of construction) with respect to any project which will provide services primarily to residents of rural or urban poverty areas, and the requirement that, in determining priority of projects for outpatient facilities State agencies give "special consideration" to those projects which will be located in and provide services to such areas;

(3) A change in the definition of "hospital" so as to include facilities providing education or training for health professions personnel operated as an integral part of a hospital, and the requirement that "special consideration" be given to such facilities in the determination of priority of projects;

(4) Eligibility of freestanding "outpatient facilities" (formerly termed "diagnostic and treatment centers") where assurance is provided that the services of a general hospital will be available to such freestanding facilities;

(5) The requirement of an assurance that, with respect to any project for construction or modernization of a general hospital, extended care services will be available to patients of such hospital;

(6) Authorization of "equipment only" projects in any case in which such equipment will help to provide a service not previously provided in the community;

(7) Requirements that "special consideration" be given to projects for facilities which, alone or in conjunction with other facilities, will provide comprehensive health care, and for facilities which will provide to a significant extent for the treatment of alcoholism; and

(8) Certain changes with regard to the transfer of allotments.

A number of technical and conforming changes are also included.

As required by section 603 of the Public Health Service Act, these proposed regulations have been approved by the Federal Hospital Council.

Interested persons are invited to submit written comments, suggestions, or objections regarding the proposed revision of 42 CFR Part 53 to the Health Care Facilities Service, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20852, within 30 days after the date of publication of this notice in the FEDERAL

REGISTER. Comments received will be available for public inspection at Room 9-05, Parklawn Building, between the hours of 8:30 a.m. and 5 p.m., Monday through Friday.

It is proposed to revise Part 53 to read as follows:

PART 53—GRANTS, LOANS, AND LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND MEDICAL FACILITIES

Subpart A—Definitions

Sec.
53.1 Definitions.

Subpart B—Distribution of Beds for Acute and Long-Term Illness (Excluding Mental and Tuberculosis)

53.11 State need (standards of adequacy).
53.12 Service areas.
53.13 Existing general hospital beds and long-term care beds.

Subpart C—Distribution of Tuberculosis Hospital Beds

53.21 State need (standards of adequacy).
53.22 Distribution.
53.23 Existing tuberculosis hospital beds.

Subpart D—Eligibility, Distribution and Priority of Beds for the Mentally Ill

53.31 Mental health services principally for persons residing in the community.
53.32 Mental health services not principally for persons residing in the community.
53.33 Distribution.
53.34 Existing mental hospital beds.

Subpart E—Distribution of Public Health Centers

53.41 State need (standards of adequacy).
53.42 Distribution.
53.43 Existing public health centers.

Subpart F—Distribution of Outpatient Facilities

53.51 State need (standards of adequacy).
53.52 Distribution (service areas).
53.53 Existing outpatient facilities.

Subpart G—Distribution of Rehabilitation Facilities

53.61 State need (standards of adequacy).
53.62 Distribution.
53.63 Existing rehabilitation facilities.

Subpart H—Distribution of Modernization Projects for All Categories of Facilities

53.71 Determination of need.
53.72 Distribution.

Subpart I—Priority of Projects

53.81 General.
53.82 Hospitals (new construction).
53.83 Facilities for long-term care (new construction).
53.84 Outpatient facilities (new construction and modernization).
53.85 Rehabilitation facilities (new construction).
53.86 Public health centers (new construction).
53.87 Modernization.

Subpart J—Allotments for Modernization Grants and for Loans and Loan Guarantees, and Transfer of State Allotments

53.91 Allotments for modernization grants.
53.92 Allotments for direct loans and loan guarantees.
53.93 Transfer of allotments to another State.
53.94 Transfer of grant allotments to another category within a State.

Subpart K—General Standards of Construction and Equipment

53.101 General.
53.102 Size of mental hospitals.
53.103 Size of tuberculosis hospitals.
53.104 Size of facilities for long-term care.

Subpart L—Community Service; Services for Persons Unable to Pay; Nondiscrimination

53.111 Community service; services for persons unable to pay; nondiscrimination on account of creed.
53.112 Nondiscrimination on account of race, color, or national origin.
53.113 Nondiscrimination in construction contracts.

Subpart M—Methods of Administration of the State Plan

53.121 General.
53.122 Construction program.
53.123 Personnel administration.
53.124 Fair hearings.
53.125 Construction standards.
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53.127 Application; submittal; amendment; processing.
53.128 Assurances from applicant.
53.129 Determination of rural or urban poverty areas.
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53.132 Fiscal and accounting requirements.
53.133 Access by Comptroller General.
53.134 Notice of change of status of facility.
53.135 Good cause for other use of facility.

Subpart N—Loan Guarantees and Direct Loans

53.141 Applicability.
53.142 Definitions.
53.143 Eligibility for loan guarantees and direct loans.
53.144 Approval of applications.
53.145 Maximum amount of direct loan or guaranteed loan.
53.146 Forms of evidence of indebtedness.
53.147 Security for loans.
53.148 Opinion of legal counsel.
53.149 Length and maturity of loans.
53.150 Interest on direct loans.
53.151 Repayment.
53.152 Loan Guarantee Agreement and Direct Loan Agreement.
53.153 Loan closing.
53.154 Waiver of right of recovery.

AUTHORITY: The provisions of this Part 53 issued under secs. 215, 603, 623(b), Public Health Service Act as amended, 58 Stat. 690, 78 Stat. 451, 84 Stat. 346; 42 U.S.C. 216, 291o, 291j-3(b).

Subpart A—Definitions

§ 53.1 Definitions.

All terms not defined herein shall have the same meanings as given them in the Act. As used in this part:

(a) "Act" means title VI of the Public Health Service Act, as amended (42 U.S.C. 291 et seq.).

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

(c) "State agency" means the agency designated by a State pursuant to section 604(a)(1) of the Act.

(d) "Service area" means the geographic territory from which patients come or are expected to come to existing or proposed hospitals or existing or proposed public health centers, or existing or proposed medical facilities (i.e., facilities for long-term care, outpatient facilities, rehabilitation facilities), the delineation of which is based on such factors as population distributon, natural geographic boundaries, and transportation and trade patterns, and all parts of which are reasonably accessible to existing or proposed hospitals, public health centers, or medical facilities. When appropriate, interstate areas may be formed with the mutual agreement of the States concerned.

(e) "Hospital" means general, tuberculosis, mental, and other types of hospitals, and related facilities such as laboratories, outpatient departments, nurses' home facilities, extended care facilities, facilities related to programs for home health services, self-care units, education or training facilities for health professions personnel operated as an integral part of a hospital, and central service facilities operated in connection with hospitals, but does not include any hospital providing primarily domiciliary care.

(f) "General hospital" means any hospital for short-term inpatient medical or surgical care of illness or injury, which may include obstetrical care.

(g) "Mental hospital" means a hospital (including long-term care, intensive care, or both) for the diagnosis and treatment of mental illness.

(h) "Tuberculosis hospital" means a hospital for the diagnosis and treatment of tuberculosis.

(i) "Facility for long-term care" means a facility (including an extended care facility) providing community service for inpatient care for convalescent or chronic disease patients who require skilled nursing care and related medical services

(1) which is a hospital (other than a hospital primarily for the care and treatment of mentally ill or tuberculosis patients) or is operated in connection with a hospital, or

(2) in which such nursing care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the State. Institutions furnishing primarily domiciliary care are not included.

"Chronic disease hospitals" and "nursing homes" as used in the document "General Standards of Construction and Equipment for Hospital and Medical Facilities," incorporated by reference in § 53.101(a), constitute "facilities for long-term care."

(j) "Outpatient facility" means a facility, located in or apart from a hospital, providing community service for the diagnosis or diagnosis and treatment of

ambulatory patients (including ambulatory inpatients) in need of physical and/or mental care

(1) which is operated in connection with a hospital; or

(2) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State or, in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State; or

(3) which offers to patients not requiring hospitalization the services of licensed physicians in various medical specialities, and which makes provision for its patients to receive a reasonably full range of diagnostic and treatment services.

(k) "Rehabilitation facility" means a facility providing community service which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program under competent professional supervision of (i) medical evaluation and services, and (ii) psychological, social, or vocational evaluation and services. The major portion of the required evaluation and services must be furnished within the facility; and the facility must be operated either in connection with a hospital or as a facility in which all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State. For purposes of this paragraph:

(1) An integrated program brings together as a team specialized personnel from the (i) medical, and (ii) psychological, social, or vocational areas for the purpose of pooling information, interpretations and opinions for the development of a rehabilitation plan of services in which the disabled individual is viewed as a whole. When members of the team contribute to the diagnosis and treatment of illness, their contributions must be coordinated under medical responsibility.

(2) A disabled person is an individual who has a physical or mental condition which, to a material degree, limits, contributes to limiting, or if not corrected, will probably result in limiting, the individual's performance or activities to the extent of constituting a substantial physical, mental, or vocational handicap.

(3) Medical service, in the case of a rehabilitation facility operated in connection with a hospital, means a service under the direct personal supervision of a medical director, varied and extensive availability of specialized consultants, physical and occupational therapy department and occupation therapy services, and medical evaluation.

(4) Medical service, in the case of a rehabilitation facility not operated in connection with a hospital, means medical supervision, availability by agreement of medical consultants, and evaluation and services suitable to the needs of the disabled persons to be served.

(5) Social service means evaluation and services by a qualified social worker in amounts and variety appropriate to the rehabilitation needs of the disabled persons to be served.

(6) Psychological service means evaluation and services by a qualified psychologist in amounts and variety appropriate to the rehabilitation needs of the disabled persons to be served.

(7) Vocational service, in the case of a rehabilitation facility operated in connection with a hospital, means evaluation and services by a qualified vocational rehabilitation counselor in amounts and variety appropriate to the rehabilitation needs of the disabled persons to be served.

(8) Vocational service, in the case of a rehabilitation facility not operated in connection with a hospital, means those vocational services required in hospitals, plus a variety of vocational services appropriate to the program and the persons to be served, such as prevocational exploration, work evaluation and vocational training.

(l) "Public health center" means a publicly owned facility utilized by a local health unit for the provision of public health services, including related publicly owned facilities such as laboratories, clinics, and administrative offices operated in connection with public health centers.

(m) "Local health unit" means a single county, city, county-city, or local district health unit, as well as a State health district unit where the primary function of the State district unit is the direct provision of public health services to the population under its jurisdiction.

(n) "Public health services" means services provided through organized community effort in the endeavor to prevent disease, prolong life, and maintain a high degree of physical and mental efficiency.

(o) "Hospital bed" means a bed for an adult or child patient. Bassinets for the newborn in a maternity unit nursery, beds in labor rooms, recovery rooms, and other beds used exclusively for emergency purposes are not included in this definition.

(p) "Population", with respect to any State or any area thereof, means the latest figures of civilian population certified by the U.S. Department of Commerce.

(q) "Projected population" means the projected State population estimates obtained from the U.S. Department of Commerce and provided to the State agency by the Secretary. The State agency shall distribute such population among the various areas, provided that the sum of the projected populations distributed among the various areas shall not exceed the figures provided by the Secretary.

(r) "Nonprofit hospital," "nonprofit outpatient facility," "nonprofit rehabilitation facility," and "nonprofit facility for long-term care" means any hospital, outpatient facility, rehabilitation facility, or facility for long-term care, as the case may be, owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(s) "Community service", when applied to any facility, means that (1) the services furnished are available to the general public, or (2) admission is limited only on the basis of age, medical indigency, or type or kind of medical or mental disability, or (3) the facility constitutes a medical or nursing care unit of a home or other institution which home or other institution is available in accordance with subparagraph (1) or (2) of this paragraph.

(t) "Modernization" includes alteration, major repair, remodeling, replacement, and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-in equipment of existing buildings. It does not include the replacement of a facility or a portion of a facility to an inpatient capacity greater than the capacity of the existing facility.

(u) "Equipment" includes those items which are necessary for the functioning of the facility but does not include items of current operating expense such as food, fuel, drugs, dressings, paper, printed forms, and soap.

(v) "Built-in equipment" means that equipment which is affixed to the facility, and usually included in the construction contract.

(w) "Major repair" means those repairs to an existing building excluding routine maintenance which restore the building to a sound state, the cost of which is no less than $100,000.

(x) "State" means the 50 States, Puerto Rico, Guam, the Virgin Islands, American Samoa, the District of Columbia, and the Trust Territories of the Pacific Islands.

Subpart B—Distribution of Beds for Acute and Long-Term Illness (Excluding Mental and Tuberculosis)

§ 53.11 State need (standards of adequacy).

The total number of beds for acute and long-term illness required to provide adequate service to the people residing an any State shall be the total of such beds required for individual service areas within the State. The number of beds required for each service area shall be determined by the State agency as follows:

(a) For general hospitals,

(1) Step (i): Multiply the current area use rate (area patient days per 1,000 current area population per year) by the projected area population (in thousands) and divide by 365 to obtain a projected area average daily census;

Step (ii): Divide the projected area average daily census by 0.85 (occupancy factor) and add 10 to obtain the number of beds needed in the area, or

(2) By a different method which shall (i) incorporate, as a minimum, area utilization experience, projected area population and a desirable occupancy

factor, and (ii) be submitted to the Secretary for approval prior to its use in the State plan.

(3) State agencies may adjust the bed need, as determined by one of the above methods, for specific areas with unusual circumstances or conditions; any such adjustment must be fully explained and justified in the State plan.

(b) For facilities for long-term care,

(1) Step (i): Multiply the current area use rate (area patient days per 1,000 current area population per year) by the projected area population (in thousands) and divide by 365 to obtain a projected area average daily census;

Step (ii): Divide the projected area average daily census by 0.90 (occupancy factor) and add 10 to obtain the number of beds needed in the area, or

(2) By a different method which shall (i) incorporate, as a minimum, area utilization experience, projected area population and a desirable occupancy factor, and (ii) be submitted to the Secretary for approval prior to its use in the State plan.

(3) State agencies shall take into consideration (i) adjustment of bed need, as determined by one of the above methods, for areas in which a change in use rate is anticipated, and (ii) the use of area population age 65 and over, where appropriate, in place of total area population in determining bed need for long-term care.

§ 53.12 Service areas.

(a) The same service areas shall be used for planning general hospital facilities and facilities for long-term care, except that State agencies may use different areas for planning facilities for long-term care when this is consistent with effective relationships between the location of facilities and the need for services.

(b) Each service area shall have sufficient population that it may have general hospital or long-term care services appropriately planned in one or more facilities.

(c) The State agency shall describe in the State plan the population characteristics of each service area and outline a program for the distribution of beds and facilities for general hospital and long-term care.

§ 53.13 Existing general hospital beds and long-term care beds.

(a) The count of existing general hospital beds shall include the beds in the hospitals of this category as defined in Subpart A, which are not included in the count of beds for any other category under this part, and beds in any mental hospital, tuberculosis hospital or facility for long-term care which are specifically assigned for general hospital care, provided the beds so assigned in any such facility number 10 or more.

(b) The count of existing beds in facilities for long-term care shall include the beds in the facilities of this category as defined in Subpart A, which are not included in the count of beds in any other category under this part, and beds in any general, mental or tuberculosis hospital which are specifically assigned to long-term care other than mental or tuberculosis, provided the beds so assigned to any such facility number 10 or more.

(c) The count of existing beds described in paragraphs (a) and (b) of this section shall: (1) Include beds in all nursing units, including those currently closed or assigned to easily convertible nonpatient use, and bed space under construction, and (2) exclude beds in labor rooms, recovery rooms, emergency rooms, beds used intermittently for diagnosis or treatment, beds set up for temporary use, bassinets in new-born nurseries in maternity units, and unfinished bed space not under construction.

(d) The number of existing facilities in each category referred to in this subpart shall be counted.

(e) Existing beds described in paragraphs (a) and (b) of this section shall be classified as conforming or nonconforming according to specific standards of plant evaluation. Such standards shall include:

(1) Fire-resistivity of each building;

(2) Fire and other safety factors of each building;

(3) Design and structural factors affecting the function of nursing units;

(4) Design and structural factors affecting the function of service departments.

Subpart C—Distribution of Tuberculosis Hospital Beds

§ 53.21 State need (standards of adequacy).

The number of beds required to provide adequate hospital services for tuberculosis patients in any State or service area shall be determined by the following method: Divide the current average daily census of each hospital by 0.90 (occupancy factor).

§ 53.22 Distribution.

Tuberculosis hospitals receiving grants under the Act shall be built in centers of population, in proximity to general hospitals, with a view to developing community based inpatient and outpatient programs rather than isolated inpatient programs.

§ 53.23 Existing tuberculosis hospital beds.

(a) The count of existing tuberculosis hospital beds shall include the beds in tuberculosis hospitals, which are not included in the count of beds for any other category, and also beds in any general hospital which are specifically assigned for the care of patients with tuberculosis, provided the beds so assigned in any such general hospital number 10 or more.

(b) Existing tuberculosis hospital beds shall be classified as conforming or nonconforming according to plant evaluation standards as set forth in Subpart B of this part.

Subpart D—Eligibility, Distribution and Priority of Beds for the Mentally Ill

§ 53.31 Mental health services principally for persons residing in the community.

(a) For the purpose of determining need and priority, the State plan approved or approvable under the Community Mental Health Centers Act (42 U.S.C. 2681 et seq.) shall constitute that portion of the plan under the Act for construction of facilities for providing services principally for persons residing in a particular community or communities in or near which the facility is situated for the prevention or diagnosis of mental illness, or care and treatment of mentally ill patients, or rehabilitation of such persons.

(b) Special consideration shall be given to those projects for which the applicant sets forth in his application a reasonable and feasible proposal for the development, within a reasonable period of time, of a program for the provision of those essential elements of comprehensive mental health services prescribed in § 54.212 of this chapter relating to community mental health centers.

(c) An application for the construction of facilities specified in paragraph (a) of this section may be approved under this part only if the Secretary determines that funds are not available under the Community Mental Health Centers construction grant program (Part 54, Subpart C, of this chapter).

§ 53.32 Mental health services not principally for persons residing in the community.

(a) With respect to facilities for the mentally ill which do not provide services principally for persons residing in a particular community in or near which the facility is situated, special consideration shall be given to those projects for remodeling or replacing services and facilities which do not increase bed capacity, or if services are being expanded, the applicant demonstrates that no alternative plan for provision of such expanded services is feasible.

(b) An application for construction of facilities specified in paragraph (a) of this section may be approved only if it conforms with the State plan approved under the Act.

§ 53.33 Distribution.

Mental hospitals receiving grants under the Act shall be built in centers of population, as a part of or in proximity to general hospitals, with a view to developing community based inpatient and outpatient programs rather than isolated inpatient programs.

§ 53.34 Existing mental hospital beds.

(a) The count of existing mental hospital beds shall include the beds in mental hospitals, which are not included in the count of beds in any other category, and

also beds in any general hospital which are specifically assigned for the comprehensive inpatient care of patients with mental illness.

(b) Existing mental hospital beds shall be classified as conforming or nonconforming according to plant evaluation standards as set forth in Subpart B of this part.

Subpart E—Distribution of Public Health Centers

§ 53.41 State need (standards of adequacy).

(a) The number of public health centers to be planned in a State shall be adequate to meet the needs of the people of that State.

(b) The need shall be determined after consultation with the State health authority (where the State agency is not the State health authority) and with local health departments where such departments are independent operating units.

§ 53.42 Distribution.

The general method of distribution of public health centers throughout the State shall conform to the plan of organization of local health units within the State shall conform to the plan of organization of local health units within the State. In instances where the State agency is not the State health authority, the method of distribution shall be determined after consultation with the State health authority.

§ 53.43 Existing public health centers.

(a) Where the State agency is not the State health authority, the number of existing public health centers shall be determined after consultation with the State health authority.

(b) Existing public health centers shall be classified as conforming or nonconforming according to plant evaluation standards, which shall include:

(1) Fire-resistivity of each building;

(2) Fire and other safety factors of each building;

(3) Design and structural factors affecting the function of the center.

Subpart F—Distribution of Outpatient Facilities

§ 53.51 State need (standards of adequacy).

Outpatient facilities shall be planned in sufficient number to make at least the basic minimum services readily available to all persons in the State. Provision of the basic minimum services requires facilities for examination of patients by a physician or a dentist, and the provision of clinical laboratory and diagnostic X-ray services.

§ 53.52 Distribution (service areas).

In determining the need for additional outpatient facilities in an area as a basis for distribution of such facilities, special consideration shall be given to areas in which there is a shortage of services provided by private physicians and dentists. Outpatient facilities should be planned in the same service areas used for planning hospitals except that more than one outpatient facility service area may be planned in such hospital service area, resulting in a subdivision of the hospital service area into a number of outpatient facility service areas.

§ 53.53 Existing outpatient facilities.

(a) The count of existing outpatient facilities shall exclude:

(1) Offices of private physicians and dentists, whether for individual or group practice;

(2) Industrial clinics for employees only, first aid clinics, and similar facilities not furnishing a community service.

(b) Existing outpatient facilities shall be classified as conforming or nonconforming according to plant evaluation standards as set forth in Subpart E of this part.

Subpart G—Distribution of Rehabilitation Facilities

§ 53.61 State need (standards of adequacy).

Rehabilitation facilities shall be planned by each State so that all persons in the State shall have access to integrated rehabilitation services for all types of disabilities. The facility or facilities may be programmed in the State or by joint planning with one or more other States to serve the residents of such States. In determining the number of rehabilitation facilities and services needed, the State shall consider such factors as the particular needs of the population to be served and the scope and nature of service of the existing and proposed facilities.

§ 53.62 Distribution.

In determining the need for additional rehabilitation services as a basis for distribution of rehabilitation facilities, consideration shall be given to (a) rehabilitation services provided in existing facilities, avoiding duplication and overlapping of services; and (b) availability of rehabilitation services to people in all geographical areas.

§ 53.63 Existing rehabilitation facilities.

The count of existing rehabilitation facilities shall include existing beds in such facilities. Such beds shall be classified in accordance with the procedures set forth in Subpart B of this part.

Subpart H—Distribution of Modernization Projects for All Categories of Facilities

§ 53.71 Determination of need.

(a) The need for modernization shall be determined for each category of facilities by evaluation of existing facilities and with initial consideration being given to the most densely populated areas of the State. The evaluation shall be based on specific standards of plant evaluation, which shall include:

(1) Fire-resistivity of each building;

(2) Fire and other safety factors of each building;

(3) Design and structural factors affecting the function of the facility.

(b) Based on the evaluation, beds or facilities shall be classified as conforming or nonconforming. Those beds or facilities which are classified as nonconforming shall represent the beds and facilities in need of modernization.

(c) In the event that a service area has a total of existing conforming beds or facilities and existing nonconforming beds or facilities needing modernization which exceeds the total need for the service area, the number of beds or facilities to be modernized shall be reduced accordingly. At no time shall the beds or facilities to be modernized, when added to the existing conforming beds or facilities, be greater than the total beds or facilities needed in any one category.

§ 53.72 Distribution.

Modernization shall be planned for general hospitals, facilities for long-term care, and outpatient facilities in the service areas used for planning new construction. For other categories of facilities, modernization may be planned on a statewide basis.

Subpart I—Priority of Projects

§ 53.81 General.

The general manner in which the State agency shall determine the priority of projects included in the State construction program shall be based on the relative need of different service areas lacking adequate facilities and shall conform to the principles set out in this subpart. In addition to the specific considerations set forth in this subpart with respect to particular types of projects, special consideration shall be given:

(a) to facilities which, alone or in conjunction with other facilities, will provide comprehensive health care, including outpatient and preventive care as well as hospitalization;

(b) to facilities which will provide training in health or allied health professions; and

(c) to facilities which will provide to a significant extent for the treatment of alcoholism.

§ 53.82 Hospitals (new construction).

In determining the priority of projects for new construction of hospitals, special consideration shall be given to hospitals serving areas with relatively small financial resources and, at the option of each State, to hospitals serving rural communities. Relative need for new construction of hospitals shall be expressed in terms of the ratio of existing beds to total beds needed in the service area.

§ 53.83 Facilities for long-term care (new construction).

Priority shall be determined on the basis of the relative need for beds in facilities for long-term care in the area to be served by the project taking into account the utilization of existing beds

and giving special consideration to projects operated by or affiliated with hospitals. Relative need for new construction shall be expressed in terms of the ratio of existing beds to total beds needed in each service area.

§ 53.84 Outpatient facilities (new construction and modernization).

(a) In determining the priority of projects for construction or modernization of outpatient facilities, special consideration shall be given to any outpatient facility that will be located in, and provide services for residents of, an area determined by the Secretary pursuant to § 53.129 to be a rural or urban poverty area.

(b) Subject to the provisions of paragraph (a) of this section priority of projects for new construction of outpatient facilities shall be determined on the basis of the relative need for additional outpatient facilities in the area to be served by the facility, taking into account existing services available and their utilization.

(c) In determining the priority of projects for modernization of outpatient facilities, special consideration shall be given (in addition to that specified in paragraph (a) of this section to facilities serving areas of high population density.

§ 53.85 Rehabilitation facilities (new construction).

Priority shall be given to rehabilitation facility projects in the order of importance as given below, taking into consideration existing rehabilitation services in the community and the need for additional services in the community.

(a) Facilities operated in connection with a university teaching hospital which will provide an integrated program of medical, psychological, social, and vocational evaluation and services under competent supervision.

(b) Facilities offering rehabilitation services for multiple disabilities in hospitals and medical facilities capable of sustaining an organized department of physical medicine and rehabilitation.

(c) All other rehabilitation facilities.

§ 53.86 Public health centers (new construction).

Highest priority in this category shall be given to the provision of facilities for local health units serving rural communities and communities with relatively small financial resources. Where the State agency is not the State health authority, the State agency shall determine the relative priorities to be established after consultation with the State health authority.

§ 53.87 Modernization.

In determining the priority of projects for modernization, special consideration shall be given to facilities serving areas of high population density. With respect to each category, relative need shall be expressed

(a) for facilities for inpatient care, in terms of the ratio of existing conforming beds in each service area to (1) total existing beds in such area or (2) total beds needed in such area, whichever is less; and

(b) for facilities for outpatient care, in terms of the ratio of existing conforming facilities for outpatient care in each service area to (1) total existing facilities for outpatient care in such area or (2) total facilities for outpatient care needed in such area, whichever is less.

Subpart J—Allotments for Modernization Grants and for Loans and Loan Guarantees, and Transfer of State Allotments

§ 53.91 Allotments for modernization grants.

The allotments to the several States under section 602(a)(2) of the Act for grants for modernization shall be computed as follows:

(a) 33⅓ percent will be allotted to each State on the basis of population weighted by per capita income; and

(b) 66⅔ percent will be allotted to each State on the basis of the extent of the need for modernization of the facilities.

§ 53.92 Allotments for direct loans and loan guarantees.

(a) *Allotment formula.* The total of the amount of principal of loans to nonprofit private agencies which may be guaranteed and loans to public agencies which may be directly made under Part B of the Act with respect to any fiscal year shall be allotted among the several States as follows:

(1) A portion of such total which bears the same ratio to such total as the number of general hospital beds which the Secretary determines will be modernized in all States bears to the sum of the general hospital beds in all States which the Secretary determines will be modernized and added through new construction will be allotted to the States on the basis of the formula set forth in § 53.91 for allotments for modernization grants. The Secretary's determinations under this paragraph will be made on the basis of State plans for the latest year for which all States desiring to participate under Part B of the Act have submitted approved State plans.

(2) The remainder of such total will be allotted to the States on the basis of each State's relative population weighted by the square of such State's allotment percentage, as determined in accordance with sec. 603(c) of the Act.

(b) *Period of availability.* Subject to the provisions of § 53.93(b) (relating to transfers of allotments to another State), any amount allotted under paragraph (a) of this section to a State for a fiscal year ending before July 1, 1973, and remaining unobligated at the end of such fiscal year shall remain available to such State, for the purpose for which made, for the next 2 fiscal years, and any such amount shall be in addition to the amounts allotted to such State for such purpose for each of such next 2 fiscal years.

§ 53.93 Transfer of allotments to another State.

(a) With respect to allotments under Part A of the Act, a State may submit a request in writing to the Secretary that a specified portion of its allotment for the construction of hospitals and public health centers, facilities for long-term care, outpatient facilities, rehabilitation facilities, or for modernization, be added to the corresponding allotment of another State for the purpose of meeting a portion of the Federal share of the cost of a project for the construction or modernization of a facility of the type authorized under the allotments in such other State. In determining whether the facility with respect to which the request is made will meet the needs of the State making the request and that use of the specified portion of such State's allotment as requested by it will assist in carrying out the purposes of the Act, the Secretary shall consider the accessibility of the facility and the extent to which services will be made available to the residents of the State making the request for the transfer.

(b) With respect to allotments under Part B of the Act, any such allotment to a State for a fiscal year ending before July 1, 1973, and remaining unobligated at the end of such year may, with the consent of such State, be reallotted by the Secretary to other States which the Secretary determines have need therefor. Such reallotment shall be on such basis as the Secretary finds consistent with the purposes of Part B of the Act, and any amount so reallotted to another State shall be available for the purposes for which made until the close of the second fiscal year after the fiscal year for which such funds were initially allotted and shall be in addition to the amount allotted and available to such State for the same period.

§ 53.94 Transfer of grant allotments to another category within a State.

(a) For the purpose of transfer of allotments as authorized by section 602(e)(2) of the Act, the State agency shall, together with the certification required by that subsection, set forth the method by which a reasonable opportunity has been afforded applicants to submit applications for projects from the portion of the allotment to be transferred.

(b) A determination under section 602(e)(3) of the Act that the need for new public or other nonprofit hospitals and public health centers is substantially greater than the need for modernization projects shall be made only after completion of the determination of the State's need for modernization projects shall be made only after completion of the determination of the State's need for modernization projects pursuant to Subpart H of this part and in accordance with the approved State plan.

Subpart K—General Standards of Construction and Equipment

§ 53.101 General.

(a) Plans and specifications for each project submitted to the Secretary for

approval shall be prepared in accordance with "General Standards of Construction and Equipment for Hospital and Medical Facilities" (PHS No. 930–A–7), and any amendments or revisions thereof, which document is hereby incorporated by reference and deemed published herein. Said document will be provided to all applicants for assistance under this part, and is available to any interested person, whether or not affected by the provisions of this part, upon request to the Health Care Facilities Service,[1] Health Services and Mental Health Administration, Department of Health, Education, and Welfare, or to the Health Services and Mental Health Information Center or Regional Office Information Center as listed in 45 CFR § 5.31. The Secretary may approve plans and specifications which contain deviations from the requirements prescribed if he is satisfied that the purposes of such requirements have been fulfilled.

(b) The design and construction covered by the plans and specifications must conform with the applicable State and local laws, codes, and ordinances and with the approved State plan. The plans and specifications must be complete and adequate for contract purposes and have the approval and recommendation of the State agency.

(c) Equipment shall be provided in the kind and to the extent necessary for the proper functioning of the facility as planned.

§ 53.102 Size of mental hospitals.

No application for construction of a mental hospital for intensive care with a capacity of more than 500 beds or of a mental hospital for long-term care with a capacity of more than 3,000 beds shall be approved. This requirement shall not be construed to prevent approval of applications for improvements of mental hospitals with bed capacities equal to or greater than those specified above, if such improvements are designed to provide more intensive treatment facilities within such hospitals.

§ 53.103 Size of tuberculosis hospitals.

No application for construction of a tuberculosis hospital with a capacity of less than 100 beds shall be approved, except that an application for construction of a tuberculosis hospital with a capacity from 50 to 100 beds may be approved where necessary (a) to provide facilities for an isolated area too small to support a larger hospital, or (b) to expand, remodel, or alter existing hospital facilities.

§ 53.104 Size of facilities for long-term care.

No application shall be approved for construction of a facility for long-term care, not an addition to a hospital, with a capacity of less than 10 beds.

[1] The Health Care Facilities Service also maintains an official historic file of PHS No. 930–A–7.

Subpart L—Community Service; Services for Persons Unable to Pay; Nondiscrimination

§ 53.111 Community service; services for persons unable to pay; nondiscrimination on account of creed.

Before an application for the construction of a hospital or medical facility is recommended by a State agency for approval, the State agency shall obtain assurances from the applicant that:

(a) The facility will furnish a community service;

(b) The facility will furnish below cost or without charge a reasonable volume of services to persons unable to pay therefor. As used in this paragraph, "persons unable to pay therefor" includes persons who are otherwise self-supporting but are unable to pay the full cost of needed services. Such services may be paid for wholly or partly out of public funds or contributions of individuals and private and charitable organizations such as community chest or may be contributed at the expense of the facility itself. In determining what constitutes a reasonable volume of services to persons unable to pay therefor, there shall be considered conditions in the area to be served by the applicant, including the amount of such services that may be available otherwise than through the applicant. The requirements of assurance from the applicant may be waived if the applicant demonstrates to the satisfaction of the State agency, subject to subsequent approval by the Secretary, that to furnish such services is not feasible financially; and

(c) All portions and services of the entire facility for the construction of which, or in connection with which, aid under the Act is sought, will be made available without discrimination on account of creed; and no professionally qualified person will be discriminated against on account of creed with respect to the privilege of professional practice in the facility.

§ 53.112 Nondiscrimination on account of race, color, or national origin.

Attention is called to the requirements of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252) which provides that no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance (sec. 601). A regulation implementing such Title VI, applicable to assistance under this part for construction and modernization of hospitals and medical facilities, has been issued by the Secretary of Health, Education, and Welfare with the approval of the President (45 CFR Part 80).

§ 53.113 Nondiscrimination in construction contracts.

Each construction contract is subject to the condition that the grantee shall comply with the requirements of, and give the assurances required in, Executive Order 11114, June 22, 1963 (28 F.R. 6485), and the applicable rules, regulations, and procedures prescribed pursuant thereto by the President's Committee on Equal Employment Opportunity (28 F.R. 9812).

Subpart M—Methods of Administration of the State Plan

§ 53.121 General.

The State plan shall provide for general methods of administration which are in accord with the principles set out in this subpart.

§ 53.122 Construction program.

The State programs for hospitals, facilities for long-term care, outpatient facilities, rehabilitation facilities, public health centers, and modernization shall be developed in the following manner:

(a) The State agency shall determine the need for additional hospital facilities of all types, facilities for long-term care, outpatient facilities, rehabilitation facilities, public health centers, and for modernization of such facilities in accordance with the provisions of Subpart B through Subpart H.

(b) The State agency shall determine through field investigation, and otherwise, the approximate locations in each area in which the various types of health facilities identified in paragraph (a) of this section should most appropriately be built and the locations at which modernization projects are needed.

(c) After having determined the hospital, long-term care facilities, outpatient facility, rehabilitation facilities, public health center and modernization needs, the State agency shall establish an overall construction program. This program shall set forth all such needs in accordance with the standards specified in Subpart B through Subpart H and shall show the relative need for each project included, irrespective of the availability of funds for construction and for maintenance and operation of such project.

(d) The State agency shall from time to time as necessary, but not less often than annually, review the State plan, including the overall program for the construction of hospitals, long-term care facilities, outpatient facilities, rehabilitation facilities, public health centers and for modernization, and shall submit to the Secretary any modifications of the plan and the construction program as the State agency considers necessary to administer the plan and the annual allotment.

(e) At least 30 days prior to the submission of the State plan or any modification thereof to the Secretary, the State agency shall publish in newspapers having general circulation throughout the State a general description of the proposed plan or any such modification, and the State plan shall be available for examination and comment by interested

persons prior to submission to the Secretary.

(f) The State agency shall establish a separate construction schedule on such forms and for such periods as the Secretary may prescribe. Insofar as funds are available for construction and for maintenance and operation, construction shall be scheduled in the order of relative need.

§ 53.123 Personnel administration.

(a) *Merit system.* The State plan shall provide for the establishment and maintenance of personnel standards on a merit basis for persons employed in the administration of the State plan. Conformity with the Standards for a Merit System of Personnel Administration, 45 CFR Part 70, including any amendments thereto, and any standards prescribed by the U.S. Civil Service Commission pursuant to section 208 of the Intergovernmental Personnel Act of 1970 (Public Law 91-648; 84 Stat. 1915) modifying or superseding such Standards, will be deemed to meet this requirement as determined by said Commission.

(b) *Conflict of interest.* No full-time officer or employee of the State agency, or any firm, organization, corporation, or partnership which such officer or employee owns, controls, or directs, shall receive funds from the applicant, directly or indirectly, in payment for services provided in connection with the planning, design, construction or equipping of the project.

§ 53.124 Fair hearings.

The State agency shall establish such rules and regulations as will provide an opportunity for an appeal to and a fair hearing before the State agency to every applicant for a construction project who is dissatisfied with any action of the State agency regarding its application.

§ 53.125 Construction standards.

The State agency shall adopt general standards of construction and equipment for the various types of hospitals, facilities for long-term care, outpatient facilities, rehabilitation facilities, and public health centers assisted under this program. The standards adopted shall not be less than the general standards prescribed by the Public Health Service and set forth in the document "General Standards of Construction and Equipment for Hospital and Medical Facilities", as incorporated by reference in § 53.101(a).

§ 53.126 Minimum standards of maintenance and operation.

The State plan shall provide for minimum standards of maintenance and operation of facilities providing inpatient care which receive aid under the Act, and shall provide for enforcement of such standards.

§ 53.127 Application; submittal; amendment; processing.

(a) *Submittal of application.* Applications for grants, loan guarantees, and direct loans under the Act, including both detailed narrative descriptions and detailed estimates of the cost of the respective projects, shall be submitted to the Secretary through the State agency in such form as the Secretary may prescribe.

(b) *Amendment to application.* An amendment to any application approved by the Secretary shall be processed in the same manner as an original application, except that the original application's conformity with the priority regulations shall suffice for an amendment which does not modify the factors on which the priority was granted.

(c) *Processing of application.* The State agency shall approve, recommend, and forward applications received in the order of priority, except that the State agency may approve, recommend, and forward to the Secretary applications out of the order of priority if:

(1) The State agency has afforded reasonable opportunity for development and presentation of projects in the order of priority; and

(2) The State agency certifies to the Secretary that financial resources for the construction, maintenance, and operation of projects of higher priority are not then available.

§ 53.128 Assurances from applicant.

In addition to any other requirements imposed by law, each construction grant, loan guarantee, and direct loan shall be subject to the condition that the applicant will furnish and comply with the following assurances. The Secretary may at any time approve exceptions to those conditions and assurances where he finds that such exceptions are not inconsistent with the Act and the purposes of the program:

(a) That the applicant (or other public or nonprofit agency which is to operate the facility) has or will have a fee simple or such other estate or interest in the site, including necessary easements and rights-of-way, sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purpose of the construction and operation of the facility;

(b) That the Secretary's approval of the final working drawings and specifications, which conform to the general standards of construction and equipment, will be obtained before the project is advertised or placed on the market for bidding;

(c) That applicant will perform actual construction work by the lump sum (fixed price) contract method; employ adequate methods of obtaining competitive bidding prior to awarding the construction contract, either by public advertising or circularizing three or more bidders, and award the contract to the responsible bidder submitting the lowest acceptable bid; and will purchase all fixed equipment by adequate methods of competitive bidding (including such fixed equipment as is not purchased through the construction contract) and award the contract to the responsible bidder submitting the lowest acceptable bid, except that competitive bidding procedures need not be employed for the purchase of specific fixed equipment items which are not included in the construction contract where such action is found by the State agency and the Secretary, upon written justification by the applicant, to be required by the needs of the program;

(d) That applicant will enter into no construction contract or contracts for the project or a part thereof, the cost of which is in excess of the estimated cost approved in the application for that portion of the work covered by the plans and specifications, without the prior approval of the Secretary;

(e) That applicant will submit to the Secretary for prior approval changes that substantially alter the scope of work, function, utilities, or safety of the facility;

(f) That applicant will construct the project, or cause it to be constructed, to final completion in accordance with the application and approved plans and specifications;

(g) That applicant will maintain adequate and separate accounting and fiscal records and accounts for all funds provided from any source to pay the cost of the project, and permit audit of such records and accounts at any reasonable times. All records shall be retained for 3 years after the close of the fiscal year in which construction is completed. Such records may be destroyed at the end of such 3-year period if the applicant has been notified of the completion of the Federal audit by such time. If the applicant has not been so notified by the end of such 3-year period, such records shall be retained (1) for 5 years after the close of the fiscal year in which construction is completed or (2) until the grantee is notified of the completion of the Federal audit, whichever comes first. In all cases where audit questions have arisen before the expiration of such 5-year period, records shall be retained until resolution of all such questions;

(h) That applicant will furnish progress reports and such other information as the Secretary may require;

(i) That applicant will provide and maintain competent and adequate architectural or engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications;

(j) That sufficient funds will be available to meet the non-Federal share of the cost constructing the facility;

(k) That sufficient funds will be available when construction is completed for effective use of the facility for the purposes for which it is being constructed;

(l) (1) That any laborer or mechanic employed by any contractor or subcontractor in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined under the Davis-Bacon Act (40 U.S.C. 276 et seq.) and will receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of 8 hours in any

calendar day or 40 hours in the workweek (40 U.S.C. 327–332); and

(2) That the following conditions and provisions will be included in all construction contracts:

(i) The provisions of Labor Standards for U.S. Public Health Service Construction Grant Programs (PHS 930–A–5) pertaining to the Copeland Act (Anti-Kickback) Regulations and Labor Standards (prevailing rates of pay and overtime requirements) except in the case of contracts in the amount of $2,000 or less;

(ii) The contractor shall furnish performance and payment bonds, each of which shall be in the full amount of the contract price, and shall maintain, during the life of the contract, adequate fire, workmen's compensation, public liability and property damage insurance;

(iii) Representatives of the Secretary and State agency will have access at all reasonable times to work wherever it is in preparation or progress, and the contractor shall provide proper facilities for such access and inspection;

(m) That a facility providing inpatient care will be operated and maintained in accordance with minimum standards prescribed by the State agency for the maintenance and operation of such facilities;

(n) (1) That, in the case of any project for construction or modernization of a general hospital, there will be adequate provision for extended care services to patients of such hospital when such services are medically appropriate for them. Subject to the provisions of subparagraph (2) of this paragraph, such services must be provided in facilities which—

(i) Are structurally part of, physically connected with, or in immediate proximity to, such hospital; and

(ii) Either are under the supervision of the professional staff of such hospital or have organized medical staffs and have in effect written transfer agreements with such hospital which provide for:

(*a*) The transfer of patients between the hospital and the long-term care facility(s) whenever such transfer is determined to be medically appropriate;

(*b*) The exchange between the facilities of appropriate medical and other information relating to the care and treatment of patients;

(*c*) Prompt initiation of transfer of the patient to the hospital for acute care should there be a reversal in the patient's medical condition requiring more intensive medical and nursing care;

(*d*) The amount and types of services offered in the long-term care facility(s) which correspond to those specified for reimbursement eligibility for the skilled nursing home care category under titles XVIII and XIX of the Social Security Act, as amended; and

(*e*) The general availability of the medical, diagnostic, and rehabilitative services of the hospital to any patient of the long-term care facility(s) who requires them.

(2) The Secretary may, at the request of the State agency, waive compliance with the requirements of subparagraph (1)(i) or (ii), or both of this paragraph, in the case of any project if the State agency has determined that compliance with such subsection or subsections would be inadvisable;

(o) That, in the case of any project for construction or modernization of an outpatient facility, the services of a general hospital will be available to patients of such outpatient facility who are in need of hospital care. Such assurance may be provided by a written transfer agreement with one or more general hospitals which provides for

(1) The transfer of patients from the outpatient facility to the general hospital where such transfer is determined to be medically appropriate;

(2) The exchange of appropriate medical and other information relating to the care and treatment of patients between the facilities; and

(3) The amount and types of services offered in the general hospital which correspond to those specified for reimbursement eligibility under Titles XVIII and XIX of the Social Security Act, as amended;

(p) That, in the case of any project solely for the purpose of the acquisition of equipment, other than initial equipment for new buildings or for existing buildings which are expanded, remodeled or altered, such project will help to provide a service not previously provided in the community. For purposes of this paragraph, "community" shall mean a geographic area encompassing one or more neighborhoods having a population and geographic size sufficiently large as normally to be served by and support the particular service to be provided;

(q) That the applicant will file at least annually with the State agency a statement, in such form and containing such information as the Secretary may require to show (1) the financial operations of the facility, and (2) the costs to the facility of providing health services in the facility and the charges made by the facility for providing such services during the period with respect to which the statement is filed;

(r) That the applicant will conform to all the applicable requirements of the State plan and the regulations of this part.

§ 53.129 Determination of rural or urban poverty areas.

For purposes of determining the priority of projects for construction or modernization of outpatient facilities pursuant to section 603(a)(4) of the Act and of establishing a Federal share of any project (not to exceed 90 per centum of the cost of construction) pursuant to section 645(b)(4) of the Act, the State plan shall include a designation of areas in the State which are proposed by the State agency, in accordance with this section, to be rural or urban poverty areas. For purposes of this section, "area" means a service area (or the nearest approximation thereto for which current census data are available, based on geographic boundaries such as counties or census tracts) or a subservice area which is designated in the State plan as providing the basis for the provision of outpatient services.

(a) The Secretary will determine to be a rural or urban poverty area any area which has been found by the State agency, on the basis of the latest available published data from the Bureau of the Census, to be an area in which the median annual family income ranks in or below the 20th percentile of the median family incomes for all areas in the State.

(b) The Secretary may determine to be a rural or urban poverty area any area which

(1) has been found by the State agency to be an area in which the median family income ranks above the 20th percentile of the median family incomes for all areas in the State but in or below the 30th percentile of the median family incomes for all areas in the State;

(2) has been designated by the State agency as a rural or urban poverty area, and

(3) has been determined by the Secretary, on the basis of information set forth in the State plan, to have special characteristics related to poverty which are not adequately reflected in its median family income percentile rank, such as (i) subareas of extreme poverty or (ii) high costs of obtaining hospital services when compared to other areas in the State.

(c) The State agency shall reevaluate its designation of proposed rural or urban poverty areas every 2 years, and will make such revisions in such designation as it finds necessary in accordance with the provisions of this section.

§ 53.130 Certification to the Secretary.

After the State agency has approved an application for a construction grant, it shall recommend it to the Secretary for approval and shall certify:

(a) That the application contains reasonable assurance as to the availability of funds for the cost of construction and the entire cost of maintenance and operation when completed:

(1) Availability of funds for the non-Federal share of construction costs shall mean (i) funds immediately available, placed in escrow, or acceptably pledged, or (ii) funds or fund sources specifically earmarked in a sum sufficient for that purpose, or (iii) other assurances acceptable to the Secretary;

(2) To assure the availability of funds for maintenance and operation the application for the construction of a new project must include a proposed operating budget, on a form prescribed by the Secretary, for the 2-year period immediately following its completion. In the case of an addition to an existing facility, the application must include a statement showing that funds are or will be available to meet any excess of proposed expenditures over anticipated income from the operation of the constructed addition for the 2-year period immediately following its completion.

(b) That the application is in conformity with and contains the assurances required by the State plan and these regulations.

§ 53.131 Requests for construction payments for grants.

(a) *Certification by State agency.* The State agency shall certify to the Secretary the amount of payments due an applicant for a construction grant under Part A of the Act for the cost of work performed and materials and equipment furnished.

(b) *Inspection by State agency.* As a basis for certification by the State agency in accordance with paragraph (a) of this section that payment of an installment is due an applicant, the State agency shall make adequate inspections to determine that the work has been performed upon a project, or purchases have been made, in accordance with the approved plans and specifications.

§ 53.132 Fiscal and accounting requirements.

(a) *Construction allotments.* (1) The State agency shall be responsible for establishing and maintaining accounts and fiscal controls of all Federal and State funds allotted for construction projects. Federal and State funds shall be separately identified by maintaining separate fund accounts for this purpose.

(2) The fiscal records shall be so designed as to show at any given time the Federal funds allotted, encumbered, and unencumbered balances. If State contributions are made for construction, separate accounts, reflecting similar information, shall be maintained for State funds.

(b) *Construction payments.* (1) Where the State may receive Federal funds for applicants for construction project grants, or the State itself is an applicant, adequate records of account and fiscal controls shall be established and maintained by the State to assure proper accounting of all funds received and disbursed. Similar suitable accounts shall be maintained to show the receipt and disbursement of State, local or other funds used for matching purposes.

(2) The State agency shall require that applicants receiving Federal funds establish and maintain adequate accounting and fiscal records to reflect the receipt and expenditure of funds allotted and paid for construction projects.

(3) The States which by law are authorized to make payments to applicants shall promptly pay such applicants funds certified for payment by the Secretary for approved construction projects.

§ 53.133 Access by Comptroller General.

The State plan shall provide that the Comptroller General of the United States or his duly authorized representatives will have access for purposes of audit and examination to such records of the State agency as are required to be maintained by the Secretary.

§ 53.134 Notice of change of status of facility.

The State agency shall promptly notify the Secretary in writing if, at any time within 20 years after completion of construction, any facility which received funds under the Act is transferred to any person, agency or organization, not qualified to file an application under the Federal Act or not approved as a transferee by the State agency; or ceases to be a public health center or a public or other nonprofit hospital, outpatient facility, facility for long-term care or rehabilitation facility, as defined in the Federal Act.

§ 53.135 Good cause for other use of facility.

If within 20 years after completion of any construction for which a construction grant has been made the facility shall cease to be a public health center or a public or other nonprofit hospital, outpatient facility, facility for long-term care, or rehabilitation facility the Secretary, in determining whether there is good cause for releasing the applicant or other owner of the facility from its obligation shall take into consideration the extent to which:

(a) The facility will be devoted by the applicant or other owner to use for another public or nonprofit purpose which will promote the purpose of the Act;

(b) There are reasonable assurances that for the remainder of the 20-year period other public or nonprofit facilities not previously utilized for the purpose for which the facility was constructed will be so utilized and are substantially equivalent in nature and extent for such purposes; or

(c) The facility has been acquired from an agency of the United States (e.g., the Federal Housing Administration under its mortgage insurance commitment program) which has made a reasonable effort to dispose of it for operation as a public or nonprofit facility.

Subpart N—Loan Guarantees and Direct Loans

§ 53.141 Applicability.

In addition to the other provisions of this part, the following provisions of subpart N are also applicable to loans to public agencies and loan guarantees to nonprofit private agencies under part B of the Act.

§ 53.142 Definitions.

(a) All terms used in this subpart and defined in the Act or in § 53.1 shall have the same meaning as there given them.

(b) When used in this subpart, the term "public agency" shall include any private organization the income from whose bonds or other obligations issued as security for a loan with respect to a project under part B of the Act is exempt from Federal income taxation.

§ 53.143 Eligibility for loan guarantees and direct loans.

(a) *Loan guarantees.* The Secretary may, in accordance with part B of the Act and these regulations, guarantee to non-Federal lenders payment of principal of and interest on loans made to nonprofit private agencies to carry out projects for the construction or modernization of nonprofit private hospitals, facilities for long-term care, outpatient facilities and rehabilitation facilities.

(b) *Direct loans.* The Secretary may, in accordance with Part B of the Act and these regulations, make direct loans to public agencies to carry out projects for the construction or modernization of public health centers and public hospitals, facilities for long-term care, outpatient facilities, and rehabilitation facilities.

§ 53.144 Approval of applications.

(a) *Applications for loan guarantees.* An application for a loan guarantee submitted through the State agency and in accordance with the requirements of § 53.127 may be approved by the Secretary only if he makes each of the findings required pursuant to section 623(b) of the Act, and determines:

(1) That the applicant will have sufficient financial resources to enable him to comply with the terms and conditions of the loan with respect to which the guarantee is sought;

(2) That the applicant has the necessary legal authority to finance, construct, and maintain the proposed project, to apply for and receive the loan with respect to which the guarantee is sought, and to pledge or mortgage any assets or revenues to be given as security for such loan or against other satisfactory security specified in § 53.147;

(3) That the loan with respect to which the guarantee is sought will be secured by a first lien against the facility to be constructed or against other security satisfactory to the Secretary specified in § 53.147.

(4) That the loan with respect to which the guarantee is sought will be made only with respect to the initial permanent financing of the project;

(5) That the rate of interest on the loan with respect to which a guarantee is sought does not exceed such per centum per annum as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States; and

(6) Such additional determinations as the Secretary finds necessary with respect to particular applications in order to protect the financial interests of the United States.

(b) *Applications for direct loans.* An application for a direct loan submitted through the State agency and in accordance with the requirements of § 53.127 may be approved by the Secretary only if he makes each of the applicable findings required pursuant to sections 623(b) and 627(a)(2) of the Act, and determines:

(1) That the applicant will have sufficient financial resources to enable him to comply with the terms and conditions of the direct loan;

(2) That the applicant has the necessary legal authority to finance, construct, and maintain the proposed project, to apply for and receive the direct loan, and to pledge or mortgage any assets or reserves to be given as security for such direct loan;

(3) That the direct loan will be secured by a first lien against the facility to be constructed or against other security satisfactory to the Secretary specified in § 53.147;

(4) That the direct loan will be made only with respect to the initial permanent financing of the project; and

(5) Such additional determinations as the Secretary finds necessary with respect to the particular application in order to protect the financial interests of the United States.

§ 53.145 Maximum amount of direct loan or guaranteed loan.

No direct loan or loan with respect to which a guarantee is made for any project under Part B of the Act may be in an amount which, when added to the amount of any grant or loan under Part A of the Act with respect to such project, exceeds 90 per centum of the cost of such project: *Provided*, That, in determining the actual cost of the construction of the project, there shall be excluded from such cost all fees, interest, and other charges relating or attributable to the financing of the project.

§ 53.146 Forms of evidence of indebtedness.

The evidence of indebtedness with respect to direct loans with respect to which a guarantee is made shall be in such form as may be acceptable to the Secretary.

§ 53.147 Security for loans.

All direct loans and loans with respect to which a guarantee is made shall be secured in a manner which the Secretary finds reasonably sufficient to insure repayment. The security may be one or a combination of the following:

(a) A first mortgage on the facility and site thereof.

(b) Negotiable stocks or bonds of a quality and value acceptable to the Secretary.

(c) A pledge of unrestricted and unencumbered income from an endowment or other trust funds acceptable to the Secretary.

(d) A pledge of a specified portion of annual general or special revenues of the applicant, acceptable to the Secretary.

(e) Full faith and credit (tax supported) obligations of a State or local public body.

(f) Such other security as the Secretary may find acceptable in specific instances.

§ 53.148 Opinion of legal counsel.

At appropriate stages in the application and approval procedure for direct loans and loan guarantees, the applicant shall furnish to the Secretary a memorandum or opinion of legal counsel with respect to the legality of any proposed bond or note issue, the legal authority of the applicant to offer the issue and secure it by the proposed collateral, and the legality of the issue upon delivery. "Legal counsel" means either a law firm or individual lawyer, thoroughly experienced in the long-term financing of construction projects, and whose approving opinions have previously been accepted by lenders or lending institutions. In addition, in the case of a direct loan to a public agency, the legal counsel shall be a recognized bond counsel in the municipal field. The legal memorandum or opinion to be provided by legal counsel in each case shall be as follows:

(a) A memorandum, submitted with the application for a direct loan or loan guarantee, stating that there is or will be authority to finance, construct and maintain the project, and to issue the proposed obligations and to pledge or mortgage the assets and/or revenues offered to secure the direct loan or the loan with respect to which a guarantee is sought, as the case may be, citing the basis for such authority; and

(b) A final approving opinion, delivered to the Secretary at the same time as the delivery of the bonds to the Secretary (in the case of a direct loan) or to the lender (in the case of a loan guarantee), stating that the indebtedness of the applicant is duly authorized, sold, and delivered, and that such indebtedness is valid, binding and payable in accordance with the terms on which the direct loan or loan guarantee was approved by the Secretary.

§ 53.149 Length and maturity of loans.

The repayment period for direct loans and loans with respect to which a guarantee is made shall be limited to 25 years: *Provided*, That—

(a) The Secretary may, in particular cases where he determines that a repayment period of less than 25 years is more appropriate to an applicant's total financial plan, approve such shorter repayment period; and

(b) in no case shall a loan repayment period exceed the estimated useful life of the facility to be constructed with the assistance of the loan.

§ 53.150 Interest on direct loans.

Each direct loan shall require the borrower to pay to the Secretary, or as directed by him, interest thereon at a rate determined by the Secretary to be comparable to the current rate of interest prevailing with respect to loans to nonprofit private agencies which are guaranteed under part B of the Act, for the modernization on construction of similar facilities in the same or similar areas, minus 3 per centum per annum.

§ 53.151 Repayment.

