The Weekly Compilation of Presidential Documents began with the issue dated Monday, August 2, 1965. It contains transcripts of the President's news conferences, messages to Congress, public speeches, remarks and statements, and other Presidential material released by the White House up to 5 p.m. of each Friday. This weekly service includes an Index of Contents preceding the text and a Cumulative Index to Prior Issues at the end. Cumulation of this index terminates at the end of each quarter and begins anew with the following issue. Semiannual and annual indexes are published separately.

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List of CFR Parts Affected

(Codification Guide)

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today’s issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1967, and specifies how they are affected.

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Title 3—THE PRESIDENT
Proclamation 3801
"STAY IN SCHOOL"
By the President of the United States of America
A Proclamation

Education through high school is now within the reach of every American boy and girl. It is essential to our nation's welfare—and to theirs—that they grasp it.

This Nation could neither prosper nor endure without trained, productive men and women. For this reason, we have begun a massive campaign:

—to extend the blessings of education to the children of the poor,
—to increase opportunities for vocational training,
—to help the physically handicapped,
—and to bring higher education within the grasp of more and more of our young people.

A high school diploma is not a sure pass to a successful life, but it vastly increases a young adult's chances for employment and economic independence.

Those who seek employment without training or preparation will knock upon many closed doors. This year, more than 900,000 of our youth will not return to their high school classrooms to complete their secondary education.

For their sake and for ours, it is urgent that they, and others who are tempted to leave school, be persuaded to continue their education.

Citizens in communities across the Nation can help to combat the high school dropout problem—and they are. We have succeeded in reducing the percentage of dropouts among high school age youngsters from 25 percent in 1960 to 18 percent last year. But we must do more.

To emphasize the importance of this task, I, LYNDON B. JOHNSON, President of the United States of America, do proclaim a national "Stay in School" campaign.

I call upon the American people to make this campaign successful. I ask the citizens of every community to take an active part in furthering the improvement of American education. I urge that the total resources of all communities be brought to bear upon the educational needs of every young person. I propose that we translate into reality our fond hope that, in this Nation, no young man or woman shall reject, or be rejected by, our most essential institution.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of August in the year of our Lord nineteen hundred and sixty-seven, and of the Independence of the United States of America the one hundred and ninety-second.

Lyndon B. Johnson

THE WHITE HOUSE

[F.R. Doc. 67-10177; Filed, Aug. 25, 1967; 5:13 p.m.]
Fumigation with a fruit load of more than 80 percent of the chamber volume is not authorized. Post-treatment aeration in the fumigation chambers for an additional 30 minutes is required. Both fruit and air temperatures in the chamber shall be within the prescribed temperature range. Cubic feet of space shall be that of the unloaded chamber. The ethylene dibromide must be applied as a liquid and volatized within the sealed fumigation chamber in an electrically heated vaporizing pan. The electrically heated vaporizing pan shall be controlled by a switch outside the chamber and shall be equipped with a signal light to indicate when the current is on or off. Fifteen minutes after all liquid ethylene dibromide has been injected into the vaporizing pan inside the fumigation chamber, the electric current for the vaporizing pan must be turned off, and the 2-hour period of exposure shall begin. The gas shall be circulating within the chamber continuously for the 2-hour period by fans or blowers. The fans or blowers must be of a capacity to circulate the entire air mass within the chamber in 3 minutes.

(2) Oranges, grapefruit, and tangerines to be fumigated may be packed in perforated cardboard cartons with wood excelsior packing material. The fruit may be waxed and individually wrapped with conventional citrus tissue which is gas-permeable. When loaded in the fumigation chamber the crates or containers must be stacked evenly over the floor surface and the crates or containers in each cargot must have at least 2 inches on all sides by wooden strips or other means, to insure adequate gas circulation. Fruit in mesh bags or well perforated polyethylene film bags (twenty ¼-inch perforations for 5-pound bags, equally spaced on the two sides; proportionately more openings on larger bags) must be placed in crates or similar containers for fumigation.

(c) Other conditions. The unloading of oranges, grapefruit, and tangerines from the means of conveyance, their delivery to an approved fumigation plant, and the fumigation procedure will be under the supervision of an inspector of the Plant Quarantine Division. The unloading and delivery and any other handling prior to fumigation shall be conducted in accordance with instructions of the inspector who may require to prevent the dissemination of injurious insects. Furthermore, the fruit shall be inspected and the finding of plant pests other than the Mediterranean fruit fly may cause for additional treatment, or denial of entry if no satisfactory treatment is known. Final release of the fruit for entry into the United States will be conditioned upon compliance with such safeguard requirements and the prescribed regulations. Also, restrictions imposed by special quarantines shall remain in full force and effect.

(4) Department not responsible for damage. The treatment prescribed in paragraphs (a) and (b) of this section is judged from experimental tests to be safe for use with oranges, grapefruit, and tangerines. However, the Department assumes no responsibility for any damage sustained in the course of treatment. There has not been an opportunity to test the treatment on all varieties of oranges, grapefruit, and tangerines that may be offered for entry from various countries. It is recommended that shipper check the phytotoxicity of the treatment to the variety to be shipped, either through tests at origin or by means of test shipments sent to this country.

These revised administrative instructions shall become effective August 29, 1967, when they shall supersede 7 CFR 319.56-2p, effective January 24, 1963.

The principal purpose of these amendments is to include grapefruit and tangerines in the fruit that may be imported under permit from countries infested with the Mediterranean fruit fly (but no other dangerous citrus pests) after such fruits have been given the prescribed treatment. Also, dosages of the fumigant have been lowered, the range of temperatures increased, and a further subdivision in the schedule provided based on the fruit load as a percentage of the chamber volume.

The previous regulations prescribed a dosage of 24 ounces of ethylene dibromide per 1,000 cubic feet at temperatures from 55°F to 60°F. Further experimental work by U.S. Department of Agriculture scientists has disclosed that this large dosage at these temperatures might, under certain conditions, present undue hazards.

Insofar as this revision relieves certain restrictions, it should be made effective promptly to be of maximum benefit to importers. The amendments also impose certain additional restrictions by eliminating dosages for treatments at lower temperatures.

1 Sec. 319.56 prohibits the entry of oranges, grapefruit, and tangerines from eastern and southeastern Asia (including India, Burma, Ceylon, Thailand, Indochina, and China), the Malay Archipelago, Oceania (except Australia and Tasmania), Japan and adjacent islands, Formosa, Mauritius, Seychelles, Brazil, Paraguay, Argentina, and Uruguay.
Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture

PART 924—FRESH PRUNES GROWN IN DESIGNATED COUNTIES IN WASHINGTON AND ONUMATILLA COUNTY, OREGON

Expenses and Rate of Assessment

On August 9, 1967, notice of rule making was published in the Federal Register (32 F.R. 11475) regarding proposed expenses and the related rate of assessment for the period April 1, 1967, through March 31, 1968, and approval of the carryover of unexpended funds from the period April 1, 1966, through March 31, 1967, pursuant to the marketing agreement, and Order No. 924 (7 C.F.R. Part 924), regulating the handling of fresh prunes grown in designated counties in Washington and in Umatilla County, Oreg. 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 notices which were submitted by the Washington-Oregon Fresh Prune Marketing Committee (established pursuant to said marketing agreement and order), it is hereby found and determined that:

§ 924.207 Expenses and rate of assessment.

(a) Expenses. Expenses that are reasonable and likely to be incurred by the Washington-Oregon Fresh Prune Marketing Committee during the period April 1, 1967, through March 31, 1968, will amount to $15,574.

(b) Rate of assessment. The rate of assessment for said period, payable by each handler in accordance with § 924.41, is fixed at $1 per ton of fresh prunes handled.

PART 993—DRIED PRUNES PRODUCED IN CALIFORNIA

Expenses of the Prune Administrative Committee and Rate of Assessment for the 1967-68 Crop Year

Notice was published in the August 9, 1967, issue of the Federal Register (32 F.R. 11470) regarding proposed expenses and the related rate of assessment for the period April 1, 1967, through March 31, 1968, pursuant to § 993.20, 993.318 and 993.80 of the 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 Prune Administrative Committee, for the 1967-68 crop year and rate of assessment for that crop year, pursuant to §§ 993.20, 993.318, and 993.80 of the marketing agreement, as amended, and Order No. 993, as amended (7 C.F.R. Part 993), regulating the handling of dried prunes produced in California. The amended marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

The notice afforded interested persons an opportunity to submit written data, views, or arguments with respect to the proposal. None were submitted within the prescribed time.

After consideration of all relevant matter presented, including that in the notice, the information and recommendations submitted by the Prune Administrative Committee, and other available information, it is found that the expenses of the Prune Administrative Committee for the year beginning August 1, 1967, shall be as follows:

§ 993.318 Expenses of the Prune Administrative Committee and rate of assessment for the 1967-68 crop year.

(a) Expenses. Expenses in the amount of $500 are reasonable and likely to be incurred by the Prune Administrative Committee during the crop year beginning August 1, 1967, for its maintenance and functioning, and for such other purposes as the Secretary may, pursuant to the applicable provisions of the marketing agreement, as amended, and this part, determine to be appropriate.

(b) Rate of assessment. The rate of assessment for such crop year which each handler is required, pursuant to § 993.81, to pay to the Prune Administrative Committee as his pro rata share of the said expenses is fixed at 75 cents per ton of salable prunes handled by him as the first handler thereof.

It is 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) The relevant provisions of said marketing agreement and this part require that the rate of assessment herein fixed shall be applicable to all assessable prunes handled during the aforesaid period; and (2) the current crop year began on August 1, 1967, and the rate of assessment herein fixed will automatically apply to all such prunes beginning with that date.

PART 1010—PAY UNDER THE CLASSIFICATION ACT SYSTEM

Superior Qualifications Appointments

Section 531.203(b) is amended to make clear that a 90-day break in service is not required between service as a member of the Commissioned Corps of the Coast and Geodetic Survey or the Commissioned Corps of the Public Health Service and a superior qualifications appointment. Section 531.203(b) is amended as set out below.

§ 531.203 General provisions.

(b) Superior qualifications appointments.
a postdoctoral research program or affected as part of a postdoctoral or postdoctoral training program during which the employee receives a stipend, or (iii) employment as a member of the Commissioned Corps of the C. B. C. C. (21 U. S. C. 5358).

Title 12—BANKS AND BANKING
Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
PART 262—RULES AND PROCEDURE

Correction

The document adopting a revision of this part (F. R. Doc. 67-9711), published in the Federal Register of August 19, 1967, at 32 F. R. 11964, is corrected by inserting in the list of forms in § 262.6, after the number and title of Form 314 and before that of Form 414, the following:

321 Monthly Report on Foreign Claims
Dated at Washington, D. C., this 24th day of August, 1967.
Board of Governors of the Federal Reserve System.

[SEAL] MERRITT SHERMAN, Secretary.

[F. R. Doc. 67-10091; Filed, Aug. 28, 1967; 8:49 a. m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS
PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

2,4-D

An order was published in the Federal Register of April 11, 1967 (32 F. R. 5772), amending § 120.142 by establishing tolerances for residues of 2,4-D (2,4-dichloro-phenoxyacetic acid) in or on the grain and forage of barley, oats, rye, and wheat, from the application of the herbicide 2,4-D in acid form or in the form of some of its salts, amines, or esters. Inadvertently, the compound heptylamine was omitted from the list of amine salts of 2,4-D and the names linoleylamine and oleylamine were used instead of the correct names N,N-dimethyllinoleylamine and N,N-dimethyloleylamine.

The Secretary of Agriculture has certified that the aforementioned chemicals are registered with the Department of Agriculture. Therefore, pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d), 21 Stat. 1514; 21 U. S. C. 346a(e)) and delegated by him to the Commissioner of Food and Drugs (21 CFR 2120), § 120.142(b) (2) is revised to read as follows:

§ 120.142 2,4-D: tolerances for residues.

(b) The amine salts: Alkanolamines (of the ethanol and isopropanol series), acetyl (C-10), alcaly (C-13), alkyl (C-14), allylamines derived from tall oil, aminobenzene, dimethylamine, dimethylamine, dipeptide, dimethylpropylamine, dimethylamine, N,N-dimethylinoleylamine, N,N-dimethyloleylamine, ethanamine, ethylamine, heptylamine, isopropanolamine, isopropylamine, isopropylamine, methyamine, moripholine, otylamine, N-ethyl-1,3-propylenediamine, propylamine, triethylene, triethylenamine, trimethylenamine, trimethylamine, trisopropanolamine, and trimethylamine.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the Federal Register file objections thereunto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be had if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the Federal Register.

(Sec. 408(e), 68 Stat. 514; 21 U. S. C. 346a(e))
Dated: August 18, 1967.

J. K. KIRK,
Associate Commissioner for Compliance.

[F. R. Doc. 67-10114; Filed, Aug. 28, 1967; 8:47 a. m.]

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Paraquat

A petition (PP TF0579) was filed with the Food and Drug Administration by Chevron Chemical Co., Ortho Division, 940 Hensley Street, Richmond, Calif. 94801, proposing that § 120.205 be amended to provide for tolerances for paraquat (1,1'-dimethyl-4,4'-dipyridinium) residues derived from the application of the dichloride salt (calculated as the cation) in or on cottonseed and potatoes at 0.5 part per million.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which the tolerances are being established. Based on consideration of the data submitted in the petition, and other relevant material, the Commissioner of Food and Drugs concludes that the tolerances established by this order will protect the public health. Therefore, by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d) (2), 68 Stat. 514; 21 U. S. C. 346a (2)) and delegated by him to the Commissioner (21 CFR 2120), § 120.205 is revised to read as follows:

§ 120.205 Paraquat; tolerances for residues.

Tolerances are established for residues of the desiccant and defoliant paraquat (1,1'-dimethyl-4,4'-dipyridinium) derived from application of either the bis(methyl sulfate) or dichloride salt, calculated in both instances as the cation, in or on the raw agricultural commodities cottonseed and potatoes at 0.5 part per million.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the Federal Register file objections thereunto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be had if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the Federal Register.

(Sec. 408(e), 68 Stat. 512; 21 U. S. C. 346a(2))
Dated: August 18, 1967.

J. K. KIRK,
Associate Commissioner for Compliance.

[F. R. Doc. 67-10116; Filed, Aug. 28, 1967; 8:48 a. m.]
PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

2,3,5-TRIIODOBENZOIC ACID

A petition (FP F00554) was filed with the Food and Drug Administration by Amchem Products, Inc., Ambler, Pa. 19002, proposing the establishment of a tolerance of 0.015 part per million for residues of the plant regulator 2,3,5-triiodobenzoic acid and its dimethylamine salt in or on the raw agricultural commodity apples. Subsequently the petition was amended to increase the proposed tolerance from 0.015 to 0.05 part per million.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purpose for which the tolerance is being established.

Based on consideration given the data submitted in the petition, and other relevant materials, the Commissioner of Food and Drugs concludes that the tolerance established by this order will protect the public health. Therefore, by virtue of the authority vested in the Secretary, the Commissioner of Food and Drug, and the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 21 Stat. 21; 21 U.S.C. 346a(d)(2)) and delegated to the Commissioner (21 CFR 2.120), Part 120 is amended by adding to Subpart C the following new section:

§ 120.219 2,3,5-Triiodobenzoic acid; tolerances for residues.

A tolerance of 0.05 part per million is established for negligible residues of the plant regulator 2,3,5-triiodobenzoic acid and for its dimethylamine salt (calculated as 2,3,5-triiodobenzoic acid) in or on the raw agricultural commodity apples.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW, Washington, D.C. 20201, written objections thereto, preferably in duplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the Federal Register.

RULES AND REGULATIONS

(See 408(d)(2); 21 Stat. 512; 21 U.S.C. 346a(d)(2))


J. K. Kirk,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-10115; Filed, Aug. 26, 1967; 8:47 a.m.]

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

PAPER AND PAPERBOARD

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 531747) filed by E. I. du Pont de Nemours & Co., Wilmington, Del. 19898, and other relevant materials, has concluded that the food additive regulations should be amended to provide for use of the additional optional substances specified below in the formulation of paper and paperboard used in contact with aqueous and fatty foods. Therefore, pursuant to the provisions of the Food, Drug, and Cosmetic Act (sec. 409(o)(1), 72 Stat. 1786; 21 U.S.C. 348(o)(1)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 121.253(a)(5) is amended by alphabetically inserting in the list of substances a new item, as follows:

§ 121.2526 Components of paper and paperboard in contact with aqueous and fatty foods.

(a) * * * * 

List of substances Limitations

(5) * * * *

Dietanolamine salts of mono- and bis(12,15, 28,31-perfluoralkyl) phosphates where the alkyl group is even-numbered in the range C12-C40, and the salt have a fluoro content of 52.4% to 54.4% as determined on a solids basis. For use only as an oil and water repellent at a level not to exceed 11 pound (6.93 pound of fluoride) per 1,000 square feet of treated paper or paperboard, and as determined by analysis for total fluoride in the treated paper or paperboard.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the Federal Register file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW, Washington, D.C. 20201, written objections thereto, preferably in duplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the Federal Register.

(See 409(o)(1), 72 Stat. 1786; 21 U.S.C. 348(o)(1))

Dated: August 18, 1967.

J. K. Kirk,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-10113; Filed, Aug. 28, 1967; 8:47 a.m.]

PART 121—FOOD ADDITIVES

Subpart F—Food Additives Resulting From Contact With Containers or Equipment and Food Additives Otherwise Affecting Food

LUBRICANTS WITH INCIDENTAL FOOD CONTACT

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 732167) filed by Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex. 77001, and other relevant materials, has concluded that the food additive regulations should be amended to provide for the use of polylsobutylene (average molecular weight 35,000-140,000 (Flory)) as a thickening agent in mineral oil lubricants used with incidental contact with food. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(o)(1), 72 Stat. 1786; 21 U.S.C. 348(o)(1)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 121.2553(a)(3) is amended by alphabetically inserting in the list of substances a new item, as follows:

§ 121.2553 Lubricants with incidental food contact.

(a) * * * 

Substances Limitations

(3) * * * *

Polyisobutylene (average molecular weight 35,000-140,000 (Flory)) as a thickening agent in mineral oil lubricants.
Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the Federal Register, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the Federal Register.

(Sec. 409(c) (1), 72 Stat. 1726; 21 U.S.C. 348-c (e) (1))

Dated: August 18, 1967.

J. K. Kinn, Associate Commissioner for Compliance.

[F.R. Doc. 67-10112; Filed. Aug. 28, 1967; 8:47 a.m.]

SUBCHAPTER D—HAZARDOUS SUBSTANCES

PART 191—HAZARDOUS SUBSTANCES: DEFINITIONS AND PROVISIONAL AND INTERPRETATIVE REGULATIONS

Fuel for Miniature Engines; Exemption From Classification as Banned Hazardous Substance

The Commissioner of Food and Drugs has received a petition, submitted pursuant to section 2(q) (1) (B) (1) of the Federal Hazardous Substances Act and § 191.62 (c) of the regulations thereunder, to exempt the article described below from classification as a "banned hazardous substance," as defined by section 2(q) (1) (A) of the Act, because the article's functional purpose requires inclusion of a hazardous substance. It bears labeling giving adequate directions and warnings for safe use, and it is intended for use by children who have attained sufficient maturity, and may reasonably be expected, to read and heed such directions and warnings.

The Commissioner has determined on the basis of the facts submitted, and other relevant information, that the requested exemption is consistent with the purpose of the act. Therefore, pursuant to the provisions of the act (sec. 2(q) (1) (B) (1), 74 Stat. 374, 80 Stat. 1304; 21 U.S.C. 357), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 191.65(a) (32 F.R. 11322) is amended by adding thereto a new subparagraph, as follows:

§ 191.65 Exemptions from classification as a banned hazardous substance.

(a) • • •

(5) Liquid fuels containing more than 4 percent by weight of methyl alcohol that are intended and used for operation of miniature engines for model airplanes, boats, cars, etc.

Notice and public procedure and delayed effective date are unnecessary prerequisites to the promulgation of this order, and I so find, since the Federal Hazardous Substances Act contemplates such exemptions under certain conditions.

Effective date. This order shall be effective upon publication in the Federal Register.

(Sec. 2(q) (1) (B) (1), 74 Stat. 374, 80 Stat. 1304; 10 U.S.C. 1261)

Dated: August 17, 1967.

WINTON B. RANKIN, Deputy Commissioner of Food and Drugs.

[F.R. Doc. 67-10117; Filed, Aug. 28, 1967; 8:48 a.m.]

SUBCHAPTER C—DRUGS

PART 1481—NEOMYCIN SULFATE

Antibiotic Otic Suspension

Under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 462, as amended; 21 U.S.C. 357), and delegated to him by the Commissioner of Food and Drugs (21 CFR 2.120), § 1481.18 Neomycin sulfate-polymyxin B sulfate-hydrocortisone otic suspension; neomycin sulfate-polymyxin B sulfate-hydrocortisone-sodium heparin otic suspension is amended as follows to raise the upper limit of antibiotic content acceptable:

1. In paragraph (b) (1) (i), the portion of the last sentence reading "than 125 percent" is changed to read "than 130 percent".

2. In paragraph (b) (1) (ii), the portion of the last sentence reading "than 125 percent" is changed to read "than 130 percent".

This order merely changes the range of antibiotic content acceptable for the subject drug without affecting its safety or efficacy and raises no points of controversy; therefore, notice and public procedure and delayed effective date are not prerequisites to this promulgation.

Effective date. This order shall be effective upon publication in the Federal Register.

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


J. K. Kinn, Associate Commissioner for Compliance.

[F.R. Doc. 67-10111; Filed. Aug. 28, 1967; 8:47 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Department of Housing and Urban Development

SUBCHAPTER A—GENERAL

PART 200—INTRODUCTION

Regional Administrators, Authority Delegations

In Part 200 in the Table of Contents a new § 200.109 is added as follows:

Sec. 200.109 HUD Regional Administrators (except Regional VIII) and Assistant Regional Administrators for FHA.

In Part 200 a new § 200.109 is added to read as follows:

§ 200.109 HUD Regional Administrators (except Regional Administrator, Region VII) and Assistant Regional Administrators for FHA.

To the position of Regional Administrator, and to each of them, except the Regional Administrator, Region VII, and to the position of Assistant Regional Administrator for FHA, and to each of them under the general supervision of the appropriate Regional Administrator there is assigned authority as follows:

(a) To allocate, modify or cancel below-market interest rate funds to eligible section 221(d) (3) projects.

(b) To approve or disapprove the eligibility of nonprofit sponsors and nonprofit mortgagees.

The Regional Administrator, Region III, will exercise the authority assigned under this paragraph for the Puerto Rico jurisdiction.

(Sec. 2, 48 Stat. 1249, as amended; sec. 211, 53 Stat. 23, as amended; sec. 607, 53 Stat. 61, as amended; 21 U.S.C. 357; 221(d) (3).


[SEAL] PHILIP N. BROWNSTEIN, Federal Housing Commissioner.

[F.R. Doc. 67-10102; Filed, Aug. 28, 1967; 8:47 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER W—AIR FORCE PROCUREMENT INSTRUCTIONS

MISCELLANEOUS AMENDMENTS TO SUBCHAPTER

Subchapter W of Chapter VII of Title 32 of the Code of Federal Regulations is amended as follows:

FEDERAL REGISTER, VOL. 32, NO. 167—TUESDAY, AUGUST 29, 1967
PART 1001—GENERAL PROVISIONS
Subpart C—General Policies
1. Section 1001.312-50 is revised to read as follows:

§ 1001.312-50 General.

(a) The director of procurement of the major or contractor for the DCS (Procurement and Production), or higher authority, will determine the amount of and obtain any refund to be affirmatively sought by the Air Force. In such case, where an AFSC or AFSPC procurement is involved, recommendations based on appropriate preliminary review, including coordination with the appropriate office, staff judge advocate, will be forwarded for necessary action to the director of procurement (or DCS/Procurement and Production) through AFSC (MCPPP) or AFSC (SCPPF), as appropriate.

(b) If the director of procurement (or DCS/Procurement and Production) determines, on the basis of such recommendation, that a refund based on extra-contractual consideration is to be sought, he will:

(1) If the refund action being initiated results from in-house investigation forward to the Secretary of the Air Force through HQ USASCRAMSUP (AFSSPC) or HQ USASCRAMSUP (AFSPC) as appropriate.

(2) If the director of procurement (or DCS/Procurement and Production) determines, on the basis of such recommendation, that a refund based on extra-contractual consideration is to be sought, he will:

(1) If the refund action being initiated results from in-house investigation forward to the Secretary of the Air Force through HQ USASCRAMSUP (AFSSPC) or HQ USASCRAMSUP (AFSPC) as appropriate.

(c) In case of a refund or adjustment, the response to the inquiry or action of the major command or contractor will be forwarded to the Secretary of the Air Force through the inspector general, except that it is not required to be forwarded where an appropriate authority has been established.

(d) Regarding refunds involving response to GAO reports, a determination may be made by the commander to accept a refund less than that recommended by GAO. If no, such a decision must be fully documented by the director of procurement (or DCS/Procurement and Production) and have the concurrence of the commander of the major command. If the Command concurs in the recommendation but fails to obtain a refund because of the contractor's refusal, the response should state the basis for the refusal and whether or not the Command agrees with it.

(e) Attention is directed to the need for thorough analysis and justification of our position in any case in which a GAO recommendation to seek an adjustment is not complied with since our position will be contained in a report addressed to the Congress. If a GAO recommendation to seek a refund is rejected, the response to GAO will adequately state the facts and arguments supporting the Command's position and the response should also indicate that legal recourse is considered and the results of such consideration.

PART 1002—PROCUREMENT BY FORMAL ADVERTISING
Subpart D—Opening of Bids and Award of Contract
2. Section 1002.408-1 is amended by revising paragraph (b) to read as follows:

§ 1002.408-1 Unclassified awards.

(b) In case, when an inquiry is made, the letter is addressed to an unsuccessful bidder who is lower in price than the successful bidder due to rejection of the lower bid on the basis of a negative pre-award survey (facility capability report), the last paragraph will read as follows:

The interest shown by your firm in submitting a bid is appreciated; however, we were unable to make the required determination that your company is "responsible" within the meaning of that term as defined in paragraph 1-503 of the Armed Services Procurement Regulation. The information upon which our decision was based was contained in a Presurvey which was issued by the [omitted].

The PCO should submit a copy of the above letter to the responsible official of the PAO and request that details of the final report and any further action be disclosed to the unsuccessful bidder upon request.

PART 1004—SPECIAL TYPES AND METHODS OF PROCUREMENT
3. In § 1004.302-50, paragraph (b) is corrected; and in § 1004.5002-3, paragraph (a) is corrected to read as follows:

Subpart C—Contracts for Preparation of Household Goods for Shipment, Government Storage and Related Services

§ 1004.302-50 BDO procedure.

(b) Calls against the BDOs may be issued by:

(1) An individual located in the base procurement office; or

(2) An individual designated in the BDO by the contractor to the base procurement office: Provided. That if there is a contracting officer in the transportation office, he will be the individual so designated.

(3) Individuals authorized to place calls, when in receipt of Special Orders authorizing movement of household goods and cited funds, will be able to make calls for the purpose of preparing the packing and crating requirement incident to the movement of the individual named in the Special Orders.

(4) The person placing oral calls will establish control at the beginning of each month indicating the call number, name of individual for whom services are to be performed, date of placement of call, Special Order Number, voucher number, date payment was made, amount and accumulated expenditures. In no event will the sequence of call numbers be interrupted. The accumulated expenditure will be brought forward to the control record for the next month. At the end of each month the amount column should be totaled for reporting purposes.

(5) (Reserved)

(6) Prior to contacting the contractor to place a call, the individual authorized to place calls will be furnished a copy of the Special Order indicating the individual for whom services are to be performed and a form letter in duplicate indicating date and place of pickup, estimated weight of household goods, special markings, destination, and any other information required incident to the services to be performed. On receipt of the above information, he will contact the contractor, establish a firm pickup date, and issue a call number from control records. This information will then be placed on a duplicate copy of the form letter and returned to the transportation officer who will use this information when preparing the Standard Form 1034. In addition, the transportation officer will keep the contracting officer informed of contractor performance on a daily basis to assure contractor compliance.

(7) Wherever possible, calls should be placed in the month in which services were performed.
are to be performed. Services should be scheduled no more than 48 hours in advance if call is placed during the last 2 days of a month.

Subpart XX—Nonappropriated Fund Contracts

§ 1004.5002-3 Construction or architect-engineering contracts funded completely with nonappropriated funds.

(a) General. Two important policies have been considered in establishing this portion of this subchapter:

(1) Generally keeping the normal procurement system intact, and

(2) Still giving nonappropriated fund instrumentalities maximum flexibility.

(i) The policies and procedures in Subchapter A, Chapter I of this title and this subchapter should be followed unless cogent reasons justify noncompliance. Justification will be reduced to writing, signed by the chief of the appropriate functional activity, approved by the base commander, and at least one copy furnished to the contracting officer prior to beginning any procurement action.

(ii) Notwithstanding subdivision (i) of this subparagraph, except for work financed entirely by voluntary contributions or donations made to nonappropriated funds specifically to accomplish such work, all construction contracts in excess of $2,000 in whole or in part by nonappropriated funds, will contain construction labor standards clauses consistent with the requirements of Subpart C, Part 18 of this title. Deviations from this requirement will be obtained and furnished by the requesting activity according to APR 176-1.

PART 1005—INTERDEPARTMENTAL AND COORDINATED PROCUREMENT

4. Subpart A is revised; and new Subparts B and C are added as follows:

Subpart A—Procurement Under Federal Supply Schedule Contracts

Sec.
1005.100 Applicability.
1005.102 Mandatory Federal Supply Schedule.
1005.102-2 Exceptions to mandatory use.
1005.102-4 Establishment or revision of Federal Supply Schedule contracts.
1005.103 Federal Supply Schedule.
1005.103-50 Procedures.
1005.104-50 Procedures.
1005.105 Federal Supply Schedule contracts with multiple source provisions.
1005.108 Administration of orders under Federal Supply Schedule contracts.
1005.150 Oversea requirements.


Subpart A—Procurement Under Federal Supply Schedule Contracts

§ 1005.100 Applicability.

Notwithstanding the provisions of § 1005.40, this subpart applies to Alaska, Hawaii, Puerto Rico, and U.S. possessions to the extent specified herein.

§ 1005.102 Mandatory Federal Supply Schedule.

§ 1005.102-2 Exceptions to mandatory use.

(a) Delivery requirements. The determination not to use the Schedule because the delivery period offered does not meet the delivery requirements of the purchasing activity will be exercised by the chief of the office responsible for procurement or his designated representative. But in no instance will the person making this determination be the same individual who signs the contract for the supplies or services involved. The determination will clearly set forth the circumstances of the emergency and specific reasons why the time element makes it necessary to procure from a source other than the Schedule.

§ 1005.102-3 Applicability of listed Federal Supply Schedule.

Purchasing offices will secure requirements from Federal Supply Schedule (FSS) Contractors as prescribed in this schedule except activities in Alaska, Hawaii, Puerto Rico, and U.S. possessions or situations in which local FSS sources are available.

(a) through (c). No implementation.

(d) Furniture, office machines and supplies. (1) Exception for mattresses and bedding (FSC 7210) and prison and blinding made products otherwise mandatorily used, and for the General, for construction, and for the United States, its possessions, and Puerto Rico that all requirements for household and quarters furniture and equipment listed in the Allowance (T/A) 4142 and some items in T/A 006 be obtained from GSA sources. This requirement applies to items procured within the provisions of the Federal Schedule contracts; however, in the amount as less than the minimum required by the schedule, and listed in the GSA stores stock catalog but amounts to $50 or less.

(2) Consistent with the intent of the National Buy Program (see § 5.301 of this title), in the United States, its possessions, and Puerto Rico, requirements for household and quarters furniture and equipment which exceed the maximum order limitations of a Schedule will be submitted to the GSA regional office servicing the requiring activity according to §§ 5.302-5.303. Requirements for other than Schedule items will be obtained in the same way.

(3) Requirements for furniture, office machines, and supplies (see §§ 5.1201-5.1203) as prescribed by the contracting officer under the provisions of the Federal Supply Service Consolidated Purchase Program will be procured according to §§ 5.303 of this title and 1005.303.

(e) Containers, painted, selected household appliances, and other items of household appliances, hand tools, paints, etc. will be procured according to § 1005.301 and the provisions of Subpart C, Part 5 of this title.

§ 1005.102-4 Establishment or revision of Federal Supply Schedule mandatory upon the Department of Defense.

(a) No implementation.

(b) Procedures. Requests for establishing or changing a Federal Supply Schedule mandatory upon elements of the Department of Defense may be initiated by any of the following:

(1) Commanders or their representatives of HQ AFSC, HQ AFLC, or AFLC's item management AMAs, APRE, and APREF; of AFSC's divisions and centers; and AFLC's and AFSC's other subordinate activities.

(2) Requests initiated within HQ AFSC or by any of its activities will be routed through channels to AFSC (SCKP). SCKP will review the request, accept or reject it, and if accepted, send it to AFLC (MCPAC) for further processing.

(2) Requests initiated within HQ AFLC or by any of its activities will be routed through channels to AFSC (MCPAC).

(3) Commanders or their representatives of subordinate activities of major commands or of the major commands themselves other than AFSC or AFLC, Commanders or their representatives of the Air Force Accounting and Finance Center (AFAFC) or of the Office of Aerospace Research (OAR). Each of these requests will be processed either through channels to its parent major command or organization or by that command or organization through its internal channels for review, approval, or rejection, and if approved submission to AFSC (MCPAC).

(3) Requests will contain complete item identification (nomenclature), including, if available, item use, and full justification for the action recommended.

(4) After coordination with HQ AFSC and if deemed necessary with the item management AMA, the request if not covered in will be forwarded by MCPAC to the Defense Supply Agency, Executive Director, Procurement and Production. Otherwise, the request will be returned to its submitter.

§ 1005.103 Federal Supply Schedules not mandatory upon the Department of Defense.

In Alaska, Hawaii, Puerto Rico, or in the U.S. possessions when local Federal Federal Supply Schedule source or not available, items on nonmandatory schedules may be procured locally provided it is not in conflict with the requirements of Subchapter A, Chapter I of this title. Handling, packing, and transportation cost should be considered in determining whether to buy from local sources or whether to submit the order to the Federal Supply Schedule Contractor.
RULES AND REGULATIONS

§ 1005.103–50 Procedures. Requests for establishing or changing a Federal Supply Schedule not mandatory upon the Department of Defense will be processed according to the procedures of § 1005.102–4(b). Each request will designate that it applies to a non-mandatory Schedule.

§ 1005.104–50 Procedures. Requests for establishing or changing a completely optional or regional Federal Supply Schedule will be processed according to the procedures of § 1005.102–4(b). Each request will designate whether it applies to a completely optional Schedule or regional Schedule. If the request relates to a regional Schedule, the applicable GSA regional area must be identified in the request.

§ 1005.106 Federal Supply Schedules with multiple source provisions.

(a) The justification statement required by § 5.108 of this title will be manually approved by one of the following, or his representative, at the installation originating the purchase request.

(1) Director of supply and transportation in AFLC air materiel areas.

(2) DCASI or equivalent in AFSC divisions and centers.

(3) Director of materiel in activities of other major commands.

(b) Comparable level of authority in other AF activities. Such approval will constitute full authority to the procuring activity for placing the order. The justification statement will be attached to the purchase request and will be included in the contract file as documentation to justify the order. No formal determination or finding need be filed with either GSA or the AFASC (GSA).

(c) Where the price of comparable items of two or more contractors is identical, orders will be rotated to the extreme practicable to avoid charges of preferential treatment.

§ 1005.108 Administration of orders under Federal Supply Schedule contracts.

(a) (1) If inspection assistance is desired by the ordering office from the GSA, the regional office nearest to the location where the inspection is to be performed will be notified of the desire for this service. (2) No implementation.

(b) No implementation.

§ 1005.150 Overseas requirements.

Local purchase requirements initiated outside the U.S., its possessions and Puerto Rico will be procured as follows: (a) FSS will be referred to the Base Procurement Office in accordance with section A, Chapter B, Part One, Volume 1, AFM 67–1, for procurement action within the framework of the International Balance of Payments Program, which includes BUSH contracts.

(b) Items subject to the National Buy Program, with the exception of household and quarters furniture (excluding appliances) will be submitted to the GSA supply officer to base procure for procurement action within the framework of the

International Balance of Payments Program, which includes BUSH contracts.

Subpart B—Procurement of Supplies From General Services Administration Stores Depots and of Services for Repair and Refinishing From General Services Administration Sources

Sec. 1005.204 Order for supplies.

SAA 5.1201-6, paragraph (c) of this title also applies to procurement of furniture, office machinery and supplies subject to the provisions of the Federal Supply Service Consolidated Purchase Program. Also see § 5.150 concerning overseas requirements.

§ 1005.303 Order for supplies or service.

(a) Supplies. (1) Requirements for items which the Federal Supply Catalog does not list will be procured through the GSA as the source of supply under the National Buy Program. Where the DD Form 1348–1 is used, it will be prominently stamped “Purchase Order” on all copies before processing to GSA and the supply activity notified of the action taken.

(b) Service. Purchasing offices will submit a DD Form 1155, AFPI Form 93 series, or letter as appropriate to the GSA regional office for purchase action. When the requisition is not in MILSTRIP format, it will be returned to the supply activity for conversion to such a form. Where Federal Supply Service Consolidated Purchase Program requirements are met, the requisition will be processed directly to the GSA regional office in the supply activity.

Subpart F—Procurement of Printing and Related Supplies (July 7, 1961)

5. In § 1005.650–1, paragraph (a) is amended by revising subparagraphs (1) and (2) to read as follows:

§ 1005.650–1 Procurement of printed matter and paper for printing.

(c) Mandatory Government Printing Office (GPO) contracts: (1) GPO Torn
Contracts contained in the current GPO Form 1047, Term Contract for Tabulating Cards, and GPO Form 1058, Term Contract for Aperture (Tabulating) Cards, are mandatory for use within the Air Force. All tabulating cards are items of printing. Procurement of commercial stock cards is not authorized. General Purpose cards are the "stock cards" of the Air Force and will be requisitioned through publications distribution channels according to AFM 5-4 (Distribution of Air Force Publications and Forms).

All command or local tabulating cards are chargeable to Contract Field Printing (438) funds.

(3) Term Contracts are distributed by the Publishing Division, Directorate of Administrative Services, HQ USAF, to major command headquarters. Subordinate activities will submit requirements for copies of GPO Term Contracts to their major air command headquarters. Requests will not be submitted to GPO. Direct liaison with that office is not authorized.

PART 1007—CONTRACT CLAUSES

Subpart D—Clauses for Cost-Reimbursement Type Research and Development Contracts

§ 1007.403-53 [Deleted]

6. Section 1007.403-53 Limitation of Government's obligation is deleted; Subparts PP and VV are deleted; and new Subpart HHH is added as follows:

Subpart PP—Clauses for Contracts Issued by Foreign Procurement Activities

§ 1007.4200 [Deleted]

Subpart VV—Clauses and Schedule Provisions for Flight Instruction of AFROTC Personnel at Civilian Colleges and Universities

§§ 1007.4800–1007.4806 [Deleted]

Subpart HHH—Clauses and Special Provisions for Certain Contracts Not Listed in Subchapter A, Chapter I of This Title or Other Subparts of This Part

Sec. 1007.6000 Scope of subpart.
1007.6001 General.
1007.6001–1 Clauses for contracts issued by foreign procurement activities.
1007.6001–2 Clauses and schedule provisions covering flight instruction of AFROTC personnel at civilian colleges and universities.


Subpart HHH—Clauses and Special Provisions for Certain Contracts Not Listed in Subchapter A, Chapter I of This Title or Other Subparts of This Part

§ 1007.6000 Scope of subpart.

This subpart sets forth instructions covering clauses and special provisions for certain contracts which have been determined to be inappropriate for inclusion in Subchapter A, Chapter I, Part 7 of this title or other subparts of this part.

§ 1007.6001 General.

This subpart will be used only to cover situations set forth in § 1007.6000, and will be considered the AFPI base against which involved activities may issue AFPI Supplements.

§ 1007.6001–1 Clauses for contracts issued by foreign procurement activities.

The clauses and instructions in Subchapter A, Chapter I of this title and this subchapter for supplies, services, and construction contracts should be used where applicable in contracts issued by foreign procurement activities. In addition, to cope with any special procurement problems peculiar to their geographical area, overseas activities are authorized to issue their own necessary implementing instructions and clauses for their respective procurement programs.

§ 1007.6001–2 Clauses and schedule provisions covering flight instruction of AFROTC personnel at civilian colleges and universities.

The clauses and schedule provisions covering flight instruction of AFROTC personnel at civilian colleges and universities will be issued only by Air University, Maxwell AFB, Ala.

PART 1008—TERMINATION OF CONTRACTS

Subpart B—General Principles Applicable to the Settlement of Fixed-Price Contracts Terminated for Convenience and to the Settlement of All Terminated Cost-Reimbursement Type Contracts

§ 1008.202–50 [Amended]

7. In § 1008.202–50, the introduction to paragraph (g) is amended by adding the words "or "TWX facilities, if available" between the words "Telegram" and "* * * Request" in the third and fourth lines.


AFPI Rev. No. 78, June 50, 1967; AF Procurement Circular No. 10, July 6, 1967)

By order of the Secretary of the Air Force.

LCYAN M. FERGUSON,

[F.R. Doc. 87-10080; Filed, Aug. 28, 1987; 8:45 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 207—NAVIGATION REGULATIONS

St. Marys Falls Canal and Locks, Mich.

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 269; 33 U.S.C. 1), § 207.440 governing the use, administration, and navigation of St. Marys Falls Canal and Locks, Mich., is hereby amended with respect to paragraph (w) effective upon completion of construction of the New Poe Lock, as follows:


(v) The maximum overall dimensions of vessels that will be permitted to transit the New Poe Lock without special restrictions are 100 feet in width, including fendering, and 1,000 feet in length, including steering poles or other projections. Vessels having overall widths of over 100 feet and not over 103 feet including fendering, and overall lengths of not more than 1,000 feet, including projections, will be permitted to transit the New Poe Lock at such times as determined by the District Engineer or his authorized representative that they will not unduly delay the transit of vessels of lesser dimensions, or endanger the lock structure because of wind, ice, or other adverse conditions. These vessels also will be subject to such special handling requirements as may be found necessary by the Area Engineer at time of transit.

* * * * *

Title 46—SHIPPING

Chapter I—Coast Guard, Department of Transportation

SUBCHAPTER H—PASSENGER VESSELS

[CGFR 67-51]

PART 80—DISCLOSURE OF SAFETY STANDARDS

Interpretive Rulings Regarding Advertising

1. The disclosure regulations were published in the Federal Register on April 25, 1967, and effective on and after May 6, 1967, and implemented Public
Inquiries have been received from the United States Code, section 46, Law and regulatory, which face both industry association, on the part of all concerned, with this meeting resulted in a better appreciation of the regulations. This resulted in a better appreciation of the regulations. It was desired to prohibit this type of advertising produced in a foreign country and introduced into the United States, and would such materials be subject to the regulations in this part? (Ruling) Trade publications are deemed to be directed to a specific group of people or organizations and are not intended or used for general distribution to the public. In those instances where advertisements are not used or intended to be distributed to the general public for solicitation of passage on vessels, the advertisements are not deemed to be subject to the requirements in this part.

(1) Does the descriptive phrase "* * * all promotion literature or advertising in or over any medium of communication within the United States, and would such materials be subject to the regulations in this part? (Ruling) Any literature (such as magazines, newspapers, periodicals, etc.) and advertising produced in a foreign country and introduced into the United States must comply with the requirements in this part. Advertisements in foreign magazines, newspapers, periodicals, etc., produced outside the United States and having a limited distribution in the United States need not comply with the requirements in this part.


W. J. Smith, Admiral, U.S. Coast Guard, Commandant.


RULES AND REGULATIONS

Law 89-777 which amended in part, Title 46, United States Code, section 362. Many inquiries have been received from the advertising industry relative to the proper method of incorporating safety information in advertising material. Because of the number of these inquiries and since many of the questions were identical, an informal meeting was held in Washington on June 15, 1967, to discuss these problems and to describe the proper application of the regulations. This meeting resulted in a better appreciation, on the part of all concerned, with these mutual problems, both technical and regulatory, which face both industry and Coast Guard. It is desired by all concerned to comply with the intent of Congress as set forth in this new law that the advertising information will "* * * notify each prospective passenger of the safety standards with which the vessel complies or does not comply."

The purpose of this document is to describe in general terms the interpretive rulings given with respect to the rules and regulations in this part as they apply to advertising information.

1. By virtue of the authority vested in me as Commandant, U.S. Coast-Guard, by section 633 of Title 14, United States Code, and Department of Transportation Order 1100.1 delegating authority to prescribe rules and regulations under laws transferred by subsection 6(b) (1) of the Department of Transportation Act, the following interpretive rulings designated § 80.15–1 are prescribed and effective on and after publication in the Federal Register.