Unless otherwise specifically authorized by the Secretary, each direct loan and loan with respect to which a guarantee is made shall be repayable in substantially level total annual installments of principal and interest, sufficient to amortize the loan through the final year of the life of the loan.

§ 53.152 Loan Guarantee Agreement and Direct Loan Agreement.

(a) *Loan Guarantee Agreement.* (1) For each application for a loan guarantee which is approved by the Secretary, an offer of a loan guarantee will be sent to the applicant, setting forth the pertinent terms and conditions for the loan guarantee, and will be conditioned upon the fulfillment of these terms and conditions. The accepted loan guarantee offer will constitute the Loan Guarantee Agreement between the Secretary and the applicant.

(2) Each Loan Guarantee Agreement shall include the following provisions:

(i) That the loan guarantee evidenced by the Agreement shall be incontestable (*a*) in the hands of the applicant on whose behalf such loan guarantee is made except for fraud or misrepresentation on the part of such applicant, and (*b*) as to any person who makes or contracts to make a loan to such applicant in reliance on such loan guarantee, except for fraud or misrepresentation on the part of such other person.

(ii) That if the applicant shall default in making payment, when due, of the principal and interest on the loan with respect to which the guarantee is made, and such default is not cured within 90 days after the happening thereof, the holder of such loan shall have the right to make demand in writing upon the Secretary for the purchase by the Secretary of such loan.

(iii) That each holder of a loan to an applicant on whose behalf the loan guarantee evidenced by such Agreement is made shall have a contractual right to receive from the United States interest payments in an amount sufficient to reduce by 3 per centum per annum the net effective interest rate determined by the Secretary to be otherwise payable on the loan with respect to which such guarantee is made.

(iv) That payments of interest pursuant to subdivision (iii) of this subparagraph will be made by the Secretary, in accordance with the terms of the loan with respect to which the guarantee is made, directly to the holder of such loan or to a trustee or agent designated in writing to the Secretary by such holder until such time as the Secretary is notified in writing by the holder that such loan has been transferred. Pursuant to such written notification of transfer, the Secretary will make such interest payments directly to the new holder (transferee) of the loan.

(v) That the applicant shall be permitted to prepay up to 15 per centum of the original principal amount of such loan in any calendar year without additional charge.

(vi) Such other provisions as the Secretary finds necessary in order to protect the financial interests of the United States.

(b) *Direct Loan Agreement.* (1) For each application for a direct loan which is approved by the Secretary, an offer of a direct loan will be sent to the applicant, setting forth the pertinent terms and conditions for the direct loan, and will be conditioned upon the fulfillment of those terms and conditions. The accepted direct loan offer will constitute the Direct Loan Agreement between the Secretary and the applicant.

(2) Each Direct Loan Agreement shall include such provisions as the Secretary finds necessary in order to protect the financial interests of the United States.

§ 53.153 Loan closing.

(a) *Loan guarantees.* Closing for any loan with respect to which a guarantee is made shall be accomplished at such time as may be agreed upon by the parties to such loan and found acceptable by the Secretary.

(b) *Direct Loans.* Closing for any direct loan shall be accomplished at such time as may be determined by the Secretary.

§ 53.154 Waiver of right of recovery.

In determining whether there is good cause for waiver of any right of recovery which he may have against a nonprofit private agency by reason of any payments made pursuant to a loan guarantee, or against a public agency by reason of the failure of such agency to make payments of principal and interest on a direct loan to such agency, the Secretary shall take into consideration the extent to which:

(a) The facility with respect to which the loan guarantee or direct loan was made will continue to be devoted by the applicant or other owner to use for the purpose for which it was constructed or another public or nonprofit purpose which will promote the purposes of the Act;

(b) There are reasonable assurances that for the remainder of the repayment period of the loan other public or nonprofit facilities not previously utilized for the purpose for which the facility was constructed will be so utilized and are substantially equivalent in nature and extent for such purposes; and

(c) Such recovery would seriously curtail the provision of medical services to persons in need of such services in the area.

Dated: July 2, 1971.

VERNON E. WILSON,
Administrator, Health Services and Mental Health Administration.

Approved: July 24, 1971.

ELLIOT L. RICHARDSON,
Secretary.

[FR Doc.71-10795 Filed 7-28-71;8:50 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 71-CE-73]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the transition area at Grand Rapids, Minn.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

Since designation of controlled airspace at Grand Rapids, Minn., the instrument approach procedure for Grand Rapids Municipal Airport has been revised. In addition, the criteria for designation of transition areas have been changed. Accordingly, it is necessary to alter the Grand Rapids transition area to adequately protect the aircraft executing the revised approach procedure and to comply with the new transition area criteria.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following transition area is amended to read:

GRAND RAPIDS, MINN.

That airspace extending upward from 700 feet above the surface within a 9½-mile radius of Grand Rapids Municipal Airport (latitude 47°12'45" N., longitude 93°30'34" W.); and 5 miles each side of the Grand Rapids VOR 162° radial, extending from the 9½-mile-radius area to 8 miles south of the VOR; and that airspace extending upward from 1,200 feet above the surface within 4½ miles west and 9½ miles east of the Grand Rapids VOR 162° radial extending from the VOR to 18½ miles south of the VOR.

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

Issued in Kansas City, Mo., on July 3, 1971.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.71-10772 Filed 7-28-71;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-76]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the transition area at Lawrence, Kans.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

Since designation of controlled airspace at Lawrence, Kans., a new instrument approach procedure has been developed for the Lawrence Municipal Airport. Accordingly, it is necessary to alter the Lawrence, Kans., transition area to

adequately protect aircraft executing the new approach procedure.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In §71.181 (36 F.R. 2140), the following transition area is amended to read:

LAWRENCE, KANS.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Lawrence Municipal Airport (latitude 39°00'30" N., longitude 95°13'00" W.); within 2 miles each side of the Topeka, Kans., VORTAC 116° radial, extending from the 5-mile-radius area to 13 miles southeast of the VORTAC; and within 3 miles each side of the 318° bearing from Lawrence Municipal Airport, extending from the 5-mile radius to 8 miles northwest of the airport.

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

Issued in Kansas City, Mo., on June 24, 1971.

CHESTER W. WELLS,
Acting Director, Central Region.

[FR Doc.71-10773 Filed 7-28-71;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-77]

TRANSITION AREA

Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Holdrege, Nebr.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

A new public use instrument approach procedure has been developed for Brewster Field, Holdrege, Nebr. Consequently, it is necessary to provide controlled airspace protection for aircraft executing the new approach procedure by designating a transition area at Holdrege, Nebr. IFR air traffic into and out of Brewster Field will be controlled by the Denver Air Route Traffic Control Center.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following transition area is added:

HOLDREGE, NEBR.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of Brewster Field (latitude 40°27'15" N., longitude 99°20'15" W.); and within 3 miles each side of the 011° bearing from Brewster Field, extending from the 5-mile-radius area to 8 miles north of the airport; and that airspace extending upward from 1,200 feet above the surface within 4½ miles east and 9½ miles west of the 011° and 191° bearings from Brewster Field extending from 6 miles south to 18½ miles north of the airport.

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

Issued in Kansas City, Mo., on June 24, 1971.

CHESTER W. WELLS,
Acting Director, Central Region.

[FR Doc.71-10774 Filed 7-28-71;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-78]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the transition area at Lafayette, Ind.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

Since designation of controlled airspace at Lafayette, Ind., a new instrument approach procedure has been developed for the Aretz Airport. Accordingly, it is necessary to alter the Lafayette, Ind., transition area to adequately protect aircraft executing the new approach procedure.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following transition area is amended to read:

LAFAYETTE, IND.

That airspace extending upward from 700 feet above the surface within a 7½-mile radius of Purdue University Airport) latitude 40°24'45" N., longitude 86°56'15" W.) within 2 miles each side of the 144° radial of the Lafayette, Ind., VORTAC, extending from the 7½-mile-radius area to the Lafayette VORTAC; within a 5½-mile radius of Halsmer Airport (latitude 40°24'49" N., longitude 86°48'25" W.); and within a 5½-mile radius of Aretz Airport (latitude 40°27'37" N., longitude 86°50'00" W.), within 1½ miles each side of the 118° radial of the Lafayette, Ind., VORTAC, extending from the 7½-mile radius to one-half mile southeast of the Lafayette VORTAC.

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

Issued in Kansas City, Mo., on July 2, 1971.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.71-10775 Filed 7-28-71;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-79]

TRANSITION AREA

Proposed Designation and Revocation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Albany, Ohio, and revoke the transition area at Athens, Ohio.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action

is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

A new airport (the University of Ohio Airport) is being constructed for Ohio University, Albany, Ohio, and should be completed approximately July 1, 1971. A non-Federal nondirectional beacon presently located at the Athens, Ohio, Airport and operated by the University will be relocated during June 1971 to serve the new airport. A new public use instrument approach procedure predicated on the relocated beacon has been developed to serve the new airport. Accordingly, it is necessary to designate a transition area at Albany, Ohio, to protect aircraft executing the new approach procedure and to revoke the Athens, Ohio, transition area since this airspace will no longer be required.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following transition area is added:

ALBANY, OHIO

That airspace extending upward from 700 feet above the surface within an 8-mile radius of the University of Ohio Airport (latitude 39°12'38" N., longitude 82°13'53" W.).

In § 71.181 (36 F.R. 2140), the following transition area is revoked.

ATHENS, OHIO

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

Issued in Kansas City, Mo., on July 3, 1971.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.71-10776 Filed 7-28-71;8:47 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-81]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to alter the transition area at McCordsville, Ind.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

A new public use instrument approach procedure has been developed for the Indianapolis Metropolitan Airport, Indianapolis, Ind., which is not protected by existing airspace designations. This airport is adjacent to the Indianapolis-Brookside Airport and the latter airport's procedure is currently protected by the McCordsville, Ind., transition area. In order to provide airspace to protect aircraft executing the new approach procedure at Indianapolis Metropolitan Airport and to comply with new transition area criteria, it is necessary to alter the McCordsville, Ind., transition area as proposed below.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following area is amended to read:

MCCORDSVILLE, IND.

That airspace extending upward from 700 feet above the surface within a 5½-mile radius of the Indianapolis Brookside Airport (latitude 39°54'19" N., longitude 85°55'29" W.); and within a 5½-mile radius of the Indianapolis Metropolitan Airport (latitude 39°56'10" N., longitude 86°02'45" W.).

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

Issued in Kansas City, Mo., on July 8, 1971.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.71-10777 Filed 7-28-71;8:48 am]

[14 CFR Part 71]

[Airspace Docket No. 71-CE-87]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Burlington, Wis.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, MO 64106.

A new public use instrument approach procedure has been developed for the Burlington, Wis., Municipal Airport, utilizing a city-owned VOR as a navigational aid. Consequently, it is necessary to provide controlled airspace protection for aircraft executing this new approach procedure by designating a transition area at Burlington, Wis. The new procedure will become effective concurrently with the designation of the transition area. IFR air traffic at this location will be controlled by the Chicago Air Route Traffic Control Center and Milwaukee Approach Control.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations as hereinafter set forth:

In § 71.181 (36 F.R. 2140), the following transition area is added:

BURLINGTON, WIS.

That airspace extending upward from 700 feet above the surface within a 6½-mile radius of Burlington Municipal Airport (latitude 42°41'20" N., longitude 88°18'05" W.); and within 3 miles each side of the 101° bearing from the Burlington Municipal Airport extending from the 6½-mile-radius area to 8 miles east of the airport.

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C.

1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on July 8, 1971.

JOHN M. CYROCKI,
Director, Central Region.

[FR Doc.71-10778 Filed 7-28-71;8:48 am]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Parts 2, 87]

[Docket No. 19289; FCC 71-750]

AIR TRAFFIC CONTROL AT TEMPORARY AIRDROME CONTROL TOWERS

Use of Search and Rescue Frequency

1. Notice of proposed rule making in the above-entitled matter is hereby given.

2. The Commission has under consideration a request filed by the Federal Aviation Administration (FAA) that § 2.106, the Table of Frequency Allocations, and Part 87 be amended to permit use of the frequency 123.1 MHz for temporary air traffic control communications during air shows, FLY-INS, and other special short-term aeronautical events where there are no existing airdrome control facilities.

3. The frequency 123.1 MHz is assigned to aeronautical search and rescue stations for actual search and rescue missions. Since the frequency 123.1 MHz is used only during actual search and rescue missions, relatively little use is made of the frequency in its primary functions. Supplementary use of the frequency by airdrome control stations on a secondary, noninterference basis, would improve its utilization factor and at the same time relieve the burden on other very high frequency channels. The frequency 123.1 MHz falls within the tuning range of virtually all VHF airborne transceivers, and therefore, is ideally suited for the proposed function.

4. The proposed amendments to the rules, as set forth below, are issued pursuant to the authority contained in sections 4(i) and 303 of the Communications Act of 1934, as amended.

5. Pursuant to applicable procedures set forth in § 1.415 of the Commission's rules, interested persons may file comments on or before September 3, 1971, and reply comments on or before September 15, 1971. All relevant and timely comments and reply comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, the Commission may also take into account other relevant information before it, in addition to the specific comments invited by this Notice.

6. In accordance with the provisions of § 1.419 of the Commission's rules, an original and 14 copies of all statements, briefs, or comments filed shall be furnished to the Commission. Responses will be available for public inspection during regular business hours in the Commission's Broadcast and Docket Reference Room at its Headquarters in Washington, D.C.

Adopted: July 23, 1971.

Released: July 27, 1971.

FEDERAL COMMUNICATIONS COMMISSION,[1]
[SEAL] BEN F. WAPLE,
Secretary.

Parts 2 and 87 of Chapter I of Title 47 of the Code of Federal Regulations are amended as follows:

§ 2.106 [Amended].

1. In § 2.106, Table of Frequency Allocations, a new footnote designator US112 is added to column 5 for the frequency band 123.075-123.575 MHz and the new footnote US112 is added to the U.S. Footnote to read as follows:

US112 The frequency 123.1 MHz is for search and rescue communications Aeronautical and aircraft stations may use this freqency for air traffic control communications at special aeronautical events where there are no existing airdrome control facilities on the condition that no harmful interference is caused to search and rescue communications during any period of search and rescue operations in the locale involved.

2. In § 87.183, paragraph (i) is amended by adding the frequency 123.10 MHz in proper numerical order and Note B is added to read as follows:

§ 87.183 Frequencies available.

* * * * *

(i) * * *

123.10(B).

* * * * *

B—The frequency 123.1 MHz is available for air traffic control communications by airdrome control and aircraft stations at special aeronautical events where there are no existing airdrome control facilities on the condition that no harmful interference is caused to search and rescue communications during any period of search and rescue operations in the locale involved.

* * * * *

3. Section 87.401(a) is amended by adding the frequency 123.10 MHz in proper numerical order and Note B is added to read as follows:

§ 87.401 Frequencies available.

* * * * *

121.85A.
123.10B.

* * * * *

B.—The frequency 123.1 MHz is available for air traffic control communications by airdrome control and aircraft stations at special aeronautical events where there are no existing airdrome control facilities on the condition that no harmful interference is caused to search and rescue communications during any period of search and rescue operations in the locale involved.

* * * * *

[FR Doc.71-10796 Filed 7-28-71;8:56 am]

[1] Commissioners Wells and Houser absent.

FEDERAL RESERVE SYSTEM

[12 CFR Part 207]

[Reg. G]

SECURITIES CREDIT BY PERSONS OTHER THAN BANKS, BROKERS, OR DEALERS

Notice of Proposed Rule Making

JULY 26, 1971.

1. The Board of Governors proposes to amend Part 207 (Regulation G) to implement the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law 91-508, October 26, 1970). This would be accomplished by amending §§ 207.1 (a) and (b), 207.2(i), 207.3 (a) and (b), 207.4 (a) and (d), and by adding §§ 207.0, 207.1(k), and 207.2 (k) and (l), as set forth below.

2. The proposed amendment to paragraph (a) in § 207.1 would clarify that a person is not subject to registration under this paragraph unless such person is a U.S. person, or under the control of a U.S. person or acting on behalf of or in conjunction with such person; would provide that the determination as to whether a person has extended, maintained, or arranged credit in the minimum amount necessary to bring the person within the registration requirement shall be made as of any calendar or fiscal quarter; and would provide that a person whose principal office is not located in any Federal Reserve district may register with the Federal Reserve Bank of New York.

3. The proposed amendment of paragraph (b) of § 207.1 would provide that a registrant whose principal office is not located in any Federal Reserve district may deregister with the Federal Reserve Bank of New York.

4. The proposed new paragraph (k) of § 207.1 would implement the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law No. 91-508, October 26, 1970) by providing that customers who are U.S. persons or foreign persons controlled by such persons, or acting on behalf of or in conjunction with such persons, may not obtain credit except in compliance with applicable margin regulations of the Board of Governors, and that if the extender of the credit is not subject to such regulations, the credit must comply with the provisions of this part. The requirements of paragraph (k) would apply to credit extended after the effective date of the amendments, and such credit already extended at that time would be subject to the retention and withdrawal requirements of paragraph (j) of § 207.1 beginning 6 months after such date.

5. The proposed amendment of paragraph (i) of § 207.2 would clarify that credit extended to a customer by a person whether or not subject to the registration requirement of § 207.1(a) (for example, by a foreign person who is not controlled by or acting in conjunction

with or on behalf of a U.S. person) is indirectly secured by margin stock if described in that paragraph.

6. The proposed new paragraph (k) of § 207.2 incorporates the statutory definition of "U.S. person".

7. The proposed new paragraph (l) of § 207.2 incorporates the statutory definition of "foreign person controlled by a U.S. person".

8. The proposed amendment of paragraph (a) of § 207.3 provides that a person subject to the registration requirement of § 207.1(a) whose principal office is not located in a Federal Reserve district shall file required quarterly reports with the Federal Reserve Bank of New York.

9. The proposed amendment of paragraph (b) of § 207.3 provides that U.S. persons and foreign persons controlled by such persons who obtain, receive, or enjoy the beneficial use of any purpose credit shall maintain such records, and that all such persons, and all persons registered pursuant to § 207.1(a), shall file such reports as the Board shall prescribe to enable it to perform the functions conferred upon it by the Securities Exchange Act of 1934 (15 U.S.C. 78).

10. The proposed new paragraph (a)(4) of § 207.4 provides that a foreign plan-lender extending credit solely to foreign persons is not subject to this part if any U.S. person who extends, arranges, or has outstanding any credit extended to or by such foreign plan-lender complies with the registration and reporting requirements of §§ 207.1(a) and 207.3.

11. The proposed amendment to paragraph (d) of § 207.4 provides that mechanical mistakes made in good faith by a customer, as well as by a lender, shall not constitute a violation of this part if prompt action is taken to remedy the noncompliance.

12. At the time the proposed amendments are adopted, footnotes 5 and 6 in § 207.1(f) will be redesignated footnotes 7 and 8, respectively.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 207.0 Scope of part.

This part contains rules and regulations promulgated by the Board of Governors of the Federal Reserve System under the Securities Exchange Act of 1934 applicable to certain persons (other than banks, brokers, and dealers) who extend, arrange, maintain, or obtain credit.

§ 207.1 General rule.

(a) *Registration.* Every person who is a U.S. person[1] or a foreign person controlled by a U.S. person[2] or acting on behalf of or in conjunction with such person or who extends, arranges, or has outstanding credit of the kind described in this paragraph in the United States and who, in the ordinary course of his business,[3] during any calendar (or fiscal) quarter ended after October 20, 1967, extends or arranges for the extension of a total of $550,000 or more or has outstanding at any time during such quarter, a total of $100,000 or more, in credit, secured directly or indirectly,[4] in whole or in part, by collateral that includes any margin securities,[5] unless such person is subject to Part 220 (Regulation T) or Part 221 (Regulation U) of this chapter, is subject to the registration requirements of this paragraph and shall, within 30 days following the end of such quarter during which the person becomes subject to such registration requirements, register with the Board of Governors of the Federal Reserve System by filing a statement in conformity with the requirements of Federal Reserve Form G–1 with the Federal Reserve Bank of the district in which the principal office of such person is located: *Provided*, That in the case of a person whose principal office is not located in a Federal Reserve district, such statement shall be filed with the Federal Reserve Bank of New York: *And provided further*, That in the case of credit so secured by collateral that includes any OTC margin stock[6] and/or debt securities convertible into OTC margin stock and no other margin security, such date shall be July 8, 1969, instead of October 20, 1967.

(b) *Termination of registration.* Any person so registered who has not, during the preceding 6 calendar months, extended or arranged for the extension or maintenance of or had outstanding any credit secured directly or indirectly, in whole or in part, by collateral that includes any margin securities may apply for termination of such registration by filing Federal Reserve Form G–2 with the Federal Reserve Bank of the district in which the principal office of such person is located: *Provided*, That in the case of a person whose principal office is not located in a Federal Reserve district, such statement shall be filed with the Federal Reserve Bank of New York. A registration shall be deemed terminated when such application is approved by the Board of Governors of the Federal Reserve System.

* * * * *

[1] As defined in § 207.2(k).
[2] As defined in § 207.2(l).
[3] See § 207.2(b).
[4] See § 207.2(i).
[5] See § 207.2(d).
[6] See § 207.2(f). "OTC stock" is stock which is traded "over the counter".

(k) *Application to customer.* (1) No U.S. person[9] or foreign person controlled by a U.S. person[10] or acting on behalf of or in conjunction with such person shall obtain, receive, or enjoy the beneficial use of any loan or extension of credit for the purpose of purchasing or carrying any margin security (without regard to whether the person extending, maintaining, or arranging the credit is subject to this part, Part 220 (Regulation T), or Part 221 (Regulation U), of this chapter, and without regard to whether the office or place of business of such person is in a State or the transaction occurred in whole or in part within a State) unless the loan or other credit transaction is permitted in the case of credit extended, maintained, or arranged by a person subject to this part, Part 220 (Regulation T), or Part 221 (Regulation U) of this chapter or if the person extending, arranging, or maintaining the credit is not so subject, the credit would be permitted in the case of a person subject to the registration requirement of paragraph (a) of this section: *Provided*, That, in the case of credit obtained from a person not subject to the registration requirement of paragraph (a) of this section, the requirement of paragraph (e) of this section as to a statement of the purpose of the credit shall not apply.

(2) The provisions of subparagraph (1) of this paragraph shall not apply to credit extended before _____ [effective date of the amendment] except that after _____ [6 months after effective date] the requirements of paragraph (j) of this section as to withdrawals and substitutions of collateral shall apply to credit extended after October 26, 1970.

§ 207.2 Definitions.

* * * * *

(i) The term "indirectly secured" includes, except as provided in § 207.4(a)(3), any arrangement with the customer under which the customer's right or ability to sell, pledge, or otherwise dispose of margin securities owned by the customer is in any way restricted as long as the credit remains outstanding, or under which the exercise of such right, whether by written agreement or otherwise, is or may be cause for acceleration of the maturity of the credit: *Provided*, That the foregoing shall not apply (1) if such restriction arises solely by virtue of an arrangement with the customer which pertains generally to the customer's assets unless a substantial part of such assets consist of margin securities, or (2) if the person extending such credit in good faith has not relied upon such securities as collateral in the extension or maintenance of the particular credit: *And provided further*, That the foregoing shall not apply to stock held by the person extending such credit only

[9] As defined in § 207.2(k).
[10] As defined in § 207.2(l).

in the capacity of custodian, depositary, or trustee, or under similar circumstances, if such person in good faith has not relied upon such securities as collateral in the extension or maintenance of the particular credit.

* * * * *

(k) The term "U.S. person" includes a person which is organized or exists under the laws of any State or, in the case of a natural person, a citizen or resident of the United States; a domestic estate; or a trust in which one or more of the foregoing persons has a cumulative direct or indirect beneficial interest in excess of 50 per centum of the value of the trust.

(l) The term "foreign person controlled by a U.S. person" includes any noncorporate entity in which U.S. persons directly or indirectly have more than a 50 per centum beneficial interest, and any corporation in which one or more U.S. persons, directly or indirectly, own stock possessing more than 50 per centum of the total combined voting power of all classes of stock entitled to vote, or more than 50 per centum of the total value of shares of all classes of stock.

§ 207.3 Reports and records.

(a) Every person who is registered pursuant to § 207.1(a) shall within 30 days following the end of each succeeding quarter file a report on Federal Reserve Form G–4 with the Federal Reserve Bank of the district in which the principal office of the person is located, or in the case of a person whose principal office is not located in a Federal Reserve district, with the Federal Reserve Bank of New York.

(b) Every person who has registered pursuant to § 207.1(a) and every person described in § 207.1(k) or (l) who obtains, receives or enjoys the beneficial use of any purpose credit shall maintain such records and file such reports as shall be prescribed by the Board of Governors of the Federal Reserve System to enable it to perform the functions conferred upon it by the Securities Exchange Act of 1934 (15 U.S.C. 78).

§ 207.4 Miscellaneous provisions.

(a) * * *

(4) A plan-lender which is not a citizen or resident of the United States and which does not extend, arrange, or have outstanding credit of the kind described in § 207.1(a) in the United States (hereinafter referred to as a "foreign plan-lender") shall not be subject to the requirements of this part if such foreign plan-lender extends, arranges, or maintains credit solely to persons who are not citizens or residents of the United States: *Provided*, That U.S. persons who extend, arrange, or have outstanding any credit extended to or by a foreign plan-lender shall be subject to the requirements of §§ 207.1(a) and 207.3 if such requirements would be applicable but for this subparagraph.

* * * * *

(d) *Mistakes in good faith.* Failure to comply with this part due to a mechanical mistake made in good faith in determining, recording or calculating any credit, balance, market price, or loan value, or other mechanical mistake, shall not constitute a violation of this part if promptly after discovery of the mistake there is taken whatever action is practicable to remedy the noncompliance.

* * * * *

[FR Doc.71-10600 Filed 7-28-71;8:51 am]

[12 CFR Part 207]

[Reg. G]

SECURITIES CREDIT BY PERSONS OTHER THAN BANKS, BROKERS, OR DEALERS

Notice of Proposed Rule Making

1. The Board of Governors proposes to amend Part 207 (Regulation G) to make certain technical changes. This would be accomplished by amending §§ 207.1(d), 207.1(l) and 207.2(d).

2. The proposed amendment of paragraph (d) of § 207.1 would clarify that securities are not eligible for the preferential margin provided by this section unless they are debt securities.

3. The proposed new paragraph (l) of § 207.1 would clarify that a person subject to the registration requirement of § 207.1(a) may not handle "clearance" for any customer of securities purchased through a broker or dealer unless the customer deposits the amount of the purchase price with the lender within 7 full business days, and in any event, before delivering the security to any other person; or in the case of sales, promptly receives from the customer the security that has been sold, and does not accept payment for such security sold until he has received the security from the customer.

4. The proposed amendment of paragraph (d) of § 207.2 would clarify that a convertible preferred stock is a margin security if the security into which such stock is convertible is such a security.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 207.1 General rule.

* * * * *

(d) *Credit on convertible debt securities.* (1) A lender may extend credit for the purpose specified in paragraph (c) of this section on collateral consisting of any debt security (i) convertible with or without consideration, presently or in the future, into a margin security or (ii) carrying any warrant or right to subscribe to or purchase such a margin security.

(2) Credit extended under this paragraph shall be subject to the same conditions as any other credit subject to this section except: (i) The entire amount of such credit shall be considered a single credit treated separately from the single credit specified in paragraph (g) of this section and all the collateral securing such credit shall be considered in determining whether or not the credit complies with this part, and (ii) the maximum loan value of the collateral shall be as prescribed from time to time in § 207.5(b) (the Supplement to Regulation G).

(3) Any convertible debt security originally eligible as collateral for credit extended under this paragraph shall be treated as such as long as continuously held as collateral for such credit even though it ceases to be convertible or to carry warrants or rights.

(4) In the event that any margin security other than a convertible debt security is substituted for a convertible debt security held as collateral for credit extended under this section, such margin security and any credit extended on it in compliance with this part shall thereupon be treated as subject to paragraph (c) of this section and not to this paragraph and the credit extended under this paragraph shall be reduced by an amount equal to the maximum loan value of the security withdrawn.

* * * * *

(l) *Clearance credit*—(1) *Purchases.* No lender shall extend any credit, whether or not such credit is secured directly or indirectly by any margin securities, for the purpose of clearing any unpaid purchase of a security in an account described in Part 220 of this Chapter (Regulation T) unless the lender obtains from the customer as promptly as possible and in any event before the expiration of 7 full business days following the date of such purchase the full amount of the purchase price of such security (notwithstanding that the delivery of the security may be delayed beyond the seventh day following such date), and in no event may the lender deliver such purchased security to any other person until he has been paid such purchase price by the customer.

(2) *Sales.* No lender shall effect for a customer, or knowingly assist a customer in effecting the sale of a security in an account described in Part 220 of this chapter (Regulation T) unless the lender obtains from the customer, as promptly as possible, the security sold, and in no event may the lender accept payment for any such security from any other person until he has received the security from the customer.

§ 207.2 Definitions.

* * * * *

(d) *Margin security.* The term "margin security" means any equity security [11] which is (1) a registered equity security, (2) an OTC margin stock, (3) a security (i) convertible with or without consideration, presently or in the future, into a margin security, or (ii) carrying any warrant or right to subscribe to or purchase, presently or in the future, a margin security, (4) any such warrant or right, (5) a security issued by an investment company, other than a small business investment company licensed under the Small Business Investment Company Act of 1958 (15 U.S.C. 661), registered pursuant to section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a–8), unless at least 95 percent of the assets of such company are continuously invested in exempted securities.[12]

* * * * *

[FR Doc.71–10801 Filed 7–28–71;8:51 am]

[12 CFR Part 220]

[Reg. T]

CREDIT BY BROKERS AND DEALERS

Notice of Proposed Rule Making

JULY 26, 1971.

1. The Board of Governors proposes to amend Part 220 (Regulation T) to implement the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law No. 91–508, Oct. 26, 1970). This would be accomplished by amending §220.1(b), and by adding §§ 220.2 (i) and (j) and 220.4(l), as set forth below.

2. The proposed new paragraph (b) of § 220.1 would implement the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law No. 91–508, Oct. 26, 1970) by providing that customers who are U.S. persons or foreign persons controlled by such persons, or acting on behalf of or in conjunction with such persons, may not obtain credit except in compliance with applicable margin regulations of the Board of Governors, and that if the extender of the credit is not subject to such regulations, the credit must comply with the provisions of Part 207 (Regulation G). The requirements of paragraph (b) would apply to credit extended after the effective date of the amendments, and such credit that had already been extended at that time would be subject to the retention and withdrawal requirements of § 220.3(b)(2) beginning 6 months after such date.

3. The proposed new paragraph (i) of § 220.2 incorporates the statutory definition of "United States person".

4. The proposed new paragraph (j) of § 220.2 incorporates the statutory definition of "Foreign person controlled by a United States person".

5. The proposed new paragraph (l) of § 220.4 would provide a special account in which a foreign branch of a creditor, or an affiliate of a creditor if all the offices of such affiliate are situated abroad, may, without regard to the other requirements of this part, extend securities credit to persons who are neither U.S. persons nor foreign persons controlled by or acting on behalf or in conjunction with such persons.

6. At the time the proposed amendments are adopted footnotes 1 through 5 will be redesignated footnotes 3 through 7, respectively.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 220.1 Scope of part.

This part is issued by the Board of Governors of the Federal Reserve System (hereinafter called the "Board") pursuant to the Securities Exchange Act of 1934 (called the "Act" in this part), particularly sections 7 and 8(a) thereof (15 U.S.C. 78g, 78h(a), as amended).

(a) *Application to broker or dealer.* This part applies to every broker or dealer, including every member of a national securities exchange.

(b) *Application to customer.* No U.S. person [1] or foreign person controlled by a U.S. person, or acting on behalf of or in conjunction with such person,[2] shall obtain, receive, or enjoy the beneficial use of any loan or extension of credit for the purpose of purchasing or carrying any margin security (without regard to whether the person extending, maintaining, or arranging the credit is subject to this part, Part 207 (Regulation G), or Part 221 (Regulation U) of this chapter, and without regard to whether the office or place of business of such person is in a State or the transaction occurred in whole or in part within a State) unless the loan or other credit transaction is permitted in the case of credit extended, maintained, or arranged by a person subject to this part, Part 207 (Regulation G), or in Part 221 of this chapter (Regulation U), or if the person extending, arranging or maintaining the credit is not so subject, the credit would be permitted in the case of a person subject to the registration requirement of § 207.1(a) of Part 207 of this Chapter (Regulation G): *Provided*, That the provisions of this paragraph shall not apply to credit extended before _____ [effective date of the amendment] except that after _____ [6 months after effective date] the requirements of § 220.3(b)(2) as to substitutions and withdrawals of collateral shall apply to credit extended after October 26, 1970.

§ 220.2 Definitions.

* * * * *

(i) The term "United States person" includes a person organized or existing under the laws of any State or, in the case of a natural person, a citizen or resident of the United States; a domestic estate; or a trust in which one or more of the foregoing persons has a cumulative direct or indirect beneficial interest in excess of 50 per centum of the value of the trust.

(j) The term "Foreign person controlled by a United States person" includes any noncorporate entity in which U.S. persons directly or indirectly have more than a 50 per centum beneficial interest, and any corporation in which one or more U.S. persons, directly or indirectly, own stock possessing more than 50 per centum of the total combined voting power of all classes of stock entitled to vote, or more than 50 per centum of the total value of shares of all classes of stock.

* * * * *

§ 220.4 Special accounts.

* * * * *

(l) *Special foreign account.* A creditor may, in a special foreign account, permit a branch if the branch is situated outside the United States, or an affiliated person if all the offices of such affiliated person are situated outside the United States, to purchase or carry securities for customers who are not U.S. persons or foreign persons controlled by U.S. persons or acting on behalf of or in conjunction with such persons.

[FR Doc.71–10803 Filed 7–28–71;8:51 am]

[12 CFR Part 220]

[Reg. T]

CREDIT BY BROKERS AND DEALERS

Notice of Proposed Rule Making

1. The Board of Governors proposes to amend Part 220 (Regulation T) to make certain technical changes. This would be accomplished by amending §§ 220.2(f); 220.3 (a) and (d); 220.4 (c) and (j); and 220.7(c), as set forth below.

2. The proposed new paragraph (f)(2) of § 220.2 supplies a definition of the term "margin equity security".

3. The proposed amendment to paragraph (a) of § 220.3 provides that certain short sales may be effected in the special convertible debt security account described in § 220.4(j).

4. The proposed amendment to paragraph (d) of § 220.3 makes a conforming

[11] As defined in 15 U.S.C. 78c(a)(11).
[12] As defined in 15 U.S.C. 78c(a)(12).

[1] As defined in § 220.2(i).
[2] As defined in § 220.2(j).

change in regard to short sales to be effected in the special convertible debt security account described in § 220.4(j).

5. The proposed amendment to paragraph (c) of § 220.4 incorporates the substance of an interpretation of the Board published at § 220.123 (36 F.R. 2777–2778 (Feb. 10, 1971)).

6. The proposed amendments to paragraph (j) of § 220.4 provide that short sales of margin equity securities into which convertible debt securities held in that account are convertible may be effected in the special convertible debt security account.

7. The proposed amendment to paragraph (c) of § 220.7 provides that a creditor must obtain a statement of purpose in regard to all extensions of credit made by him, other than for the purpose of purchasing or carrying margin securities.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 220.2 Definitions.

* * * * *

(f) *Margin security.* (1) The term "margin security" means any registered security or OTC margin stock.

(2) The term "margin equity security" means any margin security which is an equity security.[4]

* * * * *

§ 220.3 General accounts.

(a) *Contents of general account.* All financial relations between a creditor and a customer, whether recorded in one record or in more than one record, shall be included in and be deemed to be part of the customer's general account with the creditor, except that the relations which § 220.4 permits to be included in any special account provided for by that section may be included in the appropriate special account, and all transactions in commodities, and, except to the extent provided in paragraph (b)(2) of this section, all transactions in nonequity securities, exempted securities, and in other securities having no loan value in a general account under the provisions of paragraph (c) of this section and § 220.8 (the Supplement to Regulation T) (except unissued securities, short sales and securities positions to offset short sales other than those permitted in § 220.4(j)(5) of this part, purchases to cover short sales, and contracts involving an endorsement or guarantee of any put, call, or other option), shall be included in the appropriate special account provided for by § 220.4. During any period when such § 220.8 specifies that margin equity securities shall have no loan value in a general account or special convertible debt security account (sometimes referred to herein as "special convertible security account") subject to § 220.4(j), any transaction consisting of a purchase of a security other than a purchase of a security to reduce or close out a short position shall be effected in the special cash account provided for by § 220.4(c) or in some other appropriate special account provided for by § 220.4.

* * * * *

(d) *Adjusted debit balance.* For the purpose of this part, the adjusted debit balance of a general account, special bond account, or special convertible security account shall be calculated by taking the sum of the following items:

* * * * *

(3) the current market value of any securities (other than unissued securities) sold short in the general account plus, for each security (other than an exempted security), such amount as the Board shall prescribe from time to time in § 220.8 (the Supplement to Regulation T) as the margin required for such short sales, except that such amount so prescribed in such § 220.8 need not be included when there are held in the general account or special convertible debt security account the same securities or securities exchangeable or convertible within 90 calendar days, without restriction other than the payment of money, into such securities sold short;

* * * * *

§ 220.4 Special accounts.

* * * * *

(c) *Special cash account.* * * *

(3) If the security when so purchased is an unissued security the period applicable to the transaction under subparagraph (2) of this paragraph shall be 7 days after the date on which the security is made available by the issuer for delivery to purchasers, except that where a portion consisting of 10 percent or more of an issue of nonequity securities is issued pursuant to contracts entered into at the time of the initial underwriting between the issuer and the purchasers of such portion providing for delayed issue of nonequity securities in amounts of $250,000 or more per contract, such period shall be 7 days after the date fixed by contract between the issuer and the purchasers of such portion. If the security when so purchased is a "when distributed" security which is to be distributed in accordance with a published plan, the period applicable to the transaction under subparagraph (2) of this paragraph shall be 7 days after the date on which the security is so distributed. If the security when so purchased is a new security issued or to be issued for the purpose of refunding outstanding securities which mature, or are payable upon presentation for redemption, within 35 days of the date on which the new security is made available by the issuer for delivery to purchasers, the period applicable to the transaction under subparagraph (2) of this paragraph shall be 7 days after such maturity or payment date: *Provided*, That this sentence shall apply only to the payment of that portion of the purchase price that does not exceed 103 percent of the amount that will be payable to the purchaser of the new security upon such maturity of, or payment for, securities owned by him at the time of the purchase.

* * * * *

(j) *Special convertible debt security account.* * * *

(4) In the event any convertible security held in this account is to be converted to a stock, such security shall upon conversion be transferred to the customer's general account against a deposit of cash or margin securities eligible for an extension of credit in this account (counted at their maximum loan value) equal to at least the maximum loan value of the security for which such substitution is made, without regard to the retention requirement of § 220.3(b)(2).

(5) In a special convertible debt security account the amount of margin equity securities into which a margin debt security held in the account is convertible may be sold short without regard to the margin required for short sales in § 220.8(d) (Supplement to Regulation T), and such short position may be carried in the special convertible debt security account in conformity with the exception provided in § 220.3(d)(3) of this part.

* * * * *

§ 220.7 Miscellaneous provisions.

* * * * *

(c) *Statement of purpose of loan.* Every extension of credit by a creditor shall be deemed to be for the purpose of purchasing or carrying or trading in securities, unless the creditor has accepted in good faith a written statement to the contrary in conformity with the requirements of Form F.R. T-4 executed by the customer and executed and accepted in good faith by the creditor prior to such extension. The creditor shall retain such statement in his records for at least 3 years after such credit is extinguished. To accept the customer's statement in good faith, the creditor must (1) be alert to the circumstances surrounding the extension of credit and (2) if he has any information which would cause a prudent man not to accept the statement without inquiry, have investigated and be satisfied that the customer's statement is truthful. A creditor may rely upon such a written statement

[4] As defined in 15 U.S.C. 78c(a)(11).

if accepted in accordance with this paragraph.

* * * * *

[FR Doc.71-10802 Filed 7-28-71;8:51 am]

[12 CFR Part 221]

[Reg. U]

CREDIT BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING MARGIN STOCKS

Notice of Proposed Rule Making

JULY 26, 1971.

1. The Board of Governors proposes to amend Part 221 (Regulation U) to implement the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law No. 91-508, Oct. 26, 1970). This would be accomplished by amending §§ 221.1(a), 221.2(i), 221.3(k), and by adding § 221.0, as set forth below.

2. The proposed amendment of paragraph (a) of § 221.1 would add a new subparagraph (4) implementing the provisions of title III of the Financial Recordkeeping and Currency and Foreign Transactions Reporting Act of 1970 (Public Law No. 91-508, Oct. 26, 1970) by providing that customers who are U.S. persons or foreign persons controlled by such persons, or acting on behalf of or in conjunction with such persons, may not obtain credit except in compliance with applicable margin regulations of the Board of Governors, and that if the extender of the credit is not subject to such regulations, the credit must comply with the provisions of Part 207 (Regulation G). The requirements of subparagraph (4) would apply to credit extended after the effective date of the amendments, and such credit already extended at that time would be subject to the retention and withdrawal requirements of § 221.1 (b) beginning 6 months after such date.

3. The proposed amendment to paragraph (i) of § 221.2 would provide that "purpose" credit extended, arranged, or maintained by a foreign branch of a bank, or an affiliate of the bank of which all the offices of such affiliate are situated abroad, is subject to the requirements of this part if such credit is extended to customers who are U.S. persons or foreign persons controlled by or acting on behalf of or in conjunction with such persons. "Purpose" credit extended to others is not subject to the requirements of this part.

4. The proposed amendments to paragraph (k) of § 221.3 would add a new subparagraph (3) incorporating the statutory definition of "United States person"; and would add a new subparagraph (4) incorporating the statutory definition of "Foreign person controlled by a United States person".

5. At the time the proposed amendments are adopted, footnote 5 will be redesignated footnote 9.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 221.0 Scope of part.

This part contains rules and regulations promulgated by the Board of Governors of the Federal Reserve System under the Securities Exchange Act of 1934 applicable to banks. This part also applies to certain persons who obtain credit on securities from banks.

§ 221.1 General rule.

(a) * * *

(4) *Application to customer.* No U.S. person[4] or foreign person controlled by a U.S. person[4] or acting on behalf of or in conjunction with such person shall obtain, receive, or enjoy the beneficial use of any loan or extension of credit for the purpose of purchasing or carrying any margin stock (without regard to whether the person extending, maintaining, or arranging the credit is subject to this part, Part 207 (Regulation G), or Part 220 of this section (Regulation T), and without regard to whether the office or place of business of such person is in a State or the transaction occurred in whole or in part within a State) unless the loan or other credit transaction is permitted in the case of credit extended, maintained, or arranged by a person subject to this part, Part 207, or Part 220 of this section, or if the person extending, arranging, or maintaining the credit is not so subject the credit would be permitted in the case of a person subject to the registration requirement of § 207.1(a) of this chapter (Regulation G): *Provided*, That the provisions of subparagraph (1) of this paragraph shall not apply to credit extended before _____ [effective date of the amendment] except that after _____ [6 months after effective date] the requirements of paragraph (b) of this section as to substitutions and withdrawals of collateral shall apply to credit extended after October 26, 1970.

* * * * *

§ 221.2 Exceptions to general rule.

* * * * *

(i) Any credit extended by a branch of a bank if the branch is situated outside the United States, or by an affiliated person of a bank if all the offices of such affiliated person are situated outside the United States, to purchase or carry margin stocks for customers who are not U.S. persons[5] or foreign persons controlled by U.S. persons[5] or acting on behalf of or in conjunction with such persons.

* * * * *

§ 221.3 Miscellaneous provisions.

* * * * *

(k) *Definitions.* (1) For the purposes of this part, except as provided in subparagraphs (3) and (4) of this paragraph unless the context otherwise requires, the terms herein have the meanings assigned to them in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

* * * * *

(3) The term "United States person" includes a person organized or existing under the laws of any State or; in the case of a natural person, a citizen or resident of the United States; a domestic estate; or a trust in which one or more of the foregoing persons have a cumulative direct or indirect beneficial interest in excess of 50 per centum of the value of the trust.

(4) The term "foreign person controlled by a United States person" includes any noncorporate entity in which U.S. persons directly or indirectly have more than a 50 per centum beneficial interest, and any corporation in which one or more U.S. persons, directly or indirectly, own stock possessing more than 50 per centum of the total combined voting power of all classes of stock entitled to vote, or more than 50 per centum of the total value of shares of all classes of stock.

* * * * *

[FR Doc.71-10804 Filed 7-28-71;8:51 am]

[12 CFR Part 221]

[Reg. U]

CREDIT BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING MARGIN STOCKS

Notice of Proposed Rule Making

1. The Board of Governors proposes to amend Part 221 (Regulation U) to make certain technical changes. This would be accomplished by amending §§ 221.1(a) and 221.3 (k), (m), (s), and (v) as set forth below.

2. The proposed amendment of paragraph (a) of § 221.1 would eliminate a superfluous reference; would add a new subparagraph (2) clarifying that a person subject to this part may not handle "clearance" for any customers of securities purchased through a broker or dealer unless the customer deposits the amount of the purchase price with the lender within 7 full business days, and in any event, before delivering the security to any other person; or in the case of sales promptly receives from the customer the security that has been sold, and does not accept payment for

[4] As defined in § 221.3(k)(3).
[5] As defined in § 221.3(k)(4).

[4] As defined in § 221.3(k)(3).
[5] As defined in § 221.3(k)(4).

such security sold until he has received the security from the customer, and would renumber the present subparagraph (2) as subparagraph (3).

3. The proposed amendments to paragraph (k) of § 221.3 would add a new subparagraph (2) for the definition of a bank which is a member of national securities exchange.

4. The proposed amendments to paragraph (m) of § 221.3 would clarify certain cross-references.

5. The proposed amendments to paragraph (s) of § 221.3 would clarify certain cross-references.

6. The proposed amendment to paragraph (v) of § 221.3 would clarify that a convertible preferred stock is a margin stock if the stock into which such preferred stock is convertible is a margin stock.

To aid in the consideration by the Board of this matter, interested persons are invited to submit relevant data, views, or arguments. Any such material should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than September 10, 1971. Such material will be made available for inspection and copying upon request, except as provided in § 261.6(a) of the Board's Rules Regarding Availability of Information.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON,
Deputy Secretary.

§ 221.1 General rule.

(a) (1) *Purpose credit secured by stock.* Except as otherwise provided in this part no bank shall extend any credit secured directly or indirectly[1] by any stock[2] for the purpose of purchasing or carrying any margin stock[3] in an amount exceeding the maximum loan value of the collateral, as prescribed from time to time for stocks in § 221.4 (the supplement to Regulation U) and as determined by the bank in good faith for credit subject to § 221.3(s) for any collateral other than stocks: *Provided,* That unless held as collateral for such credit on October 20, 1967, and continuously thereafter, any collateral other than stock shall have loan value for the purpose of this part only as collateral for a credit which is not secured by stock, as described in § 221.3(s), and any collateral consisting of convertible debt securities described in § 221.3(t) shall have loan value only for the purpose of that section, and not for any other credit subject to this part.

(2) *Clearance credit—(i) Purchases.* No bank shall extend any credit, whether or not such credit is secured directly or indirectly by any stock, for the purpose of clearing any unpaid purchase of a security in an account described in Part 220 of this chapter (Regulation T) unless the bank obtains from the customer as promptly as possible and in any event before the expiration of 7 full business days following the date of such purchase the full amount of the purchase price of such security (notwithstanding that the delivery of the security may be delayed beyond the seventh day following such date), and in no event may the bank deliver such purchased security to any other person until the bank has been paid such purchase price by the customer.

(ii) *Sales.* No bank shall effect for a customer, or knowingly assist a customer in effecting the sale of a security in an account described in Part 220 of this chapter (Regulation T) unless the bank obtains from the customer, as promptly as possible, the security sold, and in no event may the bank accept payment for any such security from any other person until it has received the security from the customer.

(3) *OTC margin stock credit extended prior to certain dates.* Credit extended prior to July 8, 1969, for the purpose of purchasing or carrying any OTC margin stock[4] or any debt security convertible into such stock (and no other margin stock) is not purpose credit, except that with respect to any OTC margin stock such date shall be August 7, 1969, if extended to a member of a national securities exchange or a broker or dealer registered under section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o).

* * * * *

§ 221.3 Miscellaneous provisions.

* * * * *

(k) Definitions:

(2) The term "bank" does not include a bank which is a member of a national securities exchange.

* * * * *

(m) Credit subject to § 221.1: A "credit subject to § 221.1" is a credit which is (1) secured directly or indirectly by any stock (or described in § 221.1(a) or paragraph (q) of this section), (2) extended for the purpose of purchasing or carrying any margin stock, and (3) not otherwise excepted by this part.

* * * * *

(s) Credit secured by collateral other than stocks: Except as provided in § 221.1(a) and paragraph (q) of this section a bank may extend credit for the purpose of purchasing or carrying a margin stock secured by collateral other than stock, and, in the case of such credit, the maximum loan value of the collateral shall be as determined by the bank in good faith.

* * * * *

(v) The term "margin stock" means any stock[10] which is (1) a stock registered on a national securities exchange, (2) an OTC margin stock,[11] (3) a security (i) convertible with or without consideration, presently or in the future, into a margin stock or (ii) carrying any warrant or right to subscribe to or purchase, presently or in the future, a margin stock, (4) any such warrant or right, (5) any security issued by an investment company other than a small business investment company licensed under the Small Business Investment Company Act of 1958 (15 U.S.C. 661) registered pursuant to section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a–8), unless at least 95 percent of the assets of such company are continuously invested in exempted securities.[12]

[FR Doc.71–10805 Filed 7–28–71;8:51 am]

[1] As defined in § 221.3(c).
[2] As defined in § 221.3(l).
[3] Sometimes referred to as a "purpose credit". See § 221.3(b). The term "margin stock" is defined in § 221.3(v).
[4] As defined in 221.3(d), "OTC stock" hereinafter refers to stock traded "over the counter."
[10] As defined in § 221.3(l).
[11] As defined in § 221.3(d).
[12] As defined in 15 U.S.C. 78c(a)(12).

Notices

INTERSTATE COMMERCE COMMISSION

[Notice 60]

MOTOR CARRIER, BROKER, WATER CARRIER AND FREIGHT FORWARDER APPLICATIONS

JULY 23, 1971.

The following applications are governed by special rule 1100.247 of the Commission's general rules of practice (49 CFR, as amended), published in the FEDERAL REGISTER, issue of April 20, 1966, effective May 20, 1966. These rules provide, among other things, that a protest to the granting of an application must be filed with the Commission within 30 days after date of notice of filing of the application is published in the FEDERAL REGISTER. Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest under these rules should comply with section 247(d)(3) of the rules of practice which requires that it set forth specifically the grounds upon which it is made, contain a detailed statement of protestant's interest in the proceeding (including a copy of the specific portions of its authority which protestant believes to be in conflict with that sought in the application, and describing in detail the method—whether by joinder, interline, or other means—by which protestant would use such authority to provide all or part of the service proposed), and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests not in reasonable compliance with the requirements of the rules may be rejected. The original and one copy of the protest shall be filed with the Commission, and a copy shall be served concurrently upon applicant's representative, or applicant if no representative is named. If the protest includes a request for oral hearing, such requests shall meet the requirements of section 247(d)(4) of the special rules, and shall include the certification required therein.

Section 247(f) of the Commission's rules of practice further provides that each applicant shall, if protests to its application have been filed, and within 60 days of the date of this publication, notify the Commission in writing (1) that it is ready to proceed and prosecute the application, or (2) that it wishes to withdraw the application, failure in which the application will be dismissed by the Commission.

[1] Copies of Special Rule 247 (as amended) can be obtained by writing to the Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

Further processing steps (whether modified procedure, oral hearing, or other procedures) will be determined generally in accordance with the Commission's General Policy Statement Concerning Motor Carrier Licensing Procedures, published in the FEDERAL REGISTER issue of May 3, 1966. This assignment will be by Commission order which will be served on each party of record.

The publications hereinafter set forth reflect the scope of the applications as filed by applicants, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

No. MC 989 (Sub-No. 17), filed June 14, 1971. Applicant: IDEAL TRUCK LINES, INC., 912 North State Street, Norton, KS 67654. Applicant's representative: John E. Jandera, 641 Harrison Street, Topeka, KS 66603. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, commodities requiring special requirement, and those injurious or contaminating to other lading), between points in the Kansas City, Mo., commercial zone and points in the Omaha, Nebr., commercial zone; from Kansas City, Mo., over Interstate Highway 29 to St. Joseph, Mo., thence over U.S. Highway 36 to its intersection with U.S. Highway 75, thence over U.S. Highway 75 to Omaha, Nebr., and return over the same route, as an alternate route for operating convenience only in connection with applicant's authorized regular route operations, serving no intermediate points. NOTE: If a hearing is deemed necessary, applicant requests it be held at Topeka, Kans., or Kansas City, Mo.

No. MC 1222 (Sub-No. 38), filed June 24, 1971. Applicant: THE REINHARDT TRANSFER COMPANY, a corporation, 1410 10th Street, Portsmouth, OH 45662. Applicant's representative: Robert H. Kinker, 711 McClure Building, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier* by motor vehicle, over irregular routes, transporting: *Plastic material*, expanded, from Cincinnati, Ohio, to points in Illinois, Indiana, Kentucky, Michigan, Pennsylvania, and West Virginia. NOTE: Applicant states that its existing authority in MC 1222 and Subs 20 and 36 thereto, permits applicant to transport the involved commodities from the Cincinnati, Ohio, origin to all points in Illinois, Indiana, Kentucky, West Virginia, the Lower Peninsula of Michigan, and those in Pennsylvania on and west of U.S. Highway 219, through the Hamilton Township, Lawrence County, Ohio, gateway. Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Cincinnati, Ohio.

No. MC 3252 (Sub-No. 76), filed July 1, 1971. Applicant: MERRILL TRANSPORT CO., a corporation, 1037 Forest Avenue, Portland, ME 04104. Applicant's representative: Francis E. Barrett, Jr., 536 Granite Street, Braintree, MA 02184. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wire and rope fittings*, from Portland, Maine, to East Rutherford, N.J., and Milford, Conn. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Application is accompanied by a motion to dismiss a portion. If a hearing is deemed necessary, applicant requests it be held at Portland, Maine, or Boston, Mass.

No. MC 15770 (Sub-No. 3), filed July 2, 1971. Applicant: CALORE FREIGHT SYSTEM, INC., 200 Whitehall Street, 185 Points Street, Providence, RI 02901. Applicant's representative: William J. Lavelle, 2310 Grant Building, Pittsburgh, PA 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, which are at the time moving on bills of lading of freight forwarders as defined in section 402(a)(5) of the Interstate Commerce Act, between points in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, and West Virginia. NOTE: Applicant states that the requested authority can be tacked with its existing authority, but applicant has no present intention to tack and therefore, the territory which could be served through tacking is not identified. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at New York City, N.Y.

No. MC 19227 (Sub-No. 157), filed June 28, 1971. Applicant: LEONARD BROS. TRUCKING CO., INC., 2595 Northwest 20th Street, Miami, FL 33152. Applicant's representative: J. Fred Dewhurst (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel pallet racks*, from Lodi, Calif., to points in Colorado,

Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Ohio, Nebraska, Nevada, Utah, and Wisconsin. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 19227 (Sub-No. 159), filed July 8, 1971. Applicant: LEONARD BROS. TRUCKING CO., INC., 2595 Northwest 20th Street, Miami, FL 33152. Applicant's representative: J. Fred Dewhurst (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Steel pallet racks*, from Lodi, Calif., to points in Connecticut, Delaware, Georgia, Maine, Maryland, Massachusetts, North Carolina, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, South Carolina, Virginia, Vermont, and the District of Columbia. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 21866 (Sub-No. 68), filed June 25, 1971. Applicant: WEST MOTOR FREIGHT, INC., 740 South Reading Avenue, Boyertown, PA 19512. Applicant's representative: Alan Kahn, 1920 Two Penn Center Plaza, Philadelphia, Pa. 19102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Food and food products*, between the facilities of Berks-Lehigh Cooperative Fruit Growers, Inc., in the Borough of Fleetwood and Richmond Township, Pa., on the one hand, and, on the other, points in Connecticut, Rhode Island, Massachusetts, Delaware, Virginia, West Virginia, Ohio, New York, New Jersey, Maryland, Pennsylvania, Illinois, Indiana, and the District of Columbia. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa., or Washington, D.C.