4. Part 80 is amended by Inserting after § 80.10–20 a new Subpart 80.15, consisting of § 80.15–1, reading as follows:

Subpart 80.15—Interpretive Rulings

§ 80.15–1 Advertising information.

(a) Because of the number of inquiries and since many of the questions were identical, the interpretive rulings in this section are published for the guidance of all concerned.

(b) From the point of view of content, when is it necessary to incorporate into an advertisement the safety information required by this part? (Ruling) The safety information statement is required in an advertisement when either one of two conditions are described; i.e., (1) a vessel is named, or (2) a voyage is described.

(c) What is meant by the word "voyage" as used in this part? (Ruling) As used in this part, "voyage" (route) consists of three conditions which must be stated and are (1) port or area of departure; (2) port or area of destination; and (3) a schedule.

(d) What is meant by the word "schedule" as used in § 80.10–20(e)? (Ruling) A "schedule" is the posted and published day(s) of departure and/or arrival. A description of a limited time interval during which a voyage will commence, i.e., such as "departing 10:30 a.m., September 7," "departing every Monday," "departing first Tuesday of every month," etc., are deemed to come within the meaning of term "schedule." The phrases "weekly sailings," "sailing twice weekly," "Summer Sailing," "Summer Cruise," etc., are not deemed to come within the meaning of the term "schedule."

(e) Are there any exceptions to the description in § 80.10–5(a) which states that "All promotional literature or advertising in or over any medium of communication shall include safety information? (Ruling) Because of the nature of the display, the exception allowed concerns advertising signs towed or displayed by aircraft (including skywriting by aircraft). This ruling is based on the premise of practicability, and it is believed that Congress did not intend to prohibit this type of advertising.

(f) Does § 80.10–20(c)(1) relate to billboard type advertisements, especially since it specifies a minimum type size of printing of 6 points? (Ruling) This regulation does relate to billboard type advertising and shall be followed. Attention is directed to the wording which states "* * * the safety information statement shall be at least the same size type as the body of the text * * *

(g) Because of the precise language in § 80.10–30(c), how much latitude is given with respect to the placement and cross references about safety information statements in brochures, pamphlets, schedules, etc.? (Ruling) The first two sentences of § 80.10–20(e) contain the basic requirements of this regulation, and strict compliance is necessary in order to effectively advise prospective passengers of the safety standards of the named vessels. The balance of § 80.10–20(e) is explanatory and suggestive in nature. By using an example the last sentence of this regulation suggests how these basic requirements may be met. It must be kept in mind that this regulation must be read and complied with in the context of the regulation as a whole.
Proposed Rule Making

DEPARTMENT OF THE TREASURY
Bureau of Customs

ENTRY OF IMPORTED MERCHANDISE

Powers of Attorney

An individual who is not a regular importer may at present execute a power of attorney authorizing a relative to act as his agent in filling a customs entry covering a single noncommercial shipment.

The Bureau proposes an extension of the practice to allow an individual by power of attorney to appoint an unrelated individual as his unpaid agent in order to enter the merchandise constituting a single noncommercial shipment. Many individuals have reported annoyance and incommensurate expense in having to arrange the customs clearance of effects landed at a customs port distant from their homes when a friend or associate is available to effect expeditious action.

Therefore, the Bureau of Customs, under the authority of section 485, Tariff Act of 1930, as amended (19 U.S.C. 1485), and section 261 of the Revised Statutes (19 U.S.C. 66), proposes to amend § 8.19(j) of the Customs Regulations by substituting the words “another individual” for the words “a relative” and by inserting the word “unpaid” before the word “agent” where it appears. The amended section, in tentative form, is as follows:

Section 8.19(j) is amended to read as follows:

8.19 Powers of attorney.

(j) An individual (but not a partnership, association, or corporation) who is not a regular importer may appoint another individual as his unpaid agent for customs purposes by executing a power of attorney applicable to a single non-commercial shipment by writing, printing, or stamping, and subscribing on the face of the invoice, or on a separate paper attached thereto, the following statement:

[Signature]

Approved: August 22, 1967.

MATTHEW J. MARKS,
Acting Assistant Secretary of the Treasury.

F.R. Doc. 67-10122; Filed, Aug. 29, 1967; 8:48 am.

DEPARTMENT OF THE INTERIOR
Fish and Wildlife Service

GAME BIRDS, FISH, AND MAMMALS

Restoration

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by section 10 of the Federal Aid in Wildlife Restoration Act, as amended (50 Stat. 917; 16 U.S.C. 669) and by section 10 of the Federal Aid in Fish Restoration Act, as amended (64 Stat. 430; 16 U.S.C. 777d), it is proposed to revise part 80, Title 50, Code of Federal Regulations, as set forth below. The proposed changes will improve administrative procedures and revise the policy relative to use of Federal funds for unapproved activities.

1. Section 80.1 will be altered to revise the definition of “Project” so that it may encompass any or all of the activities approved under the Federal Aid Acts. Also, the definition of “Research” will be changed to include two levels of Research: “Research” and “Surveys and inventories.” A definition of “Project substantially” is added.

2. Section 80.4 will be revised by substituting project agreement for “program agreement,” as the document signed by the Secretary to obligate funds.

3. Section 80.5 will be revised to describe, set the penalty for, and establish means of correcting diversions of Federal Aid funds as well as license revenues. The penalty for misuse of Federal Aid funds or real property acquired with Federal Aid funds will be unenforceability for further projects. Real properties disposed of by the State without concurrence by the Secretary that they are no longer of value to fish and wildlife will need to be replaced in kind before the State can become eligible again for participation in the Federal Aid program.

4. Section 80.7 is revised by removing the words “interim” from between “proceeding” and “year.”

5. Section 80.12 will be revised to describe the content and purpose of a financial plan. “principal, plans, and estimates” will be recited § 80.13.

6. Section 80.13 will be revised to cover plans, specifications and estimates. Coverage is expanded to specify when these documents are to be submitted. Schedules of supervisory and technical personnel and major items of equipment are added.

7. Section 80.14 will be retitled “Project agreement.” The section will be changed to remove the provision for writing an agreement for one segment of a project or for an annual financial plan. An agreement will be written for each financial plan because a financial plan is now written for each project segment.

8. Section 80.27, “Credits for sale or nonproject use of property,” will be removed from the regulations and replaced by a section entitled “Production of income.” This new section will provide that Federal Aid funds shall not be spent for the purpose of producing income, and will list the types of income to be avoided.

9. Section 80.30 will be revised under paragraph (a) to remove the words “program or” so that it will read: “Federal Aid payments shall not exceed 75 percent of the cost of a project.”

10. Section 80.33 will be revised to provide that cost records shall be maintained separately for each project and for projects containing multiple activities, costs for research, acquisition, development, and coordination, shall be segregated.

11. Section 80.33 will be revised to provide that the retention of documents shall be only for 3 years after final payment for reimbursement on the project.

12. Section 80.35, “Water pollution control,” is added to require that pollution of water be avoided in the operation of Federal Aid projects.

13. Section 80.36, “Purchase of equipment,” is added to provide that advance approval by the Secretary is required for purchase of items of equipment costing in excess of $500. This is not a new policy, but has not previously been carried in the regulations.

14. Section 80.37, “Patents,” has been added to protect the Federal Government’s interest in discoveries and inventions which are developed through the expenditure of Federal Aid funds.

15. Section 80.38, “Fish and wildlife planning,” has been added. It includes long-range planning with Federal Aid funds as a guide to further program expenditures.

No. 157—Pt. I—3

FEDERAL REGISTER, VOL. 32, NO. 167—TUESDAY, AUGUST 29, 1967

12481
PROPOSED RULE MAKING

It is the policy of the Department of the Interior whenever practicable to afford the public an opportunity to participate in the rule-making process. Accordingly, interested persons may submit written comments, suggestions, or objections to the Director, Bureau of Sport Fisheries and Wildlife, Washington, D.C., 20240, within 30 days of the publication of this notice in the Federal Register.

JOHN S. GOTTSCHALK,
Director, Bureau of Sport Fisheries and Wildlife.


Sec.
80.1 Definitions.
80.2 Apportionment and certification.
80.3 Notice of desire to participate.
80.4 Period of availability of funds.
80.5 Diversion of funds.

§ 80.1 Definitions.

As used in this part, terms shall have the meanings assigned in this section:

(a) Federal Aid Act(s). (1) The Act of Congress, approved September 2, 1937, entitled "An Act to provide that the United States shall aid the States in the restoration of fish and wildlife resources, and for other purposes" (50 Stat. 917, as amended; 16 U.S.C., Sec. 669-669l).

(b) States. Any State of the United States, the territorial areas of Guam and the Virgin Islands, and the Commonwealth of Puerto Rico.

(c) State Fish and Game Department. Any department or division, or commission, or official of a State empowered under its laws to exercise the functions ordinarily exercised by a State Fish and Game Department, the Secretary of Agriculture of Puerto Rico, or the Governor of Guam or the Virgin Islands.

(d) Fish and wildlife. (1) The term "fish" is limited to aquatic breathing vertebrate animals bearing paired fins; and (2) the term "wildlife" is limited to wild birds and wild mammals.

(e) Project. A sound and substantial undertaking with the general objective of restoring or managing fish and wildlife populations now and for the future and for the preservation and improvement of sport fishing, hunting, and related uses of these resources.

(f) Project substantiality. A substantial project is one which will provide benefits to hunters and fishermen commensurate with its cost, which is designed in accordance with accepted fish and wildlife conservation and management practices and sound engineering principles.

(g) Project segment. An essential part or division of a project, usually separated as a period of time, occasionally as a unit of work.

(h) Land acquisition. The acquisition of lands, waters, or interests therein, by purchase, condemnation, lease or gift.

(i) Development. Improving areas of land or water through the construction of works and facilities, improvement of soil and water conditions, establishing or controlling vegetation and animal populations and including operation and protection of the areas.

(j) Research and surveys. Investigations into problems of fish and wildlife management necessary for the efficient administration of these resources, including:

(1) Research. Studies designed to supply new information about fish and wildlife, their environment, or the development of new methods for management of these resources.

(2) Surveys and inventories. Routine collection of data on the abundance and utilization of fish and wildlife, or the condition of their environment, through the application of established methodology.

(k) Management. For purposes of the limitation on management of wildlife areas and resources referred to in the General Principles of this chapter, management methods include measures and facilities for the harvest and control of wild birds and mammals.

(l) Maintenance. Repair and upkeep of capital improvements acquired or constructed under the Federal Aid Acts. A capital improvement is any successfully established improvement having an expected useful life in excess of 5 years. For the purpose of qualifying for maintenance, a project is completed when the lands have been acquired, or capital improvements have been finished.

(m) Coordination. The selection, planning, direction, supervision, and coordination of a State's Federal Aid program, including the coordination of this program with other related activities of the fish and game department.

80.2 Apportionment and certification.

The Secretary shall apportion funds in the manner prescribed in the Acts, as soon as possible after receiving notification of the amounts which have become available for the purposes of the Acts. He shall promptly certify to the Secretary of the Treasury and to each State Fish and Game Department, the respective sums which he has deducted for administering and executing the Acts and the respective sums which he has apportioned to each State for the ensuing fiscal year.

80.3 Notice of desire to participate.

Any State Fish and Game Department desiring to avail itself of the benefits of the Acts, shall notify the Secretary within 60 days after it has received from him a certificate of apportionment of funds available to the States for the ensuing fiscal year.

80.4 Period of availability of funds.

Funds are available to a State for expenditure or obligation during the fiscal year for which they are apportioned and until the close of the succeeding fiscal year. For the purpose of this section, obligation of apportioned funds occurs when a project agreement or amendment thereof is signed by the Secretary or his authorized representative.

80.5 Diversion of funds.

(a) Conditions to participation in the benefits of these Acts are that a State's hunting and fishing license fees must be used only for administration of its Fish and Game Department and Federal Aid funds granted under the Acts must be used for the purposes of approved projects. A diversion of license fees occurs when a State Fish and Game Department, through legislative action, or otherwise, loses control of the expenditure of any portion of its hunting license fees or sport fishing license revenues, or expends such revenues for any purpose other than the administration of the State Fish and Game Department. A diversion of Federal Aid funds occurs whenever they are applied by a State to activities or purposes which are not a part of an approved project, or when real property acquired or constructed with Federal Aid funds under these Acts passes from the control of the State Fish and Game Department or is used for unapproved purposes in a manner or to an extent which interferes with the accomplishment of project purposes as they were approved by the Secretary, or as may be amended with the approval of the Secretary.

(b) When a diversion of funds occurs, a State thereby becomes ineligible to receive Federal Aid funds under the pertinent Act from the date the diversion occurs until the action is taken to return the administration of hunting and sport fishing license fees to the State Fish and Game Department; (2) hunting and sport fishing license fees used for purposes other than the administration of the State Fish and Game Department are replaced; (3) Federal Aid funds used for...
purposes or activities which are not a part of an approved project are replaced; (4) Federal-Aid financed real property which has passed from the control of the State Fish and Game Department of a State restored to that control, or a property of equal value at current market prices and with commensurate benefits to fish and wildlife would be acquired with non-Federal funds to replace it; or (5) uses of Federal-Aid financed real property, which interfere with the accomplishment of approved project objectives are ceased; (6) any projects were approved in compliance with the terms of the pertinent Act prior to diversion, and Federal Aid funds were obligated to carry out such projects, such funds shall remain available there-fore until expended, without regard for the intervening period of the State's ineligibility under the Federal Aid Acts: Provided, further, That, when the State shall find, and the Secretary agree, that a property is no longer useful for the purposes for which it was acquired or constructed, and that it is not practical to convert the property to other fish or wildlife restoration, development, or management purposes, the State may sell the property and apply the proceeds of sale as the State Fish and Game Department and the Secretary may agree: Provided, further, That, when required by this section to acquire a property with non-Federal aids, a State shall be given a reasonable time, up to 3 years, to accomplish this, before becoming ineligible to receive Federal Aid funds.

§ 80.6 General information for the Secretary.

Before any Federal funds may be obligated for any project to be undertaken in a State, there shall be furnished to the Secretary upon his request, information regarding the laws affecting fish or wildlife conservation and the authority of the State Fish and Game Department and of local officials with respect to the establishment and maintenance of projects; and the existing provisions of the State constitution or laws relating to revenues for the protection, restoration and management of fish or wildlife.

(a) Document signature. The Secretary of State of each State or any authorized official of the State shall certify as to the duly appointed official(s) authorized in accordance with State law to commit the State to participation under the provisions of the Acts and to sign Federal Aid project documents. The Secretary shall be advised promptly of any change made in such authorizations to sign Federal Aid documents.

(b) Program information. The Secretary may, from time to time, request from the State Fish and Game Department shall furnish information relating to the administration and maintenance of any project under the Act or any project under the Act as related to the elements of Planning, Programing, and Budgeting shall be submitted for each project in a State covering the work to be performed over a specified period.

(c) Planning-Programing - Budgeting System. To promote the most efficient use of the financial resources of the Federal Government, Federal funds are budgeted according to a Planning-Programing-Budgeting System. In order that Federal funds for financing projects under the Federal Aid Acts may be budgeted under this system, States must furnish such plans and programs as the Secretary may require for that purpose.

§ 80.7 Hunting and fishing license information.

(a) Information concerning the number of paid hunting-license holders and the number of persons holding paid licenses to fish for sport or recreation in the State in the previous year shall be furnished the Secretary by the Fish and Game Department of each State on or before December 15 of each year in form specified by the Secretary.

(b) This information shall be certified as accurate by the Director of the State Fish and Game Department. He shall furnish, when requested by the Secretary, evidence used in determining accuracy of the certification.

§ 80.8 Activities prohibited.

Neither law enforcement nor public relation activities which are not incidental to custodial functions on an approved Federal Aid project may be financed under the programs.

§ 80.9 Uses other than for fish and wildlife.

With respect to projects which are designed to include uses other than for fish or wildlife, reimbursement of costs from funds under the Federal Aid Acts shall be limited to the extent of the benefits to fish and wildlife resulting from such projects. Participation in maintenance of completed projects shall be similarly limited. Also, the costs of maintenance shall be appropriately shared according to the use of the area and facilities; Federal Aid funds shall not be applied to maintenance required by use other than for approved project purposes.

§ 80.10 Minimum Federal participation.

A minimum Federal Aid participation of 10 percent in the cost of each project is required as a condition of approval. § 80.11 Project statement.

A project statement shall be submitted for each proposed project which shall contain such fundamental information as the Secretary may require, in order that he may determine if a project meets the requirement of being substantial in character and design in accordance with standards set forth in the Federal Aid in Fish and Wildlife Restoration Manual.

§ 80.12 Financial plan.

A budget or spending plan listing estimated expenditures by activities (land acquisition, development, research, management, maintenance, and coordination) as related to the elements of Planning, Programing, and Budgeting shall be submitted for each project in a State covering the work to be performed over a specified period.

§ 80.13 Plans, specifications and estimates.

The annual financial plan shall be accompanied by supporting documents list-
work shall be submitted to the Secretary by or on behalf of the State Fish and Game Department to be tested for suitability and conformity with standard specifications.

§ 80.21 Contracts.

Contracts shall be solicited and awarded according to the laws and regulations of the State except when contradicted to Federal law or regulation in which case the Federal law or regulation shall prevail.

§ 80.22 Safety and accident prevention.

In the performance of each project, the State shall comply with all applicable Federal, State and local laws governing safety, health and sanitation. The State shall be responsible that all safeguards, safety devices, and protective equipment are provided and will take any other needed actions reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work.

§ 80.23 Statements and payrolls.

The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR Part 3), made pursuant to the Copeland Act, as amended, (40 U.S.C. 276c), and to aid in the enforcement of the Anti-Kickback Act (18 U.S.C. 874) are made a part of this regulation by reference. The State Fish and Game Department will comply with these regulations and any amendments or modifications thereof and the State Prime Contractor will be responsible for the submission of statements required of subcontractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitation, variations, tolerances, and exemptions.

§ 80.24 Prosecution of work.

(a) The State Fish and Game Department shall carry all approved projects through to satisfactory completion with reasonable promptness. Projects with activities extending over a period of years may be financed from a number of succeeding appropriations as appropriate to the schedule.

(b) Research work shall be continuously coordinated with other studies conducted by the State and other agencies in order to avoid unnecessary duplication.

(c) All work shall be performed in accordance with applicable State laws.

(d) Appropriate and adequate means shall be employed to insure economy and efficiency in the completion of the project.

§ 80.25 Personnel.

The State Fish and Game Department shall employ adequate and competent personnel to initiate and carry Federal Aid projects through to satisfactory completion.

§ 80.26 Maintenance of completed projects.

The State Fish and Game Department shall exercise all reasonable means to insure permanent and proper management and maintenance of each completed acquisition or development of lands or waters.

§ 80.27 - Production of income.

Federal Aid funds shall not be spent for the purpose of producing income; e.g.,

(a) Producing agricultural crops in excess of those required for attracting, conserving, and enhancing wildlife populations.

(b) In connection with the acquisition of lands, paying for readily marketable timber or the salvage value of structures which are excess to project purposes when the State can secure immediate reimbursement through removal and sale.

(c) Purchasing transportation, construction, or farming equipment not needed for its full life on activities which are approvable for Federal Aid assistance.

(d) Conducting public hunting and fishing activities where user fees substantially pay for these costs.

Federal Aid funds used for such purposes shall be replaced as required under § 80.5, "Diversion of funds."

§ 80.28 Inspection.

Supervision of each project by the State Fish and Game Department shall include adequate and continuous inspection. The project will be subject at all times to Federal inspection.

§ 80.29 Civil rights.

Approval of each agreement shall be conditioned upon the acceptance by the United States of an Assurance executed in writing by the properly authorized representative of the contracting State, agency, or political division of the contracting State, supported by proper certification guaranteeing that the program will be conducted in accordance with Title VI of the Civil Rights Act of 1964 and with the rules and regulations promulgated thereunder by the Secretary and published as 45 CFR Part 21 (filed Dec. 3, 1964) to that end.

§ 80.30 Federal Aid payments.

Payments under the Federal Aid Acts, including such preliminary costs and expenses as may be incurred in and about such projects, shall be made to the proper administrative agency of the State, the Federal agency or political division thereof, as provided in the regulations and any amendments or modifications thereof, and the Secretary, and all other documents that may be necessary or required in the administration of these acts, shall have first been submitted to and approved by the Secretary. Payments shall be made only by way of reimbursement for expenditures by the State Fish and Game Department, and to aid in the performance of the work, only to the State office or official designated by the State Fish and Game Department and authorized under the laws of the State to receive public funds of the State.

The Federal Aid payments shall not exceed 75 percent of the cost of a project or the amount specified in the agreement, whichever is less: Provided, That Federal Aid payments to the territorial areas of Guam, the Virgin Islands and the Commonwealth of Puerto Rico shall not exceed the amount specified in the agreement and in no event shall they be required to pay an amount which will exceed 25 percent of the cost of any project.

(b) Federal Aid payments on projects terminated prior to completion shall be limited to the cost of benefits produced, provided the work accomplished is substantial in character and design.

(c) Payments for acquired real property shall not exceed 75 percent of the fair and reasonable value of the property as approved by the Secretary.

(d) Overhead and preliminary costs which are clearly tied to an approved project may be reimbursed provided the claims are supported by accurate records.

§ 80.31 Form of vouchers.

Vouchers on forms provided by the Secretary and certified as therein prescribed, showing amounts expended and the amount of Federal Aid funds claimed to be due account thereof, shall be submitted to the Secretary by the State Fish and Game Department.

§ 80.32 Records and reporting.

Reports shall be furnished as requested by the Secretary. Cost records shall be maintained separately for each project. In projects containing multiple activities, costs for research, acquisition, development, and coordination shall be segregated. The accounts and records maintained by the State, together with all supporting documents, shall be open at all times to the properly authorized representatives of the United States, and copies thereof shall be furnished when requested.

§ 80.33 Records retention period.

The records, accounts and supporting documents required to be maintained under the regulations in this part for each project shall be retained by the State Fish and Game Department until the expiration of 3 years after final payment of reimbursement to the State on the project.

§ 80.34 Convict labor.

The State shall not employ any persons undergoing sentence of imprisonment at hard labor for the performance of work on projects approved under the Federal Aid Acts.

§ 80.35 Water pollution control.

In the performance of each project, the State shall take necessary action to avoid pollution of water as a direct or indirect result of project activity. Water quality standards shall be maintained consistent with State water quality standards approved by the Secretary.
§ 80.36 Purchase of equipment.

Advance approval by the Secretary is required for the purchase with Federal Aid participation of items of equipment costing in excess of $500.

§ 80.37 Patents.

Every project agreement and subcontract, having as a purpose the conduct of experimental or research work, shall contain a patent article conforming to the President's Statement of Government Patent Policy, issued October 10, 1953, 28 F.R. 10943.