No. MC 24136 (Sub-No. 12), filed July 2, 1971. Applicant: HARRISON-SHIELDS TRANSPORTATION LINES, INC., Post Office Box 445, Meadow Lands, PA 15347. Applicant's representative: Maxwell A. Howell, 1120 Investment Building, 1511 K Street NW., Washington, DC 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is dealt in by mail-order houses and department stores, the business of which is the sale of general commodities, between Chartiers Township, Pa., on the one hand, and, on the other, points in that part of Ohio, east and south of a line beginning at the Indiana-Ohio State line and extending along U.S. Highway 40 to Vandalia, thence along U.S. Highway 25 to Findlay, thence along Ohio Highway 12 to Fremont, and thence along U.S. Highway 6 to Sandusky, Ohio. NOTE: Applicant states it intends to tack with all existing authority wherever possible. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 27063 (Sub-No. 20), filed June 23, 1971. Applicant: LIBERTY TRANSFER COMPANY, INC., Towson and Cuba Streets, Baltimore, MD 21230. Applicant's representative: S. Harrison Kahn, Suite 733, Investment Building, Washington, DC 20005. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Green coffee beans*, from Edison Township, N.J., to Baltimore, Md., with no transportation for compensation on return except as otherwise authorized; *roasted coffee*, from Landover and Baltimore, Md., to Edison Township, N.J.; and *empty cartons, and returned coffee*, from Edison Township, N.J., to Landover and Baltimore, Md., under a continuing contract, or contracts, with The Great Atlantic & Pacific Tea Co., Inc., of Paterson, N.J.; and *canned food products*, from Baltimore, Md., to Edison Township, N.J., with no transportation for compensation on return except as otherwise authorized, and *such merchandise* as is dealt in by retail grocery stores, and *materials, supplies, and equipment* used in the conduct of such business, from Edison Township, N.J., to Baltimore, Md., with no transportation for compensation on return except as otherwise authorized, under special and individual contracts or agreements, with persons (as defined in section 203(a)(1) of the Interstate Commerce Act) who operate retail grocery stores, for the who operate retail grocery stores, for the transportation of the commodities indicated and in the manner specified, next above. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 28142 (Sub-No. 3) (Amendment), filed June 14, 1971, published in the FEDERAL REGISTER issue of July 9, 1971, and republished in part, as amended, this issue. Applicant: SHANAHAN'S EXPRESS, INC., 126 Prospect Street, Merchantville, NJ 08109. Applicant's representative: Raymond A. Thistle, Jr., Suite 1012, 4 Penn Center Plaza, Philadelphia, Pa. 19103. NOTE: The sole purpose of this partial republication is to omit New York as a destination territory. The rest of the application remains as previously published.

No. MC 45134 (Sub-No. 10), filed July 1, 1971. Applicant: COLLINS TRUCK LINE, INC., 3705 Marshall Street, NE., Minneapolis, MN 55451. Applicant's representative: A. R. Fowler, 2288 University Avenue, St. Paul MN 55114. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Manufactured fertilizer*, dry, in bulk, from Pine Bend, Minn., to points in North Dakota. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 48441 (Sub-No. 8), filed July 1, 1971. Applicant: CITY EXPRESS, INC., Post Office Box 418, Streator, IL 61364. Applicant's representative: Robert H. Levy, 29 South La Salle Street, Chicago, IL 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glass containers*, from Jonesboro, Ark., to Plymouth, Ind., and to the plantsite and facilities of Pilgram Farms, Inc., in Allegan County, Mich. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 57315 (Sub-No. 19), filed June 21, 1971. Applicant: TRI-STATE TRANSPORT, INC., 91 Heard Street, Chelsea, MA 02150. Applicant's representative: Frank J. Weiner, 6 Beacon Street, Boston, MA 02108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts* (except liquid commodities in bulk) as described in sections A and B of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from Boston, Mass., to Suffield and Torrington, Conn. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Boston, Mass.

No. MC 61825 (Sub-No. 40) (Amendment), filed June 2, 1971, published in the FEDERAL REGISTER issue of July 1, 1971, and republished as amended this issue. Applicant: ROY STONE TRANSFER CORPORATION, V. C. Drive, Collinsville, VA 24078. Applicant's representative: George S. Hales, Post Office Box 872, Martinsville, VA 24112. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, from Martinsville, Va., to points in Minnesota and Oklahoma. NOTE: Applicant states that the requested authority can be tacked at Martinsville, Va., with authorities in MC 61825 and MC 61825 Sub-No. 17 under which new furniture may be transported to points in Henry County, Va., and to points in Virginia. The purpose of this republication is to reflect the tacking information. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 74321 (Sub-No. 50), filed June 21, 1971. Applicant: B. F. WALKER, 650 17th Street, Denver, CO 80202. Applicant's representatives: Richard P. Kissinger (same address as applicant), and Jerry C. Prestridge, Post Office Box 1148, Austin, TX 78767. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routs, transporting: *Pneumatic and hydraulic machinery, equipment, materials, and supplies, and parts thereof*, used or useful in road construction, mining, tunneling, and drilling, between points in Denver County

and Adams County, Colo., on the one hand, and, on the other, points in the United States (except Hawaii). NOTE: Applicant states that the requested authority can be tacked with its existing authority under MC 74321 Subs 27, 32, and 34, but indicates that it has no present intention to tack. If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 75320 (Sub-No. 156), filed July 2, 1971. Applicant: CAMPBELL SIXTY-SIX EXPRESS, INC., Post Office Box 807, Springfield, MO 65801. Applicant's representative: Phineas Stevens, Post Office Box 22567, Jackson, MS 39205. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities*, (except those of unusual value, classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment) serving the plantsite and storage facilities of Wm. Wrigley, Jr., Co., at or near Flowery Branch, Ga., as an off-route point in connection with carrier's regular-route operations to and from Atlanta, Ga., restricted to the transportation of traffic moving to, from or through points in Alabama. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 82063 (Sub-No. 34) (Correction), filed June 7, 1971, published in the FEDERAL REGISTER, issue of July 9, 1971, corrected and republished as corrected, this issue. Applicant: KLIPSCH HAULING CO., a corporation, 119 East Loughborough, St. Louis, MO 63111. Applicant's representative: Ernest A. Brooks II, 1301 Ambassador Building, St. Louis, Mo. 63101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Liquid fertilizer*, in bulk, in tank vehicles, from Birds Point, Mo., to points in Illinois, Kentucky, Missouri, and Tennessee; and (2) *liquid sulphur trioxide* (sulfan), in bulk, in tank vehicles, from Fairmont City, Ill., to points in Alabama, Colorado, Illinois, Indiana, Kansas, Michigan, Mississippi, Missouri, Ohio, South Carolina, and Wisconsin. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. The purpose of this republication is to include Illinois, Kentucky, and Missouri in part (1) of application as destination States, inadvertently omitted from previous publication. If a hearing is vipusly publication. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or New York, N.Y.

No. MC 83539 (Sub-No. 316), filed June 23, 1971. Applicant: C & H TRANSPORTATION CO., INC., 1936–2010 West Commerce Street (Post Office Box 5976), Dallas, TX 75222. Applicant's representative: Thomas E. James (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Turbines, generators, or parts thereof*, also *air, liquid, or gas coolers, superheaters and weldments*, from Portland, Maine, to points in the United States (except Maine and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 86913 (Sub-No. 35), filed June 28, 1971. Applicant: EASTERN MOTOR LINES, INC., Post Office Box 649, Warrenton, NC 25789. Applicant's representative: Edward G. Villalon, 1032 Pennsylvania Building, Pennsylvania Avenue and 13th Street NW., Washington, DC 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Conduit and pipe, attachments, parts and fittings therefor*, from Rootstown Township, Portage County, Ohio, to points in North Carolina and South Carolina. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 87720 (Sub-No. 111), filed June 28, 1971. Applicant: BASS TRANSPORTATION CO., INC., Old Croton Road, Flemington, NJ 08822. Applicant's representative: Bert Collins, 140 Cedar Street, New York, NY 10006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Plastic articles*, from Nashua, N.H., to points in Ohio, Illinois, Indiana, and West Virginia; (2) *paper and paper articles*, from Newtown, Conn., to points in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, Ohio, and the District of Columbia; (3) *materials, supplies, and equipment* (other than bulk), from the above destinations to the described origins; and (4) *returned, rejected, and damaged shipments*, on return, under contract with Bemis Co., Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 87720 (Sub-No. 112), filed July 1, 1971. Applicant: BASS TRANSPORTATION CO., INC., Old Croton Road, Flemington, NJ 08822. Applicant's representative: Bert Collins, 140 Cedar Street, New York, NY 10006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Paper and paper articles*, together with *materials, supplies, and equipment*, used in connection with the manufacture, distribution of sale of the aforementioned articles, between Rigelwood, N.C., and Cape Fear Warehouse, Leland, N.C., Rigelsville, Milford, Warren Glen, Hughesville, N.J., on the one hand, and, on the other, points in Ohio, Illinois, Indiana, Michigan, Wisconsin, Kentucky, Tennessee, Missouri, Iowa, and Minnesota under contract with Riegel Paper Corp. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 88594 (Sub-No. 20), filed July 1, 1971. Applicant: CARLETON G. WHITAKER, INC., Route 17, Exit 84, Deposit, NY 13754. Applicant's representatives: Martin Werner and Norman Weiss, 2 West 45th Street, New York, NY 10036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such commodities* as are dealt in, or used by, a processor or distributor of dairy products (except in bulk), in vehicles equipped with mechanical refrigeration, between North Lawrence, N.Y., on the one hand, and, on the other, points in Pennsylvania, Maryland, Delaware, and Washington, D.C. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Applicant further states that no duplicating authority is sought. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., or Washington, D.C.

No. MC 95490 (Sub-No. 31), filed May 27, 1971. Applicant: UNION CARTAGE COMPANY, a corporation, 9A Southwest Cutoff, Worcester, MA 01604. Applicant's representative: Leonard A. Jaskiewicz, 1730 M Street NW., Suite 501, Washington, DC 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Malt beverages*, in containers, empty containers and related advertising materials, from Baltimore, Md., to Natick, Mass. NOTE: Applicant states that the requested authority can be tacked with its existing authority at Natick, Mass., to serve points in Massachusetts, New Hampshire, Vermont (except points in Windham County), and Maine. If a hearing is deemed necessary, applicant requests it be held at Boston, Mass., or Cleveland, Ohio.

No. MC 95540 (Sub-No. 811) (Correction), filed June 7, 1971, published in the FEDERAL REGISTER, issue of July 9, 1971, and republished as corrected this issue. Applicant: WATKINS MOTOR LINES., INC., 1120 West Griffin Road, Lakeland, FL 33801. Applicant's representative: Paul E. Weaver (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products, and meat byproducts* as described in sections A, B, and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, hides and skins), (a) from Beardstown, Ill.; Downs, Kans.; St. Joseph and Phelphs City, Mo.; Darr, Lexington, and Minden, Nebr.; Sioux Falls and Madison, S. Dak.; Madison, Wis.; and points in Iowa to points in Louisiana and Mississippi, (b) from Omaha, Nebr., to points in Louisiana, and (c) from Sioux Falls and Madison, S. Dak.; Madison, Wis., and Austin, Minn., to points in Florida. NOTE: Applicant states it presently holds the authority described in (a), (b), and (c) above by tacking portions of its existing authority at Humbolt or Union City, Tex., and the purpose of the instant application is to eliminate these tacking points on traf-

fic applicant is already handling via somewhat a circuitous route and handle these shipments on a direct basis. Common control may be involved. The purpose of this republication is to add Iowa to the origin point in (a) above. If a hearing is deemed necessary, applicant requests it be held at Atlanta, Ga.

No. MC 95540 (Sub-No. 814), filed June 25, 1971. Applicant: WATKINS MOTOR LINES, INC., 1120 West Griffin Road, Lakeland, FL 33801. Applicant's representative: Paul E. Weaver (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (a) *Foodstuffs*, in vehicles equipped with mechanical refrigeration (except in bulk), from points in Texas to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, Vermont, West Virginia, and the District of Columbia, and (b) *foodstuffs*, in vehicles equipped with mechanical refrigeration (except in bulk and meats, meat products, meat byproducts, and articles distributed by meat packinghouses, as described in sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766) from points in Texas to points in Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee. NOTE: Common control may be involved. Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Dallas and San Antonio, Tex.

No. MC 99208 (Sub-No. 9), filed June 30, 1971. Applicant: SKYLINE TRANSPORTATION, INC., Post Office Box 3569, 131 Quincy Avenue, Knoxville, TN 37917. Applicant's representative: Blaine Buchanan, 1024 James Building, Chattanooga, Tenn. 37402. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment because of size or weight); *Route 1:* Between Williamsburg, Ky., and Lexington, Ky. From Williamsburg, Ky., over U.S. Highway 25W to junction of U.S. Highways 25 and 25–E, near and north of Corbin, Ky., thence over U.S. Highway 25 to Lexington, Ky., and return over the same route serving all intermediate points. *Route 2:* Between junction Interstate Highway I–75 and U.S. Highway 25W in Tennessee at or near Jellico, Kentucky-Tennessee, and Lexington, Ky. From junction in Tennessee of Interstate Highway I–75 and U.S. Highway 25W at or near Jellico, Kentucky-Tennessee, over Interstate Highway I–75 to Lexington, Ky., and return over the same route serving all intermediate points. These routes to be tacked or joined to routes authorized in MC 99208 and Sub numbers for through operations. NOTE: Applicant states no duplicate authority sought. If a hearing is deemed necessary, applicant requests it be held at Knoxville, Tenn., or Lexington, Ky.

No. MC 101474 (Sub-No. 17), filed July 7, 1971. Applicant: RED TOP TRUCKING COMPANY, INCORPORATED, 7020 Cline Avenue, Hammond, IN 46323. Applicant's representative: Robert E. Joyner, 2111 Sterick Building, Memphis, Tenn. 38103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) (1) *Rail car moving equipment;* (2) *overhead material handling equipment;* (3) *foundry and steel melting equipment;* (4) *railroad maintenance and operational equipment;* (5) *evaporators, crystallizers, filters, centrifuges, pulpwashers, and spray or rotary dryers;* and (6) *parts and accessories for items described in (1) through (5) above,* (B) (1) between the plantsite of the Whiting Corp. at Harvey, Ill., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii); and (2) between the plantsite of the Whiting Corp. at Attalla, Ala., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 103993 (Sub-No. 643), filed July 2, 1971. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, IN 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, and *buildings* on undercarriages, from points in Davie County, N.C., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Charlotte, N.C.

No. MC 103993 (Sub-No. 644), filed July 4, 1971. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, IN 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, and *buildings* and sections of buildings, mounted on undercarriages, from Alamance County, N.C., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Greensboro, N.C.

No. MC 103993 (Sub-No. 645), filed July 8, 1971. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, IN 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles in initial movements, from Benton County, Ark., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark.

No. MC 104210 (Sub-No. 66), filed June 24, 1971. Applicant: THE TRANSPORT COMPANY, INC., 5505 Agnes, Post Office Box 151, Corpus Christi, TX 78403. Applicant's representative: E. C. Dodds, (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal fat*, in bulk, in tank vehicles, from Amarillo, Tex., to Clayton, N. Mex. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Amarillo, Tex., or Fort Worth, Tex.

No. MC 105566 (Sub-No. 37), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, from Nashville, Tenn., to points in California, Oregon, Washington, Colorado, Utah, Wyoming, and Arizona. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn., or Washington, D.C.

No. MC 105566 (Sub-No. 38), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, from points in Weakley County, Tenn., to points in Oregon, Washington, Utah, California, Nevada, Idaho, Montana, Arizona, Texas Louisiana, Mississippi, and New Mexico. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Chicago, Ill.

No. MC 105566 (Sub-No. 40), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, also 1507 Independence, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA

22202. Authority sought to operate as a *common carrier*, by motor vehicle, over routes, transporting: *Printed matter*, from Kingsport and New Canton, Tenn., to points in Washington, Oregon, California, Arizona, New Mexico, and Texas. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Nashville, Tenn.

No. MC 105566 (Sub-No. 41), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, 1507 Independence, Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, from Glasgow, Ky., to points in Washington, Oregon, Arizona, Nevada, and Utah. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 105566 (Sub-No. 42), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, 1507 Independence, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, from Glasgow, Ky., to points in Texas. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 105566 (Sub-No. 43), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, between Chicago, Ill., and points in Weakley County, Tex. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Chicago, Ill.

No. MC 105566 (Sub-No. 44), filed June 28, 1971. Applicant: SAM TANKSLEY TRUCKING, INC., Post Office Box 1119, Cape Girardeau, MO 63701. Applicant's representative: Thomas F. Kilroy, 2111 Jefferson Davis Highway, Arlington, VA 22202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Printed matter*, from Troy, Mo., to points in California. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 106398 (Sub-No. 548), filed June 25, 1971. Applicant: NATIONAL TRAILER CONVOY, INC., 1925 National Plaza, Tulsa, Okla. 74151. Applicant's representatives: Irvin Tull (same address as applicant) and Leonard A. Jaskiewicz, 1730 M Street NW., Washington, DC 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles, in initial movements, from points in Rutherford County, N.C., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Dual operations and common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Charlotte, N.C.

No. MC 106644 (Sub-No. 121), filed July 5, 1971. Applicant: SUPERIOR TRUCKING COMPANY, INC., 2770 Peyton Road NW., Post Office Box 916, Atlanta, GA 30301. Applicant's representative: Darrell D. Hodges (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Antipollution systems, equipment, and parts; liquid cooling and vapor condensing systems, equipment, and parts; environmental control and protective systems, equipment, and parts; equipment, materials, and supplies* used in the construction or installation of antipollution and environmental control and protective systems and liquid cooling and vapor condensing systems; (2) *asphalt mixing machinery, storage systems, storage silos, surge systems, control centers, heaters, and equipment, parts, materials, and supplies* used in construction or installation of said commodities; and (3) *fabricated steel tanks, dye machines, steamers, and parts and accessories* used in the installation thereof, between points in Tennessee on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: Common control and dual operations may be involved. Applicant states that the requested authority may be tacked with its existing authority to perform transportation of size and weight commodities between various States and States in the Eastern United States. If a hearing is deemed necessary, applicant requests it be held at Chattanooga, or Nashville, Tenn.

No. MC 107403 (Sub-No. 815) (Correction), filed June 7, 1971, published in the FEDERAL REGISTER issue of July 1, 1971, and republished as corrected this issue. Applicant: MATLACK, INC., 10 West Baltimore Avenue, Lansdowne, PA 19050. Applicant's representatives: John E. Nelson (same address as above) and Harry C. Ames, Jr., 666 11th Street NW., Washington, DC 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry corn products*, in bulk, having prior movement by rail, from North Bergen, N.J., to points in Delaware, Connecticut, Maryland, Pennsylvania, and New York. NOTE: Applicant states that the requested authority can be tacked with its existing authority, but indicates that it has no present intention to tack, and therefore does not identify the points or territories which can be served throughout tacking. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. Common control may be involved. The purpose of this republication is to show North Bergen, N.J. as the origin point in lieu of North Bergen, N.H., erroneously shown in previous publication. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 107406 (Sub-No. 815), filed June 30, 1971. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua Way at Third, Post Office Box 855, Des Moines, IO 50304. Applicant's representative: H. L. Fabritz (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Soybean products and blends*, dry, in bulk, from Cedar Rapids, Iowa, to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority can be tacked with its existing authority, but indicates that it has no present intention to tack, and therefore does not identify the points or territories which can be served through tacking. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn., or Chicago, Ill.

No. MC 108449 (Sub-No. 329), filed June 25, 1971. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, MN 55113. Applicant's representatives: W. A. Myllenbeck (same address as applicant) and Adolph J. Bieberstein, 121 West Doty Street, Madison, WI 53703. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Aluminum oxide*, in bulk, from St. Paul, Minn., to Prairie Du Chien, Wis. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 108676 (Sub-No. 41), filed July 1, 1971. Applicant: A. J. METLER HAULING AND RIGGING, INC., 117 Chicamauga Avenue NE., Knoxville, TN 37917. Applicant's representative: A. A. Metler (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel articles*, between the plantsite and storage facilities of Sheffield Southern Steel Corp., Loudon County, Tenn., and points

in Georgia, South Carolina, North Carolina, Tennessee, Alabama, Mississippi, Virginia, and Kentucky. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Knoxville or Chattanooga, Tenn.

No. MC 11045 (Sub-No. 85), filed July 6, 1971. Applicant: REDWING CARRIERS, INC., Post Office Box 426, Tampa, FL 33601. Applicant's representatives: J. V. McCoy (same address as applicant) and Lewis H. Hill, Jr., First National Bank Building, Tampa, Fla. 33602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, in cargo containers mounted or not mounted and *empty cargo containers* mounted or not mounted (1) between points in Broward, Dade, Duval, and Hillsborough Counties, Fla., on the one hand, and, on the other, points in Florida, and (2) between St. Mary's, Ga., on the one hand, and, on the other, points in Florida and Georgia, restricted to traffic having a prior or subsequent movement by water. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Miami or Tampa, Fla.

No. MC 111625 (Sub-No. 16), filed July 12, 1971. Applicant: BERMAN'S MOTOR EXPRESS, INC., Post Office Box 1209, Binghamton, NY 13902. Applicant's representatives: Martin Werner and Norman Weiss, 2 West 45th Street, New York, NY 10036. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Elmira, N.Y., and Pittsburgh, Pa., (1) from Elmira over New York Highway 17 to its junction with U.S. Highway 15 (or from Elmira over New York Highway 14 to its junction with New York Highway 17, thence over New York Highway 17 to its junction with U.S. Highway 15; or from Elmira over New York Highway 17E or New York Highway 352 to its junction with New York Highway 17, thence over New York Highway 17 to its junction with U.S. Highway 15) thence over U.S. Highway 15 to Williamsport, Pa., thence over U.S. Highway 220 to Hollidaysburg, Pa., thence over U.S. Highway 22 to Pittsburgh, and return over the same routes to Elmira, and (2) from Elmira to junction of New York Highway 17 and U.S. Highway 15, as specified above, thence over U.S. Highway 15 to Williamsport, Pa., thence over U.S. Highway 220 to Hollidaysburg, Pa., thence over U.S. Highway 22 to junction U.S. Highway 219, thence over U.S. Highway 219 to junction Pennsylvania Highway 56, thence over Pennsylvania Highway 56 via Johnstown to junction U.S. Highway 22, thence over U.S. Highway 22 to Pittsburgh, and return over the same routes to Elmira, serving all intermediate points and all off-route points in Allegheny, Armstrong, Beaver, Blair, Butler, Cambria, Fayette, Greene, Indiana, Lawrence, Lycoming, Somerset, Washington, and Westmoreland Counties, Pa. NOTE: Applicant states no duplicating authority sought. If a hearing is deemed necessary, applicant requests it be held at Binghamton, N.Y., or Boston, Mass.

No. MC 111672 (Sub-No. 5), filed June 24, 1971. Applicant: R & M TRUCK LINE, INC., Post Office Box 198, Oskaloosa, IA 52577. Applicant's representative: Larry D. Knox, 900 Hubbell Building, Des Moines, Iowa. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Nitro-carbonitrate*, from Oskaloosa, Iowa, to points in Minnesota, Wisconsin, and Illinois. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa, or Omaha, Nebr.

No. MC 112696 (Sub-No. 44), filed June 28, 1971. Applicant: HARTMANS, INCORPORATED, Post Office Box 898, Harrisonburg, VA 22801. Applicant's representative: Edward G. Villalon, 1032 Pennsylvania Building, Pennsylvania Avenue and 13th Street NW., Washington, DC 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Flour, bakery goods mix, icing powder and frosting mix*, from Chelsea, Mich., to points in Connecticut, Maine, Maryland, Massachusetts, New Hampshire, Rhode Island, Virginia, and the District of Columbia. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 112801 (Sub-No. 127), filed June 30, 1971. Applicant: TRANSPORT SERVICE CO., a corporation, Post Office Box 50272, Chicago, IL 60650. Applicant's representative: Robert H. Levy, 29 South La Salle Street, Chicago, IL 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Corn products*, in bulk, from the plantsites and warehouse facilities of CPC International, Inc., at Chicago and Pekin, Ill., to points in Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska New Jersey, New York, Ohio, Pennsylvania, West Virginia, and Wisconsin. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 112989 (Sub-No. 17), filed June 22, 1971. Applicant: WEST COAST TRUCK LINES, INC., Post Office Box 668, Coos Bay, OR 97420. Applicant's representative: John G. McLaughlin, 726 Blue Cross Building, Portland, Oreg. 97201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt and salt products, and materials and supplies* used in the agricultural, water treatment, food processing, wholesale grocery, and institutional supply industries, in mixed loads with salt and salt products, from points in Alameda County, Calif., to points in Oregon and Washington. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif.

No. MC 113434 (Sub-No. 46), filed June 14, 1971. Applicant: GRA-BELL TRUCK LINE, INC., 679 Lincoln Avenue, Holland, MI 49423. Applicant's representative: Wilhelmina Boersma, 1600 First Federal Building, Detroit, Mich. 48226. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paint and varnish, both dry and liquid, in drums, bags and cartons, paint material, chemicals of various types used in the manufacture of paint and varnish, dyes, and similar materials, supplies, raw materials, small machinery, and plant equipment*, between Huntington, W. Va., and Holland, Mich. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Detroit, Mich., Chicago, Ill., or Washington, D.C.

No. MC 113459 (Sub-No. 67), filed July 5, 1971. Applicant: H. J. JEFFRIES TRUCK LINES, INC., Post Office Box 94850, Oklahoma City, OK 73109. Applicant's representative: James W. Hightower, 136 Wynnewood Professional Building, Dallas, Tex. 75224. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Agricultural tractors, implements, and parts and attachments* when moving in mixed loads with tractors and implements, from Dallas, Houston, and Galveston, Tex., to points in Arkansas, Louisiana, Missouri, Oklahoma, New Mexico, and Texas. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Dallas or Fort Worth, Tex.

No. MC 113855 (Sub-No. 244), filed June 25, 1971. Applicant: INTERNATIONAL TRANSPORT, INC., 2450 Marion Road, SE., Rochester, MN 55901. Applicant's representative: Van Osdel, 502 First National Bank Building, Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) (a) *Tractors* (except those with vehicle beds, bed frames and fifth wheels); (b) *equipment* designed for use in conjunction with tractors; (c) *agricultural, industrial, and construction machinery and equipment;* (d) *trailers* designed for the transportation of the above-described Commodities (except those trailers designed to be drawn by passenger automobiles); (e) *attachments* for the above-described commodities; (f) *internal combustion engines;* and (g) *parts* of the above-described com-

modities when moving in mixed loads with such commodities. From the plants, warehouse sites, and experimental farms of Deere & Co. in Blackhawk, Dubuque, Polk, and Wapello Counties, Iowa, to points in Minnesota, North Dakota, and South Dakota; and (2) Returned shipments of the above specified commodities. Restriction: Restricted in (1) above to the transportation of traffic originating at the plantsites, warehouse sites, and experimental farms of Deere & Co. and in (2) above to the transportation of traffic destined to said facilities. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 114004 (Sub-No. 104), filed July 6 1971. Applicant: CHANDLER TRAILER CONVOY, INC., 8828 New Benton Highway, Little Rock, AR 72209. Applicant's representative: W. G. Chandler (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles, in initial movements and *buildings*, in sections, mounted on undercarriages, in initial movements, from points in Franklin County, N.C., and Natchitoches County, La., to points in the United States including Alaska, but excluding Hawaii. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Birmingham, Ala.

No. MC 114004 (Sub-No. 105), filed July 6, 1971. Applicant: CHANDLER TRAILER CONVOY, INC., 8828 New Benton Highway, Little Rock, AR 72209. Applicant's representative: W. G. Chandler (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles, in initial movements, and *buildings*, in sections, mounted on undercarriages, in initial movements, from points in McDonald County, Mo., and McLennan County, Tex., to points in the United States, including Alaska (excluding Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark.

No. MC 114284 (Sub-No. 52), filed June 21, 1971. Applicant: FOX-SMYTHE TRANSPORTATION CO., a corporation, Post Office Box 82307, Stockyards Station, Oklahoma City, OK. Applicant's representative: John E. Jandera, 641 Harrison Street, Topeka, KS 66603. 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 sections A, B, and C of appendix I to the report in *Description in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 and *foodstuffs*, when being transported with the above commodities (except commodities in bulk, in tank vehicles, and hides), from the plant and/or storage facilities of Wilson Certified Foods, Inc., at or near Oklahoma City, Okla., to points in Colorado, Kansas, Nebraska, Louisiana, and Texas, restricted to traffic originating at the plantsite and/or storage facilities of Wilson Certified Foods, Inc., at or near Oklahoma City, Okla., and destined to the above-named States. NOTE: If a hearing is deemed necessary, applicant requests it be held at Oklahoma City, Okla.

No. MC 114969 (Sub-No. 43), filed June 25, 1971. Applicant: PROPANE TRANSPORT, INC., 1734 State Route 131, Post Office Box 232, Milford, OH 45150. Applicant's representatives: James R. Stiverson and Edwin H. van Deusen, 50 West Broad Street, Columbus, OH 43215. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquefied petroleum gas*, from St. Clair, Mich., to points in Indiana and Ohio. NOTE: Applicant states that the requested authority can be tacked with its existing authority, but indicates that it has no present intention to tack and therefore does not identify the points or territories which can be served through tacking. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 115180 (Sub-No. 76), filed July 7, 1971. Applicant: ONLEY REFRIGERATED TRANSPORTATION, INC., 265 West 14th Street, New York, NY 10011. Applicant's representative: George A. Olsen, 69 Tonnele Avenue, Jersey City, NJ 07306. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses*, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles, and hides), from the plantsite and storage facilities of Missouri Beef Packers, Inc., at Phelps City, Mo., to points in Maine, Vermont, Rhode Island, New Hampshire, Massachusetts, Connecticut, New York, and Washington, D.C., restricted to traffic originating at the plantsite of Missouri Beef Packers, Inc., Phelps City, Mo. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 115331 (Sub-No. 310) (Amendment), filed May 10, 1971, published in the FEDERAL REGISTER issue of May 27, 1971, and republished as amended this issue. Applicant: TRUCK TRANSPORT, INCORPORATED, 1931 North Geyer Road, St. Louis, MO 63131. Applicant's representative: J. R. Ferris, 230 St. Clair Avenue, East St. Louis, IL 62201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Meats*, cooked, cured, or preserved, with or without vegetable, milk, egg, or fruit ingredients, other than frozen, from Fort Madison, Iowa, to points in Missouri, Minnesota, Illinois, and Tennessee, and (2) *meats, meat products, meat byproducts* as encompassed in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from points in Illinois, Missouri, and Minnesota to Fort Madison, Iowa. The purpose of this republication is to add the destination State of Minnesota in (1) above, and to reflect (2) above. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.; Chicago, Ill., or Des Moines, Iowa.

No. MC 115840 (Sub-No. 67), filed June 23, 1971. Applicant: COLONIAL FAST FREIGHT LINES, INC., 1215 West Bankhead Highway, Post Office Box 10327, Birmingham, AL 35202. Applicant's representative: C. E. Wesley (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Machinery, equipment, materials, and supplies* used in air, water and sewage systems and installations, between points in Alabama, on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority can be tacked with the authority under MC 115840, wherein applicant is authorized to serve Birmingham, Ala., and points within 10 miles thereof, on the one hand, and, on the other, points in Georgia, Tennessee, Mississippi, and points in Louisiana east of the Mississippi River. Common control may be involved. If a hearing is deemed necessary, applicant does not specify a location.

No. MC 116077 (Sub-No. 309) (Amendment), filed May 3, 1971, published in the FEDERAL REGISTER, issues of May 27 and June 24, 1971, and republished as amended this issue. Applicant: ROBERTSON TANK LINES, INC., 2000 West Loop South, Suite 1800, Houston, TX 77001. Applicant's representative: Pat H. Robertson, Suite 401, First National Life Building, Austin, Tex. 78701. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sugar*, dry, in bulk, from points in Louisiana to points in Alabama, Mississippi, Louisiana, Texas, Arkansas, and Tennessee. NOTE: Applicant states that the authority sought can be tacked with other authorities in MC 116077 to authorize service to points in Kentucky. Applicant seeks no duplicating authority. The purpose of this republication is to redescribe the authority sought. If a hearing is deemed necessary, applicant requests it be held at New Orleans, La., or Houston Tex.

No. MC 116273 (Sub-No. 144), filed July 5, 1971. Applicant: D & L TRANSPORT, INC., 3800 South Laramie Avenue, Cicero, IL 60650. Applicant's representative: William R. Lavery (same address as applicant). Authority

sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Hydrogen gas*, in bulk, in tank vehicles, from Middletown, Ohio, to points in Illinois. NOTE: Applicant states that the requested authority can be tacked with its existing authority but indicates that it has no present intention to tack and therefore does not identify the territories which can be served through tacking. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 117574 (Sub-No. 206), filed June 28, 1971. Applicant: DAILY EXPRESS, INC., Post Office Box 39, Carlisle, PA 17013. Applicant's representatives: D. E. Lutz (same address as applicant) and James W. Hagar, 100 Pine Street, Post Office Box 1166, Harrisburg, PA 17108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Boards* made from wood using wood chips, wood shavings, or wood fiber, alone or in combination; with or without added binder; with surface unfinished or finished with decorative or protective materials and with or without accessories and supplies used in the installation and/or application thereof, from points in Nash County, N.C., to points in Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Vermont, West Virginia, and Wisconsin; and (2) *materials, equipment, and supplies* used in the manufacture and distribution of the commodities described in (1) above, from points in the destination States named in (1) above to points in Nash County, N.C. NOTE: Applicant states that the authority sought herein can be tacked with existing authority, but indicates that it has no present intention to tack and therefore does not identify the points or territories which can be served through tacking. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 117574 (Sub-No. 207), filed July 2, 1971. Applicant: DAILY EXPRESS, INC., Post Office Box 39, Carlisle, PA 17013. Applicant's representatives: E. S. Moore, Jr. (same address as applicant) and James W. Hagar, 100 Pine Street, Post Office Box 1166, Harrisburg, PA 17108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Glass* packaged or unpackaged, which because of size or weight requires the use of special equipment; and (2) *glass*, packaged or unpackaged, which because of size or weight does not require the use of special equipment, when moving in the same shipment as the articles in (1) above, between Carleton, Mich., on the one hand, and, on the other, points in Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia. NOTE: Applicant states that the authority sought herein can be tacked with existing authority, but indicates that it has no present intention to tack and therefore does not identify the points or territories which can be served through tacking. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 117799 (Sub-No. 15), filed July 1, 1971. Applicant: BEST WAY FROZEN EXPRESS, INC., 3033 Excelsior Boulevard, Minneapolis, MN 55416. Applicant's representatives: Patrick M. Porritt (same address as applicant) and Andrew Clark, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Agriculture feed ingredients and feed supplements;* and (2) *commodities* the transportation of which falls within the partial exemption of section 203(B)(6) of the Interstate Commerce Act, when moving in mixed loads with (1) above, from Salinas, Calif., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Los Angeles or San Francisco, Calif.

No. MC 117815 (Sub-No. 173) (Amendment), filed April 26, 1971, published in the FEDERAL REGISTER, issue of May 13, 1971, and republished as amended, this issue. Applicant: PULLEY FREIGHT LINES, INC., 405 Southeast 20th Street, Des Moines, IA 50317. Applicant's representative: William L. Fairbank, 900 Hubbell Building, Des Moines, Iowa 50309. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Meats*, cooked, cured or preserved, with or without vegetable, milk, egg, or fruit ingredients (other than frozen), from the plantsite and storage facilities of Armour-Dial, Inc., at Fort Madison, Iowa, to points in Illinois, Minnesota, and Missouri; and (2) *meats, meat products, and meat byproducts and articles distributed by meat packinghouses*, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk), from points in Illinois, Indiana, Kansas, Minnesota, Missouri, Nebraska, and Wisconsin to the plantsite and storage facilities of Armour-Dial, Inc., at Fort Madison, Iowa. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. The purpose of this republication is to add (2) as set forth above. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 117851 (Sub-No. 8), filed June 30, 1971. Applicant: JOHN R. CHEESEMAN, 501 North First Street, Fort Recovery, OH 45846. Applicant's representative: Earl N. Merwin, 85 East Gay Street, Columbus, OH 43215. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, chemicals, dolomite, refractories, refractory products, lime, limestone products, and commodities requiring special equipment; (1) from points in Georgia, North Carolina, and South Carolina, to the plantsite of Fort Recovery Industries, Inc., in Recovery Township, Mercer County, Ohio; and (2) between the plantsite of Fort Recovery Industries, Inc., in Recovery Township, Mercer County, Ohio, on the one hand, and, on the other, points in Arizona, California, Colorado, District of Columbia, Delaware, Idaho, Kentucky, Louisiana, Maine, Maryland, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Utah, Vermont, Virginia, Washington, West Virginia, and Wyoming, under a continuing contract with Fort Recovery Industries, Inc., Fort Recovery, Ohio. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio, or Washington, D.C.

No. MC 117851 (Sub-No. 9), filed June 30, 1971. Applicant: JOHN R. CHEESEMAN, 501 North First Street, Fort Recovery, OH 45846. Applicant's representative: Earl N. Merwin, 85 East Gay Street, Columbus, OH 43215. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Plumbing supplies and materials*, (a) between Delphi and Kokomo, Ind., on the one hand, and, on the other, points in New Jersey and Pennsylvania, and (b) from Delphi and Kokomo, Ind., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Ohio, Rhode Island, Vermont, and the District of Columbia; (2) *brass ingot*, from points in New Jersey and Pennsylvania to Delphi, Ind.; and (3) *clay*, from points in Georgia and South Carolina to Kokomo, Ind., under a continuing contract with Gerber Plumbing Fixture Corporation of Chicago, Ill. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio, or Washington, D.C.

No. MC 119767 (Sub-No. 267) (Amendment), filed April 19, 1971, published in the FEDERAL REGISTER, issue of May 13, 1971, and republished as amended, this issue. Applicant: BEAVER TRANSPORT CO., a corporation, Post Office Box 188, Pleasant Prairie, WI 53158. Applicant's representative: Allan B. Torhorst (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Cooked, cured, and prepared meats*, with or without vegetable, milk, egg, or fruit ingredients (except frozen), from the plantsite and warehouse facilities of Armour-Dial, Inc., at Fort Madison, Iowa, to points in Minnesota and Ohio; and (2) *meat and packinghouse products*, from points in Indiana, Missouri, Minnesota, South Dakota, and Wisconsin to Fort Madison, Iowa. NOTE: Common control may be involved. Applicant states that the requested authority can be tacked to serve other destinations; however, tacking is not proposed to serve the shipper. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. The purpose of this republication is to add (2) as set forth above. If a hearing is deemed necessary, applicant requests it be held at Milwaukee, Wis.

No. MC 121525 (Sub-No. 5), filed June 28, 1971. Applicant: SNIDER TRUCKING SERVICE, INC., 110 East Fifth, Ritzville, WA 99169. Applicant's representative: Milton P. Sackmann, Post Office Box 497, Ritzville, WA 99169. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Dry fertilizer*, from points in Spokane, Franklin, and Benton Counties, Wash., to points in Montana, in and west of Petroleum, Phillips, Musselshells, Stillwater, and Carbon Counties; points in Idaho, in and north of Idaho County, and points in Oregon; and (2) *anhydrous ammonia*, from points in Franklin and Benton Counties, Wash., to points in Idaho, in and north of Idaho County and to points in Oregon, in and east of Hood River, Wasco, Jefferson, Deschutes, and Klamath Counties. NOTE: Common control may be involved. Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Spokane, Wash.

No. MC 123156 (Sub-No. 4), filed June 24, 1971. Applicant: RAND's TRANSPORT, INC., 11 North Hammond's Ferry Road, Linthicum, MD 21090. Applicant's representative: Walter T. Evans, 615 Perpetual Building, 1111 E Street NW., Washington, DC 20004. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Gasoline, kerosene, and medium fuel*, in bulk, in tank vehicles, from the pipeline terminal of B. P. Oil Co. at Finksburg, Md., to Gettysburg, Pa., restricted to transportation service to be performed under a continuing contract or contracts with Langdon Oil Co., Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Baltimore, Md.

No. MC 124211 (Sub-No. 191), filed June 29, 1971. Applicant: HILT TRUCK LINE, INC., Post Office Box 988 D.T.S., Omaha, NE 68101. Applicant's representative: Thomas L. Hilt (same address as applicant). 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 sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from Norfolk, Nebr., to points in Kentucky. NOTE: Applicant states that tacking is possible at Norfolk, Nebr., with existing authority in its Subs Nos. 36, 39, and 131, although not all tacking possibilities are practical due to circuity involved. Persons interested in the tacking possibilities are cautioned that failure to oppose the application may result in an unrestricted grant of authority. If a hearing is deemed necessary, applicant requests it be held at Omaha or Lincoln, Nebr.

No. MC 124947 (Sub-No. 11) (Amendment), filed May 5, 1971, published in the FEDERAL REGISTER, issue of May 27, 1971, and republished, as amended, this issue. Applicant: MACHINERY TRANSPORTS, INC., 617 Chicago Street, East Peoria, IL 61611. Applicant's representative: J. G. Dail, Jr., 1111 E Street NW., Washington, DC 20004. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Road construction, paving, and concrete finishing machinery, equipment, accessories, and attachments, motor graders, excavators, and sprayers*, between Oklahoma City, Okla., on the one hand, and, on the other, points in the United States (except Hawaii); (2) *hydraulic hammers, cutters, and portable power units*, between Denver, Colo., on the one hand, and, on the other, points in the United States (except Hawaii); (3) *grading, paving, and finishing machinery, equipment, parts, accessories, and attachments*, between Canton, S.D., on the one hand, and, on the other, points in the United States (except Hawaii); (4) *asphalt producing, storage, and heating systems and components and asphalt plant erection machinery and equipment*, between Chattanooga, Tenn., on the one hand, and, on the other, points in the United States (except Hawaii); (5) *concrete producing and storage plants systems and components and batching controls*, between Santa Clara, Calif., on the one hand, and, on the other, points in the United States (except Hawaii); and (6) *road construction machinery and equipment and parts, attachments, and accessories* therefor, between points in the United States (except Hawaii), restricted to traffic originating at or destined to the CMI Corp. NOTE: The purpose of this republication is to amend the application by including *machinery and equipment* under part (1) and the addition of part (6). The rest of the application remains as previously published. Applicant states if any of the involved commodities also qualify as "size-or-weight" commodities, limited tacking might be permitted from applicant's existing authority for the latter; however, tacking is not foreseen. Applicant further states no duplicating authority sought. If a hearing is deemed necessary, applicant requests it be held at Oklahoma City, Okla.

No. MC 125747 (Sub-No. 3), filed June 3, 1971. Applicant: ARNOLD SCHMITZ, INC., 1724 East Pioneer Road, Fond du Lac, WI 54935. Applicant's representative: William J. Nuss, 104 South Maine Street, Fond du Lac, WI 54935. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Ice cream and other products* of Borden, Inc., from dock of Borden, Inc., in West Allis, Wis., to dock of Borden, Inc., in Menominee County, Mich., under contract with Borden, Inc. NOTE: If a hearing is deemed necessary, applicant does not specify a location.

No. MC 126313 (Sub-No. 3), filed June 30, 1971. Applicant: BEAUCE EXPRESS, INC., Post Office Box 38, St. Georges, Beauce County, PQ Canada. Applicant's representative: Frank J. Weiner, 6 Beacon Street, Boston, MA 02108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sulphite and woodpulp*, from ports of entry on the international boundary line between the United States and Canada at or near Jackman and Coburn Gore, Maine, and Norton Mills, Derby Line, Troy, Richford, and Highgate Springs, Vt., to points in Maine, New Hampshire, and Vermont. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Augusta, Maine, or Boston, Mass.

No. MC 126328 (Sub-No. 5), filed May 28, 1971. Applicant: ACTON VALE MOTOR EXPRESS, LIMITED, 1193 Ricard Street, Acton Vale, PQ Canada. Applicant's representative: Edwin W. Free, Jr., 25 Keith Avenue, Barre, VT 05641. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Snowmobiles, snowmobile trailers*, all terrain vehicles, *seamobiles, parts, and accessories* therefor, and *snowmobile clothing*, including suits, boots, helmets and gloves, from ports of entry on the international boundary line between the United States and Canada to Albany and Horsehead, N.Y.; South Portland, Maine; Somerset, Pa.; Lansing, Mich.; Green Bay, Madison, Brillion, and De Pere, Wis.; New Hope, Minn.; Fargo, N. Dak.; Wichita, Kans.; Hamilton, Great Falls, and Belgrade, Mont.; Boise, Idaho.; Salt Lake City, Utah; Denver, Colo.; San Jose, Calif.; and Sparks, Nev.; and (2) damaged and rejected snowmobiles, snowmobile trailers, terrain vehicles, parts, and accessories therefor, and snowmobile clothing, including suits, boots, helmets, and gloves, tarpaulins, strapping, plywood, and pallets, from said cities in (1) above to ports

of entry on the international boundary line between the United States and Canada, under contract with Skiroule, Ltee. NOTE: If a hearing is deemed necessary applicant requests it be held at Montpelier and Burlington, Vt.

No. MC 126509 (Sub-No. 2), filed July 6, 1971. Applicant: GUY & FORTIN, INC., 42 Rue de l'Eglise, St. Pamphile, Cte. L'Islet, PQ Canada. Applicant's representative: Frank J. Weiner, 6 Beacon Street, Boston, MA 02108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, from ports of entry on the international boundary line between the United States and Canada located in Maine, New Hampshire, Vermont, and New York, to points in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, Ohio, Michigan, Illinois, Indiana, and the District of Columbia, restricted to traffic originating in L'Islet, Kamouraska, Temiscouata, Matane, and Mimouski Counties, Province of Quebec, Canada. NOTE: Common control may be involved. Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Augusta, Maine, or Boston, Mass.

No. MC 126999 (Sub-No. 3), filed June 14, 1971. Applicant: MATTHEW BERLETCH, JR., 62 Laipple Street, Bridgeport, OH 42912. Applicant's representative: D. L. Bennett, 129 Edgington Lane, Wheeling, WV 26003. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Carbonated nonalcoholic beverages and carbonated beverage flavoring syrup* in shipper's specially designed semitrailers, from Morgantown, W. Va., to Frostburg, Md., under contract with Beverages of West Virginia, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Pittsburgh, Pa.

No. MC 127028 (Sub-No. 9), filed July 6, 1971. Applicant: BREDEHOEFT PRODUCE COMPANY, INC., Decatur, Ark. 72722. Applicant's representative: Edward T. Lyons, Jr., 420 Denver Club Building, Denver, CO 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Feed ingredients;* (1) from the plantsite of Occidental Chemical Co. near White Springs, Fla., to points in Arkansas and Missouri; and (2) from the plantsite of Occidental Chemical Co. near Montpelier, Iowa, to points in Arkansas. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex., or Oklahoma City, Okla.

No. MC 127625 (Sub-No. 11), filed June 14, 1971. Applicant: SANTEE CEMENT CARRIERS, INC., Post Office Box 597, Holly Hill, SC 29059. Applicant's representative: Frank B. Hand, Jr., The Union Trust Building, 740 15th Street NW., Washington, DC 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Lumber*, from points in Orangeburg and Colleton Counties, S.C., to points in Pennsylvania, Maryland, Virginia, North Carolina, Ohio, West Virginia, Georgia, Kentucky, Tennessee, Florida, South Carolina, and Alabama; and (2) *hydrated lime*, in bags and bulk, from points in Orangeburg County, S.C., to points in North Carolina, Georgia, Tennessee, and South Carolina. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Columbia, S.C., or Washington, D.C.

No. MC 128648 (Sub-No. 7), filed June 21, 1971. Applicant: TRANS-UNITED, INC., 1226 West Chicago Avenue, East Chicago, IN 46312. Applicant's representative: William J. Lippman, 1819 H Street NW., Washington, DC 20006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (a) *Material handling and construction machinery and equipment* (except truck tractors), and *parts* of the above-named commodities described in (a) above; (1) between Mercer, Pa.; Torrance, Calif.; Montgomery, Ala.; Aurora, Ill.; Portland, Oreg.; Phoenix, Ariz.; Salt Lake City, Utah; Dallas and Houston, Tex.; Tulsa, Okla.; Topeka, Kans.; Cedar Rapids, Iowa; New Orleans, La.; Memphis, Tenn.; Defiance, Columbus, and Cleveland, Ohio; Atlanta, Ga.; Jacksonville and Tampa, Fla.; Boston, Mass.; Denver, Colo., and the storage and distribution facilities of the Pettibone Corp., at East Rutherford, N.J.; and (2) between the points described in (1) above, on the one hand, and, on the other, points in the United States (except Alaska and Hawaii), under contract with Pettibone Corp. NOTE: Applicant states that under its Sub 1 permit it presently holds authority to serve all of the points involved here. The purpose of this application is to modify the description in applicant's Sub-No. 1 permit to conform the commodity description recently granted by the Commission in applicant's Sub-No. 5 proceeding to serve the same shipper. The commodity description sought here is identical to that authorized in applicant's Sub-No. 5 proceeding. To the extent that the authority here sought would duplicate the authority in applicant's Sub-No. 1 permit, applicant is agreeable to the cancellation of the Sub-No. 1 permit if this application is granted in full. Applicant has pending under MC 133244 Sub 1 an application as a common carrier therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

No. MC 128750 (Sub-No. 5) (Amendment), filed April 13, 1971, published in the FEDERAL REGISTER, issue of May 6, 1971, amended and republished as amended, this issue. Applicant: PITT TRUCK, INC., Post Office Box 172, Augusta, IL 62311. Applicant's representative: Ronald N. Cobert, Suite 501, 1730 M Street NW., Washington, DC 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Meats*, cooked, cured, or preserved with or without vegetable, milk, egg, or fruit ingredients, N.O.I., other than frozen, from the plantsite of Armour-Dial, Inc., at or near Fort Madison, Iowa, to points in Illinois and Missouri; and (2) *meats, meat products, and meat byproducts* as described in sections A and B of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from points in Indiana, Missouri, and Illinois, to the plantsite of Armour-Dial, Inc., at or near Fort Madison, Iowa. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. The purpose of this republication is to broaden the scope of authority sought by adding (2) above. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 128762 (Sub-No. 6), filed June 21, 1971. Applicant: P. L. LAWTON, INC., Post Office Box 325, Berwick, PA 18603. Applicant's representative: John M. Musselman, 400 North Third Street, Harrisburg, PA 17108. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Building sections, panels, curtain wall units, doors and door frames, windows and window frames, molding and architectural shapes, and parts and accessories* for the above commodities, between the plantsites and other facilities of Kawneer Co., Ind., a division of American Metal Climax, Inc., located at Bloomsburg, Pa., Harrisonburg, Va., Jonesboro, Ga., Niles, Mich., Carlstadt, N.J., Carrollton, Ky., Chicago, Ill., Kansas City, Mo., Cleveland, Ohio, Medford, Mass., Miami, Fla., and Richmond, and Visalia, Calif., and from said plantsites and other facilities, under contract with Kawneer Co., Inc., a division of American Metal Climax, Inc., to points in the United States (except Alaska and Hawaii). To the extent that authority is granted herein, applicant requests cancellation of its authority in MC 128762 and of authority which may be granted in MC 128762 Sub 5 now pending before the Commission. NOTE: If a hearing is deemed necessary, applicant requests it be held at Harrisburg, Pa., or Washington, D. C.

No. MC 129039 (Sub-No. 6), filed June 24, 1971. Applicant: JACOBY TRANSPORT SYSTEM, INC., 4754 James Street, Philadelphia, PA 19137. Applicant's representative: Paul Ribner, 106 South 16th Street (Suite 450), Philadelphia, PA 19102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Ice cream*, in packages and cartons, from the plantsites of the Dolly Madison Ice Cream Co., Inc., in Philadelphia, Pa., to points in Massachusetts and Rhode Island; and (2) *materials and food products* (except in bulk in tank vehicles) used in the manufacture of ice cream and *cartons* used in the packaging of ice cream, from points in Massachu-

setts and Rhode Island to the plantsites of Dolly Madison Ice Cream Co., Inc., in Philadelphia, Pa. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 129107 (Sub-No. 5) (Amendment), filed March 22, 1971, published in the FEDERAL REGISTER, issue of April 15, 1971, and republished as amended, this issue. Applicant: R. H. HARDING CO., INC., 100 Centre Drive, Rochester, NY 14623. Applicant's representative: Raymond A. Richards, 23 West Main Street, Webster, NY 14580. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used automobiles*, in secondary movements, in truckaway service, (1) between Rochester, N.Y., on the one hand, and, on the other, Gibsonia and Corry, Pa., and (2) from Manheim, Pa., and Bordentown, N.J., to Rochester, N.Y., restricted against the handling of shipments (1) for automobile manufacturers, (2) having an immediately prior or subsequent movement by rail, or (3) moving on Government bills of lading, and further restricted against tacking with any other authority held by applicant, or interlining with any other carrier, for through movements to other destinations. NOTE: The purpose of this republication is to redescribe the territory sought. If a hearing is deemed necessary, applicant requests it be held at Rochester, N.Y.

No. MC 129166 (Sub-No. 1), filed June 18, 1971. Applicant: RED WING TRANSPORTATION CORPORATION, Route 3, Highway 61, Red Wing, MN 55066. Applicant's representative: Donald B. Taylor, 701 North First Street, Minneapolis, MN 55401. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Hides, pelts and skins, green, hog, cattle, pig, or sheet*, not further processed than stenciling, siding, or fleshing, from points in Minnesota located on and south of U.S. Highway 14 running from Minnesota-South Dakota State line to the Minnesota-Wisconsin State line; Nebraska and South Dakota to Sioux City, Iowa, under contract with S. B. Foot Tanning Co., and Phillips & Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Sioux City, Iowa, or Omaha, Nebr.

No. MC 129341 (Sub-No. 2), filed June 24, 1971. Applicant: SYL-AR TRUCKING, INC., Post Office Box 147, Cleveland, WI 53015. Applicant's representative: Edward Solie, Executive Building, Suite 100, 4513 Vernon Boulevard, Madison, WI 53705. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Malt beverages, carbonated beverages, and related advertising materials, premiums, and malt beverage dispenser equipment* in mixed loads with malt or carbonated beverages, from points in the Minneapolis-St. Paul, Minn., commercial zone, as defined by the Commision, to Sheboygan, Wis., limited to a transportation service performed under a continuing contract, or contracts, with Larry's Distributing Co., Inc., Sheboygan, Wis. NOTE: Applicant states that it now provides a contract carrier service for the specified shipper, Larry's Distributing Co., Inc., Sheboygan, Wis., transporting malt beverages and related advertising materials, premiums, and malt beverage dispensing equipment in mixed loads with malt beverages, from St. Louis, Mo., to Sheboygan, Wis., as authorized in its permit No. MC 129341 issued on January 19, 1971. This application filed to extend such contract carrier operations for said shipper. If a hearing is deemed necessary, applicant requests it be held at Madison, Wis.

No. MC 129645 (Sub-No. 37), filed June 21, 1971. Applicant: BASIL J. SMEESTER AND JOSEPH G. SMEESTER, a partnership, doing business as SMEESTER BROTHERS TRUCKING, 1330 South Jackson Street, Iron Mountain, MI 49801. Applicant's representative: Louis J. Amato, Post Office Box E, Bowling Green, KY 42101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Particle board, hardboard, plywood, composition board, and moldings;* and (2) *materials, supplies, and accessories* used in the installation of the commodities in (1) above, from the plant and warehouse sites of Pan American Gyro-Tex Co., at or near Franklin Park, Ill., to points in Alabama, Arkansas, Connecticut, Delaware, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 129680 (Sub-No. 2), filed June 25, 1971. Applicant: FRANK H. MORRIS, doing business as MORRIS TRANSPORTATION, 188 Broad Street, Wethersfield, CT 06109. Applicant's representative: Thomas W. Murrett, 342 North Main Street, West Hartford, CT 06117. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Fish meal*, in bags; (1) from Gloucester, Mass., to Franklin, Manchester, and Montville, Conn.; West Warwick, R.I.; and points in New York and Pennsylvania on and east of Interstate Highway 81, under a continuing contract with H. J. Baker & Bro., at New York, N.Y.; (2) from Gloucester, Mass., to points in New York and Pennsylvania on and east of Interstate Highway 81, under a continuing contract or contracts with BFS Corp., at Boston, Mass. NOTE: If a hearing is deemed necessary, applicant requests it be held at Hartford, Conn., Boston, Mass., or New York, N.Y.

No. MC 134110 (Sub-No. 1) (Amendment), filed March 8, 1971, published in the FEDERAL REGISTER issue of April 8, 1971, and republished in part, as amended, this issue. Applicant: ROBERT POWERS AND RONALD POWERS, a partnership, doing business as R & R POWERS, Box 7, Denham, IN 46925. Applicant's representative: Wm. L. Carney, 105 East Jennings Avenue, South Bend, IN 46614. NOTE: The sole purpose of this partial republication is to reflect a change in the tacking information as follows: "Applicant states that the authority sought herein to transport steel from North Judson, Ind., to Chicago, Ill., and Milwaukee, Wis., is to be tacked at North Judson with its presently held authority to provide a through service from Gadsden and Birmingham, Ala." The rest of the application remains as previously published.

No. MC 134631 (Sub-No. 8), filed June 24, 1971. Applicant: SCHULTZ TRANSIT, INC., Post Office Box 503, Winona, Minn. 55987. Applicant's representative: Val M. Higgins, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, in containers, from Arcadia, Wis., to points in Alabama, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, North Dakota, Ohio, Pennsylvania, South Carolina, South Dakota, Virginia, Wisconsin, and the District of Columbia, under contract with Ashley Furniture Corp. NOTE: Applicant now holds common carrier authority under its No. MC 118202 and subs, therefore dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 134734 (Sub-No. 1), filed June 21, 1971. Applicant: NATIONAL TRANSPORTATION, INC., Post Office Box 31, Norfolk, NE 68701. Applicant's representative: Duane W. Acklie, 521 South 14th Street, Post Office Box 80806, Lincoln, NE 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Meats, packinghouse products, and commodities used by packinghouses*, between points in Dawson County, Nebr., and Lincoln, Nebr., on the one hand, and, on the other, points in Iowa, Kansas, Michigan, Nebraska, Wisconsin, Illinois, Ohio, Kentucky, Colorado, Indiana, Missouri, South Dakota, and Minnesota, under continuing contract with National Foods, Inc., and its subsidiaries, Midwestern Beef, Inc., Prairie Maid Meat Products, and Platte Valley Packing Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Lincoln, Nebr.

No. MC 134856 (Sub-No. 2), filed March 17, 1971. Applicant: STANFORD NORRIS, 1744 Northwest Estelle Avenue, Roseburg, OR 97470. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transport-

ing: *Wooden box cleats*, from the plantsite of Poteet Wood Products, near Roseburg, Oreg., to El Dorado, Calif. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg.

No. MC 134859 (Sub-No. 4), filed June 30, 1971. Applicant: DONALD RUSSELL, doing business as FRANK RUSSELL & SON, 401 South Ida Street, West Frankfort, IL 62896. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Magnetite*, in bulk, from site of Meramec Mining Co., near Sullivan, Mo., to plantsite of Superior Steel Ball Co., Inc., Washington, Ind., under contract with Superior Steel Ball Co., Inc. NOTE: Applicant holds common carrier authority under MC 13845, therefore common control may be involved. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Springfield, Ill.

No. MC 134895 (Sub-No. 1), filed May 10, 1971. Applicant: SANTA MARIA VAN & STORAGE, INC., 619 South Oakley, Santa Maria, CA 93454. Applicant's representative: Robert J. Gallagher, 1776 Broadway, New York, NY 10019. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used household goods*, between points in Santa Barbara, Ventura, Los Angeles, San Luis Obispo, Monterey, and San Benito Counties, Calif. Restriction: The service sought herein is restricted to the transportation of traffic having a prior or subsequent movement, in containers, beyond the points authorized and further restricted to the performance of pickup and delivery service in connection with packing crating, and containerization, or unpacking, uncrating, and decontainerization of such traffic. NOTE: Applicant states that no duplicating authority is sought. If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif.

No. MC 135117 (Sub-No. 3), filed June 1, 1971. Applicant: SPECIALIZED HAULING, INC., 1500 Omaha Street, Sioux City, IA 51103. Applicant's representative: Richard P. Sulzbach (same address as applicant). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Hides, pelts, and skins*, green, hog, cattle, pig, or sheep, not further processed then stenciling, siding, or fleshing; (1) from points in Minnesota on and south of U.S. Highway 14 extending from Minnesota-South Dakota State line to the Minnesota-Wisconsin State line; (2) from points in Nebraska and South Dakota to Sioux City, Iowa; and (3) from Sioux City, Iowa, to Red Wing, Minn., under contract with S. B. Foot Tanning Co., Needham Packing Co., Inc. and Phillips & Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Sioux City, Iowa, or Omaha, Nebr.

No. MC 135185 (Sub-No. 6), filed June 17, 1971. Applicant: COLUMBINE CARRIERS, INC., 4971 South Emporia, Englewood, CO 80110. Applicant's representative: David R. Parker, 605 South 14th Street, Post Office Box 82028, Lincoln, NE 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts and articles distributed by meat packinghouses* as defined in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from the plantsite and storage facilities of Missouri Beef Packers, Inc., at or near Phelps City, Mo., to points in Maine, New Hampshire, Vermont, Connecticut, Massachusetts, Rhode Island, New York, Pennsylvania, New Jersey, Maryland, Delaware, Virginia, West Virginia, and the District of Columbia, under contract with Missouri Beef Packers, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Fort Worth, Tex., or Oklahoma City, Okla.

No. MC 135220 (Sub-No. 1), filed June 25, 1971. Applicant: MORRIS MILLER, 288 Maple Street, Cassadaga, NY 14718. Applicant's representative: William J. Hirsch, Suite 444, 35 Court Street, Buffalo, NY 14202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Malt beverages*, from points in Michigan to points in Pennsylvania, and *returned shipments, and empty malt beverage containers*, from points in Pennsylvania to points in Michigan; and (2) *malt beverages, and empty malt beverage containers*, between Buffalo, N.Y., and Toledo, Ohio. NOTE: If a hearing is deemed necessary, applicant requests it be held at Buffalo, N.Y.

No. MC 135250 (Sub-No. 1), filed July 2, 1971. Applicant: EMRICKS VAN & STORAGE CO., INC., 202 East Pine, Enid, OK 73701. Applicant's representative: Dean Williamson, 280 National Foundation Life Center, 3535 Northwest 58th, Oklahoma City, OK 73112. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used household goods*, between points in Garfield County, Okla., on the one hand, and, on the other, points in Grant, Alfalfa, Kay, Garfield, Noble, Major, Pawnee, Woodward, Harper, Osage, Woods and Washington Counties, Okla., restricted to transportation of traffic having a prior or subsequent movement, in containers, beyond the points authorized and further restricted to the performance of pickup and delivery service in connection with packing, crating, and containerization, or unpacking, uncrating, and decontainerization of such traffic. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Oklahoma City, Okla.

No. MC 135281 (Sub-No. 5), filed June 23, 1971. Applicant: RAYMOND LANGLEY, doing business as LANGLEY TRUCKING, Route No. 4, Post Office Box 61, Elizabethtown, KY 42701. Applicant's representative: George M. Catlett, 703–706 McClure Building, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Aluminum shot*, in bulk, in dump vehicles, from the site of the plant of the National Aluminum Corp. in Hancock County, Ky., to Cleveland, Ohio. NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Louisville, Ky., or Evansville, Ind.

No. MC 135348 (Sub-No. 2), filed May 3, 1971. Applicant: ELLIS B. WEBSTER, 400 East Fourth Street, Leadville, CO 80461. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lead, zinc, gold, and silver concentrates*, in bulk, from Black Cloud Mine, Iowa Gulch, Lake County, Colo., located approximately 6 miles southeast of Leadville, Colo., to the Denver and Rio Grande Railroad siding at Oro Junction, Leadville, Colo. NOTE: If a hearing is deemed necessary, applicant does not specify a location.

No. MC 135466 (Sub-No. 1), filed June 29, 1971. Applicant: ALL POINTS MOVING & STORAGE, INC., 5618–B Virginia Beach Boulevard, Norfolk, VA 23502. Applicant's representative: Alan F. Wohlstetter, 1700 K Street NW., Suite 301, Washington, DC 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used household goods*, between points in Norfolk, Newport News, Hampton, Virginia Beach, Williamsburg, Portsmouth, and Chesapeake, Va., and points in York, Isle of Wight, James City, Nansemond, Sussex, Surry, Prince George, Charles City, New Kent, Henrico, Southampton, Greensville, Essex, Gloucester, Mathews, Middlesex, King William, King and Queen, Accomack, Northampton, Richmond, Lancaster, and Northumberland Counties, Va., restricted to the transportation of traffic having a prior or subsequent movement, in containers, and further restricted to the performance of pickup and delivery service in connection with packing, crating, and containerization or unpacking, uncrating, and decontainerization of such traffic. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant does not specify a location.

No. MC 135590 (Sub-No. 2), filed June 21, 1971. Applicant: GOLD COAST TRUCKING & EXPRESS, INC., 278 Southwest 32 Court, Fort Lauderdale, FL 33315. Applicant's representative: Richard B. Austin, Post Office Box 7488, Miami, FL 33155. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transport-

ing: *Photographic supplies and electric equipment*, between points in Dade, Broward, and Palm Beach Counties, Fla. NOTE: If a hearing is deemed necessary, applicant requests it be held at Miami or Fort Lauderdale, Fla.

No. MC 135629 (Correction), filed May 20, 1971, published in the FEDERAL REGISTER, issue of June 10, 1971, and republished as corrected, this issue. Applicant: RAY KENDALL, doing business as KENDALL TRUCKING, 5191 Journal Street, Orlando, FL 30810. Applicant's representative: Richard J. Brooks, Post Office Box 1531, Tallahassee, FL 32302. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Tires*, used by motor driven or propelled vehicles, from Dayton, Toledo, and Akron, Ohio, and Cumberland, Md., to the warehouse or warehouses of El Dorado Tires, Inc., doing business as El Dorado Buyers Group, located in Orange County, Fla., with no return moves for compensation except as otherwise authorized; under contract with El Dorado Tires, Inc., doing business as El Dorado Buyers Group. NOTE: The purpose of this republication is to include the destination territory which was inadvertently omitted in the previous publication. If a hearing is deemed necessary, applicant requests it be held at Orlando, Fla.

No. MC 135722 (Sub-No. 1) (Correction), filed June 25, 1971, published FEDERAL REGISTER, issue of July 22, 1971, under MC 135740, and republished as corrected this issue. Applicant: D & H CONTRACT CARRIER, INC., 6020 Colfax, Lincoln, NE 68507. Applicant's representative: David R. Parker, 605 South 14th Street, Post Office Box 82028, Lincoln, NE 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Ammunition, ammunition components, shooting goods and accessories and component parts therefor, lead pellets, and reloading tools*, from Grand Island and Lincoln, Nebr., to points in the United States (except Alaska and Hawaii); and (2) *equipment, materials, and supplies* utilized in the manufacture, sale, and distribution of commodities specified in (1) above, on return, under contracts with Hornady Manufacturing Co., Pacific Tool Co., 3–D Co., Inc., Western Gun & Supply and Frontier Cartridge Co. NOTE: The purpose of this republication is to show the correct docket number assigned thereto, MC 135722 (Sub-No. 1) in lieu of No. MC 135740, which was in error.

No. MC 135726 (Sub-No. 1), filed July 7, 1971. Applicant: GUST HRONIS, doing business as LANGE TRUCKING SERVICE, Route 1, Box 176, West Bend, WI 53095. Applicant's representative: William L. Slover, 1224 17th Street NW., Washington, DC 20036. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Buffing or polishing compounds, including boat, floor, furniture or vehicle polish or wax; (2) cleaning, scouring, or washing compounds*, liquid or other than liquid; (3) *chemicals;* (4) *coatings*, wax, fruit or vegetable; (5) *compounds*, increasing, reducing, removing or thinning, paint, lacquer, or varnish; (6) *deodorants* or disinfectants, other than toilet preparations; (7) *dressing or blacking*, shoe, including shoe whitener (cleaner); (8) *electric floor polisher or scrubbers;* (9) *insecticides or insect repellents*, other than agricultural, or animal repellents; (10) *metal cutting, drawing or drilling lubricants*, or compounds, liquid of paste other than petroleum; (11) *mops, or mop parts;* (12) *varnishes;* (13) *plastics*, liquid and other than liquid; (14) *printed matter, paper or paperboard;* (15) *shaving cream;* (16) *sizing;* (17) *textile softeners;* (18) *liquid starch;* (19) *store display stands or racks;* and (20) *any other products* manufactured, sold or dealt in by S. C. Johnson and Son, Inc. (except in bulk or tank vehicles), under contract with S. C. Johnson and Son, Inc., between the plantsite of S. C. Johnson and Son, Inc., at Waxdale, Wis., on the one hand, and, on the other, Los Angeles, Burlingame, and San Francisco, Calif., and Portland, Oreg. NOTE: If a hearing is deemed necessary, applicant requests it be held at Milwaukee, Wis., or Washington, D.C.

No. MC 135739, filed June 25, 1971. Applicant: JOHN J. CLARK, doing business as DOUBLE J MACHINERY TRANSPORT, Route 2, Napoleon, OH 43545. Applicant's representative: A. Charles Tell, 100 East Broad Street, Columbus, OH 43215. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Machinery*, between Chicago and Frankfort, Ill., and Mentor, Ohio, on the one hand, and, on the other, points in the United States (except Alaska and Hawaii), under contract with Service Machine Co., Heims Corp., and Transcon, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 135741, filed June 21, 1971. Applicant: EARL R. MARTIN, Post Office Box 3, East Earl, PA 17519. Applicant's representative: John M. Russelman, 400 North Third Street, Harrisburg, PA 17108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizer and fertilizer ingredients*, from points in Prince George County, Va., to points in Berks and Montgomery Counties, Pa. NOTE: If a hearing is deemed necessary, applicant requests it be held at Harrisburg, Pa., or Washington, D.C.

No. MC 135742, filed June 21, 1971. Applicant: WINFIELD TRUCKING, INC., 2180 Gaspar Avenue, Bethlehem, PA 18017. Applicant's representative: Samuel P. Delisi, 530 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement and cement mill products*, (1) between the plant, storage, and other facilities of Penn-Dixie Cement Corp., located in West Winfield Township, Butler County, Pa., on the one hand, and, on the other, points in Maryland, New York, Ohio, and West Virginia and (2) between the plant, storage, and other facilities of Penn-Dixie Cement Corp. located in Upper Nazareth Township, and/or the Borough of Nazareth, Northampton County, Pa., on the one hand, and, on the other, points in Connecticut, Delaware, Maryland, Massachusetts, New Jersey, New York, Rhode Island, Virginia, and the District of Columbia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Pittsburgh, Pa., or Washington, D.C.

No. MC 135747, filed June 21, 1971. Applicant: VALLEY NH3 TRANSPORT COMPANY, a corporation, 1029 Adler Street, Brawley, CA 92227. Applicant's representative: Jack Boggust, Park View Professional Centre, Second and E Streets, Suite B, Brawley, CA 92227. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia and liquid fertilizer solutions*, from points in Imperial, Orange, and Ventura Counties, Calif., to points in Yuma, Maricopa, and Pinal Counties, Ariz. NOTE: If a hearing is deemed necessary, applicant requests it be held at El Centro, San Diego, or Los Angeles, Calif.

No. MC 135762, filed June 28, 1971. Applicant: JOHN H. NEAL, 1300 South Sixth Street, Fort Smith, AR 72901. Applicant's representative: Thomas Harper, Kelley Building, Post Office Box 43, Fort Smith, AR 72901. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *New furniture*, crated or uncrated, from Fort Smith, Ark., to points in the United States (except Alaska and Hawaii); and (2) *materials* used in the manufacture or packing of new furniture, from points in the United States (except Alaska and Hawaii), to Fort Smith, Ark., under contract with Riverside Furniture Corp. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark., or Washington, D.C.

No. MC 134777 (Sub-No. 11) (Amendment), filed April 22, 1971, published in the FEDERAL REGISTER, issue of May 13, 1971, and republished as amended, this issue. Applicant: SOONER EXPRESS, INC., Post Office Box 219, Madill, OK 73446. Applicant's representative: Wilburn L. Williamson, Suite 280, National Foundation Life Center, 3535 Northwest 58th, Oklahoma City, OK 73112. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Meats*, cooked, cured, or preserved, with or without vegetable, milk, egg, or fruit ingredients, other than frozen, from Fort Madison, Iowa, to points in Texas; and (2) *meats, meat products, meat byproducts and articles distributed by meat packinghouses* as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from points in Indiana, Illinois, Missouri, Kansas, and Nebraska, to the plantsite and storage facilities of Armour-Dial, Inc., at Fort Madison,

Iowa. Applicant now holds contract carrier authority under MC 87088 (Sub-No. 1), therefore dual operations may be involved. Applicant states that the requested authority cannot be tacked with its existing authority. The purpose of this republication is to broaden the scope of authority sought. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Washington, D.C.

MOTOR CARRIERS OF PASSENGERS

No. MC 126253 (Sub-No. 5), filed June 18, 1971. Applicant: WESTERN MASSACHUSETTS BUS LINES, INC., Service Center, Northampton, Mass. 01060. Applicant's representative: William J. Kenney, 1000 16th Street, Suite 503, Washington, DC 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Passengers and their baggage*, in the same vehicle with passengers, in charter operations, from points in Northampton, Easthampton, Amherst, Williamsburg, and Hadley, to points in Maine, New Hampshire, Vermont, Connecticut, Rhode Island, New York, New Jersey, Delaware, Pennsylvania, Maryland, Virginia, Florida, and the District of Columbia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Northampton or Amherst, Mass.

No. MC 135765, filed June 23, 1971. Applicant: CONSOLIDATED CABS SERVICES, INC., 3610 East 27th Street, Kansas City, MO 64127. Applicant's representatives: Warren H. Sapp, 450 Professional Building, Kansas City, Mo. 64106, and J. D. Williams (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Passengers and their baggage and tools*, between points in Cass, Clay, Jackson, and Platte Counties, Mo., and Johnson, Leavenworth, and Wyandotte Counties, Kans. NOTE: If a hearing is deemed necessary, applicant requests it be held at Kansas City, Mo.

No. MC 135776, filed June 28, 1971. Applicant: CARLETON BUS LINES (ANTRIM) LIMITED, Rural Route 1, Kinburn, ON Canada. Applicant's representative: S. Harrison Kahn, Suite 733, Investment Building, Washington, D.C. 20015. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Passengers and their baggage*, in round trip charter operations, from ports of entry on the international boundary line between the United States and Canada, to points in the United States, including Alaska (but excluding Hawaii), and return, restricted to origination and termination points in Canada. NOTE: If a hearing is deemed necessary, applicant requests it be held at Syracuse, N.Y.

APPLICATION FOR FREIGHT FORWARDER

No. FF-409 (HOUSTON CONTAINER & TRAILER MARRYING COMPANY—Freight Forwarder Application) filed July 8, 1971. Applicant: HOUSTON CONTAINER & TRAILER MARRYING COMPANY, doing business as_____ 7200 Clinton Drive, Houston, TX. Applicant's representative: Joe G. Fender, 802 Houston First Savings Building, Fannin at Capitol, Houston, TX 77002. Authority sought under section 410, part IV of the Interstate Commerce Commission Act, for a permit to institute operations as a freight forwarder, interstate or foreign commerce, through use of the facilities of common carriers by railroad and motor vehicle in the transportation of: *General commodities* except household goods and commodities in bulk, from Houston, Tex., to Denver, Colo.; Kansas City, Kans.; Kansas City, Mo.; Oklahoma City, Okla.; Little Rock, Ark.; Dallas, Tex.; and Fort Worth, Tex.

APPLICATIONS IN WHICH HANDLING WITHOUT ORAL HEARING HAS BEEN REQUESTED

No. MC 114965 (Sub-No. 44), filed July 1, 1971. Applicant: CYRUS TRUCK LINE, INC., Post Office Box 327, Iola, KS 66749. Applicant's representative: Charles H. Apt, 104 South Washington, Iola, KS 66749. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Mixed liquid fertilizer solutions*, in in bulk, in tank vehicles, from Oneida, Kans., to points in Kansas, Iowa, Nebraska, and Missouri (except points in the St. Louis, Mo., commercial zone). NOTE: Applicant states that the requested authority cannot be tacked with its existing authority. If a hearing is deemed necessary, applicant requests it be held at Kansas City, Mo.

No. MC 126373 (Sub-No. 3), filed July 9, 1971. Applicant: JAMES A. BONHAM, doing business as BONHAM's SPECIAL DELIVERY, 621 Virginia Street West, Charleston, WV 25302. Applicant's representative: George P. Sovick, Jr., 1115 Virginia Street East, Charleston, W. Va., 25301. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment) having a prior or subsequent movement by aircraft (subject to the exceptions hereinafter contained) as follows: (a) Between the airport serving Charleston, Kanawha, W. Va., on the one hand, and, on the other, points in Barbour, Boone, Braxton, Brooke, Cabell, Calhoun, Clay, Doddridge, Gilmer, Hancock, Harrison, Lewis, Lincoln, Logan, Marion, Marshall, McDowell, Mercer, Mingo, Monongalia, Monroe, Ohio, Pleasants, Pocahontas, Randolph, Ritchie, Roane, Summers, Taylor, Tyler, Upshur, Wayne, Webster, Wetzel, Wirt, Wood, and Wyoming Counties, W. Va.; and Bath, Boyd, Breathitt, Carter, Elliott, Floyd, Greenup, Johnson, Knott, Lawrence, Letcher, Magoffin, Martin, Menifee, Morgan, Perry, Pike, Rowan, and Wolfe Counties, Ky.; and Athens, Gallia, Lawrence, Meigs, Scioto, and Washington Counties, Ohio; and Alleghany, Amherst, Augusta, Bath, Bedford, Bland, Botetourt Buchanan, Campbell, Carroll, Craig, Dickenson, Floyd, Franklin, Frederick, Giles, Grayson, Henry, Highland, Lee, Montgomery, Page, Patrick, Pittsylvania, Pulaski, Roanoke, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Smyth, Tazewell, Warren, Washington, Wise and Wythe Counties Va.;

(b) Between points in the above-specified West Virginia, Kentucky, Ohio, and Virginia Counties on the one hand, and, on the other, the airports serving Cleveland, Portsmouth, Dayton, Columbus, and Cincinnati, Ohio; Charlotte, N.C.; Indianapolis, Ind.; Pittsburgh, Pa.; Washington, D.C.; Baltimore, Md.; Lexington, Ky.; Roanoke, Bristol, Lynchburg, Pulaski, Danville, and Staunton-Harrisburg, Va.; and Beckley, Bluefield, Clarksburg, Elkins, Huntington, Lewisburg, Morgantown, Parkersburg, and Wheeling, W. Va.; (c) between points in Kanawha, Mason, Jackson, Putnam, Fayette, Raleigh, and Greenbier, W. Va., now served by applicant (MC-126373 and MC-126373 Sub 1) on the one hand, and, on the other, the airports serving the cities of Beckley, Bluefield, Clarksburg, Elkins, Huntington, Lewisburg, Morgantown, Parkersburg, and Wheeling, W. Va.; Lexington, Ky.; Portsmouth, Ohio; and Roanoke, Lynchburg, Pulaski, Danville, Bristol, and Staunton-Harrisburg, Va.; (d) between airports named in this application as the need may arise; (e) between points in West Virginia in the transportation of shipments requiring expedited service, whether or not said shipments have had or will have a prior or subsequent movement by aircraft, on the one hand, and, on the other, points and places in Ohio, Kentucky, Virginia, Tennessee, Pennsylvania, Illinois, and Indiana; (f) between points in Ohio, Kentucky, Virginia, Tennessee, Pennsylvania, Illinois, and Indiana on the one hand, and, on the other, points and places in West Virginia; and (g) between points in each of the aforementioned States on the one hand, and, on the other, points in each of the other States named herein. NOTE: Applicant states it intends to tack with presently held authorities in MC 126373 (Sub-No. 1) to provide a through service.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10731 Filed 7-28-71;8:45 am]

[Notice 338]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 26, 1971.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR Part 1131) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application

must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protests must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 63417 (Sub-No. 38 TA), filed July 20, 1971. Applicant: BLUE RIDGE TRANSFER COMPANY, INCORPORATED, Post Office Box 2888, 1814 Hollins Road NE., Roanoke, VA 24001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fiberglass reinforced plastic plumbing fixtures*, between Union Point, Ga., and points in Florida, Alabama, North Carolina, South Carolina, Virginia, Kentucky, and Tennessee, for 180 days. Supporting shipper: Universal-Rundle Corp., New Castle, Pa. Send Protests to: Clatin M. Harmon, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 215 Campbell Avenue SW., Roanoke, VA 24011.

No. MC 95540 (Sub-No. 815 TA), filed July 19, 1971. Applicant: WATKINS MOTOR LINES, INC., 1120 West Griffin Road, Lakeland, FL 33801. Applicant's representative: Paul E. Weaver (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products*, from Sabetha, Kans., and Norfolk, Nebr., to points in Georgia and Florida, for 180 days. Supporting shipper: Breakstone Sugar Creek Foods, 450 East Illinois Street, Chicago, IL 60611. Send protests to: District Supervisor Joseph B. Teichert, Interstate Commerce Commission, Bureau of Operations, 5720 Southwest 17th Street, Room 105, Miami, FL 33155.

No. MC 103993 (Sub-No. 647 TA), filed July 20, 1971. Applicant: MORGAN DRIVE AWAY, INC., 2800 West Lexington Avenue, Elkhart, IN 46514. Applicant's representative: Ralph H. Miller, (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles, in initial movement, and buildings, in sections on undercarriages, from the plantsite of Continental Modules, Inc., in New Castle County, Del., to points in the United States on and east of the western boundaries of Wisconsin, Illinois, Kentucky, Tennessee, and Mississippi, for 180 days. Supporting shipper: Continental Modules, Inc., Subsidiary of P & F Industries, New Castle County, Del. Send protests to: Acting District Supervisor John E. Ryden, Bureau of Operations, Interstate Commerce Commission, Room 204, 345 Wayne Street (West), Fort Wayne, IN 46802.

No. MC 108843 (Sub-No. 8 TA), filed July 20, 1971. Applicant: GLEABERN CORPORATION, 305 West Lincoln Highway, Penndel, PA 19047. Applicant's representative: J. G. Dail, Jr., 1111 E Street NW., Washington, DC 20004. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* (other than those designed to be drawn by passenger automobiles), *chassis, cargo containers, and trailer parts and articles*, used in the manufacture of trailers when moving in shipper's trailers, between Sayre, Pa., and Belle Center, Ohio, on the one hand, and, on the others points in Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia, for 150 days. Supporting shipper: Strick Corp., U.S. Highway No. 1, Fairless Hills, Pa 19030. Send protests to: F. W. Doyle, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1518 Walnut Street, Room 1600, Philadelphia, PA 19102.

No. MC 112696 (Sub-No. 45 TA), filed July 20, 1971. Applicant: HARTMANS, INCORPORATED, 833 Chicago Avenue, Post Office Box 898, Harrisonburg, VA 22801. Applicant's representative: Edward G. Villalon, Suite 1032, Pennsylvania Building, Pennsylvania Avenue and 13th Street NW., Washington, DC 20004. Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Flour, bakery goods mix, icing powder, and frosting mix*, from Chelsea, Mich., to points in Connecticut, Maine, Maryland, Massachusetts, New Hampshire, Rhode Island, Virginia, and the District of Columbia, for 180 days. Supporting shipper: Chelsea Milling Co., Chelsea, Mich. Send protests to: C. M. Harmon, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 215 Campbell Avenue SW., Roanoke, VA 24011.

No. MC 113024 (Sub-No. 113 TA), filed July 19, 1971. Applicant: ARLINGTON J. WILLIAMS, INC., Rural Delivery No. 2, South Du Pont Highway, Smyrna, DE 19977. Applicant's representative: Samuel W. Earnshaw, 833 Washington Building, Washington, DC 20005. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Carbon black*, in bags, from Borger, Tex., to Wilmington, Del., the above to be performed, under a continuing contract or contracts with Electric Hose & Rubber Co., Wilmington, Del., for 180 days. Supporting shipper: F. H. Evick, Traffic Manager, Electric Hose & Rubber Co., Post Office Box 910, Wilmington, DE 19899. Send protests to: Paul J. Lowry, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 227 Old Post Office Building, Salisbury, Md. 21801.

No. MC 113267 (Sub-No. 270 TA), filed July 19, 1971. Applicant: CENTRAL & SOUTHERN TRUCK LINES, INC., 312 West Morris Street, Caseyville, IL 62232. Applicant's representative: Lawrence A. Fischer (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paper and paper products*, from Catawba, S.C., to points in Arkansas, Kansas, Iowa, Missouri, Oklahoma, Texas, Wisconsin, and Minnesota, for 150 days. Supporting shipper: E. H. Millard, Jr., Traffic and Distribution Manager, Bowaters Carolina Corp., Catawba, S.C. 29704. Send protests to: Harold C. Jolliff, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 325 West Adams Street, Room 476, Springfield, IL 62704.

No. MC 115331 (Sub-No. 315 TA), filed July 20, 1971. Applicant: TRUCK TRANSPORT, INCORPORATED, 1931 North Geyer Road, St. Louis, MO 63131. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Hydrated lime*, in bulk, from points in Shelby County, Ala., to points in Florida, Georgia, and Mississippi, for 180 days. Supporting shipper: United States Gypsum Co., 3098 Piedmont Road NE., Atlanta, GA 30305; Lester P. Hudgins, Director of Traffic, Woodward Co., Woodward, Ala. 35189. Send protests to: District Supervisor J. P. Werthmann, Interstate Commerce Commission, Bureau of Operations, Room 1465, 210 North 12th Street, St. Louis, MO 63101.

No. MC 117940 (Sub-No. 55 TA), filed July 19, 1971. Applicant: NATIONWIDE CARRIERS, INC., Post Office Box 104, Maple Plain, MN 55359. Applicant's representative: M. James Levitus (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products*, from Sabetha, Kans., and Norfolk, Nebr., to points in Connecticut, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, and the District of Columbia, for 180 days. Supporting shipper: Breakstone Sugar Creek Foods, Division of Kraftco Corp., 450 East Illinois Street, Chicago, IL 60611. Send protests to: A. N. Spath, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 448 Federal Building and U.S. Courthouse, 110 South Fourth Street, Minneapolis, MN 55401.

No. MC 128486 (Sub-No. 3 TA) (Amendment), filed June 16, 1971, published FEDERAL REGISTER June 29, 1971, amended and corrected in part as amended this issue. Applicant: LILY TRANSPORT LINES, INC., 25 Denby Road, Allston, MA 02134. Applicant's representative: Frank J. Weiner, 6 Beacon Street, Boston, MA 02108. NOTE:

The purpose of this partial republication is to reflect the correct MC No. 128486 TA, in lieu of MC 135685 TA, shown erroneously in previous publication, and to change the authority sought to *contract carrier*, in lieu of common carrier. The rest of the notice remains the same.

No. MC 129350 (Sub-No. 15 TA), filed July 20, 1971. Applicant: CHARLES E. WOLDE, doing business as EVERGREEN EXPRESS, Post Office Box 212, 410 North First Street, 59101, Billings, MT 59103. Applicant's representative: J. F. Meglen, Post Office Box 1581, Billings, MT. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and lumber products*, from points in Musselshell County, Mont., to points in Colorado, Illinois, Iowa, Minnesota, Nebraska, North Dakota, and Wisconsin, for 180 days. Supporting shipper: Willow Creek Lumber Co., Post Office Box 506, Roundup, MT 59072. Send protests to: Paul J. Labane, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 251, U.S. Post Office Building, Billings, Mont. 59101.

No. MC 134592 (Sub-No. 3 TA), filed July 20, 1971. Applicant: HERB MOORE AND HAZEL MOORE, a partnership, doing business as H & H TRUCKING CO., 10360 North Vancouver Way, Portland, OR 97217. Applicant's representative: Philip G. Skovstad, 4410 Northeast Fremont, Portland, OR 97213. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Shakes, shingles, and ridge trim;* (1) from ports of entry on the United States-Canadian boundary line at or near Blaine, Sumas, Oroville, and Port Angeles, Wash., to points in Oregon, Washington, California, Nevada, and Arizona; (2) from points in Washington on and west of U.S. Highway 97 to points in Oregon, California, Nevada, and Oregon; and (3) from points in Oregon, on and west of U.S. Highway 97 to points in California, Nevada, and Arizona, for 180 days. Supported by: There are approximately 15 statements of support attached to the application, which may be examined here at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: District Supervisor W. J. Huetig, Interstate Commerce Commission, Bureau of Operations, 450 Multnomah Building, 319 Southwest Pine Street, Portland, OR 97204.

MOTOR CARRIER OF PASSENGERS

No. MC 125330 (Sub-No. 4 TA), filed July 19, 1971. Applicant: DOMENICO BUS SERVICE, INC., 71 New Hook Access Road, Box 47, Bayonne, NJ 07002. Applicant's representative: Charles J. Williams, 47 Lincoln Park, Newark, NJ 07102. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Passengers*, for the account of the Harris Co., a division of Harris-Intertype Corp., beginning and ending at Brooklyn, N.Y., and extending to the facilities of the Harris Co., a division of Harris Intertype Corp., at Watchung, N.J., for 150 days. Supporting shipper: Harris Co., division of Harris Intertype Co., 360 Furman Street, Brooklyn, NY. Send protests to: District Supervisor Robert E. Johnston, Bureau of Operations, Interstate Commerce Commission, 970 Broad Street, Newark, NJ 07102.

By the Commission.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10820 Filed 7-28-71;8:53 am]

[Notice 724]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 26, 1971.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's Special Rules of Practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-35434. By order of July 22, 1971, the Motor Carrier Board approved the lease to J. V. Privett, doing business as J. V. Privett and Son, Partales, N. Mex., of the operating rights in Certificate No. MC-126069 (Sub-No. 1), issued August 16, 1966, to Joe L. Langer, doing business as Langer House Moving, Muleshoe, Tex., authorizing the transportation of houses and buildings and used tanks and used towers, complete or in sections, and used box cars between points in a described area of New Mexico, on the one hand, and, on the other, points in a described area of Texas. John C. Sims, 1607 Broadway, Lubbock, TX 79401, attorney for applicants.

No. MC-FC-72868. By order of July 22, 1971, the Motor Carrier Board, on reconsideration, approved the transfer to Beatrice Motor Freight, Inc., Beatrice, Nebr., of the operating rights in Certificates Nos. MC-65019, MC-65019 (Sub-No. 4), and MC-65019 (Sub-No. 5) issued June 9, 1943, December 12, 1957, and May 15, 1967, respectively, to James Davison, doing business as Beatrice Motor Freight, Beatrice, Nebr., authorizing the transportation of general commodities, with exceptions, over various and specified routes, between Beatrice, Nebr., and Omaha, Nebr., and between Beatrice, Nebr., and Barnston, Nebr., serving various and specified intermediate and offroute points; household goods, as defined by the Commission, between points in Gage County, Nebr., on the one hand, and, on the other, points in Kansas, Iowa, and Colorado; and numerous specified commodities, a general commodity nature, from and to, and between specified points in Nebraska, Kansas, Iowa, and Colorado. Earl H. Scudder, Jr., 605 South 14th Street, Box 82028, Lincoln, NE 68501, attorney for applicants.

No. MC-FC-72917. By order of July 23, 1971, the Motor Carrier Board approved the transfer to Joseph Wilkie & Sons, Inc., Lawrence, Mass. 01841, of the certificate in No. MC-8262 issued September 27, 1957, to Michael L. Wilkie and Stella Wilkie, a partnership, doing business as Joseph Wilkie & Sons, Lawrence, Mass. 01841, authorizing transportation of: Household goods, over irregular routes, between Lawrence, Mass., on the one hand, and, on the other, points in Connecticut, New Hampshire, New York, and Rhode Island. Frank J. Weiner, 6 Beacon Street, Boston, MA 02108, attorney for applicants.

No. MC-FC-73015. By order of July 22, 1971, the Motor Carrier Board approved the transfer to Harold Dumas, Sr., and William J. Dumas, a partnership, doing business as Dumas Motor Transportation Co., Manchester, Conn., of the operating rights in Certificate No. MC-35063 issued October 6, 1949, to Anna M. Dumas, doing business as Dumas Motor Transportation Co., Manchester, Conn., authorizing the transportation of household goods, as defined by the Commission, between Manchester, Conn., and points within 5 miles thereof, on the one hand, and, on the other, points in Massachusetts, New York, and Rhode Island, and leather and rubber mats, from Manchester, Conn., to Quincy, Mass. John J. O'Connor, 791 Main Street, Manchester, CT 06040, attorney for applicants.

[SEAL] ROBERT L. OSWALD, *Secretary.*

[FR Doc.71-10821 Filed 7-28-71;8:53 am]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

CARL V. ADAMS

Notice of Granting of Relief

Notice is hereby given that Carl V. Adams, 1906 39th Street, Des Moines, IA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on February 25, 1965, by the Polk County District Court, Polk County, Iowa, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Carl V. Adams because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States

Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Carl V. Adams to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Carl V. Adams' application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Carl V. Adams be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10842 Filed 7-28-71; 8:53 am]

RAYMOND JUNIOR CAREY

Notice of Granting of Relief

Notice is hereby given that Raymond Junior Carey, Route 5, Quantico Road, Salisbury, MD 21801 has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on May 31, 1955, by the People's Court July 23, 1959, by the Maryland Circuit Court; and July 13, 1959, by the People's Court, all in and for the County of Wicomico, Md., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Raymond Junior Carey because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for Raymond Junior Carey to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Raymond Junior Carey's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Raymond Junior Carey be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 16th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10843 Filed 7-28-71;8:54 am]

MACK ROY CHRISTENBERRY

Notice of Granting of Relief

Notice is hereby given that Mack Roy Christenberry, Route 5, Box 502, Mooresville, N.C., has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on April 21, 1965, in the U.S. District Court for the Middle District of North Carolina, for a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Mack R. Christenberry because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under Chapter 44, Title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Mack R. Christenberry to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Mack R. Christenberry's application and

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Mack R. Christenberry be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 20th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10899 Filed 7-28-71;8:54 am]

EARL BLANCHARD COLBY, JR.

Notice of Granting of Relief

Notice is hereby given that Earl Blanchard Colby, Jr., Church Street, Damariscotta, ME 04543, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on June 17, 1957, by a General Court-Martial convened at the Marine Corps School, Quantico, Va.; on July 30, 1959, in the Norfolk City Corporation Court, Norfolk, Va.; and on May 12, 1966 in the Lincoln County Superior Court, Wiscassett, Maine, of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Earl Blanchard Colby, Jr., because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under Chapter 44, Title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for Earl Blanchard Colby, Jr., to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Earl Blanchard Colby, Jr.'s, application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Earl Blanchard Colby, Jr., be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 20th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10848 Filed 7-28-71;8:54 am]

ARTHUR COTTLIDGE

Notice of Granting of Relief

Notice is hereby given that Mr. Arthur Cottlidge, 9614 Cardoni Street, Detroit, MI, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on August 3, 1950, in the Wayne County Circuit Court, Detroit, Mich., and on January 11, 1955, in the Detroit Recorder's Court, Detroit, Mich., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Arthur Cottlidge because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C. Appendix), because of such convictions, it would be unlawful for Arthur Cottlidge to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Arthur Cottlidge's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Arthur Cottlidge be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 22d day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10846 Filed 7-28-71;8:54 am]

OSCAR PAUL CURRY

Notice of Granting of Relief

Notice is hereby given that Oscar Paul Curry, 3227 Columbus, Detroit, MI 48206, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on September 15, 1937, in the Fulton County Superior Court, Atlanta, Ga., and on December 17, 1937, by the Fulton County Superior Court, Atlanta, Ga., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Oscar P. Curry because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C. Appendix), because of such convictions, it would be unlawful for Oscar P. Curry to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Oscar P. Curry's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Oscar P. Curry be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10847 Filed 7-28-71;8:54 am]

CLARENCE IVERY DAVIS

Notice of Granting of Relief

Notice is hereby given that Clarence Ivery Davis, P.O. Box 85, Scottsville, VA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on September 27, 1963, in the Circuit Court of Henrico County, Va., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Clarence Ivery Davis because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for Clarence Ivery Davis to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Clarence Ivery Davis' application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Clarence Ivery Davis be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by

reason of the convictions hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10848 Filed 7-28-71;8:54 am]

EARL THOMAS DIEM

Notice of Granting of Relief

Notice is hereby given that Earl Thomas Diem, 805 North Ann Street, Lancaster, PA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on April 24, 1964, in the Lancaster County Court, Lancaster, Pa., of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Earl Thomas Diem because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Earl Thomas Diem to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Earl Thomas Diem's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code, and delegated to me by 26 CFR 178.144, it is ordered that Earl Thomas Diem be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 19th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10849 Filed 7-28-71;8:59 am]

NORVELL JACKSON DOWNEY

Notice of Granting of Relief

Notice is hereby given that Norvell Jackson Downey, 1705 Grace Street, Lynchburg, VA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on February 9, 1953, in the Lynchburg Corporation Court, Lynchburg, Va., of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Norvell Jackson Downey because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearms or ammunition, and he would be ineligible for a license under Chapter 44, Title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Norvell Jackson Downey to receive, possess, or transport in commerce or affecting commerce, any fiream.

Notice is hereby given that I have considered Norvell Jackson Downey's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Norvell Jackson Downey be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 16th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10850 Filed 7-28-71;8:54 am]

THEODORE JOSEPH FRASZEWSKI

Notice of Granting of Relief

Notice is hereby given that Theodore Joseph Fraszewski, also known as Theodore Frost, 5740 Woodward, Apartment 10, Detroit, MI 48202, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on April 17, 1925, in Cattaraugus County, N.Y., Supreme Court, and on or about February 9, 1934, in the Court of Common Pleas for the County of Cuyahoga, Ohio, of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Theodore J. Fraszewski because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for Theodore J. Fraszewski to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Theodore J. Fraszewski's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Theodore J. Fraszewski be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 16th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10851 Filed 7-28-71;8:54 am]

LOREN K. GOODKNIGHT

Notice of Granting of Relief

Notice is hereby given that Loren K. Goodknight, 1705 12th Street, Edlora, IA 50627, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on April 4, 1957, in the Story County District Court, Nevada, Iowa, of a crime

punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Loren K. Goodknight because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under Chapter 44, Title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Loren K. Goodknight to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Loren K. Goodknight's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Loren K. Goodknight be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10852 Filed 7-28-71;8:54 am]

JAMES WILLIAM HALL

Notice of Granting of Relief

Notice is hereby given that James William Hall, Rural Delivery No. 7, Chambersburg, PA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on November 25, 1955, in the Franklin County, Pa., Court of Quarter Sessions, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for James W. Hall because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under Chapter 44, Title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for James W. Hall to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered James W. Hall's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that James W. Hall be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 19th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10853 Filed 7-28-71;8:54 am]

ROBERT MICHAEL HULL

Notice of Granting of Relief

Notice is hereby given that Robert Michael Hull, 904 North Linden Street, Bloomington, IL, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on July 16, 1962, in the McLean County, Ill., Circuit Court, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Robert M. Hull because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Robert M. Hull to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Robert M. Hull's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Robert M. Hull be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 20th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10859 Filed 7-28-71;8:55 am]

JOHN PETER MARCOALDI

Notice of Granting of Relief

Notice is hereby given that John Peter Marcoaldi, 50 College Lodge Road, Indiana, PA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on February 17, 1958, in the Court of Quarter Sessions of Indiana County, Pa., and on or about February 25, 1958, in the Oyer and Terminer Court for Jefferson County, Pa., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for John Peter Marcoaldi because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for John Peter Marcoaldi to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered John Peter Marcoaldi's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title

18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that John Peter Marcoaldi be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 19th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10855 Filed 7-28-71;8:55 am]

MAURICE PAUL MASON

Notice of Granting of Relief

Notice is hereby given that Maurice Paul Mason, 2010 Twain Road, Greensboro, NC, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on June 8, 1948, in the District Court of the United States for the Middle District of North Carolina, Greensboro Division, of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Maurice Paul Mason because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix) because of such convictions, it would be unlawful for Maurice Paul Mason to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Maurice Paul Mason's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Maurice Paul Mason be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 22d day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10856 Filed 7-28-71;8:55 am]

JAMES LAFAYETTE RICHARDSON, JR.

Notice of Granting of Relief

Notice is hereby given that James Lafayette Richardson, Jr., 15 Moss Street, Apartment 3, Martinsville, VA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on March 8, 1963, in the Floyd County Circuit Court, Virginia, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for James Richardson because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for James Richardson to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered James Richardson's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that James Richardson be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 16th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10857 Filed 7-28-71;8:55 am]

BRYANT O. SEARS

Notice of Granting of Relief

Notice is hereby given that Bryant O. Sears, Route 1, Lamoni, IA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on January 23, 1960, in the Decatur County, Iowa, District Court, Leon, Iowa, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Bryant O. Sears because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Bryant O. Sears to receive, possess, or transport in commerce, or affecting commerce, any firearm.

Notice is hereby given that I have considered Bryant O. Sears' application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Bryant O. Sears be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 20th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10858 Filed 7-28-71;8:55 am]

ROBERT J. SNYDER

Notice of Granting of Relief

Notice is hereby given that Robert J. Snyder, 425 North Fourth Street, Tomahawk, WI, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his convictions on December 5, 1962, by the Lincoln County Court, Merrill, Wis., and October 14, 1968, by the Rock County Branch III Court, Beloit, Wis., of crimes punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Robert J. Snyder because of such convictions, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such convictions, it would be unlawful for Robert J. Snyder to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Robert J. Snyder's application and:

(1) I have found that the convictions were made upon charges which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the convictions and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Robert J. Snyder be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the convictions hereinabove described.

Signed at Washington, D.C., this 15th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10859 Filed 7-28-71;8:55 am]

STEPHEN LEE ST. CLAIR

Notice of Granting of Relief

Notice is hereby given that Stephen Lee St. Clair, 3837 Woodland Park Avenue, North, No. 201, Seattle, WA 98103, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on March 3, 1967, in the Superior Court of the State of Washington in and for King County, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Stephen Lee St. Clair because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Stephen Lee St. Clair to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Stephen Lee St. Clair's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Stephen Lee St. Clair be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 19th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10860 Filed 7-28-71;8:55 am]

PETER STEWARD

Notice of Granting of Relief

Notice is hereby given that Peter Steward, 2806 Second Street, New Orleans, LA, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on September 22, 1954, in the U.S. District Court for the Eastern District of Louisiana, of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for Peter Steward because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for Peter Steward to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered Peter Steward's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that Peter Steward be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10861 Filed 7-28-71;8:55 am]

GEORGE W. WALLACE

Notice of Granting of Relief

Notice is hereby given that George W. Wallace, 3067 Hillger, Detroit, MI, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on June 14, 1953, in Recorder's Court of the City of Detroit, Mich., of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for George Wallace because of such conviction, to ship, transport, or

receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for George Wallace, to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered George Wallace's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that George Wallace be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 21st day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10862 Filed 7-28-71;8:55 am]

WILLIAM LELAND WILKINSON

Notice of Granting of Relief

Notice is hereby given that William Leland Wilkinson, 7215 North Greenwich, Portland, OR, has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on March 4, 1952, by a General Court-Martial at Fort Bliss, Tex., of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for William Wilkinson because of such conviction, to ship, transport, or receive in interstate or foreign commerce any firearm or ammunition, and he would be ineligible for a license under chapter 44, title 18, United States Code, as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition, under title VII of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 236; 18 U.S.C., Appendix), because of such conviction, it would be unlawful for William Wilkinson to receive, possess, or transport in commerce or affecting commerce, any firearm.

Notice is hereby given that I have considered William Wilkinson's application and:

(1) I have found that the conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction and the applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief would not be contrary to the public interest.

Therefore, pursuant to the authority vested in the Secretary of the Treasury by section 925(c), title 18, United States Code and delegated to me by 26 CFR 178.144, it is ordered that William Wilkinson be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms and incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 20th day of July 1971.

[SEAL] HAROLD T. SWARTZ,
Acting Commissioner of Internal Revenue.

[FR Doc.71-10863 Filed 7-28-71;8:58 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Serial No. Nev-062101, etc.]

NEVADA

Notice of Classification of Public Lands for Transfer Out of Federal Ownership

JULY 21, 1971.

1. The public lands described in paragraph 4 below (designated as Group I) are hereby classified for disposal under authority of the Desert Land Act (19 Stat. 377, 43 U.S.C. 321-323) as amended, 43 CFR 2520. The lands described have been examine pursuant to petitions for classification under the Desert Land Act and the petitioners are afforded a preference right to enter the lands upon allowance of their entry applications.

2. Protests to the notice of proposed classification, published in the FEDERAL REGISTER on March 25, 1971 (F.R. Doc. 71-4032), were received from two parties. Each protest is briefly discussed below:

A. Mr. Al Ellenberge objected on the grounds that the land may not be suitable for agriculture, the land may contain mineral, oil or thermal resources and that the availability of water is questionable. Further, he states a lease arrangement would be better than title transfer and that public lands should only be used to exchange to block public lands and to provide access to public land.

B. Objections by Mrs. Jean Hazelton, representing the Western Rockhound Association, Inc., were the county will not be able to maintain roads into the area, that the entrymen may use all of the available water, that leaching salts out of the soil may contaminate the ground water, and that there may be minerals present which would no longer be available. There was no objection to leasing the land but favored use of such lands to exchange for other lands.

The above points of protest are answered as follows:

1A. The lands have been found suitable for agricultural development by the Bureau field examiners, supported by the University of Nevada and the Soil Conservation Service.

2B. The area has been extensively explored by private companies for possible mineral values without success. The U.S. Geological Survey found no information indicating the lands were valuable for minerals or for geothermal steam. The Bureau examined the land and concurred in the above findings.

3C. The U.S. Geological Survey, in a study made in cooperation with the State of Nevada, reports there is sufficient ground water to irrigate some 3,285 acres. No entry will be allowed until sufficient water is developed for that entry.

4D. No other water need has been identified in the area and no data has been presented to show that if the entries are allowed, all available water will be used.

5E. The county will work with the entrymen on a road maintenance program after the lands are patented.

6F. Contamination of the ground water supply by leaching of the salt in the soil is speculative. Experience in other areas with similar soils has not proven this to be true.

7G. There is no legal authority to lease lands for agricultural development. The lands are suitable for entry under the Desert Land Act, the petition-applications have been filed for several years and allowance of these in Group 1 described below is proper.

3. No facts have been presented to show the classification as proposed is in error. Therefore, the protests are hereby dismissed and the lands described herein are classified for entry under the Desert Land Act. The lands in Group II are found to be not suitable for entry.

GROUP I LANDS

4. The lands listed herein are considered to be suitable for disposal under the Desert Land Act if adequate irrigation water can be developed for each entry. With adequate irrigation water these lands are chiefly valuable for agricultural purposes; water needed for their reclamation will not endanger the supply of adequate water for existing users or cause the dissipation of water reserves, water rights are available under state law, disposal is consistent with local government plans, and disposal is consistent

with Federal programs and local government plans. Thus, these lands are hereby classified for desert land entry subject to the following conditions:

Before the entries are allowed and the land cleared for crop production, each applicant must have one or more irrigation wells drilled on his entry that will pump water at the minimum rate of 2,000 g.p.m. on a sustained yield basis (if two wells are used, each must pump at least 1,000 g.p.m.).

MOUNT DIABLO MERIDIAN, NEVADA

LANDER COUNTY

Description, application number and applicant

T. 19 N., R. 47 E., Nevada,
Sec. 2, S½SE¼;
Sec. 11, NW¼NE¼, S½NW¼, N½SW¼, NE¼NW¼.
062101—R. G. Henderson, Jr.

Sec. 10, S½SE¼;
Sec. 14, S½NW¼, N½SW¼;
Sec. 15, N½NE¼.
062102—Alva L. Henderson.

Sec. 16, S½S½;
Sec. 21, N½N½.
062106—Elmer A. Herbert.

Sec. 15, S½.
062107—Adeline E. Herbert.

Sec. 22, NE¼;
Sec. 23, NW¼.
062149—William B. Hucks.

Sec. 23, NE¼;
Sec. 24, NW¼.
062150—Lois Pauline Hucks.

Sec. 23, W½SE¼, SW¼;
Sec. 22, S½SE¼.
062151—Baxter B. Pierce.

Sec. 22, W½.
062245—Willie G. Bizzell.

Sec. 21, S½N½, N½S½.
062246—Mabel M. Bizzell.

Total acres—2,880.

GROUP II LANDS

5. The lands listed herein are unsuitable for disposal under the Desert Land Act for the following reasons:

a. The lands are not chiefly valuable for crop production. They have gravelly soils and/or are best suited for range land livestock grazing.

b. Allowance of these lands to agricultural development would result in irrigation water requirements that would cause dissipation of water reserves and endanger the supply of adequate water needed for lands that are chiefly valuable for agricultural purposes.

MOUNT DIABLO MERIDIAN, NEVADA

LANDER COUNTY

Description, application number and applicant

T. 19 N., R. 47 E., Nevada,
Sec. 25, N½.
062153—Arthur B. Cheves.

Sec. 25, SW¼;
Sec. 26, NE¼.
062154—Julia Louise Cheves.

Sec. 32, SW¼, E½NW¼, W½NE¼.
062247—Bill Hill.

Sec. 35, SE¼;
Sec. 36, SW¼.
062248—Evelyn H. Hill.

Sec. 34, SE¼;
Sec. 35, SW¼.
062249—Laula H. Hair.

Total acres—1,600.

6. Accordingly, Group I petitions are approved and those in Group II are denied. Publication of the notice of proposed classification on March 25, 1971 (F.R. Doc. 71-4032) segregated the lands in Group I from all appropriations including the Mining and Mineral Leasing Laws except for disposal under the Desert Land Act to the applicants.

7. This proposal has been discussed with the local government officials and other interested parties. Information derived from discussions and other sources indicate that this classification proposal meets the criterion of 43 CFR 2430.5, which authorized classification of lands for agricultural purposes when they meet the requirements discussed above. Information concerning the lands including the field report is available for inspection and study at the Battle Mountain District Office, Bureau of Land Management, located in Battle Mountain, Nev.

8. For a period of thirty (30) days interested parties may submit comments to the Secretary of the Interior, LLM, 320, Washington, D.C. 20240.

NOLAN F. KEIL,
State Director, Nevada.

[FR Doc.71-10766 Filed 7-28-71;8:50 am]

FEDERAL MARITIME COMMISSION

NORTH ATLANTIC CONTINENTAL FREIGHT CONFERENCE

Notice of Agreement Filed

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1015; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of agreement filed by:

Burton H. White, Esq., Burlingham, Underwood, Wright, White & Lord, 25 Broadway, New York, NY 10004.

Agreement No. 9214-5 amends Article XIX to authorize the Conference Chairman to apply a member's security deposit to satisfy financial obligations to the Conference which have been outstanding or unpaid for more than 60 days after notice to the member.

Dated: July 26, 1971.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.71-10823 Filed 7-28-71;8:53 am]

DEPARTMENT OF COMMERCE

Maritime Administration

[Report No. 114]

LIST OF FREE WORLD AND POLISH FLAG VESSELS ARRIVING IN CUBA SINCE JANUARY 1, 1963

SECTION 1. The Maritime Administration is making available to the appropriate Departments the following list of vessels which have arrived in Cuba since January 1, 1963, based on information received through June 14, 1971, exclusive of those vessels that called on Cuba on U.S. Government-approved noncommercial voyages and those listed in section 2. Pursuant to established U.S. Government policy, the listed vessels are ineligible to carry U.S. Government-financed cargoes from the United States.