§ 80.38 Fish and wildlife planning.

It is desirable that the expenditure of funds made available under the Federal Aid Acts be guided by long range fish and wildlife plans. Therefore, undertakings of statewide planning for fish and wildlife are of the highest priority for Federal Aid Financing.

[F.R. Doc. 67-10093; Filed, Aug. 28, 1967; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE
Consumer and Marketing Service
17 CFR Part 31
WOOL STANDARDS

Notice of Proposed Rule Making

Notice is hereby given, in accordance with the administrative procedure provisions of 5 U.S.C. §553, that pursuant to authority conferred by the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621 et seq.), it is proposed to amend the wool top standards and other provisions in 7 CFR Part 31, to revise the fiber diameter dispersion requirements of grade 62s wool top, to add provisions for designating grades for wool top which do not meet established grade requirements, to include the methods for determining the grade of wool top, and to redefine certain terms used in the standards for wool top.

Statement of considerations. The official standards for grades of wool top provide for 14 grades—30s through 62s—based on average fiber diameter and fiber diameter dispersion. These standards became effective January 1, 1955. For the most part they have been satisfactory for commercial trading.

However, a study by industry and the Department revealed that many of the tops traded as 62s exceed the coarse fiber percentage allowed for this grade. To bring the standards more in line with current combing and trading practices, it is proposed that the fiber diameter dispersion requirements for grade 62s be revised to permit 1.50 percent of the fibers to be 25.1 microns and over in diameter rather than the 1 percent allowed in the present standards.

In the application of the present standards some wool tops cannot be graded. This is due to the fact that the specifications for each of the present grades include requirements for both average fiber diameter and fiber diameter dispersion but do not provide grades for wool top which does not meet both requirements. Thus, for example, wool top with an average fiber diameter meeting the requirements for the 64s grade cannot be graded by the present standards if it has a fiber diameter dispersion which does not meet the dispersion requirements specified in the standards for a 64s grade. Under the proposed revision, such wool top would be assigned a dual grade designation, 64s-62s—the 64s designating the average fiber diameter of the wool top and the 62s (the next coarser grade) indicating that the fiber diameter dispersion of the wool top does not meet the requirements of the 64s grade. This procedure for designating grade has been used in the trade for some time.

Also, under the present standards, wool top with an average fiber diameter finer than that specified for the finest grade (60s), or coarser than that specified for the coarsest grade (30s) cannot be assigned a grade. The proposed revision would provide two additional grades to be designated as Finer than grade 80s and Coarser than grade 36s. These additional grades will permit all wool top to be assigned a grade irrespective of its average fiber diameter. Two corresponding grades also were added to the standards for grades of wool when these were revised on January 1, 1955.

It is also proposed to incorporate the methods for determining the grade of wool top into the Code of Federal Regulations, and make certain changes in definitions of certain terms used in the wool and wool top standards. In the past, the determination of grade of wool top was made in accordance with procedures prescribed by the Administrator of the Consumer and Marketing Service in a separate publication, "Methods of Test for Grade of Wool Top." Some minor changes have been made in these methods in order to coordinate them with the methods prescribed for determining grade of wool.

A. It is proposed to delete the provisions for official standards of the United States for grades of wool top (7 CFR 31.101-31.114) and substitute the following:

OFFICIAL STANDARDS OF THE UNITED STATES FOR GRADES OF WOOL TOP

§ 31.100 Official grades.

The official grades of wool top shall be those established in §§31.101 through 31.116. Provided, however, that wool top which qualifies for any of the grades in §§31.101 through 31.116 on the basis of its average fiber diameter but fails to meet the fiber diameter dispersion requirements for that grade shall be assigned a dual grade designation. In such case, the first designation shall indicate the grade based on the average fiber diameter and the second designation shall be that of the next coarser grade. All indicate merely that the fiber diameter dispersion does not meet the requirements specified for the grade corresponding to the average fiber diameter.

§ 31.101 Finer than grade 80s.

Wool top with an average fiber diameter of 18.69 microns or less and a fiber diameter dispersion that meets the following requirements:

23 microns and under—not less than 95 percent.
25.1 microns and over—not more than 5 percent.
25.1 microns and over—not more than 9 percent.
30.1 microns and over—not more than 1 percent.

§ 31.102 Grade 80s.

Wool top with an average fiber diameter of 18.10 to 19.59 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:

23 microns and under—not less than 91 percent.
25.1 microns and over—not more than 9 percent.
30.1 microns and over—not more than 1 percent.

§ 31.103 Grade 70s.

Wool top with an average fiber diameter of 19.60 to 21.69 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:

23 microns and under—not less than 83 percent.
25.1 microns and over—not more than 9 percent.
30.1 microns and over—not more than 17 percent.
30.1 microns and over—not more than 3 percent.

§ 31.104 Grade 64s.

Wool top with an average fiber diameter of 21.70 to 24.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:

30 microns and under—not less than 86 percent.
30.1 microns and over—not more than 14 percent.
40.1 microns and over—not more than 1 percent.

§ 31.105 Grade 62s.

Wool top with an average fiber diameter of 22.60 to 24.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:

30 microns and under—not less than 80 percent.
30.1 microns and over—not more than 20 percent.
40.1 microns and over—not more than 2 percent.

§ 31.107 Grade 58s.

Wool top with an average fiber diameter of 25.60 to 27.09 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:

30 microns and under—not less than 72 percent.
PROPOSED RULE MAKING

30.1 microns and over—not more than 28 percent.
30.1 microns and over—not more than 1 percent.

§ 31.108 Grade 56s.
Wool top with an average fiber diameter of 27.10 to 28.59 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
30 microns and under—not less than 62 percent.
30.1 microns and over—not more than 38 percent.
30.1 microns and over—not more than 1 percent.

§ 31.109 Grade 54s.
Wool top with an average fiber diameter of 28.59 to 30.00 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
30 microns and under—not less than 62 percent.
30.1 microns and over—not more than 38 percent.
30.1 microns and over—not more than 1 percent.

§ 31.110 Grade 50s.
Wool top with an average fiber diameter of 30.00 to 30.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
30 microns and under—not less than 75 percent.
30.1 microns and over—not more than 25 percent.
30.1 microns and over—not more than 1 percent.

§ 31.111 Grade 48s.
Wool top with an average fiber diameter of 31.00 to 31.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
40 microns and under—not less than 75 percent.
40.1 microns and over—not more than 25 percent.
40.1 microns and over—not more than 1 percent.

§ 31.112 Grade 46s.
Wool top with an average fiber diameter of 32.00 to 32.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
40 microns and under—not less than 69 percent.
40.1 microns and over—not more than 32 percent.
40.1 microns and over—not more than 1 percent.

§ 31.113 Grade 44s.
Wool top with an average fiber diameter of 33.00 to 33.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
40 microns and under—not less than 63 percent.
40.1 microns and over—not more than 32 percent.
40.1 microns and over—not more than 1 percent.

§ 31.114 Grade 40s.
Wool top with an average fiber diameter of 37.10 to 38.99 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
40 microns and under—not less than 54 percent.
40.1 microns and over—not more than 46 percent.
40.1 microns and over—not more than 3 percent.

§ 31.115 Grade 36s.
Wool top with an average fiber diameter of 39.00 to 41.29 microns, inclusive, and a fiber diameter dispersion that meets the following requirements:
40 microns and under—not less than 44 percent.
40.1 microns and over—not more than 40 percent.
40.1 microns and over—not more than 2 percent.

§ 31.116 Coarser than grade 36s.
Wool top with an average fiber diameter of 41.30 microns or over.
B. It is proposed to revise definitions of certain terms in 7 CFR 31.201, paragraphs (f), (s), (t), (u), and (v) to read as follows:

§ 31.201 Terms defined.

(f) Grade. (1) With respect to wool, this term means a numerical designation of wool fineness based on average fiber diameter and variation of fiber diameter. It does not include characteristics such as length, crimp, strength, elasticity, luster, hand, and color—all of which affect the spinability of wool and the properties of the yarn and fabric and which are usually referred to as "quality." Neither does it apply to wool by geographical origin, breed of sheep, manner of preparation for market, or a combination of characteristics which makes wool appropriate for a specific use. These characteristics are usually referred to as "type."
(2) With respect to wool top, this term means a numerical designation of wool top fineness based on average fiber diameter and fiber diameter dispersion. It does not include characteristics such as length, crimp, strength, elasticity, luster, hand, and color—all of which affect the spinability of wool and the properties of the yarn and fabric. These characteristics are usually referred to as "quality."

(v) Lot. (1) With respect to wool, this term means the entire quantity of wool or card sliver constituting the subject of consideration or test.
(2) With respect to wool top, this term means the entire quantity of wool top constituting the subject of consideration or test.

§ 31.300 General.
The official standards of the United States for grades of wool top as defined in §§ 31.100–31.116 shall be the basis for determining the grade of wool top. The provisions in §§ 31.301–31.302 prescribe two methods for making such determinations—by measurement and by inspection. Both methods for determining grade shall be official; however, if the grade as determined by inspection differs from that determined by measurement, the grade determined by measurement shall prevail.

§ 31.301 Measurement method.
The determination of the grade of wool top by measurement shall be by the method of measuring average fiber diameter and fiber diameter dispersion with the specifications of the U.S. standards. This determination shall be made in accordance with the procedure for determining average fiber diameter and fiber diameter dispersion provided in paragraph (a) of this section and the procedure for designating grade provided in paragraph (b) of this section.
(a) Procedure for determining average fiber diameter and fiber diameter dispersion—(1) Principle of procedure. The average fiber diameter and fiber diameter dispersion are determined by sectioning the fibers in a sample to a designated short length, mounting the sections of fibers on a slide, projecting the magnified image onto a scale, and measuring the diameter of a minimum number of fibers, as specified in this section.
(2) Apparatus and material. The following apparatus and material are needed and shall comply with the following provisions:
(i) Microprojector. The microscope shall be equipped with a fixed body tube, a focussing stage, a coarse and fine adjustment, and a focussable substage with condenser and iris diaphragm. It shall be vertically installed with adequate light source, eyepiece, and
objective to give a precise magnification of 500× as determined by use of a stage micrometer. A magnification of 500× can be obtained when the microscope is adjusted at a proper projection distance and equipped with a searchlight microscope projector bulb, a 10–15× eyepiece, and a 20–21× objective of good quality with an aperture of approximately 0.50 centimeter.

(ii) Stage micrometer. Calibrated glass slide used for accurate setting and control of the magnification.

(iii) Cross-sectioning device, heavy duty. An instrument approximately 5 cm. (2 inches) in height, consisting essentially of a metal plate with slot for holding a quantity of fibers, a key for compressing the fibers, and a tonguing-propelling arrangement by which the fiber bundle may be extruded for sectioning.

(iv) Microscope slides. 25×75 mm. (1”×3”).

(v) Cover glasses. No. 1 thickness, 22×50 mm. (7/8”×2”).

(vi) Mounting medium. Colorless mineral oil with index of 1.53 and 1.43 and of suitable viscosity.

(vii) Wedge scales. Strips of heavy paper or Bristol board imprinted with a wedge for use at a magnification of 500×. The slide is usually divided into 2.5 micron intervals.

(3) Calibration. The microscope shall be adjusted to give a magnification of 500× in the plane of the projected image. This may be accomplished by placing a stage micrometer on the stage of the microprojector and bringing the midcity at least 4 hours in the standard atmosphere humidity at a temperature less than 50°C. The microscope is projected onto the border of the wedge scale and lines are drawn on the scale at 0.50 mm., the equivalent of 250 microns. The fiber bundle shall be moistened with a few drops of mineral oil and the excess blotted off. The projecting fibers shall be cut off with a sharp razor blade flush with the holder plate. The fiber pieces should adhere to the razor blade.

(iv) Mounting the fibers. A few drops of mineral oil shall be placed on a clean glass slide. With a dissecting needle the fibers shall be scraped from the slot holder onto the slide. The fibers shall be thoroughly dispersed in the oil with the dissecting needle and the slide completed with a cover glass. Sufficient oil should be used in the preparation of the slides to insure thorough distribution of the fibers, but an excess must be avoided, as practically no oil should be permitted to flow out or be squeezed out beyond the borders of the cover glass. If the number of fibers is too great to permit proper distribution on the slide, or if an excess of oil has been used, a portion of the mixture, after thorough dispersion of the fibers, may be wiped away with a piece of tissue or cloth.

(v) Finished slide. The slide shall be placed on the stage of the microprojector, cover glass toward the objective. The measurement courses shall be planned across the slide so that the far, near, and intermediate areas will be reached. Slides shall be measured the day they are prepared.

(7) Measurement of fibers. The midlength portion of the fiber to be measured shall be brought into sharp focus on the projection screen, fibers lying as fine lines without borders when they are uniformly in focus. It is unusual, however, for both edges of the fiber to be in focus at the same time. If both edges of the fiber are not uniformly in focus, adjustment shall be made so that one edge of the fiber is in focus and the other shows as a bright line. The measurements of 100 fibers are recorded on one wedge by marking on the wedge scale the point where the wedge corresponds with the fiber image as determined by (1) the fine lines of both edges when they are uniformly in focus or (ii) the fine line of one edge and the inner side of the bright line at the other edge when they are not uniformly in focus. The slide shall be traversed and successive fibers measured in the planned courses, with only those fibers being measured whose midpoints come within the field—a circle 4 inches in diameter, centrally located in the projected area. Fibers shorter than 200 microns or longer than 500 microns and those having distorted images shall be excluded from measurement. The marks on the wedge indicating the diameter of fiber measured shall then be transferred from the measured wedge to the section discarded.

Anonymous

An example of the calculations is set forth below, based on an arbitrary selection of a class interval midpoint of 6.25 microns:

\[ X = \frac{A + m \cdot E}{n} \]

where

- \( A \) = class interval mid-point
- \( m \cdot E \) = class interval
- \( n \) = number of measurements
- \( X \) = average diameter
- \( E \) = deviation in class intervals form \( A \)

The distribution of fiber diameter and fiber diameter dispersion.

(8) Nature of test. One test shall consist of the measurement by two operators of the same four slivers (test specimens) of top. The measurements of both operators shall be combined for calculation of average fiber diameter and fiber diameter dispersion.
(1) Single grade designation. If the measured average diameter and fiber diameter dispersion correspond to a single grade, that shall be the grade assigned to the sample.

Example: Average fiber diameter—32.10 microns.

Fiber diameter dispersion:
- 30 microns and under—64 percent.
- 30.1 microns and over—55 percent.

Grade designation—50s.

(2) Dual grade designation. If the fiber diameter dispersion does not meet the requirements for the grade to which the average fiber diameter corresponds, the wool top shall be assigned a dual grade designation, the second designation being one grade coarser than the grade to which the average fiber diameter corresponds.

Example: Average fiber diameter—28.10 microns.

Fiber diameter dispersion:
- 30 microns and under—61 percent.
- 30.1 microns and over—51 percent.

Grade designation—56s—54s.

(c) Measurement schedule for designating grades of wool top.

§ 31.302 Inspection method.

The grade of wool top also may be determined by inspection. This usually will be facilitated by comparing the fibers in the sample of wool top to be graded with fibers in the wool top samples certified by the U.S. Department of Agriculture as representative of the official sample.

When using the certified samples to determine the grade of wool top, the grade assigned shall be that of the certified sample which most nearly matches the wool top being graded.

Any person who desires to submit written data, views, or arguments concerning the proposals set forth above may do so by filing them with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, within 60 days after the date of publication of this notice in the Federal Register.

All written submissions made pursuant to this notice will be made available for public inspection at times and places to be designated by the Deputy Administrator, Marketing Services.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

[FR Doc. 67-10092; Filed, Aug. 28, 1967; 8:45 a.m.]
DEPARTMENT OF DEFENSE

Department of the Air Force

ORGANIZATION STATEMENT

Sec. 1. General.
2. Office of the Secretary of the Air Force,
3. Air Staff,
4. Field organization.

Section 1. General—(a) Creation and authority. The Department of the Air Force was established as part of the National Military Establishment by the National Security Act of 1947 (61 Stat. 516), and by the terms of that act came into legal being on September 18, 1947. The National Security Act Amendments of 1949 (63 Stat. 370) redesignated the National Military Establishment as the Department of Defense, established it as an executive department, and made the Department of the Air Force a military department within the Department of Defense. The Department of the Air Force is separately organized under the Secretary of the Air Force. It operates under the authority, direction, and control of the Secretary of Defense (10 U.S.C. 8010). The organization of the Department is prescribed by sections 8011-8079 of Title 10, United States Code.

(b) Mission. The mission of the Department of the Air Force is to provide an Air Force that is capable, in conjunction with the other armed forces, of preserving the peace and security of the United States, providing for its defense, supporting the national policies, implementing the national objectives, and overcoming any nation responsible for aggressive acts that imperil the peace and security of the United States. In general, the Air Force includes aviation forces, both combat and service, not otherwise assigned. It is organized, trained, and equipped primarily for prompt and sustained offensive and defensive aerospace operations. It is responsible for the preparation of the aerospace forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated joint mobilization plans, for the expansion of the peacetime components of the Air Force to meet the needs of war.

Sec. 2. Office of the Secretary of the Air Force—(a) Secretary of the Air Force. The Secretary of the Air Force is responsible for and has the authority necessary to conduct all affairs of the Department of the Air Force, including those necessary or appropriate for the training, operations, administration, logistics, support and maintenance, welfare, preparedness, and effectiveness of the Air Force, including research and development, and such other activities as may be prescribed by the President or the Secretary of Defense, as authorized by law. He conducts the business of the Department in such manner as the President or Secretary of Defense may prescribe. In the absence of the Secretary, the Assistant Secretary of the Air Force acts with full authority of the Secretary; in the absence of the Secretary and Under Secretary, the Assistant Secretaries in the order fixed by their length of service as such perform the duties of the Secretary.

(b) Under Secretary of the Air Force. The Under Secretary of the Air Force, as principal assistant to the Secretary, acts with full authority of the Secretary on all affairs of the Department. He is responsible for the overall direction, guidance, and supervision of the affairs of the Department, and operates, plans, policies, and programs. He supervises the activities of the reserve components of the Air Force pursuant to 10 U.S.C. 264(b), and is a member of the Reserve Forces Policy Board. He is responsible for the direction, guidance, and supervision of the international activities of the Department.

(c) Assistant Secretary of the Air Force (Research and Development). The Assistant Secretary of the Air Force (Research and Development) is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and programs relative to: Scientific and technical matters; basic and applied research, exploratory development and advanced technology; integration of technology with, and determination of, qualitative Air Force requirements; research, development, test, and evaluation of weapons, weapons systems, and defense materials and Development of systems engineering and integration; and directing all space programs and supervising space activities of the Air Force.

(d) Assistant Secretary of the Air Force (Installations and Logistics). The Assistant Secretary of the Air Force (Installations and Logistics) is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and programs relative to: Production and contract management of weapons systems, industrial defense programs; industrial resources and readiness; procurement activities, including required determinations and findings, contracting, and administration and termination of contracts; contractors equal employment opportunities; renegotiation affairs, contract appeals, and related activities; Contract Adjustment Board matters; small business; Canadian Production and Development Program; supply management, including requirements determinations, storage, distribution, and disposal of all material; equipment maintenance and modification management; International Logistics Program; materiel and logistics planning and programming; cost reduction program, installations planning and programming; acquisition and disposal of real estate; construction of bases and facilities; family housing; maintenance of real property; civil aviation, including the Department of Defense Advisory Committee on Federal Aviation; and the Interagency Group on International Aviation; transportation, communications, and other service activities; and economic utilization policy.

(e) Assistant Secretary of the Air Force (Financial Management). The Assistant Secretary of the Air Force (Financial Management) is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and programs relative to: The Air Force programming processes and the preparation and validation of all program documentation, including Program Changes; budgeting, fund management, cost analysis and cost control; accounting and accounting systems; finance, including disbursement and collection of funds; development and application of management information and control systems, progress and statistical reporting, special program status reports, and interpretation of such management data; auditing; contracts for Management Engineering Services, contract financing; and Automatic Data Processing policy and programs and is the Air Force Senior ADP policy official. The Assistant Secretary of the Air Force (Financial Management) is responsible for directing and supervising the Controller of the Air Force. While the Controller is directly responsible to the Chief of Staff, the Assistant Secretary of the Air Force (Financial Management), he has a concurrent responsibility to the Chief of Staff.

(f) Deputy Under Secretary of the Air Force (Manpower). The Deputy Under Secretary of the Air Force (Manpower) is responsible for direction, guidance, and supervision over all matters pertaining to the formulation, review, and execution of plans, policies, and programs relative to: Manpower and organization; military and civilian personnel, including procurement, assignment, training, promotion, career development, pay and benefits, utilization, separation, medical care, and all factors affecting morale and well-being; Antidiscrimination Program, including Equal Employment Opportunities Program; Reserve components, Air National Guard and Air Force Reserve Officers' Training Corps; Civil Air Patrol; management principles, including the Management Improvement Program; contracts for personal services and training; travel and per diem allowances; Air Force Board for Correction of Military Records; and Secretary of the Air Force Personal Council and its component
boards, including the Air Force Discharge Review Board, the Air Force Board of Review, the Air Force Personnel Board, the Air Force Disability Review Board, the Air Force Physical Disability Advisory Board, the Air Force Decaptions Board, and the Air Force Decorations Board.

(g) Administrative Assistant. The Administrative Assistant is responsible for the management and administration of the Office of the Secretary, including advisory services on departmental management and administrative matters; assures administrative continuity in the Office of the Secretary during changes in top officials; performs various functions and special projects involving matters in the department as directed by the Secretary.

(h) General Counsel. The General Counsel is the final legal authority on all matters arising within or referred to the Department of the Air Force, except those relating to the administration of military justice and such other matters as may be assigned to the Judge Advocate General. The General Counsel furnishes all necessary legal advice and assistance to the Secretary, the Under Secretary, and the Air Force Council of the Air Force, and is also responsible for providing legal advice and assistance to the Air Staff on matters relating to procurement; research and development; real property acquisition and disposal; construction of military public works; family housing programs; fiscal matters; civil aviation; and personnel security programs. The General Counsel represents the Secretary of the Air Force in dealing with other departments and agencies of the Government on all matters relating to the negotiation of international agreements affecting the Air Force.

(i) Director, Office of Legislative Liaison. The Director of Legislative Liaison advises and assists the Secretary and all other principal civilian and military officials of the Government on all matters relating to departmental legislative affairs and congressional relations, except appropriation matters. He is responsible for assessing, identifying, and supervising the Air Force legislative program, including the preparation of reports, testimony, and related statements on legislation; processing replies to congressional committee investigatory inquiries, including the preparation of testimony for hearings; processing replies to inquiries from members of Congress, the Executive Office of the President, and the Office of the Vice President; supervising travel arrangements for congressional travel designated an official responsibility of the Air Force; informing members of Congress and committees of Congress of Air Force activities; and the release of classified information to the Congress.