FLAG OF REGISTRY AND NAME OF SHIP	*Gross tonnage*
Total—all flags (192 ships)	1,434,098
Cypriot (195 ships)	739,840
Aegis Banner	9,024
Aegis Fame	9,072
Aegis Hope (previous trips to Cuba as the Huntsmore—British)	5,678
Aftadelfos	8,136
Aghios Ermolaos	7,208
Aghios Nicolaos	7,254
Alda	7,292
Alfa	7,388
Alice (previous trips to Cuba—Greek)	7,189
Alitric	7,564
Alma	6,585
Alpa	9,159
Amarilis	8,959
Amfithea (previous trip to Cuba as the Antonia—Greek)	5,171

Cypriot—Continued	Gross tonnage
Anemone	7,168
Anka	7,314
Annunciation Day	8,047
Antigoni	3,174
Ardena	7,261
Arendal	7,265
Areti	8,406
Aria (previous trips to Cuba—Somali)	5,059
Arion	3,570
Arosa	7,333
Athenian	9,943
Aurora	8,380
Azalea	9,506
Begonia	6,576
Byron	8,720
Calypso (tanker)	12,883
Camelia	8,111
Castalia	7,641
Claire (previous trips to Cuba—Lebanese)	5,411
Cleo II	7,590
Costiana	7,199
Degedo	9,000
Diamondo	7,067
Dolphin	3,550
Dorine Papalios (previous trips to Cuba as the Formentor—British)	8,424
E. D. Papalios	9,431
Elpida	8,296
Elpidoforos	4,963
Free Trader (previous trips to Cuba—Lebanese)	7,061
Gardenia	9,744
George	7,378
George N. Papalios	9,071
Georgios C. (previous trips to Cuba as the Huntsfield—British and Cypriot)	9,483
Georgios T	9,646
Giannis	7,490
Good Luck	6,952
Happy Land	9,080
Herodemos	7,356
Ilena (previous trips to Cuba—Lebanese)	5,925
Irena (previous trips to Cuba—Lebanese)	7,232
Iris	8,479
Johnny	9,689
June	9,357
Katerina (previous trips to Cuba—Lebanese)	9,357
Kimon	5,686
Kitsa	9,519
Kounistra (previous trips to Cuba as the Nicolaos Frangistas and the Nicolaos F.—Greek)	7,199
Kypros	7,001
Lena	7,029
Marco	7,622
Master George	7,334
May	8,853
Mery (previous trips to Cuba—Greek)	7,258
Mimis N. Papalios	9,069
Mimosa	8,618
Miss Papalios	9,072
Mitera Irini (previous trips to Cuba as the Socivve—British and Maltese)	7,291
Nea Hellas	9,241
Nedi 2	7,679
Newgate (previous trips to Cuba—British)	6,743
Nike	9,505
Noelle (previous trips to Cuba—Lebanese)	7,251
Olga (previous trips to Cuba—Lebanese and Greek)	7,265
Pantazis Caias	9,618
Patricia	6,998
Petunia	7,843
Piatres	7,244
Protoklitos	6,154
Salvia	8,522
Silver Coast	7,328
Silver Hope	5,313
Sophia (previous trips to Cuba—Greek)	7,030
Successor	11,471
Suerte	7,267
Thios Costas (previous trips to Cuba—Somali)	7,258
Torenia	8,077
**Troyan (trips to Cuba as the Mauritanie—Moroccan)	10,392
Venturer	9,000
Venus	9,777
Zaira	8,032
Zinia	7,114
British (33 ships)	269,582
Arctic Ocean	8,791
Athelcrown (tanker)	11,149
Athellaird (tanker)	11,150
Athelmonarch (tanker)	11,182
Avisfaith	7,868
Cheung Chau	8,566
Coral Islands	9,060
East Sea	9,679
Fortune Enterprise	7,696
**Glendalough (trip to Cuba—as the Ardrossmore—British)	5,820
Golden Bridge	7,897
Ho Fung	7,121
Huntsland	9,353
Hwa Chu	9,091
NOTE: Hwang Ho (now Jiangyin—Peoples Republic of China—will be deleted from future reports)	9,457
Ivory Islands	9,718
Kinross	5,388
Magister	2,239
Nancy Dee	6,597
Newheath	7,643
Precious Pearl	6,921
Red Sea (previous trip to Cuba as the Grosvenor Mariner—British)	7,026
**Rosetta Maud (trips to Cuba as the Ardtara—British)	5,795
Sea Amber	10,421
Sea Coral	10,421
Sea Empress	9,841
Sea Moon	9,085
Seasage	4,330
**Shun Wah (trip to Cuba as the Vercharmian—British)	7,265
Steed	8,989
Venice	8,611
NOTE: Yellow Sea (now Huai Yin—Peoples Republic of China—will be deleted from future reports)	9,998
Yunglutaton	5,414
Polish (21 ships)	150,590
Baltyk	6,984
Bialystok	7,173
Bytom	5,967
Chopin	9,231
Chorzow	7,237
Energetyk	10,876
Grodziec	3,379
Huta Florian	7,258
Huta Labedy	7,221
Huta Ostrowiec	7,179
Huta Zgoda	6,840
Hutnik	10,847
Kopalnia Bobrek	7,221
Kopalnia Czladz	7,252
Kopalnia Miechowice	7,223
Kopalnia Siemianowice	7,165
Kopalnia Wujek	7,033
Narwik	7,065
Piast	3,184
Rejowiec	3,401
Transportowiec	10,854
Yugoslav (8 ships)	53,948
Agrum	2,449
Bar	8,776
Cetinje	8,229
Kolasin	7,217
Piva	7,519
Plod	3,657
Tara	7,499
Ulcinj	8,602
Greek (6 ships)	40,477
Andromachi (previous trips to Cuba as the Penelope—Greek)	6,712
**Anna Maria (trips to Cuba as the Helka—British)	2,111
Eftyhia	9,844
**Gold Land (trip to Cuba as the Amfred—Swedish)	2,838
**Lambros M. Fatsis (trips to Cuba as the La Hortensia—British)	9,486
**Pothiti (trips to Cuba as the Huntsville—British)	9,486
Italian (6 ships)	53,930
Alderamine (tanker)	12,505
Elia (tanker)	11,021
Probitas	8,150
San Francesco	9,284
Santa Lucia	9,278
Somalia	3,692
Somali (8 ships)	61,638
**Atlas (trip to Cuba—Finnish)	3,916
Ber Sea	8,269
Dimitrakis	7,829
Hemisphere (previous trips to Cuba—British)	8,718
Nebula (trips to Cuba—British)	8,907
Nebula (previous trips to Cuba—British)	8,907
**Oriental (trips to Cuba as the Oceantramp—British)	6,185
**Eastglury (trips to Cuba—British)	8,995
**Jollity (trips to Cuba—British)	8,819
French (4 ships)	10,466
**Atlanta (trip to Cuba as the Enee—French)	1,232
Circe	2,874
Danae	3,486
Nelle	2,874
Lebanese (2 ships)	11,583
Antonis	6,259
Astir	5,324
Netherlands (2 ships)	1,615
Meike	500
Tempo	1,115
Panamanian (2 ships)	17,543
**Ampuria (trips to Cuba as the Roula Maria—Greek)	10,608
**Robertina (trips to Cuba as the Anacreon—Greek)	6,935
Finnish (1 ship)	4,779
Someri	4,779
Guinean (1 ship)	852

See footnotes at end of document.

See footnotes at end of document.

Guinean—Continued	Gross tonnage
**Drame Oumar (trip to Cuba as the Neve—French)	852
Maltese (1 ship)	5,333
Timios Stavros (previous trips to Cuba—British and Greek)	5,333
Moroccan (1 ship)	3,214
Marrakech	3,214
Pakistani (1 ship)	8,708
**Maulabaksh (trips to Cuba as the Phoenician Dawn and East Breeze—British)	8,708

SEC. 2. In accordance with approved procedures, the vessels listed below which called at Cuba after January 1, 1963, have reacquired eligibility to carry U.S. Government-financed cargoes from the United States by virtue of the persons who control the vessels having given satisfactory certification and assurance:

(a) That such vessels will not, thenceforth, be employed in the Cuban trade so long as it remains the policy of the U.S. Government to discourage such trade; and

(b) That no other vessels under their control will thenceforth be employed in the Cuban trade, except as provided in paragraph (c); and

(c) That vessels under their control which are covered by contractual obligations, including charters, entered into prior to December 16, 1963, requiring their employment in the Cuban trade shall be withdrawn from such trade at the earliest opportunity consistent with such contractual obligations.

FLAG OF REGISTRY AND NAME OF SHIP

a. Since last report:

	Gross tonnage
Pu Gar (Singapore)	7,638

b. Previous reports:

Flag of registry:	Number of ships
Flag of registry (total)	136
British	48
Cypriot	4
Danish	1
Finnish	4
French	4
German (West)	1
Greek	31
Israeli	1
Italian	13
Japanese	1
Kuwaiti	1
Lebanese	9
Liberia	1
Moroccan	2
Norwegian	5
Somali	1
Spanish	6
Swedish	1
Yugoslav	2

SEC. 3. The following number of vessels have been removed from this list, since they have been broken up, sunk, or wrecked.

a. Since last report:

Flag of registry:	Gross Tonnage
Aragon (Cypriot)	7,248
Armar (Cypriot)	6,957
Marika (Cypriot)	7,290
Ruthy Ann (British)	7,361
Savvas (Cypriot)	7,230
Gladiator (Cypriot)	8,346
Erato (Cypriot)	7,247
Spyro (Cypriot)	7,591

b. Previous reports:

Flag of registry:	Broken up, sunk, or wrecked
British	25
Cypriot	37
Finnish	5
French	1
Greek	18
Italian	4
Japanese	1
Lebanese	36
Maltese	2
Monaco	1
Moroccan	1
Norwegian	1
Pakistan	1
Panamanian	7
Singapore	1
Somali	1
South Africa	2
Swedish	1
Yugoslav	6
Total	151

SEC. 4. The ships listed in sections 1 and 2 have made the following number of trips to Cuba since January 1, 1963, based on information received through June 8, 1971.

Flag of registry	1963	1964	1965	1966	1967	1968	1969	1970	1971 Jan.	1971 Feb.	1971 Mar.	1971 Apr.	1971 May	Total
British	133	180	126	101	78	62	45	53	3	4	3	1		789
Cypriot		1	17	27	42	68	115	199	14	15	16	14	4	532
Lebanese	64	91	58	25	16	16	4	1						275
Greek	99	27	23	27	29	7								212
Italian	16	29	24	11	11	19	15	13	3		1		1	125
Yugoslav	12	11	15	10	14	9	6	7		1	1	1		87
French	8	9	9	10	10	4	2	5		1				58
Finnish	1	4	5	11	12	8	2	1						44
Spanish	9	17												26
Norwegian	14	10												24
Moroccan	9	13	1											23
Maltese		2	6	1	4	8	1	2						24
Somalia					2	11	7	4	1					25
Netherlands		4	2											6
Sweden	3	3												6
Kuwaiti		2	1											3
Israeli			2											2
Japanese	1					1								2
Danish	1													1
German (West)	1													1
Haitian			1											1
Monaco				1										1
Subtotal	370	394	290	224	218	204	197	285	21	21	21	16	5	2,266
Polish	18	16	12	10	11	7	2	3						79
Grand total	388	410	302	234	229	211	199	288	21	21	21	16	5	2,345

NOTE: Trip totals in section 4 exceed ship totals in sections 1 and 2 because some of the ships made more than one trip to Cuba. Monthly totals subject to revision as additional data becomes available.

**Ships appearing on the list which have made no trips to Cuba under the present registry.

By order of the Assistant Secretary of Commerce for Maritime Affairs.

Dated: June 18, 1971.

JAMES S. DAWSON, Jr.,
Secretary, Maritime Subsidy Board.

[FR Doc.71-10837 Filed 7-28-71;8:53 am]

Office of the Secretary

CHILDREN'S SLEEPWEAR

Notice of Standard

On November 17, 1970, there was published in the FEDERAL REGISTER (35 F.R. 17670) a notice of finding that a flammability standard is needed for sleepwear normally worn by young children (5 years and under) to protect the public against unreasonable risk of the occurrence of fire leading to death, injury, or significant property damage. This notice preliminarily found that the proposed standard published in the same FEDERAL REGISTER was:

a. Needed for young children's sleepwear to protect the public against unreasonable risk of the occurrence of fire leading to death, personal injury, or significant property damage.

b. Reasonable, technologically practicable, and appropriate, and is stated in objective terms; and

c. Limited to young children's sleepwear, and fabrics or related materials which are intended to be used or which may reasonably be expected to be used in children's sleepwear, and which have been determined to present such unreasonable risk.

The comments received pursuant to the above-referenced publication, statements presented at the public hearings, and the reports of the National Advisory Committee for the Flammable Fabrics Act on the proposed children's sleepwear standard were reviewed and considered. Having made appropriate changes in the proposed standards for the flammability of young children's sleepwear based on

those reviews and considerations and on further research, it is hereby found that the flammability standard as set out in full at the end hereof:

(a) Is needed for children's sleepwear to protect the public against unreasonable risk of fire leading to death, personal injury, or significant property damage;

(b) Is reasonable, technologically practicable and appropriate and is stated in objective terms; and

(c) Is limited to young children's sleepwear, and fabrics or related materials which are intended or promoted for use in children's sleepwear and which currently present the unreasonable risks specified in (a) above.

Intent and scope of standard. It is the intent of the standard set out in full at the end hereof to provide a high and effective level of protection to children approximately 5 years of age and younger against unreasonable risk of death or injury suffered as a result of ignition and continued burning of sleepwear garments, as defined in the standard, and/or as a result of the continued burning of molten or other material falling or dripping from the burning garments. In consonance with the Act and Senate Report No. 407, 90th Congress, first session, this standard is expressly "tailored to meet the particular need or hazard shown to exist." It is therefore, limited to garments and fabrics intended or promoted for use in children's sleepwear without imposing the same requirement on all other wearing apparel. The regulation of fabrics intended for use in products other than children's sleepwear is not covered under this standard. Items in inventory or with the trade on the effective date of the standard are exempt. All concerned parties shall be required to maintain records that these items offered for sale after the effective date of this standard are eligible for the exemption.

The standard accomplishes the above objectives by limiting the individual and average char lengths of specimens subjected to 3-second impingement of a moderate sized flame, and by limiting the time after removal of the flame within which material fallen from the specimens may continue burning.

Effective date. The standard shall become effective for items manufactured 12 months from the date of promulgation. Normally under the Flammable Fabrics Act a standard becomes effective within 12 months following promulgation unless it is found for good cause shown that an earlier or later effective date is in the public interest. Some industry sources have stated that it is not technologically practicable to comply with the standard in less than 31–36 months. The Department's independent investigation shows, however, that it will be technologically practicable for the majority of companies to comply with the standard within 24 months from the date of promulgation and that some may be able to comply within 12 months. Accordingly, in order to conform with the requirements of the Act that the standard be technologically practicable, the standard is made effective 12 months after promulgation with a proviso temporarily requiring a permanent and conspicuous cautioning label for noncomplying goods manufactured during the 12 months after the effective date of the standard. All goods manufactured 24 months after promulgation are required to comply.

Effect on other standards. As of 12 months after the effective date of the standard, the present flammability standards under the Flammable Fabrics Act (Commercial Standard 191–53, Flammability of Clothing Textiles as modified by Act of Congress approved August 23, 1954, and Commercial Standard 192–53, General Purpose Vinyl Plastic Film) are superseded insofar as they apply to items of children's sleepwear included in DOC FF 3–71. Nothing in this action affects the application of CS 191–53 and CS 192–53 to products, fabrics, or related materials not included in DOC FF 3–71.

Issued: July 27, 1971.

MAURICE H. STANS,
Secretary of Commerce.

CHILDREN'S SLEEPWEAR

STANDARD FOR THE FLAMMABILITY OF CHILDREN'S SLEEPWEAR

[DOC FF 3–71]

.1 *Definitions.* In addition to the definitions given in section 2 of the Flammable Fabrics Act, as amended (sec. 1, 81 Stat. 568; 15 U.S.C. 1191), and section 7.2 of the Procedures (33 F.R. 14642, Oct. 1, 1968), the following definitions apply for the purposes of this Standard:

(a) "Children's Sleepwear" means any product of wearing apparel up to and including size 6X, such as nightgowns, pajamas, or similar or related items, such as robes, intended to be worn primarily for sleeping or activities related to sleeping. Diapers and underwear are excluded from this definition.

(b) "Size 6X" means the size defined as 6X in Department of Commerce Voluntary Product Standard, previously identified as Commercial Standard, CS 151–50 "Body Measurements for the Sizing of Apparel for Infants, Babies, Toddlers, and Children." [1]

(c) "Item" means any product of children's sleepwear, or any fabric or related material intended or promoted for use in children's sleepwear.

(d) "Trim" means decorative materials, such as ribbons, laces, embroidery, or ornaments. This definition does not include (1) individual pieces less than 2 inches in their longest dimension, provided that such pieces do not constitute or cover in aggregate a total of more than 20 square inches of the item, or (2) functional materials (findings), such as zippers, buttons or elastic bands, used in the construction of garments.

(e) "Acceptance Criterion" means the maximum char length and residual flame time which an item may exhibit in order to comply with this standard.

(f) "Char Length" means the distance from the original lower edge of the specimen exposed to the flame in accordance with the procedure specified in ".4 Test Procedure" to the end of the tear or void in the charred, burned or damaged area, the tear being made in accordance with the procedure specified in .4(d)(2).

(g) "Residual Flame Time" is defined as the time from removal of the burner from the specimen to the final extinction of molten material or other fragments flaming on the base of the cabinet.

(h) "Afterglow" means the continuation of glowing of parts of a specimen after flaming has ceased.

.2 *Scope and application.* (a) This Standard provides a test method to determine the flammability of items of children's sleepwear.

(b) All items of children's sleepwear must meet the acceptance criterion, except during the period set out in .5(b).

.3 *General requirements*—(a) *Summary of test method.* Five conditioned specimens, 8.9 x 25.4 cm. (3.5 x 10 in.), are suspended one at a time vertically in holders in a prescribed cabinet and subjected to a standard flame along their bottom edge for a specified time under controlled conditions. The char length and residual flame time are measured.

(b) *Acceptance criterion.* An item meets the acceptance criterion if: (1) The average char length of five specimens does not exceed 17.8 cm. (7.0 in.), (2) no individual specimen has a char length of 25.4 cm. (10 in.), and (3) no individual specimen has a residual flame time greater than 10 seconds, when the testing is done in accordance with ".4 Test Procedure".

.4 *Test procedure*—(a) *Apparatus*—(1) *Test chamber.* The test chamber shall be a steel cabinet with inside dimensions of 30.5 cm. (12 in.) wide, 30.5 cm. (12 in.) deep, and 78.7 cm. (31 in.) high. It shall have a frame which permits the suspension of the specimen holder over the center of the base of the cabinet at such a height that the bottom of the specimen holder is 1.7 cm. (¾ in.) above the highest point of the barrel of the gas burner specified in .4(a)(3) and perpendicular to the front of the cabinet. The highest point of the barrel of the gas burner shall be 17.5 cm. (6.9 in.) above the floor of the cabinet. The front of the cabinet shall be a close fitting door with a glass insert to permit observation of the entire test. The cabinet floor shall be covered with a piece of asbestos paper, whose length and width are approximately 2.5 cm. (1 in.) less than the cabinet floor dimensions and whose thickness is a nominal 0.3 cm. (⅛ in.). A piece of asbestos paper at least 15.2 x 15.2 cm. (6 x 6 in.) and of nominal thickness 0.15 cm. (1/16 in.) or less shall be used

[1] Copies available from the National Technical Information Service, 5285 Port Royal Street, Springfield, VA 22151.

to catch the drips of other fragments and this latter paper shall be changed after each specimen which drips has been tested. The cabinet to be used in this test method is illustrated in Figure 1 and detailed in Engineering Drawings, Nos. 1 to 7.

(2) *Specimen holder.* The specimen holder is designed to permit suspension of the specimen in a fixed vertical position and to prevent curling of the specimen when the flame is applied. It shall consist of two U-shaped 0.32 cm. (⅛ in.) thick steel plates, 41.9 cm. (16.5 in.) long, and 8.9 cm. (3.5 in.) wide, with aligning pins. The openings in the plates shall be 35.6 cm. (14 in.) long and 5.1 cm. (2 in.) wide. The specimen shall be fixed between the plates, which shall be held together with side clamps. The holder to be used in this test method is illustrated in Figure 2 and detailed in Engineering Drawing No. 7.

(3) *Burner.* The burner shall be substantially the same as that illustrated in Figure 1 and detailed in Engineering Drawing No. 6. It shall have a tube of 1.1 cm. (0.43 in.) inside diameter. The input line to the burner shall be equipped with a needle valve. It shall have a variable orifice to adjust the height of the flame. The barrel of the burner shall be at an angle of 25° from the vertical. The burner shall be equipped with an adjustable stop collar so that it may be positioned quickly under the test specimen. The burner shall be connected to the gas source by rubber or other flexible tubing.

(4) *Gas supply system.* There shall be a pressure regulator to furnish gas to the burner under a pressure of 129±13 mm. Hg. (2½±¼ lbs. per sq. in.) at the burner inlet.

(5) *Gas.* The gas shall be at least 97 percent pure methane.

(6) *Hooks and weights.* Metal hooks and weights shall be used to produce a series of loads for char length determinations. Suitable metal hooks consist of No. 19 gauge steel wire, or equivalent, made from 7.6 cm. (3 in.) lengths of the wire, bent 1.3 cm. (0.5 in.) from one end to a 45° angle hook. The longer end of the wire is fastened around the neck of the weight to be used and the other in the lower end of each burned specimen to one side of the burned area. The requisite loads are given in Table 1.

TABLE 1

Original fabric weight [1]		Loads	
g./sq. m.	*(oz./sq. yd.)*	*g*	*(lb.)*
Less than 101	(Less than 3.0)	54.4	(0.12)
101–237	(3.0–6.0)	113.4	(0.25)
237–338	(6.0–10.0)	226.8	(0.50)
Greater than 338	(Greater than 10.0)	340.2	(0.75)

[1] Weight of the original fabric, containing no seams or trim, is calculated from the weight of a specimen which has been conditioned for at least 8 hours at 21±1.1° C. (70±2° F.) and 65±2 percent relative humidity. Shorter conditioning times may be used if the change in weight of a specimen in successive weighings made at intervals of not less than 2 hours does not exceed 0.2 percent of the weight of the specimen.

(7) *Stopwatch.* A stopwatch or similar timing device shall be used to measure time to 0.1 second.

(8) *Scale.* A linear scale graduated in mm. or 0.1 in. divisions shall be used to measure char length.

(9) *Circulating air oven.* A forced circulation drying oven capable of maintaining the specimens at 105°±2.8° C. (221°±5° F.), shall be used to dry the specimen while mounted in the specimen holders.[3]

(10) *Desiccator.* An air-tight and moisture-tight desiccating chamber shall be used for cooling mounted specimens after drying. Anhydrous silica gel shall be used as the desiccant in the desiccating chamber.

(11) *Hood.* A hood or other suitable enclosure shall be used to provide a draft-free environment surrounding the test chamber. This enclosure shall have a fan or other suitable means for exhausting smoke and/or toxic gases produced by testing.

(12) *Sewing machine.* A machine capable of carrying out the operations in .4(b)(2) shall be used whenever sewing is required.

(b) *Specimens and sampling*—(1) *Fabric.* Select a sample of the item representative of the lot and large enough to permit cutting five specimens. Pretesting shall be performed to determine whether different results are obtained for specimens cut with their long dimensions in the machine or cross-machine directions; if different results are obtained, the official test specimens shall be cut such that they are tested in the direction that gives the greater flammability.

Cut five specimens 8.9 x 25.4 cm. (3.5 x 10 in.) from the fabric sample selected. If the sample is wrinkled, it may be ironed. If possible, specimens shall be cut so that each contains different machine direction yarns and different cross-machine direction yarns.

(2) *Garments.* Select a sample garment representative of the lot and large enough to permit cutting five specimens. More than one item of that lot may be used if necessary to obtain the five specimens. Cut five specimens 8.9 x 25.4 cm. (3.5 x 10 in.). If the garment is wrinkled, it may be ironed. Seamed and trimmed areas shall be tested, with the exception of the small areas indicated in section .1(d). Specimens shall be cut such that the seam or trim is down the center of the long dimension of the specimen. For items in which the trim or seam length is less than 25.4 cm. (10 in.), specimens shall be cut with the seam beginning at the lower edge of each specimen.

For items with attached trim whose configuration does not allow placement in the specimen holder as described above, specimens shall be prepared by sewing or attaching the trim to the center of the vertical axis of an appropriate sample of untrimmed fabric chosen from another portion of the item, beginning the sewing or attachment of the lower edge of each specimen. The sewing or attachment shall be made in the manner in which trim was attached in the item. This trim shall be removed from the item with due care to avoid damage to the trim; all remnants of thread, other fastening material and base fabric shall be removed from the trim. Sewing or otherwise attaching the trim shall be done with thread or fastening material of the same (or as close to the same as possible) composition and size as used for this purpose in the original item and using the same (or as close to the same as possible) stitching and seam type. The trim shall be sewed the entire length (if possible) of representative samples of the item.

Alternatively, the set of five specimens may be prepared from the base fabric and other component materials used in a garment rather than by cutting the finished garment. The base fabric specimen shall be cut or prepared with the long dimension in the more flammable direction. The seams to be used in the garment shall be sewn, attaching two pieces of fabric, so that each seam lies along the long center line of a resulting test specimen. The same type and composition of sewing thread as will be used in the garment shall be used in preparing the test specimens. The trim to be used in the garment shall be sewn or attached to the center of the vertical axis of a fabric specimen beginning the sewing or attachment at the lower edge of the specimen. Sewing or otherwise attaching the trim shall be done the entire length of the fabric specimen with thread or fastening material of the same composition and size as will be used in the garment and using the same stitching and seam type. In both instances (trim and seam), the method of preparing the seam or attaching the trim to each test specimen shall be the same as that to be used in the finished garment.

(c) *Mounting and conditioning of specimens.* The specimens shall be placed in specimen holders so that the bottom edge of each specimen is even with the bottom of the specimen holder. Mount the specimen in as close to a flat configuration as possible. The sides of the specimen holder shall cover 1.9 cm. (¾ in.) of the specimen width along each long edge of the specimen, and thus shall expose 5.1 cm. (2 in.) of the specimen width. The sides of the specimen holder shall be clamped with a sufficient number of clamps or shall be taped to prevent the specimen from being displaced during handling and testing. The specimens may be taped in the holders if the clamps fail to hold them. Place the mounted specimens in the drying oven in a manner that will permit free circulation of air at 105° C. (221° F.) around them for 30 minutes.[3]

[2] Option 1 of ASTM D2654–67T, "Method of Test for Amount of Moisture in Textile Materials", describes a satisfactory oven. (1970 Book of ASTM Standards, Part 24, published by the American Society for Testing and Materials, 1916 Race Street, Philadelphia, PA 19103.)

[3] If the specimens are moist when received, permit them to air-dry at laboratory conditions prior to placement in the oven. A satisfactory preconditioning procedure may be found in ASTM D 1776–67, "Conditioning Textiles and Textile Products for Testing". ("1970 Book of ASTM Standards", Part 24, published by the American Society for Testing and Materials, 1916 Race Street, Philadelphia, PA 19103.)

Remove the mounted specimens from the oven and place them in the desiccator for 30 minutes to cool. No more than five specimens shall be placed in a desiccator at one time. Specimens shall remain in the desiccator no more than 60 minutes.

(d) *Testing*—(1) *Burner adjustment.* With the hood fan turned off, use the needle valve to adjust the flame height of the burner to 3.8 cm. (1½ in.) above the highest point of the barrel of the burner. A suitable height indicator is shown in Engineering Drawing 6 and Figure 1.

(2) *Specimen burning and evaluation.* One at a time, the mounted specimens shall be removed from the desiccator and suspended in the cabinet for testing. The cabinet door shall be closed and the burner flame impinged on the bottom edge of the specimen for 3.0±0.2 seconds.[4] Flame impingement is accomplished by moving the burner under the specimen for this length of time, and then removing it.

If flaming drips or fragments are evident, measure the residual flame time to the nearest 0.1 second. If an individual specimen produces fragments or drips which are flaming beyond the specified 10-second residual flame time, that item fails to meet the acceptance criterion and testing of that item may be stopped.

When afterglow has ceased, remove the specimen from the cabinet and holder, and place it on a clean flat surface. Fold the specimen lengthwise along a line through the highest peak of the charred or melted area; crease the specimen firmly by hand. Unfold the specimen and insert the hook with the correct weight as shown in Table 1 in the specimen on one side of the charred area 6.4 mm (¼ in.) from the lower edge. Tear the specimen by grasping the other lower corner of the fabric and gently raising the specimen and weight clear of the supporting surface.[5] Measure the char length as the distance from the end of the tear to the edge of the specimen exposed to the flame. If the char length of any individual specimen of an item equals 25.4 cm (10 in.) that item fails to meet the acceptance criterion and testing may be stopped. After testing each specimen, vent the hood and cabinet to remove the smoke and/or toxic gases.

(3) *Report.* Report the value of char length, in centimeters (inches), and the residual flame time, in seconds, for each specimen, as well as the average char length for the set of five specimens.

(4) *Laundering.* The procedures described under .4(b), .4(c), and .4(d) shall be carried out on finished items (as produced or after one washing and drying) and after they have been washed and dried 50 times[6] according to Test Method AATCC 124–1969.[7] Items which do not withstand 50 launderings shall be tested at the end of their useful service life. Washing procedure 6.2(III), with a water temperature of 60°±2.8° C. (140°±5° F.), and drying procedure 6.3.2 (B), shall be used. Maximum load shall be 3.64 Kg. (8 pounds) and may consist of any combination of test samples and dummy pieces. Alternatively, a different number of times under another washing and drying procedure may be specified and used, if that procedure has previously been found to be equivalent by the Federal Trade Commission.

Such laundering is not required of items which are not intended to be laundered, as determined by the Federal Trade Commission.

Items which are not susceptible to being laundered and are labeled "dry-clean only" shall be dry-cleaned by a procedure which has previously been found to be acceptable by the Federal Trade Commission.

For the purpose of the issuance of a guarantee under section 8 of the Act, finished sleepwear garments to be tested according to .4(b)(2) need not be laundered or dry-cleaned provided all fabrics used in making the garments (except trim) have been guaranteed by the fabric producer to meet the acceptance criterion after such laundering or dry-cleaning.

.5 *Labeling requirements*—(a) *Care labels.* All items of children's sleepwear shall be labeled with precautionary instructions to protect the items from agents or treatments which are known to cause deterioration of their flame resistance. If the item has been initially tested under .4(d)(4) after one washing and drying, it shall be labeled with instructions to wash before wearing. Such labels shall be permanent and otherwise in accordance with rules and regulations established by the Federal Trade Commission.

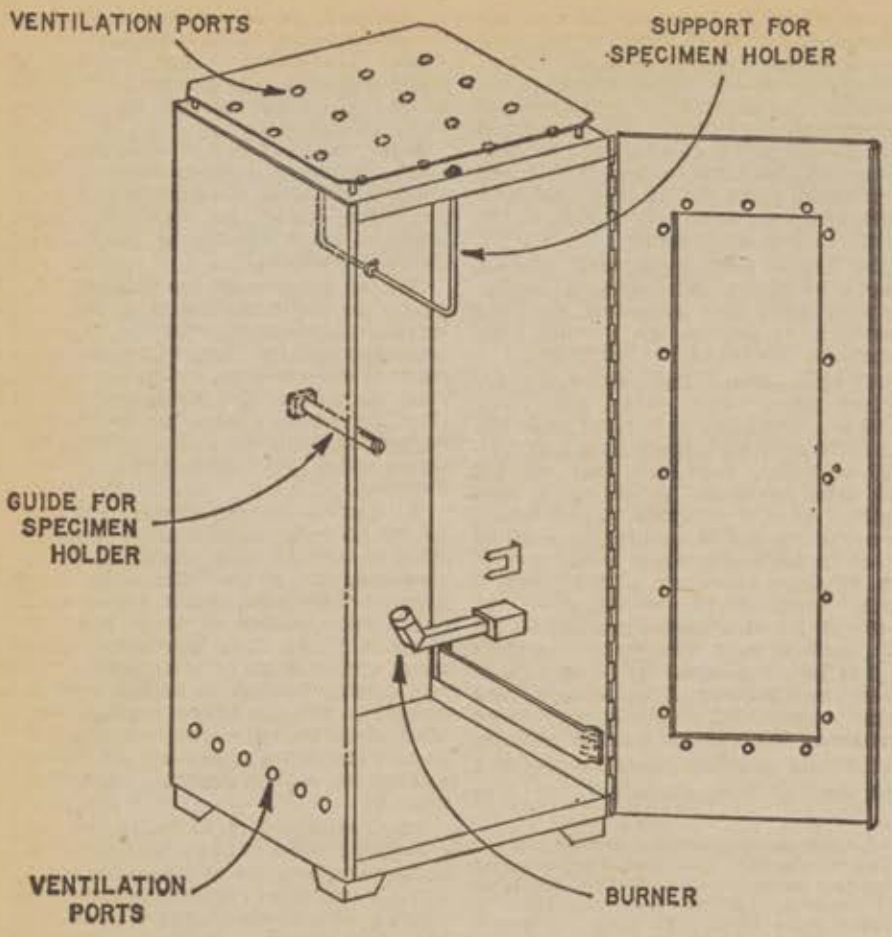
(b) *Temporary requirement for noncomplying items.* Items of noncomplying children's sleepwear which are manufactured during the 12 months following the effective date of the standard shall, prior to introduction into commerce, be prominently, permanently, and conspicuously labeled with the following statement: "Flammable (Does Not Meet U.S. Department of Commerce Standard DOC FF 3–71.) Should not be worn near sources of fire." Such labels should be in accordance with the rules and regulations established by the Federal Trade Commission.

[4] If more than 15 seconds elapse between removal of a specimen from the desiccator and the initial flame impingement, that specimen shall be reconditioned prior to testing.

[5] A figure showing how this is done is given in AATCC 34–1969, Technical Manual of the American Association of Textile Chemists and Colorists, Vol. 46, 1970, published by AATCC, Post Office Box 12215, Research Triangle Park, NC 27809.

[6] If changes in an item occur during laundering which appear to affect the flammability of that item sufficiently to make it fail the acceptance criterion, that item may be tested after fewer than 50 launderings. If the item fails, further launderings are not necessary.

[7] Technical Manual of the American Association of Textile Chemists and Colorists, Vol. 46, 1970, published by AATCC, Post Office Box 12215, Research Triangle Park, NC 27709.



VERTICAL TEST CABINET
FIGURE 1

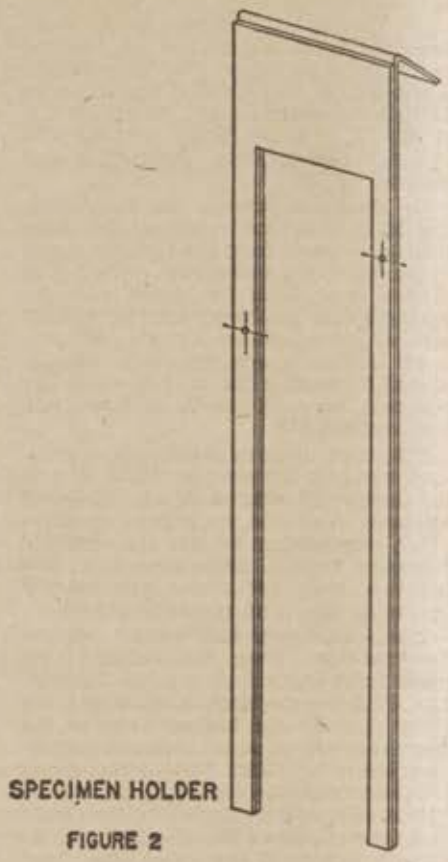
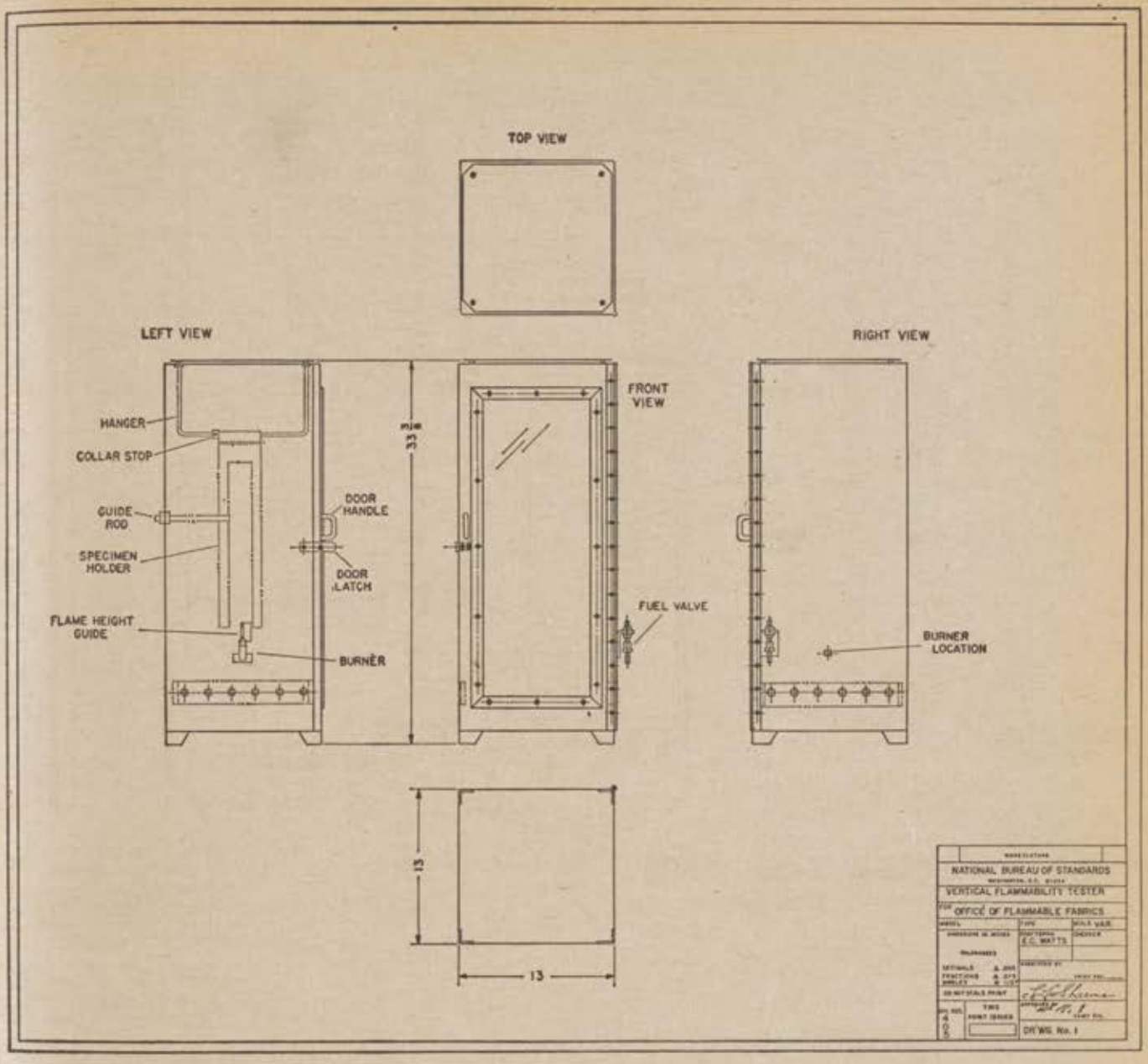
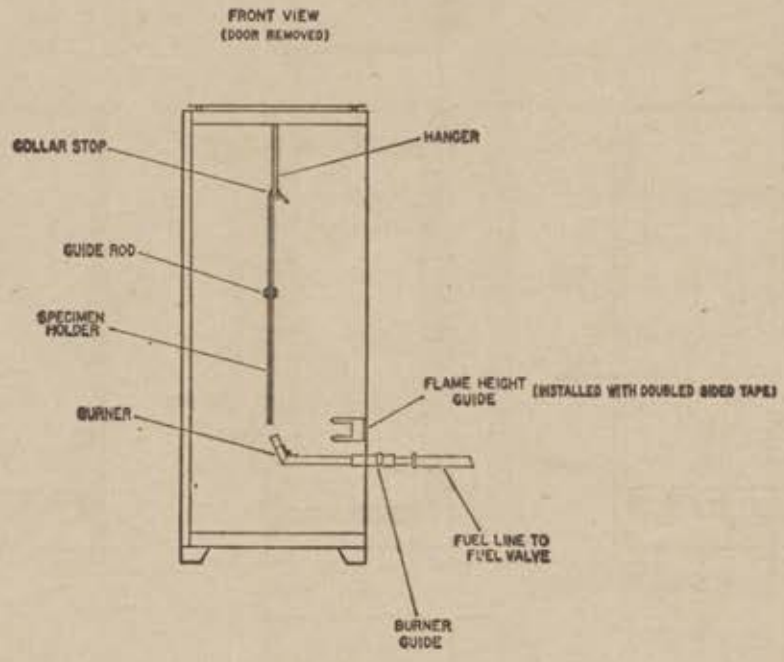


FIGURE 2


TOP VIEW
LEFT VIEW
RIGHT VIEW
FRONT VIEW
HANGER
COLLAR STOP
GUIDE ROD
SPECIMEN HOLDER
FLAME HEIGHT GUIDE
BURNER
DOOR HANDLE
DOOR LATCH
FUEL VALVE
BURNER LOCATION
33 3/8
13
13
NATIONAL BUREAU OF STANDARDS
VERTICAL FLAMMABILITY TESTER
OFFICE OF FLAMMABLE FABRICS
E.C. WATTS
DRWG No. 1



NATIONAL BUREAU OF STANDARDS
VERTICAL FLAMMABILITY TESTER
HOLDER & BURNER ASSEMBLY
FOR OFFICE OF FLAMMABLE FABRICS
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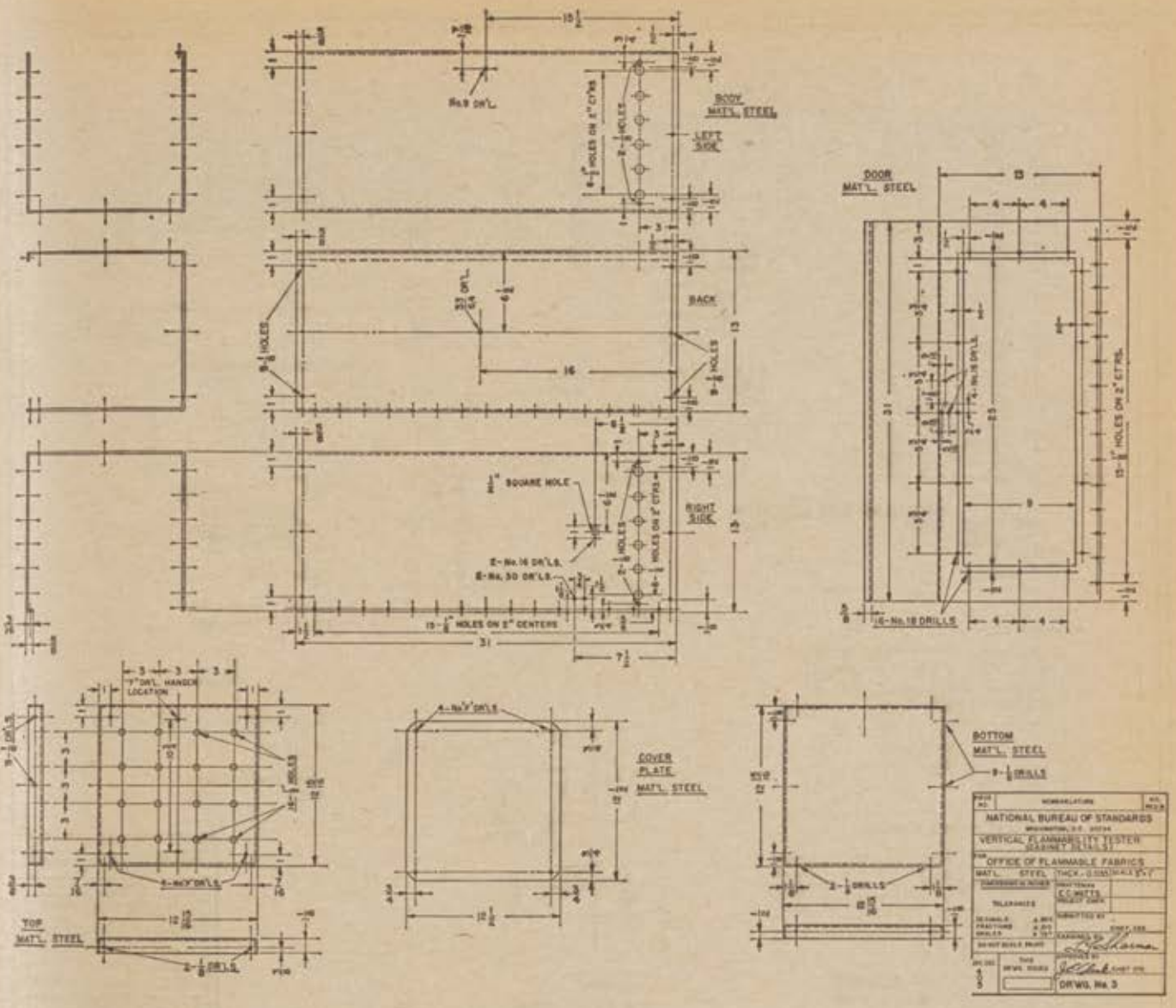
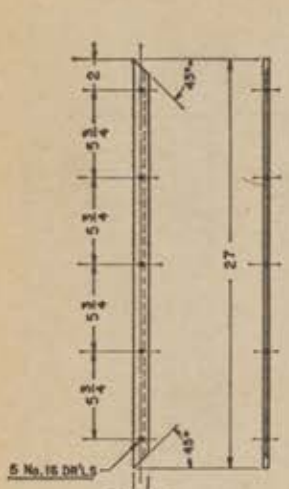
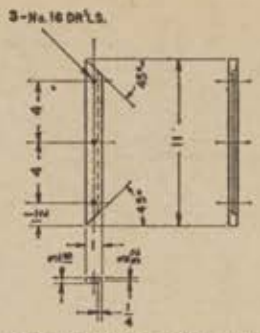

BODY MAT'L. STEEL
LEFT SIDE
BACK
RIGHT SIDE
DOOR MAT'L. STEEL
COVER PLATE MAT'L. STEEL
BOTTOM MAT'L. STEEL
TOP MAT'L. STEEL
NATIONAL BUREAU OF STANDARDS
VERTICAL FLAMMABILITY TESTER
OFFICE OF FLAMMABLE FABRICS
DRWG. No. 3



DOOR GLASS PANEL GUIDE (VERT.)
2 REQ. ALUM.



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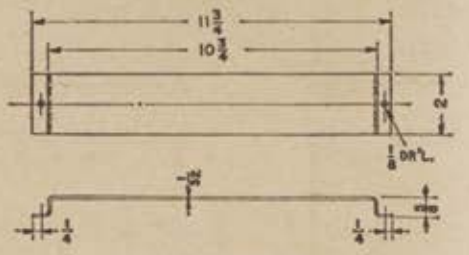
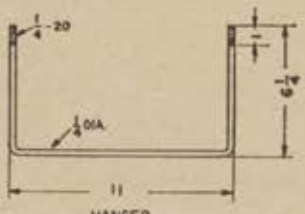
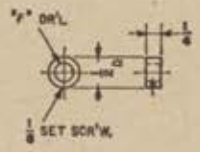
2 REQ. ALUM.



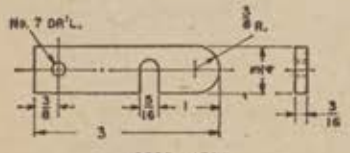
VENT DEFLECTING SHIELD
2 REQ. STEEL



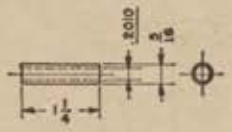
HANGER
1 REQ. STEEL



HANGER COLLAR STOP
1 REQ. STEEL



DOOR LATCH
1 REQ. ALUM.



TOP COVER SPACER
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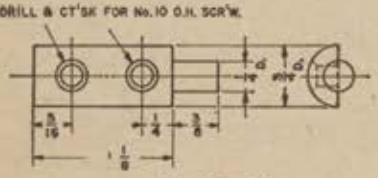
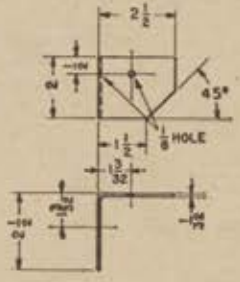
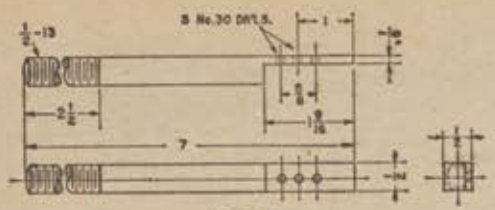


LATCH RETAINER
1 REQ. ALUM.

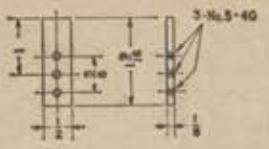


CABINET LEG
4 REQ. STEEL

NATIONAL BUREAU OF STANDARDS
WASHINGTON, D.C. 20234
VERTICAL FLAMMABILITY TESTER
DETAILS
FOR OFFICE OF FLAMMABLE FABRICS
DRAFTSMAN E.C. WATTS
DRWG. No. 4



GUIDE ROD
1 REQ. ALUM.



ADJUSTABLE CLAMP
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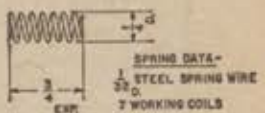
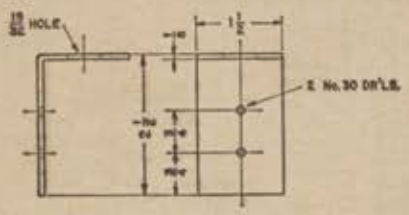


SPRING (ADJ. CLAMP)
REQ. (SEE NOTE)



FUEL VALVE BRACKET
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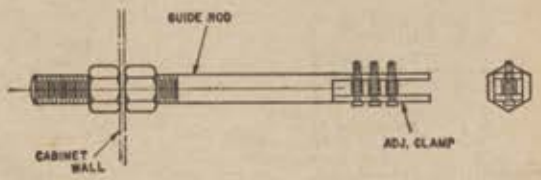
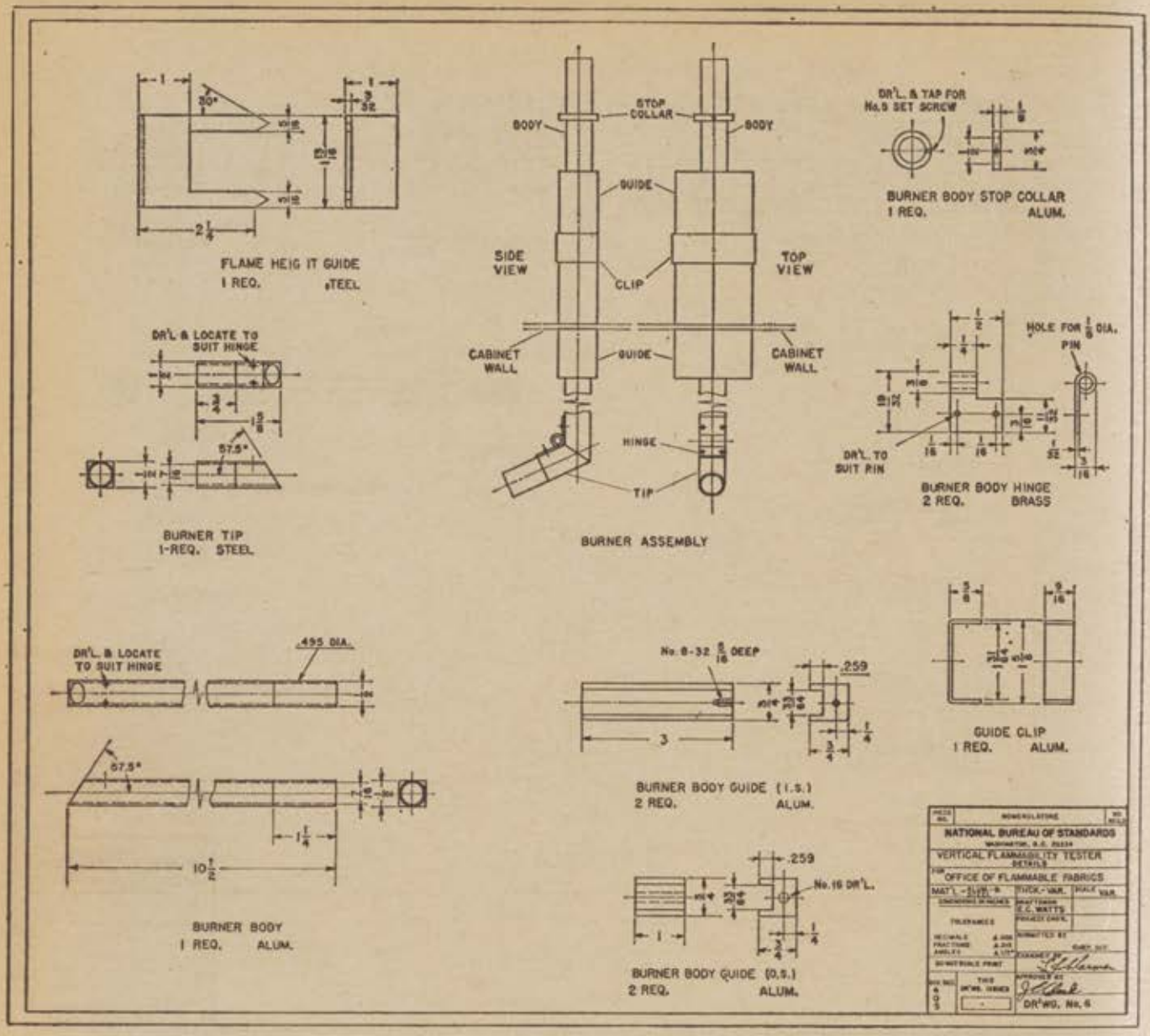
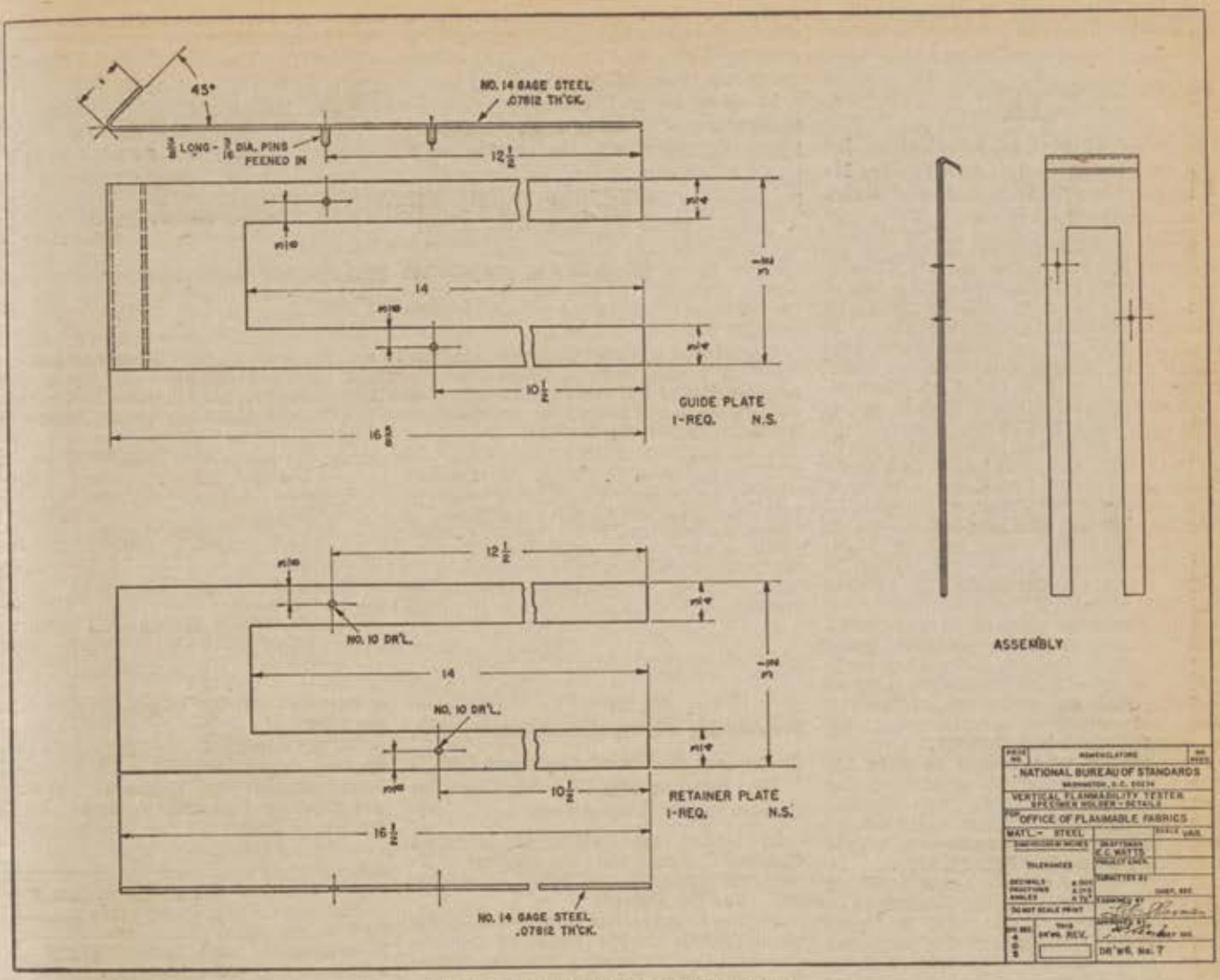


*GUIDE ROD ASSEMBLY

NATIONAL BUREAU OF STANDARDS
VERTICAL FLAMMABILITY TESTER
-DETAILS-
OFFICE OF FLAMMABLE FABRICS
DRAWN E.C. WATTS
DR WG. No. 5


FLAME HEIG IT GUIDE
1 REQ. STEEL
BODY
STOP COLLAR
BODY
GUIDE
SIDE VIEW
CLIP
TOP VIEW
CABINET WALL
GUIDE
CABINET WALL
HINGE
TIP
BURNER ASSEMBLY
DR'L. & TAP FOR No.5 SET SCREW
BURNER BODY STOP COLLAR
1 REQ. ALUM.
DR'L. & LOCATE TO SUIT HINGE
57.5°
BURNER TIP
1-REQ. STEEL
HOLE FOR DIA. PIN
DR'L. TO SUIT PIN
BURNER BODY HINGE
2 REQ. BRASS
DR'L. & LOCATE TO SUIT HINGE
.495 DIA.
57.5°
BURNER BODY
1 REQ. ALUM.
No. 8-32 DEEP
.259
3
BURNER BODY GUIDE (I.S.)
2 REQ. ALUM.
GUIDE CLIP
1 REQ. ALUM.
.259
No. 16 DR'L.
BURNER BODY GUIDE (O.S.)
2 REQ. ALUM.
NATIONAL BUREAU OF STANDARDS
VERTICAL FLAMMABILITY TESTER
DETAILS
FOR OFFICE OF FLAMMABLE FABRICS
DR'WG. No. 6



[FR Doc.71-10925 Filed 7-28-71;9:16 am]

ATOMIC ENERGY COMMISSION

[Docket No. 50-395]

SOUTH CAROLINA ELECTRIC & GAS CO.

Notice of Receipt of Application for Construction Permit and Facility License; Time for Submission of Views on Antitrust Matters

South Carolina Electric & Gas Co. 328 Main Street, Post Office Box 764, Columbia SC 29202, pursuant to section 103 of the Atomic Energy Act of 1954, as amended, has filed an application dated June 30, 1971, for authorization to construct and operate a pressurized water nuclear reactor designated as Virgil C. Summer Nuclear Station, Unit 1, on the applicant's site in Fairfield County, S.C.

The site is located immediately north of Parr, S.C., and is adjacent to a man-made lake created by placing a series of dams across Frees Creek, a tributary of the Broad River. The lake is located east of the Broad River and west of South Carolina State Highway 215, about 26 miles north of Columbia, in western Fairfield County, S.C.

The proposed nuclear power station will consist of a pressurized water nuclear reactor, which is designed for a power output of 2,785 megawatts thermal (MWt), with an equivalent station net electrical output of approximately 900 megawatts electrical (MWE).

Any person who wishes to have his views on the antitrust aspects of the application presented to the Attorney General for consideration shall submit such views to the Commission within sixty (60) days after July 22, 1971.

A copy of the application is available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, DC, and a copy has been sent to the Fairfield County Library, Vanderhorst Street, Winnsboro, SC 29180, Miss Jean Metelli, Librarian.

Dated at Bethesda, Md., this 15th day of July 1971.

For the Atomic Energy Commission.

PETER A. MORRIS,
Director,
Division of Reactor Licensing.

[FR Doc.71-10322 Filed 7-21-71;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket No. 23345, etc.]

MODERN AIR TRANSPORT, INC., AND HUGH B. MITCHELL

Notice of Prehearing Conference

Joint application of Modern Air Transport, Inc., and Hugh B. Mitchell, Trustee of Standard Airways, Inc., for approval of the transfer of certain certificates of public convenience and necessity.

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on August 11, 1971, at 10 a.m. (local time), in Room 503, Universal Building, 1825 Connecticut Avenue NW., Washington, DC, before Examiner Greer M. Murphy.

Information and evidence requests, statements of proposed issues, and proposed procedural dates shall be filed with the Examiner and other parties on or before August 6, 1971.

Dated at Washington, D.C., July 23, 1971.

[SEAL] RALPH L. WISER,
Acting Chief Examiner.

[FR Doc.71-10822 Filed 7-28-71;8:53 am]

FEDERAL COMMUNICATIONS COMMISSION

[Bahama List No. 1/71]

BAHAMIAN STANDARD BROADCAST STATIONS

Notification List

JULY 1, 1971.

List of new stations, proposed changes in existing stations, deletions, and corrections in assignments of Bahamian standard broadcast stations modifying the assignments of Bahamian broadcast stations contained in the appendix to the recommendations of the North American Regional Broadcasting Agreement Engineering Meeting January 30, 1941.

Call letters	Location	Power kw	Antenna	Schedule	Class
ZNS-1 (PO 10 kw., ND-200, 220 120 300, N. 25°05'00", W. 77°22' 30").	Nassau, Bahamas N. 25° 00'11", W., 77°21'02".	1540 kHz 50	DA-1	U	1-A.

[SEAL] FEDERAL COMMUNICATIONS COMMISSION,
WALLACE E. JOHNSON,
Assistant Chief, Broadcast Bureau.

[FR Doc.71-10798 Filed 7-28-71;8:50 am]

[Docket No. 19288; FCC 71-744]

WHARTON COMMUNICATIONS, INC.

Order and Notice of Apparent Liability Designating Application for Hearing on Stated Issues

In regard application of Wharton Communications, Inc., for renewal of license for Radio Station KANI, Wharton, Tex., File No. BR-4221.

1. The Commission has before it for consideration (a) the captioned application and (b) its inquiry into the operations of Station KANI.

2. Information obtained through analysis of the renewal application and from the above-mentioned inquiry raises serious questions as to whether the applicant possesses the qualifications to be or to remain licensee of the captioned station. In view of these questions, the Commission is unable to find that grant of the renewal application would serve the public interest, convenience and necessity, and must, therefore, designate the application for hearing.

3. *Accordingly, it is ordered,* That pursuant to section 309(c) of the Communications Act of 1934, as amended, the captioned application is designated for hearing at a place and time to be specified in a subsequent Order, upon the following issues:

(1) To determine whether licensee violated §§ 1.615, 73.39, 73.40, 73.47, 73.58, 73.111, 73.112, 73.113, 73.114, and 73.1205 of the Commission's rules and the terms of the station authorization.

(2) To determine whether the licensee has exercised control and supervision over the operation of KANI in a manner consistent with the responsibilities of a licensee.

(3) To determine, in light of the evidence adduced pursuant to the foregoing issue, whether the applicant possesses the requisite qualifications to be and to remain a licensee of the Commission.

(4) To determine, in light of the evidence adduced pursuant to the foregoing issues, whether the grant of the captioned application would serve the public interest, convenience, and necessity. If it is determined, in the light of the evidence, that the application should be granted, the grant may not be made final until existing technical problems of the station are resolved.

4. *It is further ordered,* That, if it is determined that the hearing record does not warrant an order denying the captioned application for renewal of license for Station KANI, it shall also be determined whether applicant has repeatedly or willfully violated §§ 1.615, 73.39, 73.40, 73.47, 73.58, 73.111, 73.112, 73.113, 73.114, or 73.1205 of the Commission's rules or the terms of the authorization for KANI [1] and, if so, whether an order of forfeiture pursuant to section 503(b) of the Communications Act of 1934, as amended, in the amount of $10,000 or some lesser amount should be issued for violations which occurred within 1 year of issuance of the Bill of Particulars in this matter.

5. *It is further ordered,* That this document constitutes Notice of Apparent Liability for forfeiture for violation of §§ 1.615, 73.39, 73.40, 73.47, 73.111, 73.112,

[1] See Bill of Particulars for specific dates and details of each alleged violation.

73.113, 73.114, and 73.1205 of the Commission's rules and the terms of the station authorization. The Commission has determined that, in every case designated for hearing involving revocation or denial of renewal of license for alleged violations which also come within the purview of section 503(b) of the Act, it shall, as a matter of course, include this forfeiture notice so as to maintain the fullest possible flexibility of action. Since the procedure is thus a routine or standard one, we stress that inclusion of this notice is not to be taken as in any way indicating what the initial or final disposition of the case should be; that judgement is, of course, to be made on the facts of each case.

6. *It is further ordered*, That the Chief, Broadcast Bureau, is directed to serve upon the captioned licensee within thirty (30) days of the release of this order, a Bill of Particulars with respect to Issues (1) and (2).

7. *It is further ordered*, That the Broadcast Bureau proceed with the initial presentation of the evidence with respect to Issues (1) and (2), and the applicant then proceed with its evidence and have the burden of establishing that it possesses the requisite qualifications to be and to remain a licensee of the Commission and that a grant of its application would serve the public interest, convenience, and necessity.

8. *It is further ordered*, That to avail itself of the opportunity to be heard, the applicant herein, pursuant to § 1.221 of the Commission's rules, in person or by attorney, shall file with the Commission, within twenty (20) days of the mailing of this order, a written appearance in triplicate, stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

9. *It is further ordered*, That the applicant herein, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.594 of the Commission's rules, shall give notice of the hearing within the time and in the manner prescribed in such rule and shall advise the Commission thereof as required by § 1.594 of the rules.

10. *It is further ordered*, That the Secretary of the Commission send a copy of this order by Certified Airmail—Return Receipt Requested to Wharton Communications, Inc.

Adopted: July 23, 1971.

Released: July 23, 1971.

FEDERAL COMMUNICATIONS COMMISSION,[2]

[SEAL] BEN F. WAPLE,
Secretary.

[2] Commissioners Wells and Houser absent.

[FR Doc.71-10799 Filed 7-28-71;8:50 am]

FEDERAL POWER COMMISSION

[Docket No. G-3252 etc.]

EDWIN J. PEET ETC.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates [1]

JULY 21, 1971.

Take notice that each of the applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before August 13, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure a hearing will be held without further notice before the Commission on all applications in which no petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicants to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[1] This notice does not provide for consolidation for hearing of the several matters covered herein.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
G-3252 C&E 5-24-71 [1]	Edwin J. Peet, Trustee (successor to Peet Oil Company, et al.), 502 North Crown Bldg., 830 Northeast Loop 410, San Antonio, TX 78209.	Natural Gas Pipe Line Co. of America, Clayton Field, Live Oak County, Tex.	14.0	14.65
G-3973 D 6-3-71	Mobil Oil Corp., Post Office Box 1774, Houston, TX 77001.	Natural Gas Pipe Line Co. of America, La Gloria Field, Jim Wells, and Brooks Counties, Tex.	(3)	.....
G-4065 C 6-24-71	Amoco Production Co., Post Office Box 3092, Houston, TX 77001.	Texas Eastern Transmission Corp., Hastings, Turtle Bay, and Chocolate Bayou Fields, Galveston, Chambers, and Brazoria Counties, Tex.	[4] 24.0	14.65
G-6213 E 6-10-71	Champlin Petroleum Co., et al. (successor to Union Pacific Railroad Co., et al.), Post Office Box 9365, Fort Worth, TX 76107.	Mountain Fuel Supply Co., South Baxter Basin Unit and Middle Baxter Basin Unit (I), Sweetwater County, Wyo.	[5] 9.6 [5] 6.6 [6] 11.0	15.025
G-6213 E 6-10-71	do	Mountain Fuel Supply Co., Church Buttes Area, Sweetwater and Uinta Counties, Wyo.	[7] 15.0	15.025
G-7257 D 6-25-71	Hurley Oil & Gas Co., 400 Petroleum Bldg., Shreveport, La. 71101.	Arkansas Louisiana Gas Co., Haynesville Field, Claiborne Parish, La.	Unproductive	.....
G-7257 D 6-25-71	do	Arkansas Louisiana Gas Co., Waskom Field, Harrison County, Tex.	Unproductive	.....
G-7535 C 5-13-71	Amoco Production Co., Post Office Box 591, Tulsa, OK 74102.	El Paso Natural Gas Co., Langlie-Mattix and other fields, Lea County, N. Mex.	11.0	14.65
G-10476 E 6-10-71	Champlin Petroleum Co., et al. (successor to Union Pacific Railroad Co., et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Table Rock Unit Area, Sweetwater County, Wyo.	[8] 17.1700	14.65
G-12826 D 6-30-71	Texaco, Inc., Post Office Box 3109, Midland, TX 79701.	El Paso Natural Gas Co., South Andrews Devonian Field, Andrews County, Tex.	(9)	.....
G-13138 C 6-28-71	Atlantic Richfield Co., (Operator), Post Office Box 2819, Dallas, TX 75221.	Northern Natural Gas Co., Imperial Gas Plant, Crane and Pecos Counties, Tex.	[10] 22.0	14.65

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
G-14267 C 6-18-71	Sohio Petroleum Co., 970 First National Center-North Oklahoma City, Okla. 73102.	United Gas Pipe Line Co., South Lewisberg Field, Acadia Parish, La.	23.03	15.025
G-14910 D 6-14-71	Mobil Oil Corp., Post Office Box 1774, Houston, TX 77001.	Diamond Shamrock Oil & Gas Co., Panhandle Field, Hutchinson County, Tex.	Unproductive	
G-16368 D 6-14-71	do	Transwestern Pipeline Co., West Shattuck Field, Ellis County, Okla.	(9)	
G-16846 5-26-71 [8]	Sun Oil Co., Post Office Box 2880, Dallas, TX 75221.	Natural Gas Pipe Line Co. of America, La Gloria Field, Jim Wells County, Tex.	16.7265	14.65
G-17246 D 5-14-71	Mobil Oil Corp. (Operator) et al., Post Office Box 1774, Houston, TX 77001.	Atlantic Richfield Co., Abell Field, Pecos County, Tex.	(12)	
G-17248 D 5-14-71	do	do	(12)	
G-19226 E 6-10-71	Champlin Petroleum Co., et al. (successor to Union Pacific Railroad Company et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Table Rock Field, Sweetwater County, Wyo.	[8] 17.170	14.65
C160-181 C 6-4-71	Koch Industries, Inc., 4111 East 37th St. North, Wichita, KS 67205.	Cities Service Gas Co., March Field, Seward County, Kans.	[8] 17.5	14.65
C160-604 6-7-71 [13]	Union Oil Co. of California (Operator) et al., Union Oil Center, Los Angeles, Calif. 90017.	El Paso Natural Gas Co., Spraberry Field, Midland County, Tex.	[8] 19.3278	14.65
C161-548 C 5-7-71	Mobil Oil Corp. (Operator) et al., Post Office Box 1774, Houston, TX 77001.	El Paso Natural Gas Co., Langlie-Mattix and Jalmat Field, Lea County, N. Mex.	11.0	14.65
C161-1285 D 6-17-71	The California Co., a division of Chevron Oil Co., 1111 Tulane Ave., New Orleans, LA 70112 (partial abandonment).	United Fuel Gas Co., South Thornwell Field, Jefferson Parish, La.	Unproductive	
C161-1462 E 6-10-71	Champlin Petroleum Co., et al. (successor to Union Pacific Railroad Co., et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Patrick Draw Area, Sweetwater County, Wyo.	[8] 17.2550	14.65
C161-1681 D 7-6-71	Cities Service Co. (Operator) et al., Post Office Box 300, Tulsa, OK 74102.	United Gas Pipe Line Co., Magee Field, Simpson and Smith Counties, Miss.	Assigned	
C162-458 C 6-4-71	Cities Service Oil Co. (Operator) et al., Post Office Box 300, Tulsa, OK 74102.	United Fuel Gas Co., Sandy River District of McDowell County, W. Va., and Huff Creek District of Wyoming County, W. Va.	28.5	15.325
C163-670 C 6-3-71 [8]	Mobil Oil Corp., Post Office Box 1774, Houston, TX 77001.	Natural Gas Pipe Line Co. of America, La Gloria Field, Jim Wells and Brooks Counties, Tex.	[8] 19.0 [8] 24.0	14.65
C164-418 E 6-10-71	Champlin Petroleum Co. et al. (successor to Union Pacific Railroad Co. et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Wamsutter Unit Area, Sweetwater County, Wyo.	[8] 16.24	14.65
C164-559 E 6-4-71	Miles Kimball Co. (sucessor to Machin Oil Ltd.), 2100 First City National Bank Bldg., Houston, Tex. 77002.	Arkansas Louisiana Gas Co., Hodge Field, Jackson Parish, La.	15.0	15.025
C164-921 E 6-10-71	Champlin Petroleum Co. et al. (successor to Union Pacific Railroad Co. et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Patrick Draw Area Field (Desert Springs area), Sweetwater County, Wyo.	[8] 15.7325	14.65
C165-21 C 6-14-71 as amended 6-28-71	Texaco, Inc., Post Office Box 3109, Midland, TX 79701.	Northern Natural Gas Co., Ozona Field, Crockett County, Tex.	[8] 21.54	14.65
C165-21 D 6-14-71	do	do	(9)	
C166-410 C 6-28-71	Atlantic Richfield Co. (Operator) et al., Post Office Box 2819, Dallas, TX 75221.	Northern Natural Gas Co., Eldorado Gas Plant, Schleicher County, Tex.	[8] 22.0	14.65
C167-78 E 6-4-71	Miles Kimball Co. (successor to Machin Oil, Ltd.), 2320 First City National Bank Bldg., Houston, Tex. 77002.	Arkansas Louisiana Gas Co., Hodge Field, Jackson Parish, La.	15.0	15.025
C167-878 D 6-28-71	Mobil Oil Corp. (Operator) et al., Post Office Box 1774, Houston, TX 77001.	Panhandle Eastern Pipe Line Co., Bishop and other fields, Ellis County, Okla.	Assigned	
C167-1053 E 6-10-71	Champlin Petroleum Co. et al. (successor to Union Pacific Railroad Co. et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Point of Rocks Area, Sweetwater County, Wyo.	[8] 16.24	14.65
C167-1238 E 6-10-71	do	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., North Desert Springs Area, Sweetwater County, Wyo.	[8] 18.385	14.65
C167-1426 E 6-10-71	do	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Table Rock Field, Sweetwater County, Wyo.	[8] 17.255	14.65
C168-62 C&D 5-24-71 as amended 7-1-71	Humble Oil & Refining Co., Post Office Box 2180, Houston, TX 77001.	Panhandle Eastern Pipe Line Co., North Greensburg Field, Woods County, Okla.	[8] 18.98	14.65
C168-1178 E 6-10-71	Champlin Petroleum Co. et al. (successor to Union Pacific Railroad Co. et al.), Post Office Box 9365, Fort Worth, TX 76107.	Mountain Fuel Supply Co., Pine Canyon Unit, Nitchie Gulch Area, Sweetwater County, Wyo.	[8] 16.24	15.025
C169-91 C 6-7-71	Belco Petroleum Corp., 2100 First City National Bank Bldg., Houston, Tex. 77002.	Texas Gas Transmission Corp., North Maurice Field, Lafayette Parish, La.	21.25	15.025
C169-634 E 6-4-71	Miles Kimball Co. (successor to Art Machin & Associates, Inc.), 2100 First City National Bank Bldg., Houston, Tex. 77002.	Arkansas Louisiana Gas Co., North Lansing Field, Harrison County, Tex.	13.4863	14.65
C170-1 E 6-10-71	Champlin Petroleum Co. et al. (successor to Union Pacific Railroad Co. et al.), Post Office Box 9365, Fort Worth, TX 76107.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., East Rock Springs Area Field, Sweetwater County, Wyo.	[8] 16.065	14.65
C171-288 (C164-157) F&C 6-8-71	LVO Corp. (successor to Skelly Oil Co.), Post Office Box 2848, Tulsa, OK 74101.	Kansas-Nebraska Natural Gas Co., Bradshaw Area, Hamilton County, Kans.	[8] 13.5	14.65
C171-900 A 6-23-71	General American Oil Co. of Texas, Meadows Bldg., Dallas, Tex. 75206.	Transcontinental Gas Pipe Line Corp., North Live Oak Field, Vermilion Parish, La.	18.5	15.025
C171-901 A 6-23-71	Mobil Oil Corp., Post Office Box 1774, Houston, TX 77001.	Northern Natural Gas Co., Gomez (Ellenburger) Field, Pecos County, Tex.	[8] 28.0	14.65
C171-902 B 6-23-71	Cabot Corp. (GLC) Post Office Box 1473, Charleston, WV 25325.	United Fuel Gas Co., acreage in McDowell County, W. Va.	(12)	
C171-903 B 6-23-71	do	Consolidated Gas Supply Corp., Wyoming and Fayette Counties, W. Va.	(12)	
C171-904 A 6-23-71	Appalachian Exploration & Development, Inc., Post Office Box 628, Charleston, WV 25325.	Mountain Gas Co., acreage in Gilmer and other counties, W. Va.	32.0	15.325
C171-905 B 6-28-71	John L. Welsh, Jr., et al., 1616 West Loop South, Houston, TX 77025.	Texas Eastern Transmission Corp., Key Pettus Field, Goliad County, Tex.	Unproductive	
C171-906 B 6-28-71	Shell Oil Co., 1 Shell Plaza, Houston, TX 77002.	Clinton Oil Co., Autwine Field, Kay County, Okla.	Uneconomical	
C171-907 B 6-29-71	Jack W. Grigsby (Operator), et al., 1108 Commercial National Bank Bldg., Shreveport La. 71101.	United Gas Pipe Line Co., Carthage Field, Panola County, Tex.	Depleted	
C171-908 (G-17365) F 6-24-71	Texas Oil & Gas Corp. (successor to Earl G. Colton et al., d.b.a. Colton and Colton, Fidelity Union Tower Bldg., Dallas, Tex. 75201.	United Gas Pipe Line Co., McFadden Field, Refugio County, Tex.	14.0	14.65

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
CI71-909..... A 6-29-71	Union Oil Co. of California, Post Office Box 7600, Los Angeles, CA 90051.	El Paso Natural Gas Co., Sabine Royalty No. 1, Gomez Field, Pecos County, Tex., and Pipeline Federal No. 1, La Rica Field, Lea County, N. Mex.	[8] 26.5	14.65
CI71-910..... A 6-29-71	Signal Oil & Gas Co., 1010 Wilshire Blvd., Los Angeles, CA 90017.	Lone Star Gas Co., Doyle Plant, Stephens County, Okla.	22.0	14.65
CI71-911..... A 6-28-71	Phillips Petroleum Co., Bartlesville, Okla. 74004.	United Gas Pipe Line Co., West Bryceland Field, Bienville Parish, La.	[9] 28.0	15.025
CI71-912..... B 6-29-71	Gulf Oil Corp., Post Office Box 1589, Tulsa, OK 74102.	Lone Star Gas Co., Northeast Elmore Field, Garvin County, Okla.	Depleted	
CI71-913..... B 6-28-71	Union Texas Petroleum, a division of Allied Chemical Corp., et al., P. O. Box 2120 Houston, TX 77001.	Cities Service Gas Co., Moore Field, Cleveland County, Okla.	Depleted	
CI72-1..... A 7-1-71	Humble Oil & Refining Co., Post Office Box 2180, Houston, TX 77001.	United Gas Pipe Line Co., Van Field, Van Zandt County, Tex.	20.0	14.65
CI72-2..... A 7-1-71	Independence Drilling Corp., Petroleum Center E-112, San Antonio, Tex. 78209.	United Gas Pipe Line Co., Angelita Field, San Patricio County, Tex.	24.0	14.65
CI72-3..... B 7-1-71	Tenneco Oil Co., Post Office Box 2511, Houston, TX 77001.	Cities Service Gas Co., Eureka Field, Grant County, Okla.	Depleted	
CI72-4..... A 7-6-71	Amoco Production Co., Post Office Box 591, Tulsa, OK 74102.	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Elk Basin Field, Park County, Wyo., and Carbon County, Mont.	8.6	14.65
CI72-5..... A 7-6-71	Commonwealth Gas Corp., Suite 2102, 370 Lexington Ave., New York, N.Y. 10017.	United Fuel Gas Co., Union District, Jackson County, W. Va.	32.0	15.325
CI72-6..... B 7-6-71	Houston Oil & Minerals Corp. (Operator) et al., 242 The Main Bldg., 1212 Main St., Houston, TX 77002.	United Gas Pipe Line Co., Gowitt Field, Goliad and De Witt Counties, Tex.	Depleted	
CI72-7..... B 7-6-71	William V. Montin, 2020 First National Bldg., Oklahoma City, Okla. 73102.	El Paso Natural Gas Co., acreage in San Juan County, N. Mex.	Depleted	
CI72-8..... A 7-6-71	Trend Exploration Limited, 600 Capitol Life Center, Denver, Colo. 80203.	Southern Natural Gas Co., East Pointe A La Hache Field, Plaquemines Parish, La.	[8] 27.5	15.025
CI72-9..... A 7-2-71	Continental Oil Co., Post Office Box 2197, Houston, TX 77001.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Block 135, West Cameron Block 110 Field, Offshore Louisiana.	[8] 28.0	15.025
CI72-10..... B 7-1-71	Tenneco Oil Co., Post Office Box 2511, Houston, TX 77001.	Cities Service Gas Co., Eureka Field, Grant and Alfalfa Counties, Okla.	Depleted	

[1] Amendment to pending application.
[2] Consolidation of sales under Docket No. CI63-470.
[3] Applicant is willing to accept an amended certificate at 24 cents for gas well gas delivered from seller's Hastings Field Area properties; however, the contract price is 25 cents.
[4] Sweet gas. South Baxter.
[5] Sour gas. South Baxter.
[6] Middle Baxter.
[7] Rate in effect subject to refund in Docket No. G-16476.
[8] Rate in effect subject to refund in Dockets Nos. RI63-254 and RI68-326.
[9] Expiration of lease.
[10] Contract provides for 24.5 cents per Mcf plus tax reimbursement; however, Atlantic will accept temporary conditioned to 22 cents per Mcf, subject to upward and downward B.t.u. adjustment.
[11] Amendment to certificate filed to increase daily contract quantity.
[12] Applicant proposes to continue sales under a percentage type contract within the contemplation of section 154.91 (e) of the regulations under the Natural Gas Act.
[13] Rate in effect subject to refund in Dockets Nos. RI63-169 and RI68-326.
[14] Casinghead gas.
[15] Petition to amend certificate to include interest of coowner, Humble Oil & Refining Co.
[16] Rate in effect subject to refund in Docket No. RI70-38.
[17] Rate in effect subject to refund in Dockets Nos. RI63-254 and RI68-326.
[18] Applicant requests that its certificate be amended to include authorization to sell gas presently sold under its FPC Gas Rate Schedule No. 417. Sales under said rate schedule are authorized in Docket No. G-3973.
[19] Old gas.
[20] New gas.
[21] Rate in effect subject to refund in Docket No. RI68-326.
[22] Rate in effect subject to refund in Docket No. RI68-326.
[23] Includes 2.96 cents per Mcf upward adjustment and 0.08-cent tax reimbursement. Subject to upward and downward B.t.u. adjustment.
[24] Contract provides for price of 24.5 cents per Mcf plus tax reimbursement; however, Atlantic will accept temporary at 22 cents per Mcf, subject to upward and downward B.t.u. adjustment.
[25] Rate in effect subject to refund in Docket No. RI68-334.
[26] Rate in effect subject to refund in Docket No. RI69-27.
[27] Rate in effect subject to refund in Docket No. RI68-334.
[28] Includes 1.7-cent B.t.u. adjustment and 0.28-cent T/R. Subject to upward and downward B.t.u. adjustment.
[29] Rate in effect subject to refund in Docket No. RI70-943.
[30] Includes 1.065 cents per Mcf upward B.t.u. adjustment.
[31] Rate in effect subject to refund in Docket No. RI69-426.
[32] Subject to upward and downward B.t.u. adjustment.
[33] Applicant proposes to transfer its interstate production facilities to Mountain Gas Co. in furtherance of a plan of corporate realignment by operating function.
[34] Excluding B.t.u. adjustment.
[35] Subject to upward and downward B.t.u. adjustment. Plus 0.2873 (cents per Mcf).

[FR Doc.71-10702 Filed 7-28-71;8:54 am]

[Docket No. CP72-15]

CITIES SERVICE GAS CO.

Notice of Application

JULY 23, 1971.

Take notice that on July 19, 1971, Cities Service Gas Co. (applicant), Post Office Box 25128, Oklahoma City, OK 73125, filed in Docket No. CP72-15 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities for the exchange of natural gas with Arkansas Louisiana Gas Co. (Arkla), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it has entered into a natural gas exchange agreement with Arkla whereby the parties propose to exchange on a best efforts basis up to 10,000 Mcf of natural gas per day. Arkla will deliver gas purchased from the Red Deer Area in Hemphill and Roberts Counties, Tex., to Applicant at the Red Deer and Humphreys No. 1 Exchange Points located in Hemphill County. Applicant states that it will redeliver equivalent volumes of natural gas to Arkla at the Hutchinson Exchange Point in Reno County, Kans., the Lyons Exchange Point in Rice County, Kans., and the Cement Exchange Point in Caddo County, Okla.

To facilitate this exchange, applicant states that it will be necessary to construct and operate measuring facilities near the Red Deer Exchange Point and approximately 0.23 mile of 4-inch pipeline from its existing transmission line to the Cement Exchange Point. The estimated cost of these facilities is $16,600, which cost applicant states will be financed from treasury cash.

Applicant states that the facilities and exchange service proposed herein are necessary to enable Arkla to receive new supplies of natural gas purchased in the Red Deer Area for which it does not presently have transportation facilities. Arkla will pay applicant a transportation charge of 60 cents per Mcf of natural gas transported.

Any person desiring to be heard or to make any protest with reference to said application should on or before August 16, 1971, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding.

Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.71-10786 Filed 7-28-71;8:48 am]

[Docket No. CP71-321]

LLOYD V. CRUM, JR., AND NORTHERN NATURAL GAS CO.

Notice of Application

JULY 23, 1971.

Take notice that on June 29, 1971, Lloyd V. Crum, Jr. (applicant), Racine, Minn. 55967, filed in Docket No. CP71-321 an application pursuant to section 7(a) of the Natural Gas Act for an order of the Commission directing Northern Natural Gas Co. (respondent), to sell and deliver up to 700 Mcf of natural gas per day through existing facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that he operates a natural gas distribution system in the village of Racine, Minn., and environs, and that respondent is his sole supplier. Applicant states that the present contract demand of 350 Mcf per day is not sufficient to meet the expanding needs of its small residential and industrial customers and that respondent has known of this condition but has not stated its position with regard to the increased service. Therefore, applicant requests that the Commission issue an order directing respondent to increase the volume of natural gas sold and delivered to applicant from 350 Mcf per day to 700 Mcf per day.

Any person desiring to be heard or to make any protest with reference to said application should on or before August 16, 1971, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc.71-10787 Filed 7-28-71;8:48 am]

[Docket No. E-7642]

LOUISVILLE GAS AND ELECTRIC CO.

Notice of Amendment of Interconnection Agreement and Increased Rate Filing

JULY 22, 1971.

Take notice that on June 28, 1971, Louisville Gas and Electric Co. (Louisville) filed a supplement (First Supplemental Agreement) dated July 1, 1971 to the interconnection agreement dated July 22, 1966, between Louisville and Kentucky Utilities Co. (Kentucky), designated Louisville Co. Rate Schedule FPC No. 20 and a supplement (First Supplement Agreement) dated July 1, 1971 to the interconnection agreement dated February 1, 1967 between Public Service Company of Indiana, Inc. (Service Company) and Louisville, designated Louisville Co. Rate Schedule FPC No. 21.

These modifications provide for an increase in the demand charge for short-term power of from $0.30 per kilowatt per week to $0.40 per kilowatt per week. The parties have concluded that present day loading conditions indicate the propriety of a daily demand charge equivalent to one-sixth of the weekly charge (or $0.0667) rather than one-fifth of such weekly charge, as provided in the existing short-term power schedule. The new basis of prorating places Saturday in the same position as any other weekday.

The parties contend that the extent of use of short-term power for the next 12 months is unknown due to the fact that short-term power will be scheduled only as system conditions dictate.

Louisville Company makes application for a waiver of notice requirements so as to allow these First Supplemental Agreements to become effective as filed rate schedules as of July 1, 1971, the effective date set forth in the agreements.

Any person desiring to be heard or to make any protest with reference to said application should on or before August 2, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.71-10788 Filed 7-28-71;8:49 am]

[Docket No. E-7636]

ROCHESTER GAS AND ELECTRIC CORP.

Notice of Proposed Rate Schedule Changes

JULY 22, 1971.

Take notice that on June 8, 1971, Rochester Gas and Electric Corp. (applicant) tendered for filing rate schedule changes which amend section 7.2 of an agreement between applicant and Consolidated Edison Company of New York (Con Edison), designated as rate schedule FPC No. 6.

The agreement is signed by both Con. Edison and the applicant with Con Edison filing a certificate of concurrence to the proposed rate schedule change.

The tendered rate schedule designated as Supplement No. 1 to rate schedule FPC No. 6, proposes to effect an increase in the capability and energy charges of applicant in their sales of power to Con Edison.

Applicant states that section 7.2 of the agreement to be amended provides that "The charges stated herein shall be subject to adjustment if there are any increases or decreases in the components used in determining such charges * * *." The cost components used in the derivation of capability and energy charges have increased sufficiently to require their renegotiation.

The applicant, pursuant to § 35.11 of the Commission's regulations have requested a waiver of the notice requirements and that the amendment be permitted to become effective April 25, 1971, in accordance with its terms.

Any person desiring to be heard or to make any protest with any reference to said application should on or before August 2, 1971, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protest in accordance with the requirements of the Commission rules and 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 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.71-10789 Filed 7-28-71;8:49 am]

[Docket No. CP72-14]

SOUTH GEORGIA NATURAL GAS CO.

Notice of Application

JULY 23, 1971.

Take notice that on July 19, 1971, South Georgia Natural Gas Co. (applicant), Post Office Box 1279, Thomasville, GA 31792, filed in Docket No. CP72-14 an application pursuant to section 7(b) of the Natural Gas Act for an order of the Commission permitting and approving the abandonment of certain facilities by sale to the Water, Gas and Light Commission of the city of Albany, Ga., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, applicant proposes to sell to Albany approximately 22,900 feet of 6⅝-inch natural gas transmission line extending in a northerly direction from its 12-inch mainline in Dougherty County, Ga., to the Albany Metering and Regulating Station located in Albany, Ga. Applicant states that the growth of the city of Albany has encompassed the general area of this Line No. 8, and the sale of the line to Albany will eliminate the need for the city to duplicate facilities presently owned and operated by applicant. In addition to the sale of this pipeline to Albany, applicant proposes to sell the right-of-way easements and an existing metering and regulating site. Applicant states that it will be necessary to relocate the existing metering and regulating facilities to a point near the connection between Line No. 8 and applicant's mainline.

Albany has agreed to purchase this pipeline and related facilities at the depreciated book value, approximately $31,018. Applicant states that Albany has also agreed to reimburse applicant for one-half of the estimated cost for a metering and regulating site and one-half of the estimated cost for the materials to upgrade the metering and regulating equipment.

Any person desiring to be heard or to make any protest with reference to said application should on or before August 16, 1971, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.71-10790 Filed 7-28-71;8:49 am]

[Docket No. E-7635]

UPPER PENINSULA POWER CO.

Order Suspending Proposed Revised Tariff Sheets, Providing for Hearing, Granting Intervention, and Prescribing Procedures

JULY 22, 1971.

Upper Peninsula Power Co. (UPP), a public utility subject to the jurisdiction of this Commission, filed on June 4, 1971, a proposed Rate Schedule WR-1[1] changing the terms and conditions under which service is provided to Alger-Delta Cooperative Electrification Association (Alger) and The Ontonagon County Rural Electrification Association (Ontonagon). The proposed effective date is July 23, 1971.

UPP's proposed rate schedule supplement would require Alger and Ontonagon to pay the same rate as other wholesale customers, which rate was filed with this Commission on May 12, 1971, and became effective on July 1, 1971. Under the proposed filing the demand charge is $2.26 per kw., per month of billing demand; the average charge is 1.15 cent per kw.-hr. per month; the minimum charge is $2.26 per kw. of contract demand; the demands (kw.) are the highest 15-minute demands during the billing period, and the energy is subject to fuel clause adjustment.

The proposed change would provide increased revenues of approximately $39,066 for the 12-month period ending June, 1971 and $40,416 for the 12-month period ending June 1972. According to the company's study, this would allow a 4.15-percent rate of return on the service to the cooperatives rather then the 2.43-percent of return which the company says such service is presently providing. UPP contends that the charges proposed are necessary to provide a more adequate return and that placing these two customers on the same rate as its other wholesale for resale customers is fair and equitable.

Copies of the proposed changes were served on the two customers affected and the Michigan Public Service Commission. By notice issued June 23, 1971, and published in the FEDERAL REGISTER on July 1, 1971 (36 F.R. 12555), interested parties were invited to file comments on or before July 2, 1971. Petitions for late intervention have been filed by both the Alger and Ontonagon cooperatives contesting the proposed rate increase as unjustified and the allocation of certain costs to the cooperatives as inappropriate.

Review of the filing indicates that certain issues are raised which will require development in evidentiary proceedings and that the proposed rates may be unlawful. Therefore, we are instituting an investigation and ordering a hearing to determine the lawfulness of those filings and suspending their operation for 1 day.

The Commission finds: (1) It is necessary and appropriate for the purposes of the Federal Power Act, particularly sections 205, 206, 301, 307, and 309 thereof that the Commission enter upon a hearing concerning the lawfulness of the rates, charges, classifications, and services contained in UPP's proposed rate schedule supplement and that the proposed changes be suspended, and the use thereof be deferred as herein provided.

(2) Participation by the aforementioned petitioners for intervention in this proceeding may be in the public interest.

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Federal Power Act and pursuant to the Commission's rules of practice and procedure, a public hearing shall be convened at the offices of the Federal Power Commission in Washington, D.C., concerning the lawfulness of the rates, charges, classifications and services contained in proposed Rate Schedule WR-1.

(B) Pending such hearing and decision thereon UPP's proposed rate schedule supplement, identified in footnote 1, is suspended and the use of such is deferred until July 24, 1971. On that date, those filings shall take effect in the manner prescribed by the Federal Power Act; UPP, subject to further orders of the Commission, shall charge and collect the increased rates and charges set forth in those filings for all power sold and delivered thereunder.

(C) UPP shall file with the Commission and serve on all parties, on or before September 3, 1971, its case-in-chief in

[1] The proposed rate schedules have been designated as follows:

Instrument	Other party	Designation
Rate WR-1: Rules and regulations and fuel adjustment.	Alger Delta.	Upper Peninsula Power Co. Supplement No. 2 to Rate Schedule FPC No. 4.
Rate WR-1: Rules and regulations and fuel adjustment.	Ontonagon.	Supplement No. 2 to Rate Schedule FPC No. 5.

support of the subject rate changes, including testimony of witnesses and exhibits.

(D) At a prehearing conference to be held on September 14, 1971, the parties shall present their views and the Presiding Examiner, in the exercise of his discretion, shall determine which issues, if any, shall be heard in an initial phase hearing; fix dates for service of the staff's and petitioners' evidence on such issues and service of UPP's rebuttal testimony; fix dates for witnesses to appear for adoption of their testimony and to stand cross-examination thereon; and proceed with such hearing as expeditiously as feasible.

(E) The Chief Examiner or any other designated by him for that purpose (see Delegation of Authority, 18 CFR 3.5(d)) shall preside at the hearing in these proceedings and shall prescribe relevant procedural matters not herein provided.

(F) UPP shall refund at such times and in such manner as may be required by final order of the Commission the portion of the increased rates and charges found by the Commission in this proceeding not justified together with interest at the rate of six percent (6 percent) per annum from the date of payment until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all the amounts received by reason of the increased rates and charges effective as of July 24, 1971, for each billing period; and shall report (original and one copy) in writing and under oath, to the Commission monthly, for each billing period, the billing determinants of electric energy sold and delivered under the subject rate changes, and the revenues resulting therefrom as computed under the rates in effect immediately prior to July 24, 1971, and under the rates and charges made effective by this order, together with the differences in the revenues so computed.

(G) Each of the aforementioned petitioners for intervention is hereby permitted to intervene in this proceeding subject to the rules and regulations of the Commission: *Provided, however,* That participation of such intervenors shall be limited to the matters affecting asserted rights and interests specifically set forth in the petitions to intervene: *And provided, further,* That the admission of such intervenors shall not be construed as recognition by the Commission that they or any of them might be aggrieved by any orders entered in this proceeding.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.71-10791 Filed 7-28-71;8:49 am]

[Docket No. RP72-12]

UNITED NATURAL GAS CO.

Notice of Proposed Changes in Rates and Charges

JULY 26, 1971.

Take notice that United Natural Gas Co. (United Natural), on July 19, 1971, tendered for filing proposed changes in its FPC Gas Tariff, Original Volume No. 1, to become effective on August 6, 1971. The proposed rate changes would increase charges for jurisdictional sales by approximately $160,042 annually. The proposed increase would be applicable to United's Rate Schedules G-1 and CD-1.

United Natural states that the reason for the proposed increase is an increase in its cost of purchased gas resulting from rate increases of its pipeline suppliers, Consolidated Gas Supply Corp., Docket No. RP71-126; Tennessee Gas Pipeline Co., Docket No. RP71-6; Texas Eastern Transmission Corp., Docket No. RP70-29 et al., and Transcontinental Gas Pipe Line Corp., Docket No. RP71-31.

United Natural requests that the Commission permit the filing of the proposed tariff sheets and approve the extension of authorization to track supplier rate changes until July 1, 1972.

Copies of the filing were served on United Natural's customers and interested State commissions.

Any person desiring to be heard or to make any protest with reference to said application should on or before July 30, 1971, file with the Federal Power Commission, 441 G Street NW., Washington, DC 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make 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.71-10909 Filed 7-28-71;8:56 am]

FEDERAL RESERVE SYSTEM

MIDWEST BANCORPORATION (OF OHIO), INC.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)), by Midwest Bancorporation (of Ohio), Inc., Wilmington, Del., for prior approval by the Board of Governors of action whereby Applicant would become a bank holding company through the acquisition of 100 percent of the voting shares (less directors' qualifying shares) of the successor by merger to The Midwest Bank and Trust Co., Cleveland, and of the successor by merger to The Firelands Community Bank, Huron, both in Ohio.

Section 3(c) of the Act provides that the Board shall not approve:

(1) Any acquisition or merger or consolidation under section 3 which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or

(2) Any other proposed acquisition or merger or consolidation under section 3 whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Cleveland.

By order of the Board of Governors, July 22, 1971.

[SEAL] KENNETH A. KENYON, *Deputy Secretary.*

[FR Doc.71-10762 Filed 7-28-71;8:46 am]

GENERAL SERVICES ADMINISTRATION

[Federal Procurement Regs.; Temporary Reg. 21]

WITHDRAWAL OF SMALL BUSINESS SET-ASIDES

1. *Purpose.* This regulation amends the provisions of the Federal Procurement Regulations with respect to withdrawals of unilateral small business set-asides.

2. *Effective date.* This regulation is effective July 30, 1971, but may be observed earlier.

3. *Expiration date.* This regulation expires 6 months after its publication in the FEDERAL REGISTER unless canceled earlier.

4. *Background.* The Federal Procurement Regulations now provide for contracting officers to notify representatives of the Small Business Administration when they propose to withdraw joint determination small business set-asides and for appeals in the event of disagreements regarding such withdrawals. Pursuant to a request by SBA, this regulation extends the notification and appeal requirements to unilateral small business set-asides where SBA has designated either resident or liaison representatives for an agency.

5. *Explanation of change.* Section 1–1.706–3 is amended to modify the requirements in paragraph (b) to read as follows:

§ 1–1.706–3 *Withdrawal or modification of set-asides.*

* * * * *

(b) If, prior to the award of a contract involving an individual or class set-aside for small business, the contracting officer considers that procurement of the set-aside portion from a small business concern would be detrimental to the public interest (e.g., because of unreasonable price), the contracting officer may withdraw either a joint or a unilateral set-aside determination. In the case of (1) a joint set-aside determination, or (2) a unilateral set-aside determination where SBA has designated either a resident or a liaison representaive for the agency, the contracting officer shall initiate the withdrawal thereof by giving notice, containing the reason therefor, to the SBA representative (by telephone where liaison representatives are involved). Similarly, a class set-aside may be modified so as to withdraw one or more individual procurements therefrom. If the SBA representative does not agree to a withdrawal or modification, the action may be appealed in accordance with the procedures set forth in § 1–1.706–2(a). This procedure is not applicable to automatic dissolutions of set-asides as provided in § 1–1.706–7. In all cases where SBA has not designated either resident or liaison representatives for the agency, the contracting officer shall withdraw a unilateral set-aside determination where he considers that procurement of the set-aside from a small business concern would be detrimental to the public interest (e.g., because of unreasonable price).

* * * * *

6. *Agency comments.* Agencies are invited to comment, if they wish, within 60 days from the date of publication of this regulation in the FEDERAL REGISTER regarding the change effected by paragraph 5. Such views will be fully considered prior to any codification of the change in the Federal Procurement Regulations.

ROD KREGER,
Acting Administrator of General Services.

JULY 22, 1971.

[FR Doc.71–10814 Filed 7–28–71;8:52 am]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN THE HUNGARIAN PEOPLE'S REPUBLIC

Entry or Withdrawal From Warehouse for Consumption

JULY 26, 1971.

On August 13, 1970, the U.S. Government, in furtherance of the objectives of, and under the terms of, the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, concluded a comprehensive bilateral cotton textile agreement with the Government of the Hungarian People's Republic concerning exports of cotton textiles and cotton textile products from the Hungarian People's Republic to the United States over a 5-year period beginning on August 1, 1970. Among the provisions of the bilateral agreement are those establishing an aggregate limit for the 64 categories and within the aggregate limit specific limits on Categories 5 and 39 for the second agreement year beginning on August 1, 1971.

There is published below a letter of July 23, 1971, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs, directing that the amounts of cotton textile products in Categories 5 and 39 produced or manufactured in the Hungarian People's Republic which may be entered or withdrawn from warehouse for consumption in the United States for the 12-month period beginning August 1, 1971, and extending through July 31, 1972, be limited to the designated levels. The letter published below and the actions pursuant thereto are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist only in the implementation of certain of its provisions.

STANLEY NEHMER,
Chairman, Interagency Textile Administrative Committee, and Deputy Assistant Secretary for Resources.

PRESIDENT'S CABINET TEXTILE ADVISORY COMMITTEE

COMMISSIONER OF CUSTOMS,
Department of the Treasury,
Washington, D.C. 20226.

JULY 23, 1971.

DEAR MR. COMMISSIONER: Under the terms of the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, pursuant to the bilateral cotton textile agreement of August 13, 1970 between the Governments of the United States and the Hungarian People's Republic, and in accordance with Executive Order 11052 of September 28, 1962, as amended by Executive Order 11214 of April 7, 1965, you are directed to prohibit, effective as soon as possible, and for the 12-month period beginning August 1, 1971 and extending through July 31, 1972, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton textile products in Categories 5 and 39 produced or manufactured in the Hungarian People's Republic, in excess of the following levels of restraint:

Category		12-month level of restraint
5	square yards	1,155,000
39	dozen pair	59,850

Cotton textile products in Categories 5 and 39 produced or manufactured in the Hungarian People's Republic and which have been exported prior to August 1, 1971, shall to the extent of any unfilled balances, be charged against the levels of restraint established for such goods during the period of August 1, 1970 through July 31, 1971. In the event that the levels of restraint established for that period have been exhausted by previous entries, such goods shall be subject to the levels set forth in this letter.

The levels of restraint set forth above are subject to adjustment pursuant to the provisions of the bilateral agreement of August 13, 1970, between the Governments of the United States and the Hungarian People's Republic which provide, in part, that within the aggregate limit, the limitations on Categories 5 and 39 may be exceeded by not more than 5 percent; for the limited carryover of shortfalls in certain categories to the next agreement year; and for administrative arrangements. Any appropriate adjustments pursuant to the provisions of the bilateral agreement referred to above, will be made to you by letter from the Chairman of the Interagency Textile Administrative Committee.

A detailed description of the categories in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on January 17, 1968 (33 F.R. 582), and amendments thereto on March 15, 1968 (33 F.R. 4600).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to the Government of the Hungarian People's Republic and with respect to imports of cotton textiles and cotton textile products from the Hungarian People's Republic have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of 5 U.S.C. 553 (Supp. V, 1965–69). This letter will be published in the FEDERAL REGISTER.

Sincerely,

MAURICE H. STANS,
Secretary of Commerce, Chairman, President's Cabinet Textile Advisory Committee.

[FR Doc.71–10824 Filed 7–28–71;8:51 am]

NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS

ORGANIZATION AND GENERAL PROCEDURE

The National Commission on State Workmen's Compensation Laws was established by section 27 of the Occupational Safety and Health Act of 1970 (80 Stat. 1616) (hereinafter called the "Act") for the purpose of authorizing an effective study and objective evaluation of State workmen's compensation laws in order to determine if such laws provide an adequate, prompt, and equitable system of compensation for injury or death arising out of or in the course of employment. The Act provides that the Secretary of Labor, the Secretary of Commerce and the Secretary of Health, Education, and Welfare shall be ex officio members of the Commission with its chairman, vice chairman, and 13 other members to be appointed by the President. Accordingly on June 15, 1971, the President made the following appointments:

Representing Educators:
John F. Burton, Jr., of Illinois, Associate Professor, Graduate School of Business, University of Chicago, to serve as Chairman.
John A. Greenlee, of California, President, California State College, Los Angeles, Calif.
Representing State Workmen's Compensation Boards:
Daniel T. Doherty, of Maryland, Chairman, Maryland Workmen's Compensation Commission, Baltimore, Md.
M. Holland Krise, of Ohio, Chairman, Industrial Commission, Columbus, Ohio, to serve as Vice Chairman of the Commission.
James L. Flournoy, Commissioner, State Workmen's Compensation, San Francisco, Calif.
Representing Insurance Carriers:
Melvin B. Bradshaw, of Massachusetts, Executive Vice President and Director, Liberty Mutual Insurance Co., Boston, Mass.
Andrew Kaimykow, of New York, Counsel, American Insurance Association, New York, N.Y.
Representing Management:
C. E. Carothers, of Michigan, Administrator, Workmen's Compensation, Ford Motor Co., Dearborn, Mich.
William J. Moshofsky, of Oregon, Assistant to the Chairman, Georgia-Pacific Corp., Portland, Oreg.
Representing Labor:
James R. O'Brien, of Maryland, Assistant Director, AFL–CIO, Department of Social Security, Washington, D.C.
Michael R. Peevey, of California, Director of Research, California Labor Federation, AFL–CIO, San Francisco, Calif.
Representing Medical Profession:
Henry F. Howe, of Illinois, Associate Director, Department of Environmental, Public and Occupational Health, American Medical Association, Chicago, Ill.
Henry H. Kessler, of New Jersey, Director, Professional Education and Research, West Orange, N.J.
Representing the General Public:
Samuel B. Horovitz, of Massachusetts, Attorney, Boston, Mass.
Marion E. Martin, of Maine, Commissioner of the Department of Labor and Industry, State of Maine, Hallowell, Maine.

Eight members of the Workmen's Compensation Commission shall constitute a quorum.

In discharging its responsibilities for studying and evaluating State workmen's compensation laws to determine if they provide an adequate, prompt, and equitable system of compensation, the Workmen's Compensation Commission may:

1. Authorize any Subcommittee of the Workmen's Compensation Commission to conduct hearings and otherwise collect and evaluate information.

2. Request pertinent information from Federal departments and agencies.

3. Appoint and fix compensation of personnel.

4. Procure temporary and intermittent services.

5. Contract with public and private persons and agencies for research, surveys, or reports on State workmen's compensation laws and practices.

The Workmen's Compensation Commission's Executive Director appointed by the Chairman may act for the Workmen's Compensation Commission with respect to matters 2 through 5 set forth above.

The Workmen's Compensation Commission is to transmit to the President and to the Congress not later than July 31, 1972, a final report of findings and conclusions of the Workmen's Compensation Commission, together with recommendations.

Section 27(d)(1) of the Act states in detail the subjects to be examined in the course of the Workmen's Compensation Commission's study. Requests of or submittals to the Workmen's Compensation Commission on these subjects should be directed to the Chairman, National Commission on State Workmen's Compensation Laws, 1825 K Street NW., Washington, DC 20006.

Signed for the National Commission on State Workmen's Compensation Laws at Washington, D.C., this 23d day of July 1971.

JOHN F. BURTON, Jr.,
Chairman.

[FR Doc.71-10781 Filed 7-28-71;8:48 am]

SECURITIES AND EXCHANGE COMMISSION

[812-2980]

AMERICAN VARIABLE ANNUITY LIFE ASSURANCE CO. AND AMERICAN VARIABLE ANNUITY FUND

Notice of Application for Exemption

JULY 22, 1971.

Notice is hereby given that American Variable Annuity Life Assurance Co. (Company) and American Variable Annuity Fund (Fund), 440 Lincoln Street, Worcester, MA 01605 (hereinafter collectively "Applicants"), have filed an application pursuant to section 6(c) of the Investment Company Act of 1940 (Act) for an order exempting Applicants from the provisions of section 22(d) of the Act to the extent described below. The Company, an Arkansas stock insurance company, is a wholly owned subsidiary of the State Mutual Life Assurance Company of America (State Mutual), a Massachusetts mutual life insurance company. The Fund, an open-end, diversified, management investment company registered under the Act was established by the Company for the purpose of setting aside, separate from the Company's general assets, assets used to fund the variable portions of variable annuity contracts sold by the Company. The Company serves as an investment adviser of the Fund and as its principal underwriter. All interested persons are referred to the application on file with the Commission for a complete statement of the representations contained therein which are summarized below.

Section 22(d) of the Act, in pertinent part, provides that no registered investment company or principal underwriter shall sell any redeemable security to the public except at a current public offering price described in the prospectus.

Among other contracts, Applicants offer an individual single payment variable annuity contract which provides for a variable annuity, commencing at a specified future date. Normally, the purchase price is paid in a lump sum prior to issuance of the contract. Applicants, however, offer an optional endorsement to this single payment contract which for a limited period permits an increase up to a stated maximum in the amount of the purchase payment thereunder. The increase may be accomplished by one or more payments of at least $1,000 each made prior to the earlier of (1) the first anniversary date of the contract, or (2) 1 month prior to the commencement of annuity payments under the contract. The initial purchase payment and all increases thereon are aggregated in determining the applicable rate of percentage deduction for sales and administrative charges and other expenses in accordance with the following schedule:

Portion of total payments	Percentage deduction	Portion representing sales charge	Portion representing administrative and other expense charge
	Percent	*Percent*	*Percent*
First $10,000	7.0	6.0	1.0
Next $15,000	6.0	5.0	1.0
Next $25,000	5.0	4.0	1.0
Next $25,000	4.0	3.5	0.5
Next $25,000	3.0	2.6	0.4
Balance	2.0	1.7	0.3

The purpose of the optional endorsement is to deal with certain special situations where a prospective purchaser wishes to acquire a single payment contract but does not have the full purchase price available in a single lump sum. The application states that the optional endorsement makes it possible for the purchaser in such circumstances to obtain the benefit of reduced percentage deductions in accordance with the schedule set forth above.

Rule 22d–1 under the Act, for purposes here relevant, exempts from the provisions of section 22(d) the sale of redeemable securities by a registered investment company and its principal underwriter at prices which reflect reductions in the sales load under the following circumstances:

(a) In accordance with a scale of reducing sales load varying with the quantity of securities purchased by any person. The quantity entitling any person to any such reduced sales load may be computed on any of the following bases * * * (2) the aggregate quantity of securities previously purchased or acquired and then owned plus the securities being purchased * * *

The method of computing the reduction in sales load represents a variation from that permitted by subparagraph (a)(2) of Rule 22d–1 since there is a time limit on the period during which increases may be made in the purchase

payment under the contract. Accordingly, to the extent an exemption is required from section 22(d) of the Act to permit reductions in the sales load in the manner described, Applicants request an exemption from section 22(d) of the Act.