(j) Director, Office of Information. The Director of Information, under the direction of the Secretary of the Air Force and the general supervision of the Under Secretary, and consistent with policies established by the Office of the Secretary of Defense, is assigned the authority and responsibility to discharge the duties and functions prescribed herein. This authority extends to relationships and transactions with all elements of the Department of the Air Force and other governmental and nongovernmental organizations and individuals. The Director advises and assists the Secretary and the Under Secretary, and all other principal civilian and military officials of the Department of the Air Force concerning information activities. He is responsible for (a) the operations of the United States Air Force Information Program; (b) planning, directing, and supervising internal and external information activities; (c) developing and supervising the Air Force system for maintaining effective Air Force-community relations; (d) maintaining liaison with counterpart information offices of the Office, Secretary of Defense, Army, Navy, and other governmental and industrial organizations.

Scc. 3. Air Staff—(a) Chief of Staff. The Chief of Staff, U.S. Air Force, serves as a member of the Joint Chiefs of Staff and the Armed Forces Policy Council. In this dual capacity he is one of the principal military advisers to the President, the National Security Council, and the Secretary of Defense. He advises and assists the Secretary and the Executive to the Secretary of the Air Force on activities of the Air Force. He presides over the Air Staff, and supervises such members and organizations of the Air Force as the Secretary of the Air Force determines, consistent with full operational command assigned to Commanders of specified and unified combatant commands. He is responsible for transmitting to the Secretary the plans and recommendations of the Air Staff, for advising him with regard thereto, and, after their approval by the Secretary, for acting as his agent in carrying them out. The Chief of Staff is directly responsible to the Secretary of the Air Force for the efficiency of the Air Force and preparation of its forces for military operations. He supervises the administration of Air Force personnel assigned to unified organizations and unified and specified combatant commands, assigning such personnel to these organizations and commands as directed upon the Air Force by the Secretary of Defense. He supervises the following activities, for which responsibility has been assigned to the Air Force by the Secretary of Defense: The carrying out of any supply or service activity common to more than one military department; the development and operational use of new weapons and weapon systems; and the performance of such functions as may be transferred from other departments and agencies to the Department of Defense. He performs such other duties as are assigned by the President.

(b) Vice Chief of Staff. The Vice Chief of Staff assists the Chief of Staff in the exercise of all his responsibilities. Under delegation of the responsibilities of the Chief of Staff, he supervises the U.S. Air Force consistent with policy guidance and statutory limitations. In the absence or disability of the Chief of Staff, and in the event of a vacancy in that office, he exercises the authority and performs the duties of the Chief of Staff. He serves as Chairman of the Air Force Council.

(c) Assistant Vice Chief of Staff. The Assistant Vice Chief of Staff assists the Chief of Staff and the Vice Chief of Staff in the discharge of their duties. He assists in the development, implementation, and review of plans, programs, and policies, and in the overall direction of the USAF and exercises general supervision over the organization and administration of the Air Staff.

(d) Secretary of the Air Staff. The Secretary of the Air Staff is responsible to the Assistant Vice Chief of Staff for internal administration and management of the Air Staff. He approves management programs for efficient utilization of Air Staff resources.

(e) USAF Scientific Advisory Board. The USAF Scientific Advisory Board advises and assists the Chief of Staff on all scientific matters of interest to the Air Force mission. The Board reviews research and technological developments for possible future application, reviews and evaluates the Air Force long-range plans for research and development, and provides advice on the accuracy of such plans.

(f) Chief Scientist. The Chief Scientist serves as chief scientific adviser to the Secretary of the Air Force and the Chief of Staff, USAF, on matters relating to Air Force designated and functional studies, and he provides focus and direction to the worldwide Air Force Operations Analysis Program. The Operations Analysis Office makes scientific studies of the problems of air warfare in order to provide bases for command and management decisions. It uses the latest methods of mathematical analysis, research to study and evaluate weapons and tactics, strategy, logistics, and other subjects related to the Air Force mission.

(g) Chief Operations Analysis. The Chief of Operations Analysis serves as a scientific adviser to the Secretary of the Air Force and the Chief of Staff, USAF, on matters relating to Air Force designated and functional studies, and he provides focus and direction to the worldwide Air Force Operations Analysis Program. The Operations Analysis Office makes scientific studies of the problems of air warfare in order to provide bases for command and management decisions. It uses the latest methods of mathematical analysis, research to study and evaluate weapons and tactics, strategy, logistics, and other subjects related to the Air Force mission.

(h) Surgeon General. The Surgeon General, U.S. Air Force, advises the Secretary of the Air Force and the Chief of Staff on all matters pertaining to the health of Air Force personnel, administers all medical services of the U.S. Air Force, develops the Air Force medical program, and advises the Deputy Assistant Secretary of Defense (Health and Medical) on USAF medical matters.

(i) The Inspector General. The Inspector General, under the direction of the Secretary of the Air Force, has authority and responsibility to conduct investigations within the Department of the Air Force, including matters relating to its internal administration and management programs for efficient utilization of Air Staff resources.
safety policies, programs, and procedures; and establishes effective Air Force facilities for inspection, security, investigation, law enforcement, and safety.

(i) The Judge Advocate General. The Judge Advocate General, U.S. Air Force, acts as legal adviser to the Chief of Staff and exercises supervision over all aspects of the administration of military justice and civil law matters pertaining to the Air Force. He is responsible for the establishment and operation of the legal system of the Air Force. He has charge of military courts, military justice, and integration of effort toward optimum operational capability of all weapon and support systems.

(ii) Assistant Chief of Staff, Reserve Forces. The Assistant Chief of Staff, Reserve Forces, assists and advises the Secretary of the Air Force and the Chief of Staff on matters relating to Reserve components. He monitors the overall planning and implementation of programs for Reserve Forces, and provides liaison with nongovernmental organizations that have a primary interest in Reserve Forces.

(m) Assistant Chief of Staff, Studies and Analysis. The Assistant Chief of Staff, Studies and Analysis, formulates the plans and programs for the Air Force Design Studies Program for approval by the Chief of Staff, U.S. Air Force, and conducts or assists in conducting all studies so approved. Designated studies are important, high priority, sponsored by either the Secretary of Defense or the Air Force. Generally, they deal with strategic offensive and defensive, general purpose and airlift force composition, the Joint Staff, and overall strategy. This includes the development and directing plans, programs, policies, and procedures for the Air Force in the field of logistical support. This involves systems and support equipment development, organizational requirements determination, procurement, supply and services, production, industrial planning, maintenance engineering, and transportation.

This also includes responsibility for the execution of the Air Force portion of the foreign military assistance program, Air Force small business affairs, and technical programs security.

Sec. 4. Field organization. There are 16 major commands and 4 separate operating agencies which together represent the field organization of the U.S. Air Force. These commands are organized on a functional basis within the United States and on an area basis overseas. The commands are given the responsibility for accomplishing certain phases of the worldwide activities of the Air Force. They are responsible for organizing, administering, equipping, and training their subordinate elements for the accomplishment of assigned roles and missions.


(b) Air Force Logistics Command. The Air Force Logistics Command provides worldwide logistics support to the Air Force. This includes procurement, storage, and distribution of supplies, and the performance of or arrangement for the performance of depot level maintenance on material.

(c) Air Force Systems Command. The responsibility of the Air Force Systems Command is to advance aerospace technology, adapt it into operational aerospace systems, and acquire qualitatively improved equipment and arms and material needed to accomplish the U.S. Air Force mission.

(d) Air Training Command. The Air Training Command provides individual training for Air Force officers and airmen. This includes: basic training and indoctrination for all Air Force recruits; flying training; and technical field, special, and other training as directed. It is also charged with the recruiting function for the USAF.

(e) Air University. The Air University is primarily concerned with the higher education of Air Force officers. It is responsible for the supervision and operation of such activities as the War College, the Command and Staff College, the Institute of Technology, the Extension Course Institute, and the Air Force ROTC.

(f) Continental Air Command. The Continental Air Command has command and administrative responsibility for certain Air Force Reserve units and personnel and miscellaneous administrative functions within the CONUS that includes liaison
NOTICES

with the Selective Service System; administration of the Civil Air Patrol; providing representation on State boards; liaison with Air Explorer officials; providing representation on Regional Civil Defense Coordinating Board; coordination with Continental Army Headquarters on Regional Civil Defense; providing representation on Board of Directors of Grant County; liaison with Air Force districts concerning domestic and civil defense emergency plans.

(g) Headquarters Command, USAF. The Headquarters Command provides administrative and logistical support to the Secretary of Defense, USAF, and for those Air Force units stationed within the Washington, D.C., area on a permanent or temporary duty basis that are not capable of providing self-support. This includes the USAF Band; air attaché and air mission units and other special mission personnel located in the CONUS and overseas.

(h) Military Airlift Command. The Military Airlift Command provides air transportation for personnel and cargo for all the military forces on a worldwide basis. In addition, MAC furnishes weather, rescue, and photographic and charting services for the Air Force.

(i) Strategic Air Command. The Strategic Air Command is the major command of the U.S. Air Force and a Joint Chiefs of Staff specified command. Its primary mission is to organize, train, equip, administer, and prepare strategic Air Forces for combat, including bombardment, missile, special mission, and strategic reconnaissance units; and to conduct strategic air operations.

(j) Tactical Air Command. The Tactical Air Command is a major command of the U.S. Air Force and is the Air Force component (Air Force Strike Command) in the U.S. Strike Command. Its mission is to organize, train, and equip forces to participate in tactical air operations which includes tactical fighter, tactical air reconnaissance, special air warfare, tactical airlift, combat air support, and logistical air support to the Army; and joint amphibious and airborne operations in coordination with the other services in accordance with doctrine established by the Joint Chiefs of Staff. Participates with the Army, Navy, and Marine Corps in developing doctrine, procedures, tactics, techniques, training, and equipment for joint operations. Provides combat ready air elements to Strike Command.


(l) Air Force Communications Service. The Air Force Communications Service provides base and point-to-point communications, flight facilities, and air traffic control services primarily to the Air Force but also other agencies, governmental and civil, national and foreign.

(m) Overseas Commands. The U.S. Air Forces in Europe, Pacific Air Forces, Alaskan Air Command, and U.S. Air Forces Southern Command constitute the overseas commands of the USAF. They provide the air elements for the unified force to which they are assigned and assist Air Forces of other countries.

(n) Separate operating agencies. (1) The Air Force Accounting and Finance Center provides technical supervision, advice, and guidance to Air Force accounting and finance field activities and a centralized Air Force accounting and finance operation.

(2) The Aeronautical Chart and Information Center provides the Air Force with aeronautical charts, air target materials, flight information, publications and documents, terrain models, maps, intelligence on air facilities, and related cartographic support.

(3) The Office of Aerospace Research conducts and supports research relevant to the U.S. Air Force interests.

(4) The Air Force Academy provides a 4-year educational curriculum for cadets that includes a baccalaureate level education in airmanship, related sciences, and the humanities. Besides a classical education, each cadet is trained to appreciate the role of airpower, its capabilities and limitations, high ideals of individual-integrity, patriotism, loyalty, honor, physical fitness, sense of responsibility, and a dedication of selfless and honorable service.

(6) U.S.C. 301, 552; 10 U.S.C. 8012

By order of the Secretary of the Air Force,

LUCIAN M. FERGUSON,

[F.R. Doc. 67-10082; Filed, Aug. 28, 1967; 8:45 a.m.]
Department of the Navy

ORGANIZATION STATEMENT

Miscellaneous Amendments

1. Section 4 of the Organization Statement of the Department of the Navy (32 F.R. 8305) is amended by revising paragraph (a) (7) to read as follows:

Sec. 4. The Chief of Naval Operations. * * *

(d) Office of the Chief of Naval Operations.

(7) Assistant Chief of Naval Operations (Intelligence) (ACNO (Intell)) serves as the principal staff advisor to the Secretary of the Navy and the Chief of Naval Operations on Intelligence and security and as the representative of the Department of the Navy to the Joint Chiefs of Staff Intelligence support; supports the responsibilities of the Chief of Naval Operations to develop, coordinate, and promulgate policies, plans and programs for Intelligence and security activities of the Department of the Navy; and assists and advises in the Department of the Navy in matters of protocol and liaison with foreign officials.

2. The Organization Statement of the Department of the Navy (32 F.R. 8366) is amended by inserting a new section to read as follows:

Sec. 6a. Naval Intelligence Command—(a) Commander Naval Intelligence Command. The Commander, Naval Intelligence Command (COMNAVCENTCOM), under the Chief of Naval Operations (CNO) commands all activities of the Naval Intelligence Command. He is responsible to CNO for directing and managing the activities of the Naval Intelligence Command in order to ensure the fulfillment of the intelligence, counterintelligence, investigative, and security requirements, and responsibilities of the Department of the Navy.

(b) Organization. The Naval Intelligence Command Includes the Headquarters Naval Intelligence Command and five subordinate field activities. These are the Naval Investigative Service/Naval Investigative Service Headquarters (NISHQ), the Naval Scientific and Technical Intelligence Center (STICO), the Naval Reconnaissance and Technical Support Center (NRTSC), the Navy Field Operational Intelligence Office (FOI), and the Naval Intelligence Processing Systems Support Activity (NIPSSA). Under COMNAVCENTCOM, the commanding officers/officers in charge of the foregoing activities are responsible for intelligence production and support in their assigned functional areas and for the proper utilization and effectiveness of their assigned resources.

[Secs. 301, 552, 80 Stat. 379, 383 (Public Law 89-23, 81 Stat. 54, effective July 1, 1967); 5 U.S.C. 301, 552]


By direction of the Secretary of the Navy.

WILFRED HEARN,
Rear Admiral, U.S. Navy, Judge Advocate General.

[F.R. Doc. 67-10083; Filed, Aug. 28, 1967; 8:45 a.m.]
No protests or objections were received following publication of a Notice of Proposed Classification (32 F.R. 8817). Therefore no changes have been made in the list of lands included in the classification. The lands affected by this classification are in Moffat County, Colo., and are described as follows:

6TH PRINCIPAL MERIDIAN, COLORADO
T. 11 N., R. 95 W.,
Sec. 17, lots 29 and 30;
Sec. 19, lots 3 and 4;
Sec. 20, lots 2, 3, 8 to 16, inclusive, and lots 18 to 28, inclusive;
Sec. 21, lots 7, 9, 11, 13, and lots 17 to 24, inclusive;
Sec. 22, lots 1 to 13, inclusive, and S 1/2;
Sec. 29, lots 1 to 25, inclusive;
Sec. 30, lots 1, 2, 6, 7, 10, and 11, and lots 14 to 29, inclusive;
Sec. 33, all.
T. 11 N., R. 96 W.,
Sec. 25, lots 5 and 6;
Sec. 26, lots 1, 2, 14, 15, 16, and 25.
The areas described aggregate 4,105.03 acres.

For a period of 30 days, interested parties may submit comments to the Secretary of the Interior, LLM '721, Washington, D.C. 20240, (32 F.R. 24112(d)).

J. Eliot Hall,
Acting State Director.

[F.R. Doc. 67-10118; Filed, Aug. 28, 1967; 8:48 a.m.]

Office of the Secretary
THEODORE W. NELSON
StateMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10649 of November 28, 1955, the following changes have taken place in my financial interests during the past 8 months:

(1) Purchased 200 shares Mobil Oil Corp. stock.
(2) Purchased two $5,000 tax-free municipal bonds—Greater New Orleans Expressway.
(3) Purchased 350 shares Mobil Oil Corp. stock.
(4) None.

This statement is made as of August 15, 1967.

J. K. Kink,
Associate Commissioner for Compliance.

[F.R. Doc. 67-10118; Filed, Aug. 28, 1967; 8:48 a.m.]

FINISHED PRODUCTS

Adjustment in Maximum Level of Imports Into Puerto Rico

Pursuant to paragraph (a) of section 2 of Proclamation 3279, as amended (30 F.R. 15449), for the period January 1, 1967, through December 31, 1967, the maximum level of imports of finished products other than residual fuel oil to be used as fuel as adjusted on December 28, 1966 (32 F.R. 153) is increased by 120,000 barrels to permit the importation as asphalt in that amount to meet a demand in Puerto Rico which would not otherwise be met.

STEWART L. UDALL,
Secretary of the Interior.
August 22, 1967.

[F.R. Doc. 67-10055; Filed, Aug. 28, 1967; 8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration
Monsanto Co.

Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (Sec. 409(b) (5), 72 Stat. 1702; 21 U.S.C. 348(b) (5)), notice is given that a petition (FAP 73186) has been filed by Monsanto Co., Hydrocarbons and Polymers Division, 730 W. Inglewood Avenue, Los Angeles, Calif., proposing an amendment to §121.5507; Acrylic polymer modifiers in semirigid and rigid polyvinyl chloride plastics to provide for the safe use of polymeric combinations of methyl methacrylate, butadiene, and styrene as modifiers at levels up to 45 weight-percent in semirigid and rigid polyvinyl chloride plastic food-contact articles. As proposed, such polymeric combinations of methyl methacrylate, butadiene, and styrene may contain more than 50 weight-percent of polymer units derived from butadiene and styrene.


J. K. Kink,
Associate Commissioner for Compliance.

[F.R. Doc. 67-10118; Filed, Aug. 28, 1967; 8:48 a.m.]

DEPARTMENT OF TRANSPORTATION

Coast Guard
[CGFR 67-42]

EQUIPMENT, INSTALLATIONS, OR MATERIALS

Approval and Termination of Approval Notice

1. Various items of lifesaving, fire-fighting, and miscellaneous equipment, installations, and materials used on vessels subject to Coast Guard inspection or on certain motorboats and other pleasure craft are required by various laws and regulations in 46 CFR Chapter I to be of types approved by the Commandant, U.S. Coast Guard. The purpose of this document is to notify all concerned that certain approvals were granted or terminated, as described in this document during the period from January 26, 1967, to May 11, 1967 (List Nos. 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, and 21-67). These actions were taken in accordance with the procedures set forth in 46 CFR 2.75–1 to 2.75–50, inclusive. For certain types of equipment, specifications, and materials, specifications have been prescribed by the Commandant and are published in 46 CFR Parts 120 to 134, inclusive (Subchapter Q—Specifications).

2. The statutory authorities for granting approvals of equipment and the delegation of authority to the Commandant, U.S. Coast Guard, are set forth with the specific specifications governing the item and are set forth in 46 CFR Parts 120 to 134, inclusive (Subchapter Q—Specifications). The general authorities regarding approvals are set forth in sections 667, 756, 790, 816, 431, 489, 526p, and 1333 in Title 46, United States Code, section 1333 in Title 43, United States Code and section 195 in Title 50, United States Code. While the implementing regulations requiring such equipment are in 46 CFR Chapter I or 33 CFR Chapter 1, the delegations of authority for the Commandant, U.S. Coast Guard, to take appropriate actions with respect to approvals are set forth in section 632 of Title 14, United States Code, and subsection 1.4(a), Department of Transportation Order 109.1, dated March 31, 1967 (49 CFR 1.4(a) (2), 32 F.R. 5596).

3. In Part I of this document are listed all the approvals which shall be in effect for a period of 5 years from the dates issued unless sooner canceled or suspended by proper authority.

4. In Part II of this document are listed all the approvals which have been terminated. Notwithstanding this termination of approvals of the items as listed in Part II, such equipment may be used so long as it is in good and serviceable condition.

PART I—APPROVALS OF EQUIPMENT, INSTALLATIONS, OR MATERIALS

LIFE PREServers, KAPOK, ADULT AND CHILD (JACKET TYPE) MODELS 3 AND 5

Note: Approved for use on all vessels and motorboats.


NOTICES

BUOYS, LIFE, RING, CORK OR Balsa WOOD LIFEBOATS

Approval No. 160.005/32/0, 30-inch cork ring life buoy, U.S.C.G. Specification Subpart 160.005, manufactured by Tapatio, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 1, 1967. (Formerly Marine Pad & Textile Co.) (It supersedes Approval No. 160.005/32/0 dated April 23, 1964, to show change in name of manufacturer.)

BUOYANT APPARATUS

Approval No. 160.010/59/1, 4.17' x 3.0' (8'6" x 8" body section) rectangular buoyant apparatus, fibrous glass reinforced neoprene latex shell with unicellular plastic foam core, 7-person capacity, identified as a replacement in kind for general arrangement drawing No. G-1812 (Formerly Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J., 07727, effective April 7, 1967. (It reinstates and supersedes Approval No. 160.015/12/3 dated Jan. 9, 1967.)

Approval No. 160.043/13/4, 18.0' x 5.7' x 3.5' steel, oar-propelled lifeboat, 12-person capacity identified by construction and arrangement drawing No. A-16-I, Type E, dated March 23, 1967, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective March 27, 1967. (It reinstates and supersedes Approval No. 160.055/12/3 dated March 27, 1967.)

Approval No. 160.043/178/6, 16.0' x 5.5' x 2'3" steel, oar-propelled lifeboat, 9-person capacity, identified by construction and arrangement drawing No. A-16-I, Type E, dated March 23, 1967, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective June 6, 1967, to show change in capacity and weight.

Approval No. 160.043/280/3, 26.0' x 9.0' x 3'3" aluminum, oar-propelled lifeboat, 53-person capacity, identified by construction and arrangement drawing No. G-1812, Type E, dated April 23, 1964, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective March 27, 1967. (It supersedes Approval No. 160.055/302/0 dated March 27, 1962, to show change in construction.)

Approval No. 160.043/284/3, 16.0' x 5.5' x 2'3" aluminum, oar-propelled lifeboat, 9-person capacity, identified by construction and arrangement drawing No. 16-3, Rev. F, dated March 29, 1967, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective April 7, 1967. (It supersedes Approval No. 160.055/302/0 dated March 27, 1962, to show change in construction.)

Approval No. 160.043/284/1, 30.0' x 10.0' x 4'3" aluminum, hand-propelled lifeboat, 78-person capacity, identified by general arrangement drawing No. 30-4, Rev. D, dated February 28, 1967, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective March 31, 1967. (It supersedes Approval No. 160.035/421/0 dated Dec. 1, 1961.)

Approval No. 160.045/559/0, 28.0' x 9.8' x 4'12" steel, hand-propelled lifeboat, 66-person capacity, identified by construction and arrangement drawing No. 28-003-01, Rev. A, dated April 10, 1967, manufactured by Lane Lifeboat & Davit Corp., 150 Sullivan Street, Brooklyn, N.Y. 11231, effective April 27, 1967.