The application states that the contracts are bilateral agreements. Their maturity and terms of payment during the annuity period depend, among other things, on the age, sex, and longevity of a particular annuitant. The Applicants assert that there is no market for the contracts and no way in which the requested exemption could lead to disruption of their orderly distribution.

Applicants further assert that the exemption will not create unfair price discrimination. Unless the requested exemption is granted, it will be necessary for investors in the circumstances described above desiring a single payment contract to make successive purchases of such contracts as funds become available at the rate of deduction for sales load applicable to each separate purchase. Applicants believe that the interests of investors are best served by permitting them to aggregate their payments in the manner described so as to qualify for reductions in such load.

Notice is further given that any interested person may, not later than August 11, 1971, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicants at the address stated above. Proof of service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after such date as provided by Rule 0–5 of the rules and regulations promulgated under the Act, an order disposing of the matter herein may be issued upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] THEODORE L. HUMES,
Associate Secretary.

[FR Doc.71-10768 Filed 7-28-71;8:46 am]

[812-2990]

DOMINICK & DOMINICK, INC.

Notice of Filing of Application for Order of Exemption

JULY 23, 1971.

Notice is hereby given that Dominick & Dominick, Inc., 14 Wall Street, New York, NY 10005 (Applicant), prospective representative of a group of underwriters of a proposed offering of shares of First American-Australian Investors, Ltd. (First American), a registered closed-end investment company, has filed an application pursuant to section 6(c) of the Investment Company Act of 1940 (Act) for an order exempting Applicant and its counderwriters from section 30(f) of the Act to the extent that section adopts section 16(b) of the Securities Exchange Act of 1934 (Exchange Act) in respect of their transactions incident to the distribution of First American shares. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Shares of First American are to be purchased by the underwriters pursuant to an underwriting agreement to be entered into between First American and the underwriters represented by Applicant. It is intended that the several underwriters will make a public offering of all the ordinary shares of First American which such underwriters are to purchase under the underwriting agreement, at the price therein specified, as soon on or after the effective date of First American's Registration Statement on Form S–4 (the "Form S–4") as the Applicant deems advisable, and such shares are initially to be offered to the public in accordance with the formulae for the determination of the per share public offering price, underwriting commissions, and dealer concessions to be specified in the underwriting agreement, at the time the Form S–4 becomes effective under the Securities Act of 1933. While the number of shares covered by the Form S–4 on file is stated as 2,500,000 shares, it is contemplated that this number of shares may be increased before the underwriting agreement is signed and the Form S–4 is effective.

It is possible that Applicant and at least one other member of the underwriting group may individually become obligated to purchase more than 10 percent of the initial amount of ordinary shares of First American to be outstanding upon the completion of the initial public offering, thereby becoming "insiders" subject to section 16(b) of the Exchange Act.

Rule 16b–2 under the Exchange Act exempts certain transactions in connection with a distribution of securities from the operation of section 16(b) of the Exchange Act. Applicant states that the purpose of the purchases by Applicant and the other underwriters is for resale in connection with the initial distribution of shares of First American. The purchases and sales will thus be transactions effected in connection with a distribution of a substantial block of securities within the purpose and spirit of Rule 16b–2.

It is possible, however, that Applicant and its counderwriters will not be exempted from section 16(b) by the operation of Rule 16b–2, as they may fail to meet the requirement stated in paragraph (a)(3) of Rule 16b–2 that the aggregate participation of persons not within the purview of section 16(b) of the Exchange Act be at least equal to the participation of persons receiving the exemption under Rule 16b–2, since it is possible that one or more of the underwriters who pursuant to the underwriting agreement will purchase more than 10 percent of the shares of First American may be obligated to purchase more than 50 percent of the shares of First American being offered pursuant to the underwriting agreement.

In addition to purchases from First American and sales to customers, there may be the usual transactions of purchase or sale incident to a distribution such as stabilizing purchases, purchases to cover over-allotments or other short positions created in connection with such distribution, and sales of shares purchased in stabilization.

Applicant states that there is no possibility of using inside information and, in fact, that there is no inside information in existence, since First American, prior to the initial distribution, will have virtually no assets or business of any sort.

Applicant submits that the requested exemption from the provisions of section 30(f) of the Act is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicant further contends that the transactions sought to be exempted cannot be used for the malpractices which section 16(b) of the Exchange Act is intended to prevent.

Section 6(c) authorizes the Commission to exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from the provisions of the Act and Rules promulgated thereunder if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than August 12, 1971, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a

hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] THEODORE L. HUMES,
Associate Secretary.

[FR Doc.71-10769 Filed 7-28-71;8:46 am]

[File No. 1-4692]

FAS INTERNATIONAL, INC.

Order Suspending Trading

JULY 23, 1971.

The common stock, 2 cents par value and the 5 percent convertible subordinated debentures due 1989 of FAS International, Inc., being traded on the New York Stock Exchange, Inc., pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of FAS International, Inc. being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such Exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to sections 15(c)(5) and 19(a)(4) of the Securities Exchange Act of 1934, that trading in such securities on the above mentioned exchange and otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period July 26, 1971, through August 4, 1971.

By the Commission.

[SEAL] THEODORE L. HUMES,
Associate Secretary.

[FR Doc.71-10770 Filed 7-28-71;8:46 am]

[812-2973]

MITCHUM, JONES & TEMPLETON, INC.

Notice of Filing of Application for Order of Exemption

JULY 23, 1971.

Notice is hereby given that Mitchum, Jones & Templeton, 510 South Spring Street, Los Angeles, CA 90013 (Applicant), in connection with a proposed public offering of 2 million shares of common stock of Hawaii Pacific Growth Fund, Inc. (Company), a registered closed-end, nondiversified management investment company, has filed an Application pursuant to section 6(c) of the Investment Company Act of 1940 (Act) for an order exempting certain transactions from section 30(f) of the Act to the extent that such section adopts section 16(b) of the Securities Exchange Act of 1934 (Exchange Act). All interested persons are referred to the Application on file with the Commission for a statement of the representations therein which are summarized below.

Applicant is the prospective representative (Representative) of a group of underwriters (Underwriters) formed in connection with the above public offering. Applicant states that before the effective date of the registration statement covering the offering, one or more additional Underwriters may also be designated as Representatives along with Applicant.

Applicant contemplates that each Underwriter, including the Representative, will execute an Agreement Among Underwriters and that the Representative acting both for itself and as Representative for the Underwriters, will execute an Underwriting Agreement with the Company and International Research and Management Corp., the Company's investment adviser (Adviser). It is also contemplated that one or more dealers will offer and sell certain of the shares and in connection therewith will enter into Selected Dealer Agreements. Under the proposed underwriting arrangements, each Underwriter will be obligated to offer to the public, respectively, its expected Underwriting Commitment (Underwriting Commitment).

Applicant states that it is possible that the Underwriting Commitment of any one or more of the Underwriters, including any one or more of the Representatives, will exceed 10 percent of the aggregate number of shares of the Company's common stock to be outstanding after the closing of the initial public offering of the shares. Since section 30(f) of the Act subjects every person who is directly or indirectly the beneficial owner of more than 10 percent of any class of outstanding securities of the Company to the same duties and liabilities as those imposed by section 16 of the Exchange Act, such Underwriter or Underwriters would become subject to the filing requirements of section 16(a) of the Exchange Act and, upon resale of the shares purchased by them to their customers, subject to the obligations imposed by section 16(b) of the Exchange Act.

Rule 16b-2 under the Exchange Act exempts certain Underwriters from the operation of section 16(b). Applicant states that the purpose of the purchase of the shares by the Underwriters will be for resale in connection with the initial distribution of the shares. Applicant states that such purchases, therefore, will be transactions effected in connection with a distribution of a substantial block of securities within the purpose and spirit of Rule 16b-2.

Applicant states that although it is anticipated that the requirements of Rule 16b-2(a) (1) and (2) will be met, one or more of the Underwriters may not be entitled to rely upon Rule 16b-2 to exempt them from section 16(b) of the Exchange Act. The requirement is Rule 16b-2(a)(3) that the aggregate participation of Underwriters not within section 16(b) of the Exchange Act be at least equal to the participation of Underwriters exempted therefrom under Rule 16b-2 may not be met because it is possible that one or more of the Underwriters may purchase more than 10 percent of the aggregate number of the shares of the Company's common stock to be outstanding upon completion of the initial public offering of the shares. Moreover, one or more of the Underwriters who are obligated through the Underwriting Agreement to purchase more than 10 percent of the aggregate number of shares of the Company's common stock to be outstanding after the closing, may, as Underwriters and as selected dealers, distribute more than 50 percent of the aggregate number of shares being offered. Such as distribution would not meet the requirement of Rule 16b-2(a)(3).

Each Underwriter, except the Applicant, must pay $0.05 per share to the Applicant for any excess of its expected Underwriting Commitment over the number of shares it actually purchases. Because of this, the requirement of Rule 16b-2(a)(3) that other persons not within the purview of section 16(b) participate in the distribution on terms at least as favorable as those of such persons within the purview of section 16(b), may not be met.

In addition to purchases of shares from the Company and sales of shares to customers, there may be the usual transactions of purchase or sale incident to a distribution such as stabilizing purchases, purchases to cover over-allotments or other short positions created in connection with such distribution, and sales of shares purchased in the stabilization.

Applicant states that there is no inside information in existence since the Company, prior to the initial distribution of

the shares, will have no assets, other than cash and treasury bills, or business of any sort, and all material facts with respect to the Company will be set forth in the Prospectus pursuant to which the shares will be offered and sold. No partner, director or officer of the Applicant is a director or officer of the Company, and Applicant states that it does not anticipate that any partner, director or officer of any other Underwriter will be a director or officer of the Company.

Applicant maintains that the requested exemption from the provisions of section 30(f) of the Act is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. It further asserts that the transactions sought to be exempted, cannot lend themselves to the practices that section 16(b) of the Exchange Act was enacted to prevent.

Section 6(c) of the Act authorizes the Commission to exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from the provision of the Act and rules promulgated thereunder if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than August 11, 1971, at 5:30 p.m., submit to the Commission in writing a request for a hearing on this matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the Application herein may be issued by the Commission upon the basis of the information stated in said Application, unless an order for hearing upon said Application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] THEODORE L. HUMES,
Associate Secretary.

[FR Doc.71-10771 Filed 7-28-71;8:46 am]

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THURSDAY, JULY 29, 1971
WASHINGTON, D.C.
Volume 36 ■ Number 146

PART II

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

■

FOOD STAMP PROGRAM

Title 7—AGRICULTURE

Chapter II—Food and Nutrition Service, Department of Agriculture

On April 16, 1970, there was published in the FEDERAL REGISTER (36 F.R. 7240) a notice of proposed rule making to revise the regulations governing the Food Stamp Program (35 F.R. 19737) for the purpose of incorporating the applicable provisions of Public Law 91-671, enacted January 11, 1971. Interested persons were given 30 days in which to submit comments, suggestions, or objections to the proposed regulations.

Numerous communications were received. The comments, suggestions, and objections made in such communications have been considered and a number of changes from the proposed regulations have been made.

In order that the revised regulations may become effective as soon as possible, they are hereby issued without an analysis of the comments, suggestions, and objections received. Such an analysis will be issued and published at an early date.

Regulations are hereby amended and revised for the operation of the Food Stamp Program pursuant to the authority contained in the Food Stamp Act of 1964 (Public Law 88-525, 78 Stat. 703), approved August 31, 1964, as amended (7 U.S.C. 2011-2025) and the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1755), approved December 31, 1970 (42 U.S.C. 1855aaa-1855nnn).

SUBCHAPTER C—FOOD STAMP PROGRAM

PART 270—GENERAL INFORMATION AND DEFINITIONS

AUTHORITY: The provisions of this Part 270 issued under 78 Stat. 703, as amended, 7 U.S.C. 2011-2025.

§ 270.1 General purpose and scope.

(a) Section 2 of the Food Stamp Act states:

It is hereby declared to be the policy of Congress, in order to promote the general welfare, that the Nation's abundance of food should be utilized cooperatively by the States, the Federal Government, local governmental units, and other agencies to safeguard the health and well-being of the Nation's population and raise levels of nutrition among low-income households. The Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. The Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of our agricultural abundances and will strengthen our agricultural economy, as well as result in more orderly marketing and distribution of food. To alleviate such hunger and malnutrition, a food stamp program is herein authorized which will permit low-income households to purchase a nutritionally adequate diet through normal channels of trade.

(b) This part 270 contains general information, definitions, and other material applicable to all parts of this subchapter. Part 271 of this subchapter sets forth policies and procedures governing the manner in which State agencies desiring to participate in the program will carry out the administrative responsibilities assumed by them under the provisions of the Food Stamp Act, and further prescribes the manner in which eligible households can obtain and use coupons issued to them by such State agencies. Part 272 of this subchapter sets forth additional terms and conditions relating to the participation of retail food stores, wholesale food concerns, nonprofit meal delivery services, and banks. Part 273 of this subchapter sets forth the procedure for an administrative and judicial review requested by food retailers, food wholesalers, and nonprofit meal delivery services. Part 274 of this subchapter sets forth the procedure for issuing emergency coupon allotments to households unable to purchase adequate amounts of food due to disaster.

§ 270.2 Definitions.

(a) "Affidavit" means a signed statement, in a form approved by FNS, executed by the head of the household, or his authorized representative, who is making application for participation in the program on behalf of a household in which all members are included in a federally aided public assistance or general assistance grant. The affidavit may be included in the appropriate federally aided public assistance or general assistance application.

(b) "Affinity" means the relationship which one spouse because of marriage has to the blood relatives of the other. Such a relationship once existing is not destroyed for program purposes by divorce or death of a spouse.

(c) "Agency" means that agency of the State government which has the responsibility for the administration of the federally aided public assistance programs within the State and does not include any counterpart local agency administering such programs.

(d) "Application for participation" means the application to participate in the program, in a form approved by FNS, which is executed by the head of the household, or his authorized representative, on behalf of a household other than one in which all members are included in a federally aided public assistance or general assistance grant.

(e) "Application form" means any one of FNS forms, "Retailer Application for Authorization to Participate in the Food Stamp Program," or "Nonprofit Meal Delivery Retailer Application for Authorization to Participate in the Food Stamp Program," or "Wholesaler Application for Authorization to Participate in the Food Stamp Program," as required by the context.

(f) "ATP" means an authorization-to-purchase card which is issued by the State agency to an eligible household to show the face value of the coupon allotment the household is entitled to receive on presentation of such document and the amount to be paid by such household for such allotment.

(g) "Authorization" means the approval by FNS of retail food stores, nonprofit meal delivery services, and wholesale food concerns to participate in the program.

(h) "Authorization card" means the FNS form which evidences approval of a retail food store, a nonprofit meal delivery service, or a wholesale food concern to participate in the program.

(i) "Authorized representative" means a person designated by the head of the household to act in his behalf in the purchase and use of coupons, and under certain conditions to act in his behalf in making application for the program.

(j) "Bank" means member and nonmember banks of the Federal Reserve System.

(k) "Boarder" means an unrelated individual to whom a household furnishes meals, or lodging and meals, for compensation at a monthly rate at least equal to the value of the monthly coupon allotment for a one-person household.

(l) "Boarding house" means a place where three or more individuals are furnished meals or lodging and meals for compensation.

(m) "Certification determinations" means action necessary to determine the eligibility of households other than those which consist solely of recipients of federally aided public assistance or general assistance. Such action includes interviews, verification, approval, denial, quality control verification, field investigation, analyses and corrective action necessary to insure the prompt, efficient and correct certification of eligible households.

(n) "Coupon" means any coupon, stamp, or type of certificate issued pursuant to the provisions of this subchapter for the purchase of eligible food.

(o) "Coupon allotment" means the total value of coupons a household is authorized to receive during each month or other time period.

(p) "Department" means the U.S. Department of Agriculture.

(q) "Dependent" for the purpose of § 271.3(d) of this subchapter, means a person claimed as a dependent for Federal income tax purposes by a parent or guardian and living apart from the household of such parent or guardian.

(r) "Elderly person" means a person 60 years of age or older who:

(1) Is not a resident of an institution or boarding house;

(2) Is living alone or only with spouse, whether or not he has cooking facilities in his home;

(3) Is housebound, feeble, physically handicapped, or otherwise disabled to the extent he is unable to prepare all meals; and

(4) If he has no cooking facilities, elects to use coupons issued to him to purchase meals prepared for and delivered to him by a nonprofit meal delivery service authorized by FNS to accept food coupons.

(s) "Eligible food" means any food or food product for human consumption except alcoholic beverages, tobacco, those foods which are identified on the package as being imported, and meat and meat products which are imported. It shall also mean meals delivered by an authorized nonprofit meal delivery service to elderly persons and their spouses and to households eligible under § 271.3 (a)(2) of this subchapter.

(t) "Eligible household" means a household which lives in a project area and meets the standards of eligibility set forth in this subchapter.

(u) "Federal fiscal year" means a period of 12 calendar months beginning with July 1 of any calendar year and ending with June 30 of the following calendar year.

(v) "Federally aided public assistance" means any of the following programs authorized by the Social Security Act of 1935, as amended: Old-Age Assistance, Aid to Families With Dependent Children, Aid to the Blind, and Aid to the Permanently and Totally Disabled.

(w) "Federal reserve banks" means the 12 Federal Reserve Banks and their 24 branches.

(x) "Firm" means as the context may require, a retail food store or a wholesale food concern or nonprofit meal delivery service.

(y) "FNS" means the Food and Nutrition Service of the U.S. Department of Agriculture.

(z) "Food assistance" means either the Food Stamp Program or the Food Distribution Program, administered by the Department.

(aa) "Food retailer" means any individual, partnership, corporation, or other legal entity owning or operating a retail food store.

(bb) "Food Stamp Act" means the Food Stamp Act of 1964, as amended, 7 U.S.C. 2011–2025.

(cc) "Food wholesaler" means any individual, partnership, corporation, or other legal entity owning or operating a wholesale food concern.

(dd) "Free coupons" means the portion of the coupon allotment that is in excess of the amount paid by an eligible household for its coupon allotment, or the total coupon allotment when the household is eligible for a coupon allotment with no purchase requirement.

(ee) "General assistance" means the State or local public assistance programs, determined by FNS to apply a criteria of need the same as, or similar to, those applied under any of the federally aided public assistance programs.

(ff) "General assistance agency" means any agency of the State using State or local funds to provide assistance to persons not receiving federally aided public assistance.

(gg) "Head of the household" means the member of the household in whose name application is made for participation in the program.

(hh) "Hearing authority" means a hearing official who renders final administrative decisions in hearings under § 271.1(o) of this subchapter.

(ii) "Hearing official" means a person or persons designated by the Agency to act in its behalf in the conducting of hearings under § 271.1(o) of this subchapter. Such persons shall not have been involved in the action in question. Medically qualfied personnel who make medical determinations or provide testimony on medical issues in hearings proceedings may also be considered hearing officials.

(jj) "Household" means a group of persons, excluding roomers, boarders, and unrelated live-in attendants necessary for medical, housekeeping, or child care reasons, who are not residents of an institution or boarding house, and who are living as one economic unit sharing common cooking facilities and for whom food is customarily purchased in common: *Provided*, That:

(1) When all persons in the group are under 60 years of age, they are all related to each other; and

(2) When more than one of the persons in the group is under 60 years of age, and one or more other persons in the group is 60 years of age or older, each of the persons under 60 years of age is related to each other or to at least one of the persons who is 60 years of age or older.

It shall also mean (i) a single individual living alone who purchases and prepares food for home consumption, or (ii) an elderly person as defined in this section, and his spouse.

(kk) "In loco parentis" means a relationship under which an individual, either as legal guardian or otherwise, performs the duties and responsibilities of a parent with respect to a person who is not his child.

(ll) "Nonprofit meal delivery service" means a political subdivision or a private nonprofit organization which prepares and delivers meals and meets the requirements of § 272.1 of this subchapter.

(mm) "Outreach" means any communicative effort performed cooperatively or singularly by Federal, State, or local agencies and organizations, or by individuals, to inform low-income households of the availability and benefits of the program and to encourage the participation of eligible households.

(nn) "Program" means the Food Stamp Program conducted under the Food Stamp Act and the provisions of this subchapter.

(oo) "Project area" means the political subdivision within a State which has been approved for participation in the program by the Department.

(pp) "Purchase requirement" means the amount to be paid by an eligible household for its coupon allotment.

(qq) "Redemption certificate" means either of FNS forms, "Retail Merchants Food Stamp Program Redemption Certificate," or "Wholesalers Food Stamp Program Redemption Certificate," as required by the context.

(rr) "Related" means related by blood, affinity, or through a legal relationship sanctioned by State law. Persons shall also be considered related for purposes of the program if they are (1) a man and woman living as man and wife, and accepted as such by the community in which they live, or (2) legally adopted children, legally assigned foster children, or other children under the age of 18, when an adult household member (18 years of age or older) acts in loco parentis to such children.

(ss) "Retail food store" means an establishment, including a recognized department thereof, or a house-to-house trade route which sells eligible food to households for home consumption.

(tt) "Roomer" means an unrelated individual to whom a household furnishes lodging for compensation.

(uu) "State" means any one of the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands of the United States.

(vv) "State agency" means the agency of the State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within the State, and, in those States where such assistance programs are operated on a decentralized basis, it includes the counterpart local agencies which administer such assistance programs for the State agency.

(ww) "State issuing agency" means another agency of the State government to which the State agency delegates its statewide administrative responsibilities in connection with the issuance of coupons.

(xx) "Student" means an individual who is attending at least half-time, as defined by the institution, a grade school, high school, vocational school, technical school, training program, college, or university.

(yy) "Wholesale food concern" means an establishment which sells eligible food to retail food stores or nonprofit meal delivery services for resale to households.

§ 270.3 Administration.

(a) Within the Department, FNS shall act on behalf of the Department in the administration of the program. When authority is delegated to FNS in the regulations in this subchapter, such authority may be exercised by the Administrator or by such other official of FNS he may designate.

(b) The State agency shall, except as provided in this subchapter, be responsible for the administration of the program within the State, including, but not limited to, the certification of applicant households; the acceptance, storage, and protection of coupons after their delivery to receiving points within the State; outreach to potentially eligible households; and the issuance of coupons to eligible households and the control and accountability therefor: *Provided*, That the State agency may, subject to State law, and under agreement or contract, delegate its statewide administrative responsibility in connection with the issuance of coupons to another agency of the State government. If such administrative responsibility is delegated as permitted by this section, the other agency of the State government shall administer the applicable provisions of this subchapter under the direction of the State agency. However, the State agency shall be responsible to the Department for carrying out the delegated responsibilities and for paying any claims arising out of any failure of the other agency of the State government to carry out such delegated responsibilities.

§ 270.4 Coupons as obligations of the United States, crimes and offenses.

(a) Coupons are an obligation of the United States within the meaning of 18 U.S.C. 8. The provisions of title 18 of the United States Code, "Crimes and Criminal Procedure," relative to counterfeiting and alteration of obligations of the United States and the uttering, dealing in, etc., of counterfeit obligations of the United States are applicable to coupons.

(b) Any unauthorized issuance, use, transfer, acquisition, alteration, possession, or presentation of coupons or ATP cards may subject any individual, partnership, corporation, or other legal entity involved to prosecution under sections 14 (b) and (c) of the Food Stamp Act. These sections of the Food Stamp Act read as follows:

(b) Whoever knowingly uses, transfers, acquires, alters, or possesses coupons or authorization to purchase cards in any manner not authorized by this Act, or the regulations issued pursuant to this Act shall, if such coupons or authorization to purchase cards are of the value of $100 or more, be guilty of a felony and shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than 5 years, or both, or if such coupons or authorization to purchase cards are of a value of less than $100, shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than 1 year, or both.

(c) Whoever presents, or causes to be presented, coupons for payment or redemption of the value of $100 or more, knowing the same to have been received, transferred, or used in any manner in violation of the provisions of this Act or the regulations issued pursuant to this Act shall be guilty of a felony and shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than 5 years, or both, or, if such coupons are of a value of less than $100, shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than 1 year, or both.

(c) All individuals, partnerships, corporations, or other legal entities including State agencies and their delegatees (referred to in this paragraph as "persons") having custody, care and control of coupons and ATP cards shall at all times, in receiving, storing, transmitting, or otherwise handling coupons and ATP cards, take all precautions necessary to avoid acceptance, transfer, negotiation, or use of spurious, altered, or counterfeit coupons and ATP cards and to avoid any unauthorized transfer, negotiation, or use of coupons and ATP cards. Such persons shall also safeguard coupons and ATP cards from theft, embezzlement, loss, damage, or destruction. Any false statement made by any person, in any application or certification required by this subchapter, by the Plan of Operation of any State agency, or by instructions of FNS, may subject such person to criminal prosecution under any applicable provision of Federal law or to civil liability under the provisions of 31 U.S.C. 231 or either, or both, as well as to any legal action as may be maintained under State law: *Provided*, That no person shall be charged with a violation of the Food Stamp Act or any other Act, or of any regulation issued under the Food Stamp Act or any other Act, or of any State Plan of Operation, on the basis of any statement or information contained in an affidavit filed pursuant to § 271.4(a)(1) of this subchapter, except for fraud.

§ 270.5 Miscellaneous provisions.

(a) FNS shall have the power to determine the amount of and to settle and adjust any claim or claims arising under the provisions of the Food Stamp Act or this subchapter, and to compromise or deny all or part of any such claim or claims.

(b) Persons or agencies desiring information concerning the Program should write to the appropriate FNS Regional Office as follows:

(1) For project areas in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia: U.S. Department of Agriculture, Food and Nutrition Service, Northeast Region, 26 Federal Plaza, Room 1611, New York, NY 10007.

(2) For project areas in Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, Virgin Islands, Virginia: U.S. Department of Agriculture, Food and Nutrition Service, Southeast Region, 1795 Peachtree Road NE., Room 302, Atlanta, GA 30309.

(3) For project areas in Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin: U.S. Department of Agriculture, Food and Nutrition Service, Midwest Region, 536 South Clark Street, Chicago, IL 60605.

(4) For project areas in Arkansas, Colorado, Kansas, Louisiana, New Mexico, Oklahoma, Texas: U.S. Department of Agriculture, Food and Nutrition Service, Southwest Region, 1100 Commerce Street, Suite 5-D-22, Dallas, TX 75202.

(5) For project areas in Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming: U.S. Department of Agriculture Food and Nutrition Service, Western Region, Appraisers Building, Room 734, 630 Sansome Street, San Francisco, CA 94111.

(c) *Saving clause.* The Department reserves the right at any time to withdraw, modify, or amend this subchapter.

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

Sec.

AUTHORITY: The provisions of this Part 271 issued under 78 Stat. 703, as amended, 7 U.S.C. 2011-2025.

§ 271.1 General terms and conditions for State agencies.

(a) *Federally donated foods.* In areas where the program is in operation, there shall be no distribution of federally donated foods to households, except that such distribution may be made:

(1) During temporary emergency when FNS determines that commercial channels of food distribution have been disrupted;

(2) For such period of time as FNS determines, not to exceed 3 months, upon request of a State agency and submission of facts by such State agencies showing that the continued distribution of such donated foods is necessary in order to effect an orderly transition in an area in which the distribution of federally donated foods to households is being replaced by the program; or

(3) On request of the State agency: *Provided*, That:

(i) No Department funds are used in carrying out the State agency's administrative responsibilities in the handling and issuing of federally donated foods;

(ii) Certification of all households is made by the State agency in conformity with the requirements of this subchapter; and

(iii) Controls are established which will prevent any household from participating in the program and also simultaneously receiving household distribution of federally donated foods.

(b) *Free coupons as income or resources.* Free coupons provided to any eligible household shall not be considered

to be income or resources for any purpose under the Social Security Act of 1935, as amended, or under any other Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs.

(c) *Prohibition of aid reduction.* States or political subdivisions shall not decrease welfare grants or other similar aid extended to any person or persons as a consequence of such person's or persons' participation in the program.

(d) *Nondiscrimination.* In the certification of applicant households for the program and in the issuance of coupons to eligible households, there shall be no discrimination against any household by reason of race, religious creed, national origin, or political beliefs.

(e) *Residency.* No citizenship or durational residency requirement shall be imposed as a condition of eligibility by any State or project area.

(f) *Disclosure.* Each State agency shall restrict the use or disclosure of information obtained from applicant households to persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or this subchapter.

(g) *Personnel standards.* Each State agency shall undertake the certification of applicant households in accordance with the personnel standards used by it in the certification of applicants for benefits under its federally aided public assistance programs.

(h) *Administrative financing.* Except as provided in § 271.2, each State agency shall finance or cause to be financed, from funds available to the State or political subdivisions thereof, the costs of carrying out the administrative responsibilities assigned to it under the provisions of this subchapter, including providing adequate staff and facilities to process applicant households within 30 days of receipt of an affidavit or an Application for Participation.

(i) *Plan of operation requirement.* Each State agency shall submit for the approval of FNS a Plan of Operation, prepared in accordance with the provisions of § 271.8. Such plan shall cover a Federal fiscal year and may be extended for succeeding Federal fiscal years at the option of FNS unless sooner terminated or suspended as provided in paragraph (t) of this section.

(j) *Administration of certification and issuance.* Each State agency shall administer the program in accordance with the provisions of this subchapter, all FNS instructions issued pursuant thereto, and its Plan of Operation.

(k) *Outreach.* Each State agency shall take effective action pursuant to an approved outreach plan, using State agency personnel and the services provided by federally funded and other agencies and organizations to inform low-income households, with due regard to ethnic groups, of the availability and benefits of the program and encourage the participation of eligible households.

(l) *Records and reports.* Each State agency shall keep such records and submit such reports and other information as may from time to time be required by FNS.

(m) *Retention of records.* Each State agency shall provide that program records shall be available for review or audit by FNS or the Department for a period of 3 years from the month of origin of each such record. However, State agencies using ATP cards may destroy executed cards after the required reconciliations have been made in accordance with § 271.6(f) and each ATP card has been miscrofilmed front and back, or 1 year after the month of execution if a monthly list is prepared to show name, address, ATP serial number, case number of the household, and amount of the purchase requirement and coupon allotment: *Provided,* That the microfilm or list is made in ATP serial or food stamp case number sequence and is available for review and audit by FNS or the Department for a period of 3 years: *And provided further,* That executed ATP cards shall not be so destroyed when the State agency has been instructed in writing by FNS or the Department to retain the documents.

(n) *Notice of adverse action.* (1) Prior to any action to terminate or reduce a household's program benefits within the certification period, each State agency shall:

(i) Give the household at least 15 days advance notice of any such action;

(ii) Give in detail the reasons for the proposed action;

(iii) Explain the household's right to request a hearing and the circumstances under which program participation is continued if a hearing is requested; and

(iv) Indicate the State agency's willingness to schedule a conference if the household wishes to discuss the action.

(2) This requirement does not apply to actions taken as a result of normal expiration of certification periods as provided for in § 271.4(a)(3).

(o) *Fair hearing.* Each Agency shall provide any household, aggrieved by the action of the State agency or a State issuing agency in its administration of the program which affects the participation of the household in the program, with a fair hearing upon its request. Prompt, definitive, and final administrative action must be taken by the State agency within 60 days from the date of a request for a hearing. Households shall be entitled to request a hearing on any State agency or State issuing agency action by which they are aggrieved.

(1) Each household shall be informed (in writing and, if practical, orally) at the time of application of its right to a hearing and the method by which a hearing may be requested. Hearing procedures shall be published by the Agency and made available to any interested party.

(2) A household must be provided a reasonable time in which to request a hearing on a State agency or State issuing agency action. This request may be made by any clear expression (oral or written) by the household (or person acting for it, such as a legal representative, relative or friend) to the effect that an opportunity to present the case to higher authority is desired. The freedom to make such a request must not be limited or interfered with in any way. State agency emphasis must be on helping the client to submit and process the request, and prepare the case, if needed. Information and referral services shall be provided to help claimants make use of any legal services available in the community that can provide legal representation at the hearing. The Agency shall not deny or dismiss a request for a hearing unless it has been withdrawn in writing or abandoned by the household.

(3) The time, date, and place of the hearing shall be convenient to the household and adequate advance written notice shall be provided. The hearing shall be conducted by a hearing official or officials as defined in § 270.2(ii) of this subchapter. When the hearing involves medical issues, a medical assessment other than that of the person(s) involved in making the original decision will be obtained from a source mutually satisfactory to the claimant and the State agency and made a part of the record if the hearing official(s) consider(s) it necessary. The household or its representative must be given adequate opportunity to:

(i) Examine all documents and records to be used at the hearing at a reasonable time before the date of the hearing as well as during the hearing;

(ii) Present the case itself or have it presented by a legal counsel or other person;

(iii) Bring witnesses;

(iv) Question or refute any testimony or evidence, including opportunity to confront and cross-examine adverse witnesses; and

(v) Submit evidence to establish all pertinent facts and circumstances in the case.

(4) (i) The hearing authority shall render a final administrative decision in the name of the Agency on all issues that have been the subject of the hearing. Decisions of the hearing authority shall be based exclusively on evidence and other material introduced at the hearing. The verbatim transcript of testimony and exhibits, or an official report containing the substance of what transpired at the hearing, together with all papers and requests filed in the proceeding, and the recommendations of the hearing official(s) shall constitute the exclusive record for decision by the hearing authority and shall be available to the claimant at a place accessible to him or his representative at any reasonable time.

(ii) A decision by the hearing authority rendered in the name of the Agency shall specify the reasons for the decision and identify the supporting evidence. Such a decision shall be binding on the State agency. The household shall be notified in writing of the decision and of any right to judicial review known to

the hearing authority. In addition, the Agency shall establish and maintain a method for informing, at least in summary form, all local agencies of all hearing decisions and the decisions shall be accessible to the public (subject to the same provisions as those safeguarding federally aided public assistance fair hearing information).

(iii) The Agency is responsible for seeing that the decision is carried out promptly.

(5) If a hearing request is made during the 15-day advance notice period, provided for in paragraph (n) of this section, and the issue is solely one of fact or judgment, participation shall be continued on the basis existing immediately prior to the notice of adverse action until the hearing decision is rendered.

(6) If such a hearing request is made after such 15-day advance notice period has expired, and the issue is solely one of fact or judgment, the Agency may, to the extent practicable, provide for reinstatement of participation on the basis existing immediately prior to the notice of adverse action until the hearing decision is rendered.

(7) If the notice of adverse action is based on the Food Stamp Act, Regulations, or Federal procedures rather than fact or judgment relating to an individual case, the Agency shall discontinue or reduce the benefits in accordance with the notice of adverse action.

(8) The Agency shall promptly inform the claimant in writing if assistance is to be discontinued.

(9) Upon request, the State agency shall make available without charge the specific materials necessary for a household or its representative to determine whether a hearing should be requested or to prepare for a hearing.

(p) *Agency conference.* (1) If after receipt of the notice of adverse action, an individual representing the household responds by indicating the household's wish for a State agency conference, the State agency shall provide an opportunity for the household to:

(i) Discuss the situation with the State agency staff;

(ii) Speak for itself, or be represented by legal counsel, a friend, or other spokesmen;

(iii) Obtain an explanation of the proposed action; and

(iv) Present information to show that the proposed action is incorrect.

(2) The holding of a conference or the failure to request such a conference shall not in any way diminish the household's right to a fair hearing, nor shall the actual request for a hearing interfere with the opportunity for such a conference.

(q) *Refunds to households.* The State agency shall request FNS to make a cash refund to any household for any amount that it has been overcharged for its coupon allotment because of an administrative error on the part of the State agency: *Provided*, That if the household owes an unpaid balance on a claim as provided in § 271.7(d), the amount of the overcollection of cash shall be offset against the balance due on the claim before a refund is made to the household.

(r) *Public information.* (1) Regulations, Plans of Operation and Federal procedures which affect the public shall be maintained in the State and local offices of the State agency as well as in the Food Stamp Division and FNS Regional Offices for examination by members of the public on regular workdays during regular office hours.

(2) Copies of Regulations, Plans of Operation, and Federal procedures may be obtained from FNS in accordance with regulations of FNS governing the availability of information to the public, Part 295 of this chapter.

(s) *Implementation.* (1) Each State agency shall:

(i) Submit a new Plan of Operation, except the outreach plan, to FNS within 60 days of the effective date of the regulations in this subchapter;

(ii) Submit revised program instructions on certification and issuance to FNS within 90 days of the effective date of the regulations in this subchapter;

(iii) Submit an outreach plan to FNS within 180 days of the effective date of the regulations in this subchapter;

(iv) Put into effect the coupon allotments, purchase requirements, and household eligibility standards prescribed by this subchapter for all new applications and household recertifications within 30 days of the approval date of the Plan of Operation;

(v) Put into effect all other provisions of the regulations in this subchapter within 90 days of the approval date of the Plan of Operation; and

(vi) Complete the recertification of its entire caseload by May 1, 1972.

(2) The time limitation provisions of this paragraph may be extended by FNS upon written request and justification by a State agency.

(t) *State agency failure to comply.* If FNS determines that, in the administration of the program, a State agency has failed to comply substantially with the provisions of this subchapter, with instructions issued pursuant to this subchapter, or with the State Plan of Operation, FNS shall inform such State agency of such failure and shall allow the State agency a reasonable period of time, as determined by FNS, for the correction of such failure. If prior, to the expiration of such period, corrective action has not been taken, FNS shall direct that there be no further issuance of coupons in the project areas where such failure has occurred until corrective action has been taken.

§ 271.2 Payments for certain costs of the State agency.

(a) FNS shall pay to each State agency an amount equal to 62½ percentum of the sum of:

(1) The direct salary, travel, and travel-related costs (including such fringe benefits as are normally paid by the State agency) of personnel, including the immediate supervisors of such personnel, for such time as they are employed in taking the action required in making certification determinations for households other than those in which all members are included in the federally aided public assistance or general assistance grant;

(2) The direct salary, travel, and travel-related costs (including such fringe benefits as are normally paid by the State agency) of the individual at State agency level with primary responsibility for planning and coordinating the State's outreach effort, his secretary, and personnel of the local agency whose primary duties involve outreach, for such time as they are employed in planning, and in taking effective action pursuant to an approved outreach plan; and

(3) The direct salary, travel, and travel-related costs (including such fringe benefits as are normally paid by the State agency) of Agency personnel for such time as they are employed as hearing officials and hearing authorities.

(b) The State agency shall submit claims to FNS for payment of such costs.

(c) FNS will not reimburse State agencies for any costs which are borne by another Federal agency.

§ 271.3 Household eligibility.

(a) *Household.* Eligibility for and participation in the program shall be on a household basis. All persons, excluding roomers, boarders, and unrelated live-in attendants necessary for medical, housekeeping, or child care reasons, residing in common living quarters shall be consolidated into a group prior to determining if such a group is a household as defined in § 270.2(jj) of this subchapter.

(1) Eligibility cannot be determined if the applicant household refuses to cooperate in providing information necessary for making a determination of eligibility or ineligibility.

(2) Eligible household members 60 years of age or over who are housebound, feeble, physically handicapped or otherwise disabled to the extent that they are unable to adequately prepare all of their meals, an elderly person as defined in § 270.2(r) of this subchapter and the spouse of an elderly person may use all or any part of the coupons issued to them to purchase meals prepared for and delivered to them by a nonprofit meal delivery service authorized by FNS.

(b) *Income and resource eligibility standards of public assistance and general assistance households.* Households in which all members are included in a federally aided public assistance or general assistance grant shall, if otherwise eligible under this subchapter, be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

(c) *Income and resource eligibility standards of other households.* Each State agency shall apply the uniform national income and resource standards of eligibility established by the Secretary to determine the eligibility of all other applicant households, including those in

which some members are recipients of federally aided public assistance or general assistance.

(1) *Definition of income.* To compute maximum monthly income for purposes of determining eligibility:

(i) Income shall mean any of the following, but not be limited to:

(*a*) All compensation for services performed as an employee;

(*b*) Net income from self-employment, which shall be the total gross income from such enterprise (including the total gain received from the sale of any capital goods or equipment related to such enterprise), less the cost of producing that income. The following shall not be considered as the cost of producing income:

(*1*) Payments on the principal of the purchase cost of income-producing real estate. Any payments of principal, interest, and taxes on the home shall be subject to subdivision (iii) (*b*) of this subparagraph;

(*2*) Payments on the principal of the purchase cost of capital assets, equipment, machinery, and other goods;

(*3*) Depreciation; and

(*4*) A net loss sustained in any previous period;

(*c*) The total amount of a roomer's payment to the household;

(*d*) The total payment received from each boarder less a deduction for each boarder of the value of the monthly coupon allotment for a one-person household;

(*e*) The total payment to the household by a member of the household (other than the head of the household or spouse) who has a commitment to contribute only a portion of his income to pay for services including food and lodging. In no event shall such total payment be less than the value of the monthly coupon allotment for a one-person household;

(*f*) Payments received as an annuity; pension; retirement or disability benefit; veterans', workmen's or unemployment compensation; and old-age, survivors, or strike benefit;

(*g*) Payments received from federally aided public assistance programs, general assistance programs, or other assistance programs based on need;

(*h*) Payments received from Government-sponsored programs such as Agriculture Stabilization and Conservation Service programs, the Work Incentive Program, or Manpower Training Program;

(*i*) Payments, except those for medical costs, made on behalf of the household by a person other than a member of the household;

(*j*) Cash gifts or awards (except as provided in subdivision (ii) (*e*) of this subparagraph) for support, maintenance, or the expenses of education.

(*k*) Scholarships, educational grants (including loans on which repayment is deferred until completion of the recipient's education), fellowships, and veterans' educational benefits;

(*l*) Support and alimony payments; and

(*m*) Rents, dividends, interest, royalties, and all other payments from any source whatever which may be construed to be a gain or benefit.

(ii) The following shall not be considered income to the household:

(*a*) Income received as compensation for services performed as an employee or income from self-employment by a child residing with the household who is a student and who has not attained his 18th birthday;

(*b*) Payments received under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(*c*) Any gain or benefit which is not in money (e.g., the free use of a house);

(*d*) That income of a household in a quarter which is received too infrequently or irregularly to be reasonably anticipated: *Provided*, That such infrequent or irregular income of all household members does not exceed $30 in the quarter;

(*e*) Monies received from insurance settlements, sale of property (except for property related to self-employment provided for in subdivision (i) (*b*) of this subparagraph), cash prizes, awards, and gifts, inheritances, retroactive lump-sum Social Security or Railroad Retirement pension payments, income tax refunds and similar nonrecurring lump-sum payments;

(*f*) Ten percentum of income from compensation for services performed as an employee or training allowance not to exceed $30 per household per month; and

(*g*) All loans, except loans on which repayment is deferred until completion of the recipient's education.

(iii) Deductions for the following household expenses shall be made:

(*a*) Mandatory deductions from earned income which are not elective at the option of the employee such as local, State, and Federal income taxes, Social Security taxes under FICA, and union dues;

(*b*) Shelter costs in excess of 30 percentum of the household's income after exclusion of mandatory deductions and before exclusion of any other deductions;

(*c*) Payments for medical expenses, exclusive of special diets, when the costs exceed $10 per month per household;

(*d*) The payments for the care of a child or other persons when necessary for a household member to accept or continue employment; and

(*e*) Unusual expenses incurred due to an individual household's disaster or casualty losses which could not be reasonably anticipated by the household.

(*f*) Educational expenses which are for tuition and mandatory school fees, including such expenses which are covered by scholarships, educational grants, loans, fellowships, and veterans' educational benefits.

(2) *Handling of income.* (i) To determine the eligibility of households, income may be averaged over the appropriate certification period.

(ii) To determine the basis of issuance for those households who derive their income from farm operations or other self-employment, the income may be averaged evenly or prorated unevenly over the certification period not to exceed 1 year.

(iii) To determine the eligibility and basis of issuance for households with income from scholarships, educational grants, fellowships, and veterans' educational benefits, the income shall be averaged over the period which it was intended to cover.

(3) *Income standards.* Uniform national income standards of eligibility for participation of nonassistance households in the program for the 50 States and the District of Columbia shall be the higher of: (i) The income poverty guidelines issued by the Secretary of Agriculture based on the statistics on poverty levels reported by the Census Bureau's Current Population Reports; or (ii) the level at which the total coupon allotment equals 30 percent of income. These income standards for each nonassistance household size will be prescribed in General Notices published in the FEDERAL REGISTER.

(4) *Resource definition and standards*—(i) *Maximum allowable resources.* The maximum allowable resources—including both liquid and nonliquid assets—of all members of each household shall not exceed $1,500 for each household, except, for households of two or more persons with a member or members age 60 or over whose resources are not excluded under subdivision (iii) (*c*) of this subparagraph, the resources shall not exceed $3,000.

(ii) *Included in resources.* In determining the resources of a household, the following shall be included:

(*a*) Liquid resources which are readily negotiable, such as cash on hand, in a checking or savings account in a bank or other savings institution, U.S. savings bonds, stocks or bonds; and

(*b*) Nonliquid resources, such as buildings, land, or other real or personal property not excluded under subdivision (iii) (*a*) or (*b*) of this subparagraph.

(iii) *Exclusions from resources.* In determining the resources of a household, there shall be excluded:

(*a*) The home, automobile, household goods, cash value of life insurance policies, and personal effects;

(*b*) Income-producing property which is producing income consistent with its fair market value, or other property such as another vehicle needed for purposes of employment, the tools of a tradesman or the machinery of a farmer, deemed essential to the household's means of self-support;

(*c*) The total resources of a roomer or boarder, or of a member of the household (other than the head of the household or sponse) who has a commitment to contribute only a portion of his income to pay for services including food and lodging; and

(*d*) Indian lands held jointly with the Tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs.

(iv) *Value of resources.* The value of resources shall be determined at fair market value, less encumbrances.

(d) *Tax dependency.* Any household which includes a member who has reached his 18th birthday and who is claimed as a dependent for Federal income purposes by a member of a household which is not certified as being eligible for food assistance shall be ineligible to participate in the program during the tax period such dependency is claimed and for a period of 1 year after expiration of such tax period.

(e) *Work registration requirement.* At the the time of application, and at the time of each recertification of eligibility, for participation in the program by any household, each able-bodied person between the ages of 18 and 65, who is a member of the household, including a person who is not working because of a strike or lockout at his usual place of employment (except mothers or other members of the household who have responsibility for the care of dependent children under 18 years of age or of incapacitated adults; students enrolled at least half-time in any school or training program recognized by any Federal, State, or local governmental agency; or persons working at least 30 hours per week), shall register for employment by executing the registration form which shall be provided by the State agency, and which the State agency shall forward to the State or Federal employment office having jurisdiction over the area where the registrant resides.

(1) Such member who is required to register shall also:

(i) Report for an interview to the State or Federal employment office where he is registered upon reasonable request;

(ii) Respond to a request from the Federal or State Employment Service office requiring supplemental information regarding employment status or availability for work;

(iii) Report to an employer to whom he has been referred by such office; and

(iv) Accept a bona fide offer of suitable employment to which he is referred by such office.

(2) If the State agency determines that a household member has refused without good cause to comply with the requirements of this paragraph, the household of which he is a member shall be ineligible to participate in the program. Such ineligibility shall continue:

(i) Until such household member either becomes employed at least 30 hours per week or complies with the requirements of this paragraph; or

(ii) For 1 year from the date of his refusal without good cause to comply with such requirements, whichever is earlier.

(3) No employment shall be considered suitable for the purpose of this paragraph if:

(i) The wages offered are less than the highest of:

highest of:

(*a*) The applicable Federal minimum wage;

(*b*) The applicable State minimum wage;

(*c*) The applicable wage established by valid regulation of the Federal Government authorized by existing law to establish such regulations; or

(*d*) $1.30 per hour;

(ii) The employment offered is on a piece-rate basis and the average hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified under subdivision (i) of this subparagraph;

(iii) The registrant, as a condition of employment, is required to join, resign from, or refrain from joining any legitimate labor organization; or

(iv) The work offered is at a site subject to a strike or a lockout at the time of the offer.

(4) No household shall be denied participation in the program solely on the grounds that a member of the household is not working because of a strike or lockout at his usual place of employment.

(5) No employment offered shall be considered suitable for a particular registrant unless the State agency determines with respect to such employment that:

(i) The degree of risk to the registrant's health and safety is not unreasonable;

(ii) The registrant is physically and mentally fit to perform the employment, as established by documentary medical evidence or reliable information obtained from other sources;

(iii) The employment is in the registrant's major field of experience unless after the lapse of a reasonable period of time of unemployment it becomes apparent that the job opportunities in his major field of experience in the area are not likely to be offered; and

(iv) The distance of the employment from the registrant's residence is not unreasonable. Determinations in this connection shall be based upon estimates of the time required for going to and from work by means of transportation that is available or expected to be used, and whether or not it would be reasonable for the registrant to expend the time and cost involved for the expected remuneration from the work. In no event shall commuting time per day represent more than 25 percent of the registrant's total work time.

(6) The provisions of this paragraph shall not relieve a household of its responsibility to report acceptance of any employment or receipt of income from employment obtained through any source by any member of the household.

(7) State agencies shall report monthly the number of households and persons whose benefits were reduced or terminated because they accepted employment, and the number who were terminated because of refusal to accept suitable employment.

§ 271.4 Certification of households.

(a) *Household certification*—(1) *Certification of public assistance and general assistance households.* The State agency shall provide for the certification of households in which all members are included in a federally aided public assistance or general assistance grant, solely on the basis of information contained in an affidavit and the assistance case file.

(2) *Certification of other households.* The State agency shall provide for the certification of other households by:

(i) Completion of the Application for Participation;

(ii) An interview at certification and recertification with the applicant or his authorized representative in a personal contact in the office, in a home visit, or by a telephone call (the interview requirement will be continued until quality control demonstrates to FNS the effectiveness of the forms and certification system); and

(iii) Verification of income upon initial certification and, if the amount of household income has changed substantially or if the source of the income has changed, upon recertification. Verification is required for other factors of eligibility only to the extent that the information furnished by the applicant is unclear, incomplete, or inconsistent or otherwise raises doubt concerning any factor affecting eligibility or the basis of coupon issuance. In any case where a household indicates that it has income so low that there is a likelihood that a change must occur in order for the household to continue to subsist as an economic unit, verification of factors necessary to substantiate the facts of eligibility is required unless expenditures and income are so stable as to indicate that the household could maintain this level of existence for an extended period of time. At least one collateral contact is mandatory in cases of this type. Certification may be made for 30 days without vertification of eligibility factors with respect only to households which report an income so low that they have no purchase requirement and which appear, on the basis of other information furnished, to be eligible for participation.

(3) *Application processing.* The State agency shall provide for the processing of each affidavit or Application for Participation and notify the applicant household of the action taken within reasonable State-established time standards, which shall not exceed 30 days after receipt of such documents. Recertification or notification to recipient households of any intention to deny further participation in the program at the end of the certification period must be completed prior to the expiration of such period.

(4) *Certification periods.* The State agency shall provide for periodic recertifications of participating households to determine changes in status which would affect the continued eligibility of the household, the amount of its coupon allotment, or its purchase requirement.

(i) Certification periods shall conform as much as possible to calendar months.

(ii) Households in which all members are included in a federally aided public assistance or general assistance grant

shall be assigned certification periods which coincide with the period of the assistance grant.

(iii) Other households shall be assigned certification periods based on the predictability of income. Such certification period shall be for 3 months except as follows:

(*a*) Certification may be for less than 3 months when there is a possibility of frequent changes in household status.

(*b*) Certification may be for 6 months if there is little likelihood of changes in household status.

(*c*) Households consisting of unemployable persons with very stable income may be certified for 12 months, provided other household circumstances are expected to remain stable.

(*d*) Households deriving their income from self-employment, farm operations, or farm employment may be certified for 12 months.

(5) *Quality control.* The State agency shall provide for a quality control system (a method of continuing review on a sampling basis) to validate the accuracy of determinations of program eligibility and determine the extent to which households are paying the proper purchase requirements and receiving the coupon allotments to which they are entitled. The State agency's system of quality control shall be implemented through:

(i) Application of the sampling methods prescribed by FNS;

(ii) Use of FNS-prescribed schedules and instructions, or schedules which provide for identical information;

(iii) Field investigations, including personal interviews with all households which fall within the sample of participating households, and, as necessary, with households that have been denied participation or whose eligibility has been terminated;

(iv) Immediate action to reduce errors where tolerance limits established by FNS are exceeded, and followup corrective action to remove causes of errors;

(v) Use of qualified staff under appropriate direction; and

(vi) Reporting to FNS as prescribed.

(6) *Certification continuation.* The State agency shall provide for continuing the certification for 60 days after the date of its move of any household which moves from one project area to another: *Provided*, That: (i) The household membership does not change; (ii) the household continues to meet the definition of a household as provided in § 270.2(jj) of this subchapter; and (iii) the household was not certified under disaster eligibility standards as provided in Part 274 of this subchapter. The project area from which the household is moving shall prepare the documents to transfer certification. The project area to which household moves shall accept the transfer document and promptly issue coupons to the household in the amount authorized on the transfer document. After the expiration of the 60-day certification period provided for in this subparagraph, the household shall be recertified in accordance with usual procedures as prescribed in this part.

(7) *Identification card.* The State agency shall provide for issuance of an identification card to each household certified as eligible to participate in the program. Households and elderly persons and their spouses eligible to use coupons to purchase delivered meals from a nonprofit meal delivery service and who express an intent to do so shall be issued a marked identification card indicating such eligibility.

(8) *State agency instructions.* The State agency shall issue written program instructions to personnel responsible for the certification of applicant households. No State agency instruction or interpretation of FNS Instructions shall be issued to local agencies without prior approval by FNS, unless FNS fails to respond to a request for approval within 30 days after the acknowledgement of its receipt by FNS.

§ 271.5 Basis for issuing coupons to eligible households.

The monthly coupon allotments and purchase requirements for eligible households are prescribed in a general notice published in the FEDERAL REGISTER.

§ 271.6 Methods of distributing, issuing, and accounting for coupons and receipts.

(a) FNS will distribute coupons, printed in such denominations as it may determine necessary, directly to the receiving points designated by the State agency in the Plan of Operation. While in the course of shipment to receiving points coupons shall be considered to be at the risk of the Department.

(b) The State agency shall arrange for the prompt verification of and receipting for the contents of each coupon shipment.

(c) The State agency shall arrange for:

(1) The adequate safekeeping of its supplies of coupons;

(2) The maintenance of a reasonable working inventory of coupons;

(3) The ordering of coupons; and

(4) The maintenance of proper inventory and accounting controls for such coupons.

(d) The State agency shall, directly or by contract, arrange for the issuance of coupons to eligible households and for the collection of sums required from eligible households for the purchase requirement. The coupon allotment to be issued to any household, shall be in the amounts determined in accordance with § 271.5.

(1) The State agency may issue coupons through the facilities of the U.S. mail. Unless FNS notifies the State agency to the contrary, FNS will accept the risk of loss of nondelivery of coupons to eligible households after deposit of such coupons in the mail, if the State agency issues such coupons through the mail in accordance with instructions provided by FNS.

(2) The State agency shall permit any household participating in the program, if it so elects, to have the cost of its full monthly coupon allotment deducted from any grant or payment such household may be entitled to receive under any federally aided public assistance program, and have its full monthly coupon allotment distributed to it.

(3) The State agency shall within the limits of the frequency of issuance available to the household under subparagraph (4) of this paragraph, permit any eligible household, except those participating under subparagraph (2) of this paragraph, to elect at the time of issuance to receive a coupon allotment having a face value of all, three-quarters, one-half, or one-quarter of the monthly coupon allotment authorized in accordance with § 271.5, and to have such household pay an amount that shall be in the same ratio to the total purchase requirement as the coupon allotment chosen is to the total monthly coupon allotment.

(4) The State agency shall insure that eligible households are offered the frequency of coupon issuance that is best geared to the frequency of their receipt of income: *Provided*, That at a minimum, all project areas shall make provision for a monthly and semimonthly schedule of issuance.

(5) The State agency shall upon its determination that any certified household has failed to participate for three consecutive months, stop issuing ATP cards to such household until notified by such certified household of its intention to resume participation in the program.

(e) The State agency may authorize, under written agreement with public or private agencies, the acceptance of vouchers or warrants issued by such agencies in payment for coupon allotments issued to eligible households. Such vouchers or warrants shall be converted into cash as soon as practicable thereafter as determined by FNS.

(f) The State agency shall arrange for the reconciliation of coupon inventories, coupon issuances, sums collected from eligible households, vouchers, warrants accepted from public or private agencies, and other receipts. All such receipts shall be safeguarded at all times and promptly deposited.