WATER, EMERGENCY DRINKING (IN HERMETICALLY SEALED CONTAINERS)


DAVITS

Approval No. 160.035/12/3, mechanical davit, steel straight boom/sheath screw, Type D-40-40, MICH; approved for a maximum working load of 12,000 pounds per set (6,000 pounds per arm), identified by general arrangement dwg. No. 5011-14, alteration E dated April 13, 1967, and drawing No. GA-5011-2D dated April 14, 1967, manufactured by Marine Safety Equipment Corp., Foot of Paynter's Road, Farmingdale, N.J. 07727, effective May 11, 1967. (It supersedes Approval No. 160.032/142/2 dated Dec. 7, 1962, to show change in design.)

Approval No. 160.094/175/0, gravity davit, Type CG-220-5G approved for a maximum working load of 22,000 pounds per set (11,000 pounds per arm) using 3-part falls; identified by general arrangement dwg. No. DA-9150, A dated December 6, 1966, and dwg. list, dated March 10, 1967, manufactured by Carroll Engineering Co., 313 State Street, Box 711, Perth Amboy, N.J. 08862, effective April 7, 1967. (It supersedes Approval No. 160.035/421/0 dated Dec. 1, 1961.)

Approval No. 160.045/559/0, 28.0' x 9.8' x 4'12" steel, hand-propelled lifeboat, 66-person capacity, identified by general arrangement and construction drawing No. 28-003-01, Rev. A, dated April 10, 1967, manufactured by Lane Lifeboat & Davit Corp., 150 Sullivan Street, Brooklyn, N.Y. 11231, effective April 27, 1967.
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12495
manufactured by Atlantic-Pacific Manufacturing Corp., 124 Atlantic Avenue, Brooklyn, N.Y. 11201, for Herter's, Inc., Waseca, Minn. 56093, effective May 9, 1967. (It reinstates Approval No. 160.049/1-9/0 dated Aug. 22, 1961, terminated Aug. 21, 1966.)


BUOYANT CUSHIONS, KAPOK OR FIBROUS GLASS
Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.048/3/0, group approval for rectangular and trapezoidal kapok buoyant cushions, U.S.C.G. Specification Subpart 160.049, sizes and weights of kapok filling to be as per Table 160.049-4(c) (1), manufactured by Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co. (Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.) It supersedes Approval No. 160.049/2/0 dated July 15, 1965, to show change in name of manufacturer.

Approval No. 160.048/4/0, group approval for rectangular and trapezoidal fiberglass glass buoyant cushions, U.S.C.G. Specification Subpart 160.049, sizes and weights of fiberglass filling to be as per Table 160.049-4(c) (1) (1), manufactured by Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co. (It supersedes Approval No. 160.049/4/0 dated Aug. 30, 1966, to show change in name of manufacturer.)

Approval No. 160.048/5/0, special approval for 16/12'' x 10/12'' x 2'' rectangular ribbed-type kapok buoyant cushions, 21-oz. kapok, dwg. No. C-21, dated September 15, 1965, and Bill of Materials dated December 1, 1959, manufactured by Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co.) (It supersedes Approval No. 160.048/5/0 dated Jan. 14, 1966, to show change in name of manufacturer.)

Approval No. 160.048/206/0, group approval for rectangular and trapezoidal kapok buoyant cushions, U.S.C.G. Specification Subpart 160.049, sizes and weights of kapok filling to be as per Table 160.049-4(c) (1) (1), manufactured by Atlantic-Pacific Manufacturing Corp., 124 Atlantic Avenue, Brooklyn, N.Y. 11201, for Herter's, Inc., Waseca, Minn. 56093, effective May 9, 1967. (It reinstates Approval No. 160.048/206/0 dated Aug. 22, 1961, terminated Aug. 22, 1966.)

BUOYANT CUSHIONS, UNICELLULAR PLASTIC FOAM
Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.049/2/0, group approval for rectangular and trapezoidal unicellular plastic foam buoyant cushions U.S.C.G. Specification Subpart 160.049, sizes to be as per Table 160.049-4(c) (1), manufactured by Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co. (Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.) It supersedes Approval No. 160.049/2/0 dated July 15, 1965, to show change in name of manufacturer.

BUOYANT VESTS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD
Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.


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Approval No. 160.052/180/1, Type II, Model 242, adult, unincellular plastic foam buoyant vest, Jones & Yandell dwg. JV-W No. 3, dated October 1, 1962, manufactured by Jones & Yandell Division, American Tent Co., Post Office Box 270, Canton, Miss. 30945, for Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co.) (It supersedes Approval No. 160.052/180/1 dated July 19, 1966, to show change in name of manufacturer.)

Approval No. 160.052/181/1, Type II, Model 242, adult, unincellular plastic foam buoyant vest, Jones & Yandell dwg. JV-W No. 3, dated September 29, 1962, manufactured by Jones & Yandell Division, American Tent Co., Post Office Box 270, Canton, Miss. 30945, for Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co.) (It supersedes Approval No. 160.052/181/1 dated July 19, 1966, to show change in name of manufacturer.)

Approval No. 160.052/182/1, Type II, Model 242, adult, unincellulsr plastic foam buoyant vest, dwg. JV-S No. 3, dated September 29, 1962, manufactured by Jones & Yandell Division, American Tent Co., Post Office Box 270, Canton, Miss. 30945, for Tapatco, Inc., Post Office Box 49, Fairfield, Calif. 94533, effective April 7, 1967. (Formerly The American Pad & Textile Co.) (It supersedes Approval No. 160.052/182/1 dated July 19, 1966, to show change in name of manufacturer.)


Approval No. 160.052/347/0, Type II, Model LVVC-100, child small, molded vinyl-dipped unincellular plastic foam buoyant vest, dwg. No. 5652-BA, Revision 2, dated March 22, 1967, manufactured by Carbon Rubber Products Co., 1 New Haven Avenue, Derby, Conn. 06418, effective April 21, 1967.

Approval No. 160.052/349/0, Type II, Model LVCA-300, adult, molded vinyl-dipped unincellular plastic foam buoyant vest, dwg. No. 5581-2, Revision 2, dated March 22, 1967, manufactured by Carbon Rubber Products Co., 1 New Haven Avenue, Derby, Conn. 06418, effective April 21, 1967.

WORK VESTS, UNINCELLULAR PLASTIC FOAM


LIFE PRESERVERS, UNINCELLULAR PLASTIC FOAM, ADULT AND CHILD


BOAT VESTS, UNINCELLULAR POLYETHYLENE FOAM, ADULT AND CHILD

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.


PROTECTING COVER FOR LIFEBOATS

Approval No. 160.065/6/0, "Roberts' Anti-Exposure Cover" Type I, protecting cover for the occupants of all types of lifeboats, inflatable and rigid hulls, glass reinforced plastic (FPR) lifeboats, for lengths of 16' to 37' lifeboats, identified by general arrangement dwg. No. A-13325, Sheet 1 of 2, dated July 8, 1966, manufactured by A. L. Robertson, Inc., 235 South Kossen Street, Baltimore, Md. 21224, effective March 20, 1967. (Modifications to the cover and supports may be necessary with smaller some motor-propelled lifeboats equipped with vertical (dry) exhaust lines, radio cabinets, and antenna masts.)
SAFETY VALVES (STEAM HEATING BOILERS)

App. No. 161.012/2/0, Figure 629, pop safety valve, bronze body, for steam heating boilers and unfired steam generators, Dwg. No. SK-122753, dated January 25, 1962, approved for a maximum pressure of 30 p.s.i. in the following sizes:

<table>
<thead>
<tr>
<th>Size (inches)</th>
<th>Capacity (pounds/hour)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A4 15 p.s.i.</td>
<td>188</td>
</tr>
<tr>
<td>A4 29 p.s.i.</td>
<td>329</td>
</tr>
</tbody>
</table>

Manufactured by the Lukesheimer Co., Post Office Box 360, Annex Station, Cincinnati, Ohio 45214, effective May 3, 1967. (It is an extension of Approvals No. 162.012/6/0, dated July 17, 1962.)

FLAME ARRESTERS FOR TANK VESSELS

App. No. 162.016/8/0, Figure 50A, Varec flame arrester, semisteel body, aluminum multiple plate bank, vertical type, flanged connections, fitted with extensible banks and removable cover plate, Dwg. No. C-746, Alt. A, dated January 24, 1947, approved for 2½", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2280 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/12/0 dated July 31, 1962.)

App. No. 162.016/13/0, Figure 50AN, Varec flame arrester, semisteel and aluminum body, aluminum multiple plate bank, vertical type, square flange connections, fitted with extensible banks and removable cover plate, Dwg. No. C-746, Alt. A, dated January 24, 1947, approved for 2½", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2280 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It Is an extension of Approval No. 162.016/12/0 dated July 31, 1962.)

App. No. 162.016/14/0, Figure 50B, Varec flame arrester, aluminum body, aluminum multiple plate bank, vertical type, female threaded connections, fitted with extensible banks and removable cover plate, Dwg. No. C-746, Alt. A, dated January 24, 1947, approved for 2½", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2280 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/14/0 dated July 31, 1962.)

App. No. 162.016/15/0, Figure 50C, Varec flame arrester, aluminum body, aluminum multiple plate bank, vertical type, flanged connections, fitted with extensible banks and removable cover plate, Dwg. No. C-746, Alt. A, dated January 24, 1947, approved for 2½", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2280 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/15/0 dated July 31, 1962.)
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liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2820 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/25/0 dated July 31, 1962.)

Approval No. 162.016/26/0, Figure No. 55A, Varec flame arrester, semisheeted body, aluminum multiple plate bank, horizontal type, fitted with extensible banks and removable cover plate, Dwg. No. C-749, Alt. A, dated January 24, 1947, approved for 2 1/2", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2820 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/27/0 dated July 31, 1962.)

Approval No. 162.016/28/0, Figure No. 55SD, Varec flame arrester, semisheeted body, aluminum multiple plate bank, horizontal type, flanged connections, fitted with extensible banks and removable cover plate, Dwg. No. C-749, Alt. A, dated January 24, 1947, approved for 2 1/2", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2820 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/22/0 dated July 31, 1962.)

Approval No. 162.016/29/0, Figure No. 55C, Varec flame arrester, semisheeted body, aluminum multiple plate bank, horizontal type, flanged connections, fitted with extensible banks and removable cover plate, Dwg. No. C-749, Alt. A, dated January 24, 1947, approved for 2 1/2", 3", 4", 6", 8", 10", and 12" pipe sizes, for use with inflammable or combustible liquids of Grade A or lower, manufactured by Varec, Inc., Post Office Box 4429, 2820 North Alameda Street, Compton, Calif. 90222, effective April 28, 1967. (It is an extension of Approval No. 162.016/28/0 dated July 31, 1962.)

SAFETY RELIEF VALVES, LIQUEFIED COM-PRESSED GAS

Approval No. 162.016/32/0, Johnston Bros. Catalog No. 286-26, light oil fired (fuel no heavier than std. No. 2, gravity 30-48 API at 60° F.), boiler horsepower 25 max., shell dia. 40 inches, steam output 860 lbs./hr., maximum allowable pressure 50 p.s.i., manufactured by Johnston Bros., Inc., Pottsville, Pa. 17901, effective August 14, 1967. (Orifice size "R").

BOILERS, AUXILIARY, AUTOMATICALLY CON-TROLLED, PACKAGED


BACKFIRE FLAME CONTROL, GASOLINE EN-GINES; FLAME ARRESTERS, FOR MERCHANT VESSELS AND MOTORBOATS

Approval No. 162.041/07/0, Barbor Model No. 400-19, backfire flame arrester for marine engines, dwg. No. A-582, dated March 20, 1967, manufactured by Barbor Corp., 14680 Avenue D, Detroit, Mich. 48227, effective March 20,
1967. (Identical with 162.041/2/0 except for base mounting flange.)

Approval No. 162.041/08/0, Bendix Model B175-42, backfire flame arrester, manufactured by Bendix Corp., Zenith Carburetor Division, 689 Hart Avenue, Detroit, Michigan, effective April 3, 1967. (Alternate materials list includes: Flange 0.040 SAE 3003H414 aluminum alloy; elements 0.010 SAE 3003H14; 5/16 SAE 6061 aluminum rivets; 0.040 SAE 3003 E14 aluminum cover plates; modification of previously tested design.)

Approval No. 162.041/99/0, Onan Model 145E393, backfire flame arrester for gasoline engines, with the following major components:

Resonator, Flame Arrester Tube, Disc Assembly, Spacer - Resonator Adapter.

Manufactured by Onan Division, Studebaker Corp., 3515 University Avenue SE, Minneapolis, Minn. 55414, effective April 18, 1967. (Minor modification to Model 145E354, Certificate of Approval 162.041/16/0 to fit carburetor.)

Approval No. 162.041/100/0, Onan Model 145E386, backfire flame arrester for gasoline engines, with the following major components:

Resonator, Flame Arrester Tube, Disc Assembly, Spacer - Resonator Adapter.

Manufactured by Onan Division, Studebaker Corp., 3515 University Avenue SE, Minneapolis, Minn. 55414, effective April 18, 1967. (Minor modification to Model 145E354, Certificate of Approval 162.041/16/0 to fit Walbro carburetor.)

**DECK COVERINGS**

Approval No. 164.006/2/0, SELBALITH magentsite deck covering identical to that described in National Bureau of Standards Test Report No. TG-3612-1215: FR-1778, dated July 2, 1940, approved for use without other insulating material as meeting Class A-60 requirements in a 1%-inch thickness, manufactured by Selby, Battersby & Company, 1260 N. 14th St., Roselle Park, N.J. 07204, effective May 5, 1967. (It is an extension of Approval No. 164.006/23/0 dated July 31, 1962.)

Approval No. 164.006/9/0, RAECOLITH magentsite deck covering identical to that described in National Bureau of Standards Test Report No. TP-367-76: FR-1865, dated August 9, 1941, approved for use without other insulating material as meeting Class A-60 requirements in a 1%-inch thickness, manufactured by Raco childbirth Co., 6522 Corson Avenue, Seattle, Wash. 98108, effective May 2, 1967. (It is an extension of Approval No. 164.006/9/0 dated July 31, 1962.)

Approval No. 164.006/15/0, MOULSTONE magentsite deck covering identical to that described in National Bureau of Standards Test Report No. TP-367-85: FR-1857, dated April 14, 1942, approved for use without other insulating material as meeting Class A-60 requirements in a 1%-inch thickness, manufactured by Thos. Moulding Floor Co., Inc., 2519 West Peterson, Chicago, Ill. 60645, effective April 28, 1967. (It is an extension of Approval No. 164.006/15/0 dated July 31, 1962, and change of address of manufacturer.)

Approval No. 164.006/23/0, DEK-O-TEX MAGNABOND No. 1 composite mastic and magentsite type deck covering identical to that described in National Bureau of Standards Test Report No. TG-3610-2235: FR-2235, dated April 1, 1944, for use without other insulating material as meeting Class A-15 requirements in the thickness of DEK-O-TEX Subkote No. 1 underlay one-half inch, plus magentsite overlay three-eighths inch, manufactured by Crossfield Products Corp., 140 Valley Road, Roselle Park, N.J. 07204, effective May 5, 1967. (It is an extension of Approval No. 164.006/23/0 dated July 31, 1962.)

**STRUCTURAL INSULATIONS**

Approval No. 164.007/1/0, "48" C. G. Felt, mineral wool type structural insulation identical to that described in National Bureau of Standards Test Report No. TG-3610-1372: FR-2235 dated April 1, 1944, for use without other insulating material to meet Class A-60 requirements in thickness and densities as follows:

- 3 inches at 8 pounds per cubic foot density.
- 4 inches at 6 pounds per cubic foot density.

Manufactured by Forty-Eight Insulations, Inc., Aurora, Ill. 60505, effective April 25, 1967. (It is an extension of Approval No. 164.007/1/0 dated July 31, 1962.)

Approval No. 164.007/6/0, "BX Spintex," mineral wool type structural insulation identical to that described in National Bureau of Standards Test Report No. TG-3619-36: FR-1404, dated May 17, 1939, for use without other insulating material to meet Class A-60 requirements in thickness and densities as follows:

- 4 inches at 11 pounds per cubic foot density.
- 6 inches at 8 pounds per cubic foot density.

Manufactured by Forty-Eight Insulations, Inc., Aurora, Ill. 60505, effective April 25, 1967. (It is an extension of Approval No. 164.007/1/0 dated July 31, 1962.)

Approval No. 164.007/9/0, "BX Spintex," mineral wool type structural insulation identical to that described in National Bureau of Standards Test Report No. TG-3619-36: FR-1404, dated May 17, 1939, for use without other insulating material to meet Class A-60 requirements in thickness and densities as follows:

- 4 inches at 11 pounds per cubic foot density.
- 6 inches at 8 pounds per cubic foot density.

Manufactured by Forty-Eight Insulations, Inc., Aurora, Ill. 60505, effective April 25, 1967. (It is an extension of Approval No. 164.007/1/0 dated July 31, 1962.)

**INCINERABLE MATERIALS**

Approval No. 164.009/7/0, gold bond A-O board, asbestos cement bond board type incinerrable material identical to that described in National Gypsum Co. letter, dated June 4, 1943, manufactured by National Gypsum Co., 22 East 40th Street, New York, N.Y. 10016, effective May 2, 1967. (It is an extension of Approval No. 164.009/7/0 dated July 31, 1962.)

Approval No. 164.009/7/0, "J-M Friel Marine BX Spintex Duct Insulation," aluminum faced mineral wool type incinerrable material identical to that described in National Bureau of Standards Test Report No. TG-3610-2235: FR-2235 dated April 1, 1944, for use without other insulating material to meet Class A-60 requirements in thickness and densities as follows:

- 3.25 inches at 6 pounds per cubic foot density.
- 4 inches at 4 pounds per cubic foot density.

Approved for installation in a 3-inch thickness and 6 pounds per cubic foot density, manufactured by Johns-Manville Sales Corp., 22 East 40th Street, New York, N.Y. 10016, effective April 13, 1967. (It supersedes Approval No. 164.009/7/0 dated Mar. 9, 1967 to show correction in density range.)

Approval No. 164.009/9/0, "Incinerrable Marine Board Type I," acrylic finished fiberglass glass cloth faced fiberglass type incinerrable material identical to that described in National Bureau of Standards Test Report No. TG-3610-2235: FR-2235 dated April 1, 1944, for use without other insulating material to meet Class A-60 requirements as a 3-inch thickness and 16 pounds per cubic foot density, manufactured by Johns-Manville Sales Corp., 22 East 40th Street, New York, N.Y. 10016, effective April 13, 1967. (Plant: Richmond, Ind.)

Approval No. 164.009/7/0, "J-M 202AA," mineral wool type structural insulation identical to that described in National Bureau of Standards Test Report No. TG-3610-2235: FR-2235 dated April 1, 1944, for use without other insulating material to meet Class A-60 requirements as a 3-inch thickness and 16 pounds per cubic foot density, manufactured by Johns-Manville Sales Corp., 22 East 40th Street, New York, N.Y. 10016, effective April 13, 1967. (Plant: Richmond, Ind.)

Approved for installation in a 3-inch thickness and 16 pounds per cubic foot density, manufactured by Johns-Manville Sales Corp., 22 East 40th Street, New York, N.Y. 10016, effective April 13, 1967. (It supersedes Approval No. 164.009/7/0 dated Mar. 9, 1967 to show correction in density range.)

Approval No. 164.009/9/0, "Incinerrable Marine Board Type I," acrylic finished fiberglass glass cloth faced fiberglass type incinerrable material identical to that described in National Bureau of Standards Test Report No. TG-3611-2144: FR-3681, dated April 3, 1967, and Owens-Corning Fiberglas Corp. letter, dated May 10, 1959, approved for use without other insulating material to meet Class A-60 requirements as a 3-inch thickness and 16 pounds per cubic foot density, manufactured by Owens-Corning Fiberglas Corp., Toledo, Ohio 43601, effective April 20, 1967.

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**BUOYANT VESTS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture certain plastic foam buoyant vests and therefore Approval Nos. 160.047/577/0, 160.047/578/0, and 160.047/579/0 are terminated, effective April 5, 1967.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/692/0, 160.047/593/0, and 160.047/594/0 are terminated, effective April 5, 1967.

**BUOYANT CUSHIONS, KAPOK OR FIBROUS GLASS, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture a particular kapok buoyant cushion and therefore Approval Nos. 160.048/100/0 are terminated, effective April 5, 1967.

The Trigg Manufacturing Corp., Post Office Box 360, Cadiz, Ky., no longer manufacture a particular kapok buoyant cushion and therefore Approval No. 160.048/236/0 is terminated, effective April 5, 1967.

The Herter's, Inc., Waseca, Minn. 56093, no longer manufacture certain kapok life preservers and therefore Approval Nos. 160.009/1/0, 160.009/2/0, 160.009/3/0, and 160.009/5/0 are terminated, effective April 25, 1967.

**SEA ANCHORS, LIFEBOAT**

The American Pad & Textile Co., 511 North Solomon Street, New Orleans 19, La., no longer manufacture certain life buoys and therefore Approval Nos. 160.009/1/0, 160.009/2/0, 160.009/3/0, 160.009/4/0, and 160.009/5/0 are terminated, effective April 25, 1967.

**LIFEBOATS**

The American Pad & Textile Co., 511 North Solomon Street, New Orleans 19, La., no longer manufacture a particular sea anchor and therefore Approval No. 160.019/4/0 is terminated, effective April 25, 1967.

**LIFEBOATS**

The American Pad & Textile Co., 511 North Solomon Street, New Orleans 19, La., no longer manufacture certain life buoys and therefore Approval Nos. 160.009/1/0, 160.009/2/0, 160.009/3/0, 160.009/4/0, and 160.009/5/0 are terminated, effective April 25, 1967.

**LIFEBOATS**

The Trigg Manufacturing Corp., Post Office Box 360, Cadiz, Ky., no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/336/0, 160.047/337/0, and 160.047/338/0 are terminated, effective April 5, 1967.

**BUOYANT VESTS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/577/0, 160.047/578/0, and 160.047/579/0 are terminated, effective April 5, 1967.

The Herter's, Inc., Waseca, Minn. 56093, no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/692/0, 160.047/593/0, and 160.047/594/0 are terminated, effective April 5, 1967.

**BUOYANT CUSHIONS, KAPOK OR FIBROUS GLASS, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture a particular kapok buoyant cushion and therefore Approval Nos. 160.048/100/0 is terminated, effective April 5, 1967.

The Trigg Manufacturing Corp., Post Office Box 360, Cadiz, Ky., no longer manufacture a particular kapok buoyant cushion and therefore Approval No. 160.048/236/0 is terminated, effective April 5, 1967.

The Herter's, Inc., Waseca, Minn. 56093, no longer manufacture certain kapok life preservers and therefore Approval Nos. 160.009/1/0, 160.009/2/0, 160.009/3/0, and 160.009/5/0 are terminated, effective April 25, 1967.

**SEA ANCHORS, LIFEBOAT**

The American Pad & Textile Co., 511 North Solomon Street, New Orleans 19, La., no longer manufacture a particular sea anchor and therefore Approval No. 160.019/4/0 is terminated, effective April 25, 1967.

**LIFEBOATS**

The American Pad & Textile Co., 511 North Solomon Street, New Orleans 19, La., no longer manufacture certain life buoys and therefore Approval Nos. 160.009/1/0, 160.009/2/0, 160.009/3/0, 160.009/4/0, and 160.009/5/0 are terminated, effective April 25, 1967.

**LIFEBOATS**

The Frank Morrison & Son Co., 1330 West 11th Street, Cleveland, Ohio, Approval Nos. 160.035/121/2 and 160.035/126/2 for certain lifeboats have expired and are terminated, effective April 10, 1967.

The C. C. Galbraith & Son, Inc., 99 Park Place, New York 7, N.Y., Approval No. 160.035/295/0 for a particular lifeboat has expired and is terminated, effective January 30, 1967.

**BUOYANT VESTS, KAPOK OR FIBROUS GLASS, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Burlington Mills, Inc., Burlington, Wis., and Post Office Box 360, Cadiz, Ky., no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/336/0, 160.047/337/0, and 160.047/338/0 are terminated, effective April 5, 1967.

The Trigg Manufacturing Corp., Post Office Box 360, Cadiz, Ky., no longer manufacture certain kapok buoyant vests and therefore Approval Nos. 160.047/692/0, 160.047/593/0, and 160.047/594/0 are terminated, effective April 5, 1967.

**BUOYANT CUSHIONS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD**

Note: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

The Canvas Specialty Manufacturing Co., 7344 East Bandini Boulevard, Los Angeles 22, Calif., Approval No. 160.049/45/0 for a particular unicellular plastic foam buoyant cushion has expired and is terminated, effective April 16, 1967.

The Burlington Mills, Inc., Burlington, Wis., no longer manufacture a particular unicellular plastic foam buoyant cushion and therefore Approval No. 160.049/48/0 is terminated, effective April 5, 1967.
164.008/48.0 for certain asbestos cement board type bulkhead panels have expired and are terminated, effective February 26, 1967.

Dated: August 18, 1967.

P. E. TAMMILE,
Vice Admiral U. S. Coast Guard
Acting Commandant.

[F.R. Doc. 67-10151; Filed, Aug. 28, 1967; 8:48 a.m.]

Federal Highway Administration

[Docket No. 20]

REGROOVED TIRES

Notice of Extension of Time To File Comments

On August 10, 1967, there was published in the Federal Register (32 F.R. 11579) a notice (1) giving the opportunity to present views, information, and data as to why the Secretary of Transportation should not seek an injunction to restrain the introduction into interstate commerce of any tire or motor vehicle equipped with any tire that has been regrooved; and (2) giving the opportunity to supply information and data which would form the basis for a request to the Secretary to permit the sale of regrooved tires pursuant to section 204(a) of the National Traffic and Motor Vehicle Safety Act of 1966.

Upon consideration of various requests to extend the time to file comments beyond August 31, 1967, the time to file such comments is hereby extended 30 days to close of business October 2, 1967.

Issued in Washington, D.C., on August 23, 1967.

LOWELL E. BRIDWELL,
Federal Highway Administrator.

[F.R. Doc. 67-10207; Filed, Aug. 28, 1967; 8:48 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN THE REPUBLIC OF CHINA

Entry or Withdrawal From Warehouse for Consumption


On April 22, 1966, the Government of the United States, 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, 1965, pursuant to the bilateral cotton textile agreement of October 29, 1963, as amended on April 22, 1966, between the Governments of the United States and the Republic of China, and in accordance with the procedures outlined in Executive Order 11214 of September 29, 1962, as amended by Executive Order 11214 of April 7, 1965, you are directed, effective as soon as possible and for the period extending through September 30, 1967, to prohibit entry into the United States for consumption and withdrawal from warehouse for consumption of any cotton textiles and cotton textile products from the Republic of China to the United States for the specified 12-month period beginning October 1, 1965, and extending through September 30, 1967.

Entries into the United States for consumption and withdrawals from warehouse for consumption of cotton textiles and cotton textile products in Categories 34, 45, and 62, produced or manufactured in the Republic of China and exported to the United States on or after October 1, 1966, have exceeded the amounts provided for in the agreement.

Accordingly, there is published below a letter of August 22, 1967, from the Chairman of the President's Cabinet Textile Advisory Committee giving the opportunity to supply information and data which would form the basis for a request to the Secretary to permit the sale of regrooved tires pursuant to section 204(a) of the National Traffic and Motor Vehicle Safety Act of 1966.

The directive is temporary in nature, and the entry of these Categories from the Republic of China is expected to be further amended, or the replacement of the bilateral agreement now in force between the Governments of the United States and the Republic of China will be prohibited.

It is ordered, Pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period August 24, 1967, through September 2, 1967.

By the Commission.

[SEAL]

Orval L. DuBois,
Secretary.

[F.R. Doc. 67-10037; Filed, Aug. 28, 1967; 8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

CODITRON CORP.

Order Suspending Trading


It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, $3 par value, of Coditron Corp., New York, N.Y., otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities other than on a national securities exchange be summarily suspended, this order to be effective for the period August 24, 1967, through September 2, 1967.

By the Commission.

[SEAL]

Orval L. DuBois,
Secretary.

[F.R. Doc. 67-10037; Filed, Aug. 28, 1967; 8:46 a.m.]

SUBSCRIPTION TELEVISION, INC.

Order Suspending Trading


It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, $1 par value of Subscription Television, Inc., New York, N.Y., being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities other than on a national securities exchange be summarily suspended, this
order to be effective for the period August 24, 1967, through September 2, 1967, both dates inclusive.

By the Commission.

Orval L. DuBois, Secretary.

[F.R. Doc. 67-10009; Filed, Aug. 29, 1967; 8:46 a.m.]

NOTICES

VERMONT YANKEE NUCLEAR POWER CORP.

Order Directing the Filing of Documents and Briefs, and Oral Argument


An amended application has been filed in this proceeding by Vermont Yankee Nuclear Power Corp. ("Vermont Yankee"), Rutland, Vt., and seven of its 10 sponsor-companies (collectively referred to as "Applicant-companies"), under sections 6(b) and 10 of the Public Utility Holding Company Act of 1935 ("Act"), regarding the initial financing by Vermont Yankee of its proposed nuclear-powered electric generating plant through the issue of 100,000 shares of common stock, $100 par value per share, to its 10 sponsor-companies, in specified percentages, and by agreement, upon completion of the nuclear generating facilities each of the sponsors will purchase a like percentage of the total capacity and output of these generating facilities.

The ten sponsor companies are electric-utility companies operating in the New England area, five of which are subsidiary companies of registered holding companies.

The proposed initial issue of 100,000 shares by Vermont Yankee is subject to section 6(b) of the Act; and the proposed acquisitions of the Vermont Yankee common stock by the seven sponsor companies require Commission approval under section 10 of the Act. The acquisitions by the other three sponsor companies are not subject to the Act.

The notice of filing was issued on February 1, 1967 (Holding Company Act Release No. 15652), affording all interested persons not later than March 1, 1967, an opportunity to participate and to request a hearing on the application. On February 20, 1967, an opportunity to participate and to request a hearing on the application in the Applicants' behalf or its members, the city of Chicopee, Mass., and the Chicopee Municipal Lighting Plant, the town of Shrewsbury, Mass., and the Shrewsbury Electric Light Plant, and the town of Wakefield, Mass., and the Wakefield Municipal Light Department (collectively referred to as the "Applicant-intervenors") filed a "Notice of Appearance, Application for Intervention, and Request for Hearing." In response thereto, the Applicant com-panies, on February 27, 1967, filed a "Motion To Strike Appearances, Applications for Intervention and Request for Hearing," with a brief in support thereof.

The Applicant-interveners subsequently filed, on July 10, 1967, a "Motion To Extend Time for Answering Brief" (to the motion to strike) and an answering brief therewith. Thereafter, on July 24, 1967, the Applicant companies filed motions pursuant to Rules 2(d) and 7 of the Commission's rules of practice to require counsel to file in this proceeding powers of attorney, and certain other documents and statements relative to the status and interest of the Applicant-interveners in this proceeding and the conditions they propose to have included in any order of the Commission approving the transactions involved herein.

The Commission deems it appropriate that, in the interest of orderly procedure, the application for intervention and request for hearing and the opposition thereto be considered on briefs and oral argument. For that purpose it is necessary that the record in this proceeding be supplemented in some particular respects, as indicated hereinafter.

It is ordered, therefore, that Applicant-interveners or their counsel, as the case may be, file in this proceeding on or before September 5, 1967, each of the following:

(a) Written powers of attorney authorizing counsel to appear in this proceeding on behalf of Applicant-interveners and any other Massachusetts municipalities;

(b) The constitution and bylaws of the Association and any other documents deemed relevant to the Association's interest in this proceeding;

(c) A statement on behalf of each of the cities of Chicopee, Wakefield, and Shrewsbury and their respective electric utility departments indicating their authorization, by resolution or otherwise, to intervene for the purposes set forth in their application for intervention and request for hearing;

(d) A statement identifying which, if any, electric utility companies, including the Applicant companies, provide electric service to customers within the municipal service areas of any of the Applicant-interveners.

It is further ordered, that on or before September 5, 1967, the Applicant-interveners shall file a brief in this proceeding in support of their application for intervention and request for hearing and for the relief sought herein. Such brief shall also, among other things, address itself to each of the following:

(a) The applicability to the transactions proposed herein of any specific provisions of the Federal Power Act, the Atomic Energy Act of 1954, and the Federal antitrust laws, and the Commission's jurisdiction to consider and apply such provisions in a proceeding under the Holding Company Act of 1935;

(b) The grounds, either in law or in fact, upon which the Applicant-interveners claim that the proposed initial acquisitions of the stock of Vermont Yankee do not satisfy section 10(c) (2) of the Act. In this connection Applicant-interveners may submit a separate statement specifying any issues of fact they desire to controvert, as required by the notice of filing in this proceeding;

(c) The grounds, either in law or in fact, upon which the Applicant-interveners claim that the proposed initial acquisitions of the stock of Vermont Yankee cannot be approved by reason of section 10(b) (1) of the Act. In this connection Applicant-interveners may submit a separate statement specifying any issues of fact they desire to controvert, as required by the notice of filing in this proceeding.

Applicant companies shall file on or before September 12, 1967, a brief in response and such amendments to the amended application on file as they deem appropriate in the light of the documents and statements filed by the Applicant-interveners.

It is further ordered, that all documents, statements, and briefs shall be submitted and filed and served in accordance with Rules 22 and 23 of the Commission's rules of practice.

It is further ordered, that oral arguments in this case be heard within 10 days after the aforesaid documents, statements, and briefs are filed. The Secretary of the Commission will advise the parties of the time and place of oral argument.

It is further ordered, that jurisdiction be, and it hereby is, reserved to separate, either for hearing, in whole or in part, or for disposition, in whole or in part, any of the issues or questions which may arise in this proceeding, and to take such other action as may appear necessary or appropriate to the orderly disposition of the issues involved.

It is further ordered, that the Secretary of the Commission shall mail a copy of this order by registered mail to counsel for the Applicant companies and for the Applicant-interveners, the Ver- mont Public Service Board, the Massachusetts Department of Public Utilities, the Federal Power Commission, and the Atomic Energy Commission.

By the Commission.

Orval L. DuBois, Secretary.

[F.R. Doc. 67-10009; Filed, Aug. 29, 1967; 8:46 a.m.]
Order Accepting Contract Amendments, Providing for Hearings on and Suspension of Proposed Changes in Rates, Permitting Withdrawal of Rate Supplements and Terminating Proceeding

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute Increased rates and charges, are designated as follows:

Does not consolidate for hearing or dispose of the several matters herein.

<table>
<thead>
<tr>
<th>Docket No.</th>
<th>Respondent</th>
<th>Rate schedule No.</th>
<th>Schedule No.</th>
<th>Purchaser and producing area</th>
<th>Amount of annual increase</th>
<th>Date filed tendered</th>
<th>Effective rate unless suspended</th>
<th>Date suspended until</th>
<th>Rate in effect</th>
<th>Proposed increased rate</th>
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<tr>
<td>R168-62</td>
<td>Walter F. Exum (Operator) et al., 230 Union Center Bldg., Wichita, Kan., 67202.</td>
<td>45</td>
<td>2</td>
<td>Potash Natural Gas Co. (Huntington Field, Stevens County, Kans.)</td>
<td>4,411</td>
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<td>2-1-63</td>
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<td>$13.05</td>
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<td>R168-65</td>
<td>Texas Inc., Post Office Box 1822, Houston, Tex., 77001.</td>
<td>9</td>
<td>22</td>
<td>Northern Natural Gas Co. (West Panhandle Field, Tulsa County, Okla.) (Oklahoma &quot;other&quot; Area).</td>
<td>63</td>
<td>7-25-67</td>
<td>2-25-67</td>
<td>1-21-63</td>
<td>$12.45</td>
<td>$13.05</td>
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<td>R168-69</td>
<td>Shell Oil Co., 50 West 50th St., New York, N.Y. 10020.</td>
<td>167</td>
<td>24</td>
<td>Northern Natural Gas Co. (Southwest Camp Creek Field, Beaver County, Okla.) (Panhandle Area).</td>
<td>5,735</td>
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<td>R168-71</td>
<td>Kneeland Oil Co., First National Bank Bldg., Oklahoma City, Okla., 73102.</td>
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<td>3</td>
<td>Northern Natural Gas Co. (Northwest Dweer Field, Beaver County, Okla.) (Panhandle Area).</td>
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<td>R168-72</td>
<td>Mobil Oil Corp., et al., 93 Rockefeller Plaza, New York, N.Y. 10020.</td>
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<td>Colorado Interstate Gas Co. (Elyria Field, Cimarron County, Okla.) (Panhandle Area).</td>
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<td>Northern Natural Gas Co. (Buffalo Field, Harper County, Okla.) (Panhandle Area).</td>
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See footnotes at end of table.
### Docket No. 32-167

<table>
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<th>Docket No.</th>
<th>Respondent</th>
<th>Rate schedule No.</th>
<th>Supple-</th>
<th>Purchaser and producing area</th>
<th>Amount of rate increase</th>
<th>Date first tendered</th>
<th>Effective date of rate increase</th>
<th>Date suspended until</th>
<th>Rate in effect</th>
<th>Proposed increased rate</th>
<th>Rate in effect subject to refund in docket No.</th>
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<td>Panhandle Eastern Pipe Line Co. (Northwest Area), Field, Wood County, Okla., Panhandle Eastern Pipe Line Co. (Southwest Area), Field, Wood County, Okla., Panhandle Eastern Pipe Line Co. (West Texas Area), Field, Wood County, Okla.</td>
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<td>Mobil Oil Co., Post Office Bldg., Houston, Tex.</td>
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<td>12</td>
<td>Colorado Interstate Gas Co. (Larimer Field, Denver, Colo.), Panhandle Eastern Pipe Line Co. (Southwest Area), Field, Wood County, Okla., Panhandle Eastern Pipe Line Co. (West Texas Area), Field, Wood County, Okla.</td>
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<td>Laverne Field, Harper Co., Okla.</td>
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<td>9-1-67</td>
<td>2-1-68</td>
<td>19.15</td>
<td>19.10</td>
<td>18.10</td>
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</table>

*Note: The table above includes the rates proposed for the increase in 1967.*

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**Walter F. Kuhn (Operator) et al., request a retroactive effective date of January 1, 1967, for their proposed rate increase. Texaco, Inc. (Texaco), requests that its proposed rate increase be permitted to become effective as of July 1, 1967. Mobil Oil Corp. et al., and Mobil Oil Corp. request an effective date of August 20, 1967, for Supplement Nos. 6 and 3 to their FCC Gas Rate Schedule Nos. 140 and 401, respectively. Midura Oil Corp. (Operator) et al., request that their proposed rate increase be permitted to become effective as of July 24, 1967. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.**

Gulf Oil Corp. (Gulf) proposes a two-step periodic increase in rate from 15.0 cents to 17.0 cents, plus upward B.t.u. adjustment, under its FCC Gas Rate Schedule Nos. 140 and 401, respectively, Midura Oil Corp. (Operator) et al., request that their proposed rate increase be permitted to become effective as of July 24, 1967. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.**
On June 5, 1967, Gulf filed periodic increases from 15.0 cents to 15.6 cents, plus B.t.u. adjustment. Such filings were designated as Supplement Nos. 7 and 29 to Gulf’s FPC Gas Rate Schedule Nos. 96 and 98, respectively. Supplement Nos. 164 and 163, respectively, were accepted for filing by the Commission’s order issued June 30, 1967, in Docket No. RI67–460, until December 5, 1967, and thereafter until made effective in the manner provided by the Natural Gas Act and no monies have been collected by Gulf to become effective on August 7, 1967.

(G) Since the suspended 16.0-cent rate, plus B.t.u. adjustment, contained in Supplement Nos. 7 and 29 to Gulf’s FPC Gas Rate Schedule Nos. 96 and 98, respectively, has not been made effective pursuant to section 4(e) of the Natural Gas Act and no monies have been collected by Gulf to become effective on August 7, 1967, the suspended 16.0-cent rate, plus B.t.u. adjustment, contained in Supplement Nos. 7 and 29 to Gulf’s FPC Gas Rate Schedule Nos. 96 and 98, respectively, has not been made effective pursuant to section 4(e) of the Natural Gas Act and no monies have been collected by Gulf to become effective on August 7, 1967.

The Commission finds:

(1) Good cause has been shown for accepting for filing Shell Oil Co. and Shell Oil Co. (Operator) et al., contract amendments, designated as Supplement No. 4 to Shell Oil Co.’s FPC Rate Schedule No. 163, and Supplement Nos. 11 and 8 to Shell Oil Co. (Operator) et al., FPC Rate Schedule Nos. 163 and 164, respectively, and for permitting such supplements to become effective on August 27, 1967, the proposed effective date.

(2) Good cause has been shown for accepting for filing Shell Oil Co. and Shell Oil Co. (Operator) et al., contract amendments, designated as Supplement No. 4 to Shell Oil Co.’s FPC Rate Schedule No. 163, and Supplement Nos. 11 and 8 to Shell Oil Co. (Operator) et al., FPC Rate Schedule Nos. 163 and 164, respectively, and for permitting such supplements to become effective on August 27, 1967, the proposed effective date.

(3) Except for the supplements set forth in paragraph (2) above, it is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the proposed changes, and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Supplement Nos. 7 and 20 to Gulf’s FPC Gas Rate Schedule Nos. 96 and 98, respectively, are permitted to be withdrawn and the suspension proceeding in Docket No. RI67–460 is terminated.

(B) Shell Oil Co. and Shell Oil Co. (Operator) et al., contract amendments, designated as Supplement No. 4 to Shell Oil Co.’s FPC Gas Rate Schedule No. 167, and Supplement Nos. 11 and 8 to Shell Oil Co. (Operator) et al., FPC Gas Rate Schedule Nos. 163 and 164, respectively, are accepted for filing and permitted to become effective on August 7, 1967.

(C) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission’s rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. 1), public hearings shall be held upon dates to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in the above-designated supplements (except the supplements set forth in (B) above).

(D) Pending hearings and decisions thereon, the above-designated rate supplements are hereby suspended and the use thereof deferred until the date indicated in the above “Date Suspended Until” column, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(E) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(F) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR Ch. 1 and 18 CFR 15.10) and the regulations under the Natural Gas Act (157.10) on or before September 18, 1967.

Take 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 in Washington, D.C., on or before October 15, 1967.

FEDERAL REGISTER, VOL. 32, NO. 167—TUESDAY, AUGUST 29, 1967
NOTICES

HUMBLE GAS TRANSMISSION CO.
Notice of Application

August 22, 1967.
Take notice that on August 11, 1967, Humble Gas Transmission Co. (Applicant), 1700 Commerce Building, New Orleans, La., filed in Docket No. CP68-46 an application pursuant to subsection (c) of section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and the sale of natural gas for resale in interstate commerce, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate the following natural gas facilities:

1. Two measuring stations, for the receipt of natural gas to be purchased by Applicant from producers in the Hatch Bend Field located north of Richland Area, Richland Parish, La.; and

2. A sales measuring station south of Natches, Miss., on its Fowler-Baton Rouge Pipeline System.

Applicant also seeks authorization to sell and deliver to Mississippi Valley Gas Co. (Valle) volumes of natural gas for resale and distribution in the Beau Pre Road Area, Miss. Applicant states that it proposes to deliver Valley's natural gas through the sales measuring station proposed in (2) above. Applicant further states that Valley estimates its maximum daily and annual natural gas requirements at 50 Mcf and 5,000 Mcf, respectively.

Applicant estimates the total cost of the proposed facilities at approximately $5,734 said cost to be financed from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before September 14, 1967.

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 protest or petition to intervene is filed within the time required herein, if the Commission on its own motion believes that a formal hearing is required, or if the Commission on its own motion believes that a formal hearing is not required.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 67-10088; Filed, Aug. 28, 1967; 8:45 a.m.]

NOTICES

HUMBLE GAS TRANSMISSION CO.
Notice of Application

August 22, 1967.
Take notice that on August 14, 1967, Humble Gas Transmission Co. (Applicant), 1700 Commerce Building, New Orleans, La., filed in Docket No. CP68-48 an application pursuant to subsection (b) of section 7 of the Natural Gas Act for permission and approval to abandon certain natural gas service, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission and approval to abandon service to Texas Gas Transmission Corp. (Texas) and Southern Natural Gas Co. (Southern) from its Mountain Lab Gas Field. Applicant states that no sales have been made from this field since October 1965, and therefore wishes to abandon said sales. Applicant also proposes to cancel Schedule P-2 covering the sales to Texas and Rate Schedule P-3 covering the sales to Southern.

Applicant states that it has a net investment in the facilities involved in the above-mentioned sales of $895,18.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before September 18, 1967.

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 protest or petition to intervene is filed within the time required herein, if the Commission on its own motion believes that a formal hearing is required, or if the Commission on its own motion believes that a formal hearing is not required.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 67-10088; Filed, Aug. 28, 1967; 8:45 a.m.]