(g) The State agency shall issue written program instructions to personnel responsible for the issuance of coupons. No State agency instruction or interpretation of FNS instructions shall be issued to local agencies without prior approval by FNS, unless FNS fails to respond to a request for approval within 30 days after the acknowledgment of its receipt by FNS.

(h) Every official or employee who is responsible for receiving and issuing coupons or accepting cash or other receipts from eligible households shall be covered by an appropriate form of surety bond in favor of the State agency or the State issuing agency.

§ 271.7 Financial liabilities of the State agency.

(a) If FNS determines that there has been gross negligence or fraud on the part of the State agency in the initial certification of applicant households, the recertification of households, or the issuance of coupons, the State shall, on demand by FNS, pay to FNS a sum equal to the amount of any free coupons issued as a result of such negligence or fraud.

(b) If FNS determines that there has been a loss of coupons distributed to the State agency, or of the sums required to be collected by it in payment of the purchase requirement, including the cash equivalent of any vouchers or warrants accepted by it in accordance with § 271.6(c), including, but not limited to coupons or funds lost as a result of thefts, embezzlements or unexplained causes, the State agency shall, on demand by FNS, pay to FNS the face amount of any such coupons, and the amount of such cash or cash equivalent. Coupons which are lost will be presumed to have been redeemed in the customary channels of redemption: *Provided*, That the State agency will be relieved of liability for such coupons which it establishes to the satisfaction of FNS were recovered or destroyed prior to presentation for redemption.

(c) The State agency shall be liable to FNS for any overissuance of coupons or undercollections of cash as a result of mathematical or change-making errors by personnel of any issuing office. The State agency shall also be liable to FNS for the bonus value of all ATP cards which are stolen or embezzled from or lost by the State agency and are subsequently used to purchase food coupons.

(d) Upon a determination of the State agency that a participating household has fraudulently obtained coupons, the State agency, on behalf of FNS, shall make demand upon such household for repayment of the value of the free coupons issued to such household as a result of such fraud. Such actions shall be documented in the files of the State agency, and any funds collected as a result of such actions shall be remitted to FNS by the State agency. Demand and payment of any such amounts shall not relieve or discharge such household of any liability, either civil or criminal, for such additional amounts as may be due under any other applicable provisions of law. If the State agency finds that any eligible household has failed substantially to comply with the provisions of this part, the Plan of Operation, or any procedures or instructions issued by FNS or the State agency resulting in the fraudulent acquisition of coupons, such household may be disqualified from further participation in the program by the State agency for such period of time as the State agency shall determine.

(e) If excess free coupons are issued because of a certification error by the State agency or a misunderstanding of program provisions by a participating household, the State agency shall take appropriate corrective action to prevent any further issuance of excess free coupons to such household. The State agency may decline collection action to recover the value of the excess free coupons from the recipient household in any case in which such value is less than $400 under the following conditions:

(1) The issuance of excess free coupons did not involve gross negligence or fraud covered by paragraphs (a) and (d) of this section; and

(2) The State agency determines that either:

(i) It cannot collect or enforce collection of any significant sum from the household,

(ii) The cost of collection action likely will exceed the amount recoverable thereby, or

(iii) Evidence necessary to prove the claim cannot be produced.

In any case described in this paragraph in which the value of excess coupons issued is $400 or more, the State agency may decline collection action under the conditions specified herein only with the concurrence of FNS. In any such case, the State agency shall submit a statement of the facts and its proposed determination to FNS for review and concurrence.

§ 271.8 Plans of Operation.

(a) The State agency shall prepare and submit a Plan of Operation to FNS for its approval.

(b) No coupons shall be issued prior to the date on which the Plan of Operation is approved by FNS.

(c) Such Plan of Operation shall contain:

(1) An agreement that the State agency will administer the program in conformance with the provisions of this subchapter and all FNS instructions issued pursuant thereto;

(2) A provision that the State agency will submit for FNS approval any other internal policies, procedures, methods, forms, or records that it will use in carrying out the administrative responsibilities assigned to it under the provisions of this subchapter and all FNS instructions;

(3) Assurances of compliance in accordance with the Departmental Regulations on Nondiscrimination (Part 15 of this title).

(4) A State plan to undertake effective outreach action;

(5) A method for computing and claiming reimbursable program costs;

(6) A quality control plan which shall include:

(i) A brief description of the State's sampling plan, including the system of selecting the sample;

(ii) The State's plan for use of staff; and

(iii) The plan for analysis of and action on findings.

(7) The name of the State issuing agency, if any;

(8) Such other information as may be required by FNS; and

(9) Any other provisions for approval by FNS.

(d) No amendment to the Plan of Operation of any State agency or any revision to the instructions issued by the State agency or by FNS shall be made without prior approval of FNS.

(e) FNS may require amendment of any State agency's Plan of Operation or written instructions as a condition of continuing approval.

§ 271.9 Use or redemption of coupons by eligible households.

(a) The head of the eligible household or his authorized representative shall sign each book of coupons provided to the head of the household or his authorized representative. The coupons may be used only by the head of the household or other persons selected by him to purchase eligible food for the household. Except for those uncanceled and unendorsed coupons of 50-cent denomination returned as change by authorized retail food stores or nonprofit meal delivery services, coupons shall be detached from the book only at the time such coupons are used for payment of eligible food purchased in or delivered by authorized retail food stores or nonprofit meal delivery services. It is the right of the head of the household or his selected representative to detach the coupons from the book at the time of purchase or delivery.

(b) Upon request, the head of the eligible household or his selected representative shall present the identification card of the head of the household to the retail food store or nonprofit meal delivery service when exchanging food coupons for eligible food.

(c) Coupons shall not be used to pay for any eligible food purchased prior to the time at which the coupons are presented to authorized retail food stores or nonprofit meal delivery services.

(d) The head of the eligible household or his selected representative shall not make or attempt any purchases in which the principal purpose is to receive cash change as provided for in § 272.2(e) of this subchapter.

(e) If after investigation the State agency finds that any eligible household intentionally has failed substantially to comply with the provisions of this part, the Plan of Operation, or any procedures or instructions issued by the State agency or FNS relating to the use of coupons issued to the household, such household shall be disqualified from further participation by the State agency for such period of time as the State agency shall determine.

(f) In the event of voluntary termination of participation in the program by a household or death of the head of the household, properly issued coupons may be returned to the State agency, or to FNS for a refund on the same ratio of cash to coupons as was applied by the State agency in the issuance of the coupons to the household. A request for a refund shall be submitted to the State agency. The request for such a refund shall be made in accordance with the following requirements:

(1) It shall be in ink or typed.

(2) It shall contain the applicant's address.

(3) It shall be dated and signed.

(4) The unused coupons shall be attached.

(5) There shall be attached any additional documents or statements required by paragraph (g) of this section to show the claimant's right to a refund.

(g) Refunds under paragraph (f) of this section may be requested and paid in the following order of precedence and in accordance with the following conditions:

(1) To the household member who applied for participation in the program, or his or her spouse;

(2) When the head of the eligible household is incompetent, to a guardian, close relative, or other individual or organization which has assumed partial or complete financial responsibility for his care and custody, provided a statement is furnished describing the relationship between the claimant and the incompetent and the claimant certifies that the appointment of a legal representative is not contemplated and that the refund will be used for the benefit of the incompetent;

(3) When the head of the eligible household is deceased, the administrator, executor, or other legally authorized representative of the estate, when supported by a copy of the court order or other document legally establishing his authority to act;

(4) In the absence of such administrator, executor, or other legally authorized representative, to the sole heir or any one of a number of heirs to the estate of the deceased, provided in the latter case he affirms that the refund will be applied toward the payment of outstanding obligations of the deceased or shared with other heirs in accordance with the law of the Sate in which the deceased resided;

(5) In any event, to a general assistance agency to which the previously issued coupons were returned and for which such agency directly paid the purchase requirement.

(h) State agency may make direct refund to claimants other than State or local general assistance agencies from food stamp collections or from State or project area funds. Credit or reimbursement will be made directly to the State or project area by FNS.

(i) Refunds to State or local general assistance agencies will be made by FNS. State agencies unable to use the direct payment methods outlined in paragraph (h) of this section may also forward claims to FNS for payment. The claimant's request for a refund, a statement explaining the basis of the household's participation, the unused coupons, and any additional documents required by paragraph (g) of this section shall be forwarded to FNS by the State agency.

(j) Eligible households participating under the provision of § 271.6(d)(2) may return properly issued coupons to the State agency for a refund on the same ratio of cash to coupons as was applied by the State agency in the issuance of the coupons to the household. Such refunds shall be made from food stamp collections or from State or project area funds. Credit or reimbursement will be made directly to the State or project area by FNS.

(k) None of the provisions outlined above will preclude an eligible claimant from waiving a claim for the unused coupons returned.

NOTE: The recordkeeping and/or reporting requirements herein specified have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

PART 272—PARTICIPATION OF RETAIL FOOD STORES, WHOLESALE FOOD CONCERNS, NONPROFIT MEAL DELIVERY SERVICES, AND BANKS

Sec.

AUTHORITY: The provisions of this Part 272 issued under 78 Stat. 703, as amended. 7 U.S.C. 2011–2025.

§ 272.1 Approval of retail food stores, wholesale food concerns, and nonprofit meal delivery services.

(a) Firms desiring to participate in the program shall file an application with FNS, in such form as FNS may prescribe.

(b) An applicant shall provide sufficient data on the nature and scope of the firm's business for FNS to determine whether such applicant's participation will effectuate the purposes of the program. In making such determination FNS shall consider:

(1) The nature and the extent of the food business conducted by the applicant;

(2) The volume of food stamp business which may be reasonably expected to be done by the applicant;

(3) The business integrity and reputation of the applicant; and

(4) Such other factors as FNS considers pertinent to the application under consideration.

(c) A nonprofit meal delivery service desiring to prepare and deliver meals to households eligible under § 271.3(a)(2) of this subchapter, in addition to meeting the requirements of paragraphs (a) and (b) of this section, must establish that:

(i) It is not receiving federally donated foods from the Department for use in the preparation of meals to be exchanged for food coupons; and

(ii) It is recognized as a tax-exempt organization by the Internal Revenue Service.

(d) Upon approval, FNS shall issue a nontransferable authorization card to the firm. Such authorization card shall be retained by the firm until superseded, surrendered, or revoked as provided in this part.

(e) FNS shall deny the application of any firm if it determines that such firm's participation will not effectuate the purposes of the program. If FNS determines that a firm does not qualify for participation in the program, a notice to that effect shall be issued to the firm. Such notice shall be delivered by certified mail or personal service. If such firm is aggrieved by such action, it may seek administrative review of such action as provided in § 272.8.

(f) FNS may from time to time, but not more frequently than once each Federal fiscal year, require all authorized firms within a project area to submit new applications if such firms wish to continue to participate in the program: *Provided*, That any individual firm may be required to submit a new application at any time FNS receives new or additional information with respect to such firm, relating to any of the criteria set forth in paragraphs (b) and (c) of this section. FNS shall review the new application and within 30 days of receipt, make a determination as to whether the firm's continued participation serves to effectuate the purposes of the program. Applications received under this paragraph shall be considered by FNS under the same criteria and subject to the same rights of administrative review as provided in this section for initial applications.

(g) The filing of any application containing false information may result in the denial or withdrawal of approval to participate in the program and may subject the firm and persons responsible to civil or criminal action under applicable provisions of the law. FNS may also deny or withdraw approval to participate where information regarding the firm's business integrity and reputation becomes available which, in the opinion of FNS, indicates the firm is not willing or does not have the ability to abide by the provisions of this part. Any such withdrawal or denial of authorization to participate in the program shall be subject to administrative review under the provisions of § 272.8. The contents of applications or other information furnished by firms under the provisions of this section shall not be used or disclosed to anyone except for purposes directly connected with the administration and enforcement of the provisions of the Food Stamp Act and the provisions of this subchapter.

§ 272.2 Participation of retail food stores, and nonprofit meal delivery services.

(a) Authorized retail food stores shall post in the store the "Official Food List" issued by FNS or a notice of similar import.

(b) Coupons shall be accepted by an authorized retail food store only in exchange for eligible food items as defined in § 270.2(s) of this subchapter. A food retailer shall not knowingly accept coupons for any imported meat or meat products. The acceptance of coupons for meat or meat products which are labeled or can be identified as imported when they are delivered to the retail food store or to a central warehouse, a distribution center or meat fabricating facility, operated by the food retailer shall be deemed to have been done with knowledge of the fact that such meat or meat products were imported. Any other food product which is clearly identified on the package as being imported shall not be exchanged for food coupons.

(c) Coupons shall be accepted for eligible foods at the same prices and on the same terms and conditions applicable to cash purchases of the same foods at the same store: *Provided*, That nothing in this part shall be construed as authorizing FNS to specify the prices at which food may be sold by retail food stores or nonprofit meal delivery services.

(d) No retail food store or nonprofit meal delivery service authorized to receive coupons shall accept coupons marked "paid" or "canceled," coupons marked with the name or authorization number of any other firm, coupons bearing the name of any bank, or coupons of other than 50-cent denomination which have been detached from the coupon book prior to the time of purchase or delivery of eligible food. It is the right of the head of the household or his selected representative to detach the coupons from the book at the time of purchase or delivery.

(e) An authorized retail food store or nonprofit meal delivery service may use for the purpose of making change, those uncanceled and unmarked coupons having a denomination of 50 cents which were previously accepted in exchange for eligible foods. If change in an amount of less than 50 cents is required, the eligible household shall receive the change in cash: *Provided*, That an authorized food retailer or nonprofit meal delivery service shall not knowingly enter into any coupon transaction in which the principal purpose of the person presenting the coupons is to receive cash change. At no time may cash change in excess of 49 cents be returned in a coupon transaction.

(f) An authorized food retailer or nonprofit meal delivery service shall not retain custody of any unexpended coupons of eligible households, or use or adopt any trick, scheme, or device to prevent an eligible household from using unexpended coupons in making purchases from other authorized firms.

(g) Coupons shall not be accepted by an authorized retail food store or nonprofit meal delivery service in payment for any eligible foods sold or delivered by such firm prior to the time at which the coupons are tendered in payment for eligible foods.

(h) Authorized retail food stores and nonprofit meal delivery services which receive coupons in accordance with the provisions of this part, shall be entitled to receive payment for the face value of such coupons upon presentation through the banking system or through authorized wholesale food concerns.

(i) Coupons shall not knowingly be accepted from persons who have no right to possession of such coupons for use as prescribed in this part. If a food retailer or nonprofit meal delivery service has any cause to believe that a person presenting coupons has no right to possession thereof, such food retailer or nonprofit meal delivery service should request such person to show the identification card of the head of the household to establish the right of such person to possession of coupons.

(j) A nonprofit meal delivery service shall request the recipient of a delivered meal to show the marked identification card establishing the recipient's right to use coupons for such a service the first time that such recipient offers coupons in payment for such a service, or states his intention of doing so, and shall request such marked identification card at any time such nonprofit meal delivery service has cause to question the continued eligibility of such recipient to use coupons for delivered meals.

§ 272.3 Participation of wholesale food concerns.

(a) An authorized wholesale food concern may accept endorsed coupons for redemption only from authorized retail food stores and nonprofit meal delivery services, and only when coupons are presented with the authorized retail food store's or nonprofit meal delivery service's properly executed, signed redemption certificate, and when such coupons have not been marked "paid" or "canceled."

(b) An authorized wholesale food concern which has received coupons in accordance with the provisions of this part shall be entitled to receive payment through the banking system for the face value of such coupons, upon presentation of the coupons together with:

(1) The authorized retail food store's or nonprofit meal delivery service's properly executed, signed redemption certificate for such coupons; and

(2) The authorized wholesale food concern's properly executed, signed redemption certificate.

§ 272.4 Procedure for redeeming coupons.

(a) Coupons accepted by a retail food store, nonprofit meal delivery service, or a wholesale food concern prior to the receipt by such firm of an authorization card from FNS shall not be presented for redemption unless such redemption has been approved by the FNS Officer-in-Charge under § 272.7(b). Burned or mutilated coupons shall not be presented for redemption under this section, but shall be presented to the FNS Officer-in-Charge under § 272.7(c).

(b) Each authorized retail food store, nonprofit meal delivery service, or authorized wholesale food concern shall stamp or otherwise indicate its authorization number or the name of such firm on each coupon prior to the time such coupons are presented for redemption under the procedure provided in this part.

(c) Authorized firms will be provided by FNS with redemption certificates which shall be used in presenting coupons to commercial banks for credit or for cash. Authorized retail food stores and nonprofit meal delivery services shall also use such certificates in presenting coupons to authorized wholesale food concerns for redemption.

§ 272.5 Participation of banks.

(a) Banks may accept coupons for redemption from authorized retail food stores, authorized nonprofit meal delivery services, and authorized wholesale food concerns in accordance with the provisions of this part and the instructions of the Federal Reserve Banks. Coupons submitted to banks for credit or for cash must be properly endorsed in accordance with § 272.4 and shall be accompanied by a properly executed redemption certificate. No bank shall knowingly accept coupons used by ineligible persons or transmitted for collection by unauthorized firms or any other unauthorized persons, partnerships, corporations, or other legal entities. Banks may require persons presenting coupons for redemption to show their authorization card. The redemption certificates shall be held by the receiving bank until final credit has been given by the Federal Reserve Bank after which they shall be forwarded by the receiving banks to the FNS Field Office: *Provided*, That those banks which have been officially notified by FNS shall forward the wholesale food concerns' redemption certificates to the FNS Field Office and the retail food stores' and nonprofit meal delivery services' redemption certificates to:

Food Stamp Control Unit, ASCS Commodity Office, U.S. Department of Agriculture, 6400 France Avenue South, Minneapolis, MN 55435.

Coupons accepted for deposit or for payment in cash must be canceled by or for the first bank receiving the coupons by indelibly marking "paid" or "canceled" together with the name of the bank, or its routing symbol transit number, on the coupons by means of an appropriate stamp. A portion of a coupon consisting of less than three-fifths of a whole coupon shall not be accepted for redemption by banks. Banks which are members of the Federal Reserve System,

nonmember clearing banks, and nonmember banks which have arranged with a Federal Reserve Bank to deposit coupons for credit to the account of a member bank on the books of the Federal Reserve Bank may forward canceled coupons directly to the Federal Reserve Bank for payment in accordance with applicable regulations or instructions of the Federal Reserve Banks. Other banks may forward canceled coupons through ordinary collection channels.

(b) Federal Reserve Banks, acting as fiscal agents of the United States, are authorized to receive canceled coupons for collection as cash items from member banks of the Federal Reserve System, nonmember clearing banks, and nonmember banks which have arranged with a Federal Reserve Bank to deposit coupons for credit to the account of a member bank on the books of the Federal Reserve Bank, and to charge such items to the general account of the Treasurer of the United States.

(c) (1) FNS shall be liable for losses of shipments of canceled coupons while in transit to Federal Reserve or correspondent banks: *Provided*, That:

(i) The transmitting bank used due diligence and care in making the shipment, and

(ii) The bank is unable to recover the loss from the carrier: *And provided further*, That, in the event of a partial loss, there is evidence that such loss was due to the package being tampered with or damaged in transit.

(2) The commercial bank shall give a prompt written report of loss, destruction, or damage to the Post Office or other carrier.

(3) Commercial banks shall submit the following documents to FNS in support of any claim for payment for coupons lost in transit:

(i) The notification of loss to the Post Office or other carrier;

(ii) A statement of facts concerning the loss and the bank's procedures for making the shipment. This statement shall specify that either all or part of the loss cannot be recovered from the carrier. If a partial recovery has been or will be made, the amount shall be stated;

(iii) A statement from the Federal Reserve or correspondent bank that the shipment or part of the shipment was not received. In the event of a partial loss, this statement shall specify that the loss may have resulted from the package being tampered with or damaged in transit.

(iv) All of the Redemption Certificates received from the firms which relate to the shipment; and

(v) A copy of the cash letter which transmitted the shipment.

(d) Notwithstanding any provision of this subchapter to the contrary, coupons may be issued to, purchased by, or presented for redemption by persons authorized by FNS to use such coupons in examining and inspecting program operations and compliance with program regulations, and for other purposes determined by FNS to be required for proper administration of the program. Such coupons which have been so issued and used, as well as any coupons which FNS believes may have been issued, transferred, negotiated, used, or received in violation of any provisions of this subchapter or of any applicable statute, shall at the request of any person acting on behalf of FNS and on issuance of a receipt therefor by such persons, be released and turned over to FNS by the bank receiving such coupons, or by any other person to whom such request is addressed, together with the certificate(s) of redemption accompanying such coupons, if any. Any such coupons so requested shall not thereafter be eligible for redemption through Federal Reserve Banks or other collection channels: *Provided*, That FNS may redeem such coupons from any such bank or person by payment of the face amount thereof upon determination by FNS that such direct redemption of coupons is warranted under all of the circumstances of the examination or inspection in which such coupons were used. Coupons received by FNS under this paragraph shall be held by FNS for such disposition as may be determined by FNS on completion of the examination or inspection in which such coupons were used. In the event such coupons have not been redeemed by FNS as provided in this paragraph, claims or demands relative thereto may be mailed to the local FNS Field Office for the project area involved.

(e) Under the authority contained in paragraph (d) of this section, FNS will sell coupons at face value to any authorized retail food store which wishes to use coupons to conduct internal checks of its employees' handling of coupon transaction: *Provided*, That such retail food store submits a written request to FNS which shall include a certification that the store recognizes that its use of coupons will in no way affect FNS action to enforce program regulations and that the requested coupons will be used only for internal checks of the store's employees and only to uncover sales of items other than eligible foods, as defined in § 270.2(s). The request shall further include the name of the city or county in which the stores to be checked through the use of the requested coupons are located and the name and address of any outside agency with which the retail food store has or will have a contract to conduct checks of the store's employees using coupons. The request shall be directed to the Food Stamp Division, FNS, U.S. Department of Agriculture, Washington, D.C. 20250, and shall be accompanied by a check or money order made payable to the Food and Nutrition Service to cover the face value cost of the coupons requested. Coupons purchased by retail food stores for use in internal checks may be subsequently redeemed for full value in accordance with § 272.4, and in redeeming such coupons, retail food stores are authorized to make the certification required for redemption.

§ 272.6 Disqualification of retail food stores, nonprofit meal delivery services, and wholesale food concerns.

(a) Any authorized retail food store, authorized noprofit meal delivery services, or authorized wholesale food concern may be disqualified from further participation in the program by FNS for a reasonable period of time, not to exceed 3 years, as FNS may determine, if such firm fails to comply with the Food Stamp Act or the provisions of this part; except that, if the disqualification is based on failure of such firm to pay a monetary claim determined by FNS pursuant to § 272.7, such disqualification may be continued until such claim is paid. Any firm which has been so disqualified and which desires to be reinstated upon the end of the period of disqualification or at any time thereafter shall file a new application so that FNS may determine whether reinstatement is appropriate under the provisions of this part. Such an application may be filed starting 10 days before the end of the period of disqualification.

(b) Any firm considered for disqualification under paragraph (a) of this section shall have full opportunity to submit to FNS information, explanation, or evidence concerning any instances of noncompliance before a final determination is made by FNS as to the administrative action to be taken. Prior to such determination, the firm shall be sent a letter of charges by the appropriate Regional Office, FNS. The letter shall specify the violations or actions which FNS believes constitute a basis for disqualification. Such letter shall inform the firm that it may respond either orally or in writing to the charges contained therein within 10 days of the mailing date thereof, which response shall set forth a statement of evidence, information, or explanation pertaining to the specified violations or acts. Such response, if any, shall be made to the Officer-In-Charge, FNS Field Office, who has responsibility for the project area in which the firm is located.

(c) The letter of charges, the response, and such other information as may be available to FNS shall be reviewed and considered by the Director, Food Stamp Division, who shall then issue his determination.

(d) The determination of the Director, Food Stamp Division, shall be final and not subject to further administrative or judicial review unless a written request for review is filed within 10 days in accordance with § 272.8.

(e) The mailing by certified mail or delivery by personal service of any notice required of FNS by this part will constitute notice to the addressee of its contents.

§ 272.7 Determination and disposition of claims—retail food stores, nonprofit meal delivery services, and wholesale food concerns.

(a) If FNS determines that a retail food store, nonprofit meal delivery service, or wholesale food concern accepted

coupons in violation of the provisions of the Food Stamp Act or the provisions of this part, FNS may deny the claim for redemption of such coupons. In the event such coupons have been redeemed, FNS may determine a monetary claim against such firm with respect to the coupons involved in such violations and may collect such claim by setoff against the amounts due the firm upon redemption of other coupons. The firm shall promptly pay such claim if FNS does not collect it by setoff. Failure of a firm to pay a claim will be cause for disqualifying the firm or denying an application for reauthorization submitted by the firm if previously disqualified.

(b) The FNS Officer-In-Charge may approve the redemption under § 272.4 of coupons accepted by firms prior to the receipt of an authorization card from FNS if the following conditions exist:

(1) The coupons were received in accordance with the provisions of this part governing acceptance of coupons except the provisions requiring that the firm be authorized before acceptance;

(2) The coupons were accepted by the firm in good faith, and without any intent to circumvent the provisions of this part; and

(3) The firm applies for and receives authorization to participate in the program. Firms seeking approval to redeem such coupons shall present a written application for approval to the local FNS Field Office. This application shall be accompanied by a full written statement signed by the firm of the circumstances surrounding the acceptance of the coupons. The statement shall also include a certification that the coupons were accepted in good faith, and without any intent to circumvent the requirements of this part.

(c) FNS may redeem burned or mutilated coupons only to the extent that the Bureau of Engraving and Printing of the U.S. Treasury Department can determine the value of the coupons. The firm presenting burned or mutilated coupons for redemption shall submit the coupons to the local FNS Field Office with a properly filled-out redemption certificate. In the section of the redemption certificate for entering the amount of coupons to be redeemed, an estimate of the value of the burned or mutilated coupons submitted for redemption shall be entered if the exact value of the coupons is unknown. The phrase "Finance and Program Accounting Division, FNS, USDA," should be entered in the section of the redemption certificate for entering the name and address of the bank or wholesaler.

(d) If a claim under the provisions of this section is denied in whole or in part, notification of such action shall be sent to the firm by certified mail or personal service. If the firm is aggrieved by such action, it may seek administrative review as provided in § 272.8.

§ 272.8 Administrative review — retail food stores, wholesale food concerns, and nonprofit meal delivery services.

(a) A food retailer, food wholesaler, or nonprofit meal delivery service aggrieved by administrative action under the provisions of §§ 272.1, 272.6, and 272.7 may within 10 days of the date of delivery to the firm of notice of such administrative action, file a written request for review of such administrative action with the Food Stamp Review Officer. On receipt of such request for review, the questioned administrative action shall be stayed pending disposition of such request for review by the Food Stamp Review Officer.

(b) The request for review shall be filed with the Food Stamp Review Officer, U.S . Department of Agriculture, Washington, D.C. 20250.

(c) The procedure for food stamp reviews is published in Part 273 of this subchapter, and is available upon request from the Food Stamp Review Officer.

NOTE: The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

PART 273—ADMINISTRATIVE AND JUDICIAL REVIEW—FOOD RETAILERS, FOOD WHOLESALERS AND NONPROFIT MEAL DELIVERY SERVICES

Subpart A—Administrative Review—General

Sec.
273.1 Scope and purpose.
273.2 Food Stamp Review Officer.
273.3 Authority and jurisdiction.
273.4 Rules of Procedure.

Subpart B—Rules of Procedure

273.5 Manner of filing requests for review.
273.6 Content of requests for review.
273.7 Action upon receipt of a request for review.
273.8 Determination of the Food Stamp Review Officer.
273.9 Legal advice and extensions of time.

Subpart C—Judicial Review

273.10 Judicial review.

AUTHORITY: The provisions of this Part 273 issued under 78 Stat. 703, as amended, 7 U.S.C. 2011-2025.

Subpart A—Administrative Review—General

§ 273.1 Scope and purpose.

This Subpart A sets forth the procedure for the designation of Food Stamp Review Officers and the authority and jurisdiction of such officers. Subpart B of this part sets forth the rules of procedure to be followed in the filing and disposition of the requests for review for which provision is made in § 272.8. Subpart C of this part relates to the provisions governing the rights of food retailers, food wholesalers, and nonprofit meal delivery services to judicial review of the final determinations of the Food Stamp Review Officer.

§ 273.2 Food Stamp Review Officer.

(a) The Administrator, FNS, shall designate one or more persons to act as Food Stamp Review Officers.

(b) Such officers shall serve for such periods as the Administrator, FNS, shall determine. Changes in designations and additional designations, may be made from time to time at the discretion of the Administrator, FNS. When more than one Food Stamp Review Officer has been designated, requests for review will be assigned for handling to individual Food Stamp Review Officers by a person designated by the Administrator, FNS. The names of the Food Stamp Review Officers shall be on file in the Office of the Administrator, FNS.

§ 273.3 Authority and Jurisdiction.

(a) A Food Stamp Review Officer shall act for the Department on requests for review filed by firms aggrieved by any of the following actions:

(1) Denial of an application to participate in the program under § 272.1 of this subchapter;

(2) Disqualification from participation in the program under § 272.6 of this subchapter; or

(3) Denial of all or any part of any claim under § 272.7 of this subchapter.

(b) The determination of the Food Stamp Review Officer on such a review shall be the final administrative determination of the Department, subject, however, to judicial review as provided in section 13 of the Food Stamp Act and Subpart C of this part.

§ 273.4 Rules of procedure.

Rules of procedure for the orderly filing and disposition of requests for review of firms submitted in accordance with § 273.5 are issued in Subpart B of this part. The Administrator, FNS, may subsequently issue amendments to such rules of procedure as he deems appropriate.

Subpart B—Rules of Procedure

§ 273.5 Manner of filing requests for review.

(a) Requests for review submitted by firms shall be mailed to or filed with "Food Stamp Review Officer, FNS, U.S. Department of Agriculture, Washington, D.C. 20250."

(b) Such requests shall be in writing and shall state the name and business address of the firm involved, and the name, address, and position with the firm of the person who signed the request. The request shall be signed by the owner of the firm, an officer or partner of the firm, or by counsel, and need not be under oath.

(c) Such a request shall be filed with the Food Stamp Review Officer within 10 calendar days of the date of delivery of the notice of the action for which review is requested. For the purpose of determining whether such a request was timely filed, the filing date shall be deemed to be the postmark date of the request, or equivalent if the written request is filed by a means other than mail.

§ 273.6 Content of requests for review.

(a) Requests for review shall clearly identify the administrative action from which the review is requested. Such identification shall include the date of the letter or other written communication notifying the firm of the administrative

action, the name and title of the person who signed such letter or other communication, and whether the action under appeal concerns a denial of an application for participation, a disqualification from further participation, or a denial of all or any part of a claim.

(b) Such requests shall include information in support of the request showing the grounds on which the review is being sought from the administrative action, or it shall state that such information will be filed in writing at a later date. In such event, the Food Stamp Review Officer shall notify the firm of the date by which such information must be filed. The firm requesting review may ask for an opportunity to appear before the Food Stamp Review Officer in person: *Provided*, That any information so submitted in person shall, if directed by the Food Stamp Review Officer, be reduced to writing by the firm and subsequently filed with the Food Stamp Review Officer within such period as he shall specify.

§ 273.7 Action upon receipt of a request for review.

(a) Upon receipt of a request for review of a disqualification action, the Food Stamp Review Officer shall notify the Director of the Food Stamp Division, FNS, in writing, of the action under review and shall direct that the administrative action shall be held in abeyance until the Review Officer has made his determination. Upon receipt of a request for review of a denial of application to participate in the program, or of a denial of a claim, the Food Stamp Review Officer shall notify the Director of the Food Stamp Division, FNS, in writing of the action under review and shall direct that the firm shall not be approved for participation or paid any part of the disputed claim until the Review Officer has made his determination. In any case, notice to the Director shall be accompanied by a copy of the request filed by the firm.

(b) If the request filed by the firm includes a request for an opportunity to file written information in support of its position at a later date, the Food Stamp Review Officer shall promptly notify the firm of the date by which such information shall be filed. If the firm fails to file any information in support of its position by the designated date, the information submitted with the original request shall be deemed to be the only information submitted by the firm. In such event, if no information in support of the firm's position was submitted with the original request, the action of the appropriate FNS Regional Office, or of the Director, Food Stamp Division, FNS, whichever is applicable shall be final.

(c) If the firm filing the request for review asked for an opportunity to appear before the Food Stamp Review Officer in person, such Officer shall promptly notify the firm of the date, time and place set for such appearance. If such firm fails to appear before the Food Stamp Review Officer as specified, any written information timely submitted in accordance with this section shall be deemed to be the only information submitted by such firm.

(d) The Food Stamp Review Officer shall require the Director, Food Stamp Division, FNS, to promptly submit, in writing, all information which was the basis for the administrative action for which the review has been requested.

§ 273.8 Determination of the Food Stamp Review Officer.

(a) The Food Stamp Review Officer shall make a determination based upon:

(1) The information submitted by the Director, Food Stamp Division, FNS;

(2) Information submitted by the firm in support of its position; and

(3) Such additional information, in writing, as may be obtained by such Officer from any other person having relevant information.

(b) In the case of a request for review of a denial of an application to participate in the program, the determination of the Food Stamp Review Officer shall sustain the action under review or shall direct that the firm be approved for participation.

(c) In the case of a request for review of action disqualifying a firm from participation in the program, the determination of the Food Stamp Review Officer shall sustain the action under review or specify a shorter period of disqualification, direct that an official warning letter be issued to the firm in lieu of any period of disqualification, or direct that no administrative action be taken in the case.

(d) In the case of a request for review of a denial of all or any part of a claim of a firm, the determination of the Food Stamp Review Officer shall sustain the action under review or shall specify the amount of the claim to be paid by FNS.

(e) The Food Stamp Review Officer shall notify the firm of his determination by certified mail. Such notification shall be sent to the representative of the firm who filed the request for review.

(f) The Food Stamp Review Officer shall send a copy of his notification to the firm to the Director, Food Stamp Division, FNS, who shall undertake such action as may be necessary to comply with the determination of such Officer.

(g) The determination of the Food Stamp Review Officer shall take effect 15 days after the date of delivery of such determination to the firm.

§ 273.9 Legal advice and extensions of time.

(a) If any request for review involves any doubtful questions of law, the Food Stamp Review Officer shall obtain the advice of the Office of the General Counsel, U.S. Department of Agriculture.

(b) Upon timely written request to the Food Stamp Review Officer by the firm requesting the review, the Food Stamp Review Officer may grant extensions of time, if, in his discretion, additional time is required for the firm to fully present information in support of its position: *Provided*, That no extensions shall be made in the time allowed for the filing of a request for review.

Subpart C—Judicial Review

§ 273.10 Judicial review.

(a) A firm aggrieved by the determination of the Food Stamp Review Officer, may obtain judicial review of such determinations, by filing a complaint against the United States in the U.S. District Court for the district in which he resides or is engaged in business, or in any court of record of the State having competent jurisdiction. Such complaint must be filed within 30 days after the date of delivery or service upon him of the notice of determination of the Food Stamp Review Officer in accordance with § 273.8(e) otherwise such determination shall be final.

(b) Service of the summons and complaint in any such action shall be made in accordance with the Rules of Civil Procedure for the U.S. District Courts. The copy of the summons and complaint required by such Rules to be served on the officer or agency whose order is being attacked shall be sent by registered or certified mail to the person in charge of the applicable Regional Office of FNS listed in § 270.5 of this subchapter.

(c) The suit in the U.S. District Court or in the State court, as the case may be, shall be a trial de novo by the court in which the court shall determine the validity of the questioned administrative action in issue. If the court determines that such administrative action is invalid it shall enter such judgment or order as it determines is in accordance with the law and the evidence.

(d) During the pendency of such judicial review, or any appeal therefrom, the administrative action under review shall remain in full force and effect, unless the firm makes application to the court upon not less than 10 days' notice, and, after hearing thereon and a showing of irreparable injury, the court temporarily stays the administrative action under review pending disposition of the de novo trial or an appeal therefrom.

NOTE: The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

PART 274—EMERGENCY FOOD ASSISTANCE FOR VICTIMS OF DISASTERS

Subpart A—Major Disasters Declared by the President

Subpart B—Other Disasters Declared by FNS

Sec.

Subpart A—Major Disasters Declared by the President

AUTHORITY: The provisions of this Subpart A issued under the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1755).

§ 274.1 General purpose and scope.

Section 238 of the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1755) authorized the President to distribute through the Secretary of Agriculture emergency food coupon allotments to low-income households who are unable to purchase adequate amounts of nutritious food as a result of a major disaster. This Part 274 implements section 238 of the Disaster Relief Act of 1970 in project areas where the Food Stamp Program is in operation. In areas where the program is not in operation, emergency food assistance need in a major disaster will be met as provided in regulations governing the distribution of federally donated foods.

§ 274.2 Administration.

(a) Executive Order 11575, December 31, 1970, delegated to the Secretary of Agriculture the authority provided the President by section 238 of the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1755).

(b) Within the Department, such authority is delegated to FNS, which shall act in behalf of the Department in the administration of section 238 of the Disaster Relief Act of 1970.

(c) Except as provided in this subpart, the regulations and procedures governing the administration of the program shall remain effective through the period during which emergency food assistance is being made available.

§ 274.3 Definitions.

For the purpose of this subpart the term:

(a) "Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe which is determined to be a "major disaster" by the President pursuant to the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1755).

(b) "Emergency food coupon allotment" means up to one month's allotment of food coupons based upon the household size at no cost to the household.

§ 274.4 Determination of the need for emergency food assistance.

The distribution by the State agency of emergency food coupon allotments is authorized to households residing in a food stamp project area in an area determined to have been adversely affected by a major disaster, only upon a determination by FNS that such households, because of reduction in or inaccessibility of income or resources resulting from such major disaster, are in need of food assistance which cannot be met by the existing Program in such project area.

§ 274.5 Certification of households and issuance of coupons.

(a) The eligibility of each applicant household for an emergency food coupon allotment shall be determined by the State agency or any designated disaster relief agency. Any such disaster relief agency must be designated by the State agency with the approval of FNS, or by FNS. An applicant household shall be determined eligible for an emergency food coupon allotment if such household establishes to the satisfaction of the State agency, or designated disaster relief agency, that it is in need of food assistance because of reduction in or inaccessibility of income or resources resulting from a major disaster, without regard to the eligibility standards for households under Part 271 of this subchapter.

(b) The issuance of emergency food coupon allotments shall be by the normal procedures in effect in a project area: *Provided*, That if such issuance is not practical because of the effects of the major disaster, the State agency, with FNS approval, may make temporary arrangements during the emergency period to facilitate issuance to eligible households. Such temporary arrangements shall in no way affect the accountability and the liability of the State agency for coupons and cash as provided for in §§ 271.6 and 271.7 of this subchapter.

§ 274.6 Duration of emergency food assistance.

(a) Emergency food assistance shall be available for such period of time as FNS may prescribe, but not in excess of 30 days: *Provided*, That the emergency period may be extended by FNS on the basis of a redetermination that continuing emergency food assistance is necessary because of the continuing effects of the major disaster.

(b) Following the termination of the emergency period, the eligibility of households shall be determined through normal certification procedures including appropriate consideration of continuing hardship factors resulting from the major disaster.

§ 274.7 Reporting.

The State agency shall keep such records and submit such reports and other information concerning this subpart as may from time to time be required by FNS.

NOTE: The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

Subpart B—Other Disasters Declared by FNS

AUTHORITY: The provisions of this Subpart B issued under Public Law 88-525, 78 Stat. 703 as amended, 7 U.S.C. 2011-2025.

§ 274.8 General purpose and scope.

The Food Stamp Act provides that the Secretary may establish temporary emergency standards of eligibility, without regard to income and other financial resources, for households that are victims of a disaster which disrupted commercial channels of food distribution when he determines that such households are in need of temporary food assistance, and that such commercial channels have again become available to meet the temporary food needs of such households. This subpart implements these temporary emergency provisions of the Food Stamp Act in project areas where the program is in operation. In areas where the program is not in operation, emergency food assistance need in a disaster will be met as provided in regulations governing the distribution of federally donated foods.

§ 274.9 Administration.

(a) Within the Department, FNS shall act on behalf of the Department in the administration of the provisions of this subpart.

(b) Except as provided in this subpart, the regulations and procedures governing the administration of the program shall remain effective through the period during which emergency food assistance is being made available.

§ 274.10 Definitions.

For the purpose of this subpart, the term:

(a) "Temporary emergency" means an emergency caused by any disaster, resulting from either natural or human causes, other than a major disaster as declared by the President under the Disaster Relief Act of 1970, which is determined by FNS to have disrupted commercial channels of food distribution.

(b) "Temporary standards of eligibility" means standards of eligibility for victims of disaster for temporary food assistance as provided in this subpart.

(c) "Victims of a disaster" means households which as a result of a temporary emergency are in need of temporary food assistance due to a reduction in or inaccessibility of income or resources.

(d) "Commercial channels of food distribution" means firms as defined in this subchapter.

§ 274.11 Determination of the need for temporary emergency food stamp assistance.

FNS shall determine the need for temporary food assistance for households which are victims of disasters, including the fact of the existence of a temporary emergency and the disruption of commercial channels of food distribution, and of the fact that commercial channels of food distribution have again become available to meet the temporary food needs of such households.

§ 274.12 Certification of households and issuance of coupons.

(a) The eligibility of each applicant for temporary emergency food stamp assistance under this subpart shall be determined by the State agency under the temporary standards of eligibility. An applicant household shall be determined eligible for temporary emergency partic-

ipation if such household establishes to the satisfaction of the State agency that it is in need of food assistance because of a temporary reduction of or inaccessibility of income or resources, without regard to eligibility standards households under Part 271 of this subchapter, resulting from a temporary emergency, as determined by FNS, and after a determination by FNS that commercial channels of food distribution are available to meet the temporary food needs of such households.

(b) Issuance of emergency food assistance in the form of food coupons shall be in an amount deemed by the State agency to be sufficient to meet the temporary food needs of the applicant household, but in no case shall such a coupon allotment issued in any one month exceed 1-month's issuance for the size of the household determined under the basis of issuance for households under Part 271 of this subchapter. Such issuance shall be at no cost to the household.

§ 274.13 Duration of temporary emergency food stamp assistance.

(a) Temporary emergency food stamp assistance shall be available in a food stamp project area for such period of time as FNS may prescribe, but not in excess of 30 days: *Provided*, That the emergency period may be extended by FNS on the basis of a redetermination that continuing temporary emergency food stamp assistance is necessary because of the continuing effects of the temporary emergency.

(b) Following the termination of the emergency period, the eligibility of households which were certified under emergency standards shall be determined through normal certification procedures under Part 271 of this subchapter.

§ 274.14 Reporting.

The State agency shall keep such records and submit such reports and other information concerning this subpart as may from time to time be required by FNS.

NOTE: The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

Effective date. This revision shall be effective upon publication (7-29-71).

RICHARD E. LYNG,
Assistant Secretary.

JULY 22, 1971.

[FR Doc.71-10627 Filed 7-28-71;8:45 am]

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

[FSP No. 1971-1]

FOOD STAMP PROGRAM

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance; 48 States and District of Columbia

As provided in § 271.3(b), households in which all members are included in the federally aided public assistance or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

Pursuant to section 5(b) of the Food Stamp Act, as amended (7 U.S.C. 2014, Public Law 9-671), the maximum allowable income standards for determining eligibility of all other applicant households including those in which some members are recipients of federally aided public assistance or general assistance, are prescribed as follows:

Household size	*Maximum allowable monthly income standards—48 States and District of Columbia*
One	$170
Two	222
Three	293
Four	360
Five	427
Six	493
Seven	547
Eight	600
Each additional member	+53

"Income" as the term is used in the notice is as defined in paragraph (b) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which State agencies are authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in the 48 States and the District of Columbia are as follows:

MONTHLY COUPON ALLOTMENTS AND PURCHASE REQUIREMENTS—48 STATES AND DISTRICT OF COLUMBIA

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons
	The monthly coupon allotment is—			
	$32	$60	$88	$108
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	$1	$1	0	0
$30 to $39.99	4	4	$4	$4
$40 to $49.99	6	7	7	7
$50 to $59.99	8	10	10	10

MONTHLY COUPON ALLOTMENTS AND PURCHASE REQUIREMENTS—48 STATES AND DISTRICT OF COLUMBIA—Continued

Monthly net income	For a household of— 5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is—			
	$128	$148	$164	$180
	And the monthly purchase requirement is—			
$60 to $69.99	10	12	13	13
$70 to $79.99	12	15	16	16
$80 to $89.99	14	18	19	19
$90 to $99.99	16	21	21	22
$100 to $109.99	18	23	24	25
$110 to $119.99	20	26	27	28
$120 to $129.99	22	29	30	31
$130 to $139.99	24	31	33	34
$140 to $149.99	25	34	36	37
$150 to $160.99	26	36	40	41
$170 to $180.99	26	42	46	47
$190 to $200.99		48	52	53
$210 to $229.99		54	58	59
$230 to $249.99			64	65
$250 to $269.99			70	71
$270 to $289.99			76	77
$290 to $309.99			79	83
$310 to $329.99				89
$330 to $359.99				95
$360 to $389.99				99

Monthly net income	For a household of— 5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is—			
	$128	$148	$164	$180
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	0	0	0	0
$30 to $39.99	$5	$5	$5	$5
$40 to $49.99	8	8	8	8
$50 to $59.99	11	11	12	12
$60 to $69.99	14	14	15	16
$70 to $79.99	17	17	18	19
$80 to $89.99	20	21	21	22
$90 to $99.99	23	24	25	26
$100 to $109.99	26	27	28	29
$110 to $119.99	29	31	32	33
$120 to $129.99	33	34	35	36
$130 to $139.99	36	37	38	39
$140 to $149.99	39	40	41	42
$150 to $169.99	42	43	44	45
$170 to $189.99	48	49	50	51
$190 to $209.99	54	55	56	57
$210 to $229.99	60	61	62	63
$230 to $249.99	66	67	68	69
$250 to $269.99	72	73	74	75
$270 to $289.99	78	79	80	81
$290 to $309.99	84	85	86	87
$310 to $329.99	90	91	92	93
$330 to $359.99	96	97	98	99
$360 to $389.99	105	106	107	108
$390 to $419.99	114	115	116	117
$420 to $449.99	119	124	125	126
$450 to $479.99		133	134	135
$480 to $509.99		139	143	144
$510 to $539.99			152	153
$540 to $569.99			155	162
$570 to $599.99				171
$600 and up				171

For issuance to households of more than eight persons use the following formula:

A. *Value of the total allotment.* For each person in excess eight, add $16 to the monthly coupon allotment for an eight-person household.

B. *Purchase requirement.* 1. Use the purchase requirement shown for the eight-person household for households with incomes of $599.99 or less per month.

2. For households with monthly incomes of $600 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $599.99, add $9 to the monthly purchase requirement shown for an eight-person household with an income of $599.99.

3. Maximum monthly purchase requirements for households of more than eight persons are: Nine persons $187, 10 persons $203, and add $16 for each person over 10.

Effective date. The provisions of this notice shall become effective in accordance with the provisions of § 271.1(s).

RICHARD LYNG,
Assistant Secretary.

JULY 22, 1971.

[FR Doc.71-10633 Filed 7-28-71;8:45 am]

[FSP No. 1971-2]

FOOD STAMP PROGRAM

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance; Alaska

As provided in § 271.3(b), households in which all members are included in the federally aided public assistance or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

Pursuant to section 5(b) of the Food Stamp Act, as amended (7 U.S.C. 2014, Public Law 91-671), the maximum allowable income standards for determining eligibility of all other applicant households including those in which some members are recipients of federally aided public assistance or general assistance, are prescribed as follows:

Household size	*Maximum allowable monthly income standards—Alaska*
One	$208
Two	272
Three	400
Four	480
Five	573
Six	667
Seven	733
Eight	800
Each additional member	+67

"Income" as the term is used in the notice is as defined in paragraph (b) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which State agencies are authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Alaska are as follows:

MONTHLY COUPON ALLOTMENTS AND PURCHASE REQUIREMENTS—ALASKA

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons
	The monthly coupon allotment is— $44	$80	$120	$144
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	$1	$1	0	0
$30 to $39.99	4	4	$4	$4
$40 to $49.99	6	7	7	7
$50 to $59.99	8	10	10	10
$60 to $69.99	10	12	13	13
$70 to $79.99	12	15	16	16
$80 to $89.99	14	18	19	19
$90 to $99.99	16	21	21	22
$100 to $109.99	18	23	24	25
$110 to $119.99	20	26	27	28
$120 to $129.99	22	29	30	31
$130 to $139.99	24	31	33	34
$140 to $149.99	26	34	36	37
$150 to $169.99	30	36	40	41
$170 to $189.99	34	42	46	47
$190 to $209.99	38	49	52	53
$210 to $229.99		56	58	59
$230 to $249.99		63	64	65
$250 to $269.99		69	70	71
$270 to $289.99		74	76	77
$290 to $309.99			82	83
$310 to $329.99			88	89
$330 to $359.99			94	95
$360 to $389.99			103	105
$390 to $419.99			111	114
$420 to $499.99				123
$450 to $479.99				132
$480 to $509.99				136

Monthly net income	For a household of— 5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is— $172	$200	$220	$240
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	0	0	0	0
$30 to $39.99	$5	$5	$5	$5
$40 to $49.99	8	8	8	8
$50 to $59.99	11	11	12	12
$60 to $69.99	14	14	15	16
$70 to $79.99	17	17	18	19
$80 to $89.99	20	21	21	22
$90 to $99.99	23	24	25	26
$100 to $109.99	26	27	28	29
$110 to $119.99	29	31	32	33
$120 to $129.99	33	34	35	36
$130 to $139.99	36	37	38	39
$140 to $149.99	39	40	41	42
$150 to $169.99	42	43	44	45
$170 to $189.99	48	49	50	51
$190 to $209.99	54	55	56	57
$210 to $229.99	60	61	62	63
$230 to $249.99	66	67	68	69
$250 to $269.99	72	73	74	75
$270 to $289.99	78	79	80	81
$290 to $309.99	84	85	86	87
$310 to $329.99	90	91	92	93
$330 to $359.99	96	97	98	99
$360 to $389.99	105	106	107	108
$390 to $419.99	114	115	116	117
$420 to $449.99	123	124	125	126
$450 to $479.99	132	133	134	135
$480 to $509.99	141	142	143	144
$510 to $539.99	150	151	152	153
$540 to $569.99	159	160	161	162
$570 to $599.99	163	169	170	171
$600 to $629.99		178	179	180
$630 to $659.99		187	188	189
$660 to $689.99		191	197	198
$690 to $719.99			206	207
$720 to $749.99			211	216
$750 to $779.99				225
$780 to $809.99				231

For issuance to households of more than eight persons use the following formula:

A. *Value of the total allotment.* For each person in excess of eight, add $20 to the monthly coupon allotment for an eight-person household.

B. *Purchase requirement.* 1. Use the purchase requirement shown for the eight-person household for households with incomes of $749.99 or less per month.

2. For households with monthly incomes of $750.00 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $749.99, add $9 to the monthly purchase requirement shown for an eight-person household with an income of $749.99.

3. Maximum monthly purchase requirements for households of more than eight persons are: Nine persons $251, 10 persons $271, and add $20 for each person over 10.

Effective date. The provisions of this notice shall become effective in accordance with the provisions of § 271.1(s).

RICHARD LYNG,
Assistant Secretary.

JULY 22, 1971.

[FR Doc.71-10634 Filed 7-28-71;8:45 am]

[FSP No. 1971-3]

FOOD STAMP PROGRAM

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance; Hawaii

As provided in § 271.3(b), households in which all members are included in the federally aided public assistance or general assistance grant shall be determined to be eligible to participate in the program while receiving such grants without regard to the income and resources of the household members.

Pursuant to section 5(b) of the Food Stamp Act, as amended (7 U.S.C. 2014, Public Law 91-671), the maximum allowable income standards for determining eligibility of all other applicant households including those in which some members are recipients of federally aided public assistance or general assistance, are prescribed as follows:

Household size	*Maximum allowable monthly income standards—Hawaii*
One	$193
Two	254
Three	373
Four	467
Five	560
Six	640
Seven	707
Eight	773
Each additional member	+67

"Income" as the term is used in the notice is as defined in paragraph (b) of § 271.3 of the Food Stamp Program Regulations.

Pursuant to section 7 (a) and (b) of the Food Stamp Act, as amended (7 U.S.C. 2016, Public Law 91-671), the face value of the monthly coupon allotment which the State agency is authorized to issue to any household certified as eligible to participate in the Program and the amount charged for the monthly coupon allotment in Hawaii are as follows:

MONTHLY COUPON ALLOTMENTS AND PURCHASE REQUIREMENTS—HAWAII

Monthly net income	For a household of— 1 person	2 persons	3 persons	4 persons
	The monthly coupon allotment is— $40	$76	$112	$140
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	$1	$1	0	0
$30 to $39.99	4	4	$4	$4
$40 to $49.99	6	7	7	7
$50 to $59.99	8	10	10	10
$60 to $69.99	10	12	13	13
$70 to $79.99	12	15	16	16
$80 to $89.99	14	18	19	19
$90 to $99.99	16	21	21	22
$100 to $109.99	18	23	24	25
$110 to $119.99	20	26	27	28
$120 to $129.99	22	29	30	31
$130 to $139.99	24	31	33	34
$140 to $149.99	26	34	36	37
$150 to $169.99	28	36	40	41
$170 to $189.99	32	42	46	47
$190 to $209.99	34	49	52	53
$210 to $229.99		56	58	59
$230 to $249.99		63	64	65
$250 to $269.99		70	70	71
$270 to $289.99			76	77
$290 to $309.99			82	83
$310 to $329.99			88	89
$330 to $359.99			94	95
$360 to $389.99			103	104
$390 to $419.99				113
$420 to $449.99				122
$450 to $479.99				131

Monthly net income	For a household of— 5 persons	6 persons	7 persons	8 persons
	The monthly coupon allotment is— $168	$192	$212	$232
	And the monthly purchase requirement is—			
0 to $19.99	0	0	0	0
$20 to $29.99	0	0	0	0
$30 to $39.99	$5	$5	$5	$5
$40 to $49.99	8	8	8	8
$50 to $59.99	11	11	12	12
$60 to $69.99	14	14	15	16
$70 to $79.99	17	17	18	19
$80 to $89.99	20	21	21	22
$90 to $99.99	23	24	25	26
$100 to $109.99	26	27	28	29
$110 to $119.99	29	31	32	33
$120 to $129.99	33	34	35	36
$130 to $139.99	36	37	38	39
$140 to $149.99	39	40	41	42
$150 to $169.99	42	43	44	45
$170 to $189.99	48	49	50	51
$190 to $209.99	54	55	56	57
$210 to $229.99	60	61	62	63
$230 to $249.99	66	67	68	69
$250 to $269.99	72	73	74	75
$270 to $289.99	78	79	80	81
$290 to $309.99	84	85	86	87
$310 to $329.99	90	91	92	93
$330 to $359.99	96	97	98	99
$360 to $389.99	105	106	107	108
$390 to $419.99	114	115	116	117
$420 to $449.99	123	124	125	126
$450 to $479.99	132	133	134	135
$480 to $509.99	141	142	143	144
$510 to $539.99	150	151	152	153
$540 to $569.99	159	160	161	162
$570 to $599.99		169	170	171
$600 to $629.99		178	179	180
$630 to $659.99		183	188	189
$660 to $689.99			197	198
$690 to $719.99			203	207
$720 to $749.99				216
$750 to $779.99				223

For issuance to households of more than eight persons use the following formula:

A. *Value of the total allotment.* For each person in excess of eight, add $20 to the monthly coupon allotment for an eight-person household.

B. *Purchase requirement.* 1. Use the purchase requirement shown for the eight-person household for households with incomes of $719.99 or less per month.

2. For households with monthly incomes of $720 or more, use the following formula:

For each $30 worth of monthly income (or portion thereof) over $719.99, add $9 to the monthly purchase requirement shown for an eight-person household with an income of $719.99.

3. Maximum monthly purchase requirements for households of more than eight persons are: Nine persons $243, 10 persons $263, and add $20 for each person over 10.

Effective date. The provisions of this notice shall become effective in accordance with the provisions of § 271.1(s).

RICHARD LYNG,
Assistant Secretary.

JULY 22, 1971.

[FR Doc.71-10635 Filed 7-28-71;8:45 am]