NOTICES

NATURAL GAS PIPELINE COMPANY OF AMERICA
Notice of Application

August 22, 1967.
Take notice that on August 14, 1967, Natural Gas Pipeline Company of America (Applicant), 122 South Michigan Avenue, Chicago, Ill., filed in Docket No. CP68-49 an application pursuant to subsection (b) of section 7 of the Natural Gas Act for permission and approval of the Commission to abandon a certain delivery point and the facilities associated therewith, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission and approval to abandon the delivery of natural gas to Northern Illinois Gas Co. (Illinois) at the village of Herscher, Dupage County, Ill. Applicant also seeks permission and approval to abandon the measuring and regulating station used for the delivery described above. Applicant states that Illinois has terminated the deliveries of natural gas at the delivery points described above as of July 26, 1967, and is providing natural gas service to the village of Herscher from its own interstate pipeline system.

Applicant further states that there will be no decrease in the volumes of natural gas sold and delivered to Illinois as a result of the abandonment proposed above but they will be made through other existing delivery points between the parties. Applicant also states that there will be no change in the natural gas service now rendered to the village of Herscher as a result of the above-proposed abandonment.

Applicant states that the facilities proposed to be abandoned originally cost approximately $21,000. Applicant estimates the cost of removal of the facilities to be salvaged at approximately $1,500 and the estimated salvage value of such facilities at approximately $3,300.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before September 18, 1967.

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 protest or petition to intervene is filed within the time required herein, if the Commission on its own motion believes that a formal hearing is required, or if the Commission on its own motion believes that a formal hearing is not required.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 67-10088; Filed, Aug. 28, 1967; 8:45 a.m.]
NOTICES

Federal Register, Vol. 32, No. 167—Tuesday, August 29, 1967

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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.

Gordon M. Grant, Secretary.

[F.R. Doc. 67-10087; Filed, Aug. 28, 1967; 8:45 a.m.]

[Docket No. CP68-50]

Natural Gas Pipeline Company of America

Notice of Application

August 22, 1967.

Take notice that on August 14, 1967, Natural Gas Pipeline Company of America (Applicant), 122 South Michigan Avenue, Chicago, Ill. 60603, filed in Docket No. CP68-50 an application pursuant to subsection (c) of section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and the sale and delivery of volumes of natural gas for resale and distribution, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate a tap connection on its Gulf Coast main transmission pipeline and a measuring and connection on its Gulf Coast main transmission to Associated Natural Gas Co. (Associated) for resale and distribution in the village of Oak Ridge, Cape Girardeau County, Mo., for the sale and delivery of volumes of natural gas to Associated Natural Gas Co. (Associated) for resale and distribution in the village of Oak Ridge, Cape Girardeau County, Mo. Applicant states that Associated proposes to render such natural gas service to the village of Oak Ridge from volumes of natural gas that Applicant has heretofore been authorized to sell and deliver to Associated.

Application estimates the total cost of the facilities proposed at approximately $18,678, said cost to be financed from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before September 16, 1967.

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 protest or 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 protest or 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.

Gordon M. Grant, Secretary.

[F.R. Doc. 67-10087; Filed, Aug. 28, 1967; 8:45 a.m.]

[Docket No. CP68-47]

Texas Eastern Transmission Corp.

Notice of Application

August 22, 1967.

Take notice that on August 11, 1967, Texas Eastern Transmission Corp. (Applicant), Post Office Box 2321, Houston, Tex. 77001, filed in Docket No. CP68-47 an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and the sale and delivery of volumes of natural gas to Associated.

Specifically, Applicant seeks authorization to construct and operate the following natural gas purchase and transportation facilities:

1. Approximately 45 miles of 24-inch pipeline extending from the terminus of Applicant's 36-inch pipeline near Venice, La., to the Block 6 Field, Main Pass Area, Offshore Louisiana;

2. Dual 24-inch pipeline crossings of the Mississippi River; and

3. All facilities appurtenant thereto.

Applicant states that the facilities proposed above are required to transport natural gas which it proposes to purchase from Mobil Oil Corp. (Mobil) pursuant to a gas Purchase Contract between it and Mobil dated August 7, 1967. Applicant further states that these volumes of natural gas will improve its system reserves capacity and will enhance the flexibility of its system gas supply.

Applicant estimates the total cost of the proposed facilities at approximately $1,490,000, said cost to be financed initially through the use of Applicant's $100,000 revolving credit and later permanently financed through the issuance of bonds, debentures, stocks, or from its general funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before September 16, 1967.

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 protest or 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 protest or 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.

Gordon M. Grant, Secretary.

[F.R. Doc. 67-10087; Filed, Aug. 28, 1967; 8:45 a.m.]

Federal Maritime Commission

South Atlantic & Caribbean Line, Inc., and SACAL, V.I., Inc.

Notice of Agreements Filed for Approval

Notice is hereby given that the following agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (33 Stat. 783, 78 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreements at the Washington office of the Federal Maritime Commission, 1321 H Street, NW., Room 609; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20572, within 30 days after publication of this notice in the Federal Register.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

John Mason, Ragun & Mason, 606 17th Street NW., Washington, D.C.

Agreement No. DC-25 between South Atlantic & Caribbean Line, Inc., and SACAL, V.I., Inc., a wholly owned subsidiary, provides for the transportation of cargo under through bills of lading between ports in Florida and Puerto Rico and those separately published by SACAL, V.I., Inc., between Puerto Rico and the Virgin Islands. South Atlantic & Caribbean Line, Inc., will issue a through bill of lading for cargo originating in Florida and SACAL, V.I., Inc., will...
issue the bill of lading for cargo originating in the Virgin Islands. Each party will indemnify the other, from all expense and liability for damage, delay, loss, or misdelivery of goods while in its possession except if the damage, delay, loss, or misdelivery is caused by neglect or wanton misconduct of the other. Either party may terminate the agreement upon 30 days written notice to the other party except for breach by the other party when it may be cancelled forthwith.

The agreement shall become effective when approved by the Commission pursuant to section 15, Shipping Act, 1916.


By order of the Federal Maritime Commission.

FRANCES C. HURNEY,
Assistant Secretary.

[F.R. Doc. 67-10106; Filed, Aug. 28, 1967; 8:47 a.m.]

DEPARTMENT OF LABOR

Wege and Hour Division

CERTIFICATES AUTHORIZING THE EMPLOYMENT OF FULL-TIME STUDENTS WORKING OUTSIDE OF SCHOOL HOURS AT SPECIAL MINIMUM WAGES IN RETAIL OR SERVICE ESTABLISHMENTS OR IN AGRICULTURE

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 20 U.S.C. 201 et seq.), the regulation on employment of full-time students working outside of school hours at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the act, the effective dates and expiration dates as indicated below. The minimum wage rates are not less than 85 percent of the applicable statutory minimum.

The following certificates provide for an allowance not to exceed the proportion of the total hours worked by full-time students at rates below $1 an hour to the total number of hours worked by all employees in the establishment during the base period in occupations of the same general classes in which the establishment employed full-time students at wages below $1 an hour in the base period.

Biltmore Farms, agriculture; Biltmore, N.C.; 1-3-68 to 2-31-68.

Richard W. Bishop, agriculture; 8995 Peterson Road, Whitehall, Mich.; 5-20-67 to 5-24-67.

C. H. Block and Co., Inc., agriculture; Tunica, Miss.; 6-16-67 to 6-15-68.

Andrew Butler Sr., President; 1060 Chippewa Drive, Jenison, Mich.; 6-6-67 to 6-6-68.

Dale Busers, agriculture; Route 1, Allendale, Mich.; 5-10-67 to 5-16-68.

Robert W. Butts, agriculture; 1193 74th Avenue, Allendale, Mich.; 5-5-67 to 5-4-68.

Clarno Brothers, agriculture; 709 North First Street, Rolling Fork, Miss.; 5-3-67 to 5-3-68.

Carter Brothers, agriculture; 709 North First Street, Rolling Fork, Miss.; 5-3-67 to 5-3-68.

Carter Planting Co., agriculture; Clarkdale, Ark.; 6-15-67 to 6-11-68.

Charleson Farms, agriculture; Paris, Ky.; 6-9-67 to 6-9-68.

Coburn's Inc., food store; 6 North Broadway, Sauk Rapids, Minn.; 6-19-67 to 6-22-68.

Co-op Grocery Store, food store; 204 East Court Street, Beloit, Kans.; 6-20-67 to 6-27-68.

Evanna Plantation, Inc., agriculture; Cary, Miss.; 6-6-67 to 6-4-68.

Falsone Farms, agriculture; Indinava, Miss.; 6-6-67 to 6-5-68.

Fishers Brothers, agriculture; 846 Oak Avenue, Muskegon, Mich.; 6-15-67 to 6-16-68.

Fort Stueben Hotel, hotel and restaurant; Fourth and Washington Streets, Steubenville, Ohio; 6-29-67 to 6-29-68.

Gilmor Plant and Bulb Co., Inc., agriculture; Julian, Ohio; 6-20-67 to 6-19-68.

Howard Johnson's Restaurant, restaurant; 115 T. Grant Co., restaurant; No. 108, Lancaster, Ohio; 6-14-67 to 6-13-68...

Hayfield Farm, agriculture; 1234 Miners National Bank Building, Wilkes-Barre, Pa.; 6-26-67 to 6-26-68.

Headspring Farm, agriculture; Newberry, S.C.; 3-3-67 to 1-31-68.

Helkommen Brothers, agriculture; 1311 Cadillac, North Muskegon, Mich.; 4-17-67 to 4-17-68.

Herberger's department stores from 6-22-67 to 6-27-68; 110 North Minnesota Street, New Ulm, Minn.; 330 Chestnut Street, Virginia, Minn.; 19 South Maple Street, Waterstown, S. Dak.; 29-29 North Main Street, Rice Lake, Wis.

Hillside Farms, Inc., agriculture; 1234 Miners National Bank Building, Wilkes-Barre, Pa.; 6-26-67 to 6-26-68.

H. T. & L. F. Holmes Farms, agriculture; Route 2, Trenton, S.C.; 6-5-67 to 6-4-68.

L. D. Holmes and Sons, agriculture; Route 1, Johnston, S.C.; 6-16-67 to 6-14-68.

Howard Johnson's Restaurant, restaurant; 1970 West Chestnut Street, Washington, Pa.; 6-7-67 to 6-6-68.

Richard W. Hussey, agriculture; Route 2, Tunica, Miss.; 6-12-67 to 6-11-68.

Ideal Poultry Breeding Farms, Inc., agriculture; Canton, Jackson County Hospital and Nursing Home, hospital; Scottsboro, Ala.; 6-15-67 to 6-14-68.

Jacob Wagmaner & Son, agriculture; 1243 East Norton Road, Muskegon, Mich.; 5-10-67 to 5-8-68.

Jay D. Well, agriculture; 148 Mount Tabor Road, Lexington, Ky.; 2-13-67 to 2-12-68.

Jordan Auto Co., Inc., automobile dealer; Natchez, Miss.; 6-23-67 to 6-22-68.

Kaye Planting Co., agriculture; Indinava, Miss.; 6-26-67 to 6-6-68.

Kesler Supply Co., agriculture; Belfry, Ky.; 6-5-67 to 6-4-68.

Kitchen's Clinic & Hospital, hospital; 208 South Main Street, LaFayette, Ga.; 6-6-67 to 6-6-68.

Cline's Department Store, department store; 11 East Fifth Street, Monroe, Mich.; 6-27-67 to 6-26-68.

Herbert Klug, agriculture; 1271 Seminole Road, Muskegon, Mich.; 5-10-67 to 5-19-68.

S. S. Kreges Co., variety stores; No. 303, Arlington Heights, Ill. (6-6-67 to 6-6-68); No. 107, Columbus Heights, Ill. (6-6-68 to 6-6-68).

James Andrew-Buist, Sr., agriculture; 6-21-67 to 6-5-68.

Lechmere Nurseries, Inc., agriculture; Route 4, Charleston, S.C.; 5-3-67 to 5-24-68.

McGraw-McLeian-Green Store, variety store; No. 545, Laredo, Tex.; 6-29-67 to 6-27-68.

McNally, agriculture; Avery Island, La.; 6-19-67 to 6-30-68.

T. & L. Holmes, agriculture; Pickford, Mich.; 9-4-67 to 5-29-68.

Pikeville Clinic, hospital; Pikeville, Ky.; 5-3-67 to 5-31-68.

Power's Co., Inc., agriculture; Cary, Miss.; 6-24-67 to 6-23-68.

Rhea's, Inc., bakeries from 6-10-67 to 6-9-68; 441 Market Street, Pittsburgh, Pa.

Rudyard Coop Co., food stores; Pickford, Mich.; 6-6-67 to 6-28-68.

Rudyard Coop Co., food store; Pickford, Mich.; 6-6-67 to 6-28-68.

FEDERAL REGISTER, VOL. 32, NO. 167—TUESDAY, AUGUST 29, 1967
The following certificates were issued to retail or service establishments relying on the base-year employment experience of other establishments, either because they came into existence after the beginning of the applicable base year or because they did not have available base-year records. The certificates permit the employment of all employees at rates of not less than 85 percent of the statutory minimum in the classes of occupations listed, and provide for the indicated monthly limitations on the employment of full-time, full-year employees at rates below the applicable statutory minimum to total hours of employment of all employees.

Big Star, food store; No. 117, Memphis, Tenn.; bag-stock clerk: 20 percent; 6-23-67 to 6-22-68.

Coborn's, Inc., food stores from 6-23-67 to 6-27-68, carryout clerk, stock clerk, 22.2 percent; 6-23-67 to 6-22-68.

W. T. Grant Co., variety stores: No. 997, Mundelein, Ill.; salesclerk, stock clerk, office clerk, cashier: 9.3 percent; 6-27-67 to 6-26-68; No. 1159, Madison, Wis. (salesclerk, office clerk, clerk: 9.1 percent; 6-23-67 to 6-26-68).

H. E. Bayless Co., department stores from 6-26-67 to 6-27-68, salesclerk, office clerk, summer: 9.5 percent; 612 Broadway, Alexandria, Minn.; 312 North Bridge, Chippewa Falls, Wis.; 426 Main Street, La Crescent, Wis.; 522-228 Third Street, Wausau, Wis.

S. S. Kresge Co., variety store: No. 355, Norwich, N.Y.; salesclerk: 5.5 percent; 104 State Street, Norwich, N.Y.

Vita-Fair, Inc., drug store; 816 South Calhoun, Fort Wayne, Ind.; 6-26-67 to 6-28-68.

S. C. Murphy Co., variety stores for the occupations of salesclerk, stock clerk, office clerk, janitor: 12.3 percent except as otherwise indicated: 6-26-67 to 6-24-68; 5211 South Washington Street, Little Rock, Ark.; 6-22-68; 700 N. Broadway, Little Rock, Ark.; 6-22-68.

Piggly Wiggly, Inc., food stores for the occupations of store clerk, stock clerk, 5-5-67 to 6-24-68; 20 percent; 5-24-68 to 6-24-68.

Storing Stores Co., Inc., variety store; University Avenue and Markham Street, Little Rock, Ark.; salesclerk, stock clerk, checkout clerk: 5-23-68; 816 S. Sixth Street, Milwaukee, Wis.; 6-23-68.

T. G. & Y. Stores Co., variety store; No. 203, Emma City, Kan.; salesclerk, stock clerk, office clerk: 17.9 percent; 6-22-67 to 6-21-68.

Tom Thumb Stores, Inc., food store; No. 283, Taft, Tex.; pickup clerk: 13.7 percent; 6-24-67 to 6-22-68.


NOTICES

FEDERAL REGISTER, VOL 32, NO. 167-TUESDAY, AUGUST 29, 1967

INTERSTATE COMMERCE COMMISSION

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

August 24, 1967.

The following are notices of filing of applications for temporary authority under section 210(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. 67-10036; published in the Federal Register, issue of April 27, 1967, effective July 1, 1967. 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. A copy of such protest must be served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protest must be specific as to the service which such protestant can and will offer, and must consist of a signed original and one copy of such protest.

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 the field office to which protests are to be transmitted.

Motor Carriers of Property

No. MC 2923 (Sub-No. 1A, TAI), filed August 18, 1967. Applicant: DAVID AZORSKY and JOSEPH WEIN, a partnership, doing business as Davco Trucking Co., 345 Commerce Avenue, Fort Chester, N.Y. 10573. Applicant's representative: Charles H. Trafor, 137 East 36th Street, New York, N.Y. 10016. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Essential oils, materials processed from essential oils, empty drums and cans, between any point in the state of New York and any other state, one ton and over, on the other, East Ruth chemotherapy patients on the 150 days. Supporting shipper: Elan Chemical Co., Inc., 671 Hope Street, Stamford, Conn. Send protest to:

Robert G. Groeneveld, Authorized Representative of the Administrator.

[For Doc. 67-10036; filed, Aug. 28, 1967; 8:46 a.m.]
NOTICES


No. MC 30837 (Sub-No. 345 TA), filed August 18, 1967. Applicant: AUTO TRANSPORT CORPORATION, 4519 76th Street, Kenosha, Wis. 53141. Applicant's representative: Albert P. Barber (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Concrete pumping equipment, mounted or unmounted on truck chassis, in straight or mixed truckload shipments, in secondary truckway service from Gardenia, Calif., to points in the United States, for 180 days. Supporting shipper: Thomesen Division, Royal Industries, 130 West Victoria Street, Gardenia, Calif. 90247 (James R. Iverson, Controller). Send protests to: District Supervisor, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 607, Milwaukee, Wis. 53203.

No. MC 52979 (Sub-No. 81 TA), filed August 18, 1967. Applicant: GILBERT CARRIERS CORPORATION, 491 Ninth Avenue, New York, N.Y. 10001. Applicant's representative: Aaron Hoffman (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Wearing apparel on hangers, from New Smyrna, Fla., to points in the New York, N.Y., commercial zone as defined by the Commission, for 150 days. Supporting shipper: Kingly Manufacturing Corp., 1350 Broadway, New York, N.Y. Send protests to: Paul W. Assenza, District Supervisor, Interstate Commerce Commission, 346 Broadway, New York, N.Y. 10013.

No. MC 52879 (Sub-No. 82 TA), filed August 18, 1967. Applicant: GILBERT CARRIERS CORPORATION, 441 Ninth Avenue, New York, N.Y. 10001. Applicant's representative: Aaron Hoffman (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Wearing apparel, loose on hangers, and materials and supplies used in the manufacture thereof, between Fort Pierce, Fla., on the one hand, and other points in the New York, N.Y., commercial zone as defined by the Commission, points in Nassau and Westchester Counties, N., and Bergen, Passaic, Hudson, Essex, Middlesex, Monmouth, and Ocean Counties, N.J., for 150 days. Supporting shipper: Blue Gem Apparel, 64 West 36th Street, New York, N.Y. 10018. Send protests to: Paul W. Assenza, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 346 Broadway, New York, N.Y. 10013.

No. MC 66562 (Sub-No. 2251 TA), filed August 18, 1967. Applicant: RAILWAY EXPRESS AGENCY, INCORPO RATED, 219 East 42nd Street, New York, N.Y. 10017. Applicant's representative: W. H. Marx (same address as above). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: Commodities generally moving in express service, including classes A and B explosives, (1) between Harrissburg and Sunbury, Pa., serving the intermediate point of Millersburg, Pa., from Harrisburg, Pa., in a northern direction over U.S. Highways 220, 17, 155, and 68, and Pennsylvania Highways 147 at Clark's Ferry Bridge; thence over Pennsylvania Highway 147 to Sunbury, Pa., and return over the same route. (2) Between Wilkes Barre, Pa., and Scranton, Pa., in a southern direction over U.S. Highway 220, to intersection with Pennsylvania Highway 147; thence south on Pennsylvania Highway 147 to Muncy, and return over the same route. (3) Between Olean, N.Y., and Port Alle gany, Pa., from Olean, in a southern direction over New York Highways 17 to intersection of New York Highway 305; thence south on New York Highway 305 to the intersection of Pennsylvania Highway 446; thence south on Pennsylvania Highway 446 to Pennsylvania Highway 155; thence south on Pennsylvania Highway 155 to Port Allegany, Pa., and return over same route. Restrictions: The service to be performed shall be a supplemental of express service of Rail way Express Agency, Inc. Shipments transported shall be limited to those moving on through bills of lading or express receipts. Permission to tack re quested: Applicant requests that the authority for the proposed operations, if granted, be construed as an extension, to be joined, tacked, and combined with R E A's existing authority in MC 66562 and subs thereunder, thereby, negating the restrictions against tacking or Joining customarily placed upon emergency authority. Send protests to: District Supervisor, Interstate Commerce Commission, Bureau of Operations, 346 Broadway, New York, N.Y. 10013.

No. MC 111069 (Sub-No. 51 TA), filed August 17, 1967. Applicant: COLDWARY CARRIERS, INC., Post Office Box 38, Clarksville, Ky. 42101. Applicant's representative: Ollie L. Merchant, 221 West Fifth Street, Louisville, Ky. 40202. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Frozen prepared foods, from Clarksville, Ind., and Louisville, Ky., to points in Alabama, Georgia, Indiana, Kentucky, Missouri, Ohio, Tennessee, and West Virginia, for 180 days. Supporting shipper: Standard Foods, Inc., 1101 East Washington Street, Louisville, Ky. 40206. Send protests to: District Supervisor, Bureau of Operations, Interstate Commerce Commission, 802 Century Building, 39 South Pennsylvania Street, Indianapolis, Ind. 46204.


No. MC 126600 (Sub 2 TA), filed August 18, 1967. Applicant: EHRSAM TRANSPORT, INC., 108 North Factory, Grand Rapids, Kans. 66931. Applicant's representative: Clyde N. Christy, 611 Harrison Street, Topolka, Kans. 66931. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Commodities as are dealt in, or used by wholesale and retail department stores, from points in Georgia and North Carolina to points in North Carolina and Virginia, for 180 days. Send protests to: District Supervisor R. M. Hagarty, Bureau of Operations, Interstate Commerce Commission, 802 Century Building, 36 South Penn Street, Indianapolis, Ind.
NOTICES


Applicant: DAVID NEILSON & SON, INC., 1346 54th Street, Kenosha, Wis. 53140. Applicant's representative: William C. Dineen, 412 Empire Building, 710 North Plankinton Avenue, Milwaukee, Wis. 53202. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: School equipment and component parts thereof, finished and unfinished, and materials and supplies used in the manufacture thereof, between the manufacturing facilities of Arlington Seating Co., at Antioch, Aurora, and Chicago, Ill., Warsaw, Ind., and Racine and Kenosha, Wis., for 180 days. Supporting shipper: Arlington Seating Co., 6045 52d Street, Kenosha, Wis. 53140 (E. Pat Murphy, President). Send protests to: District Supervisor Lyle D. Helfer, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

By the Commission.

[Seal]  H. NEIL GARSON, Secretary.
The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during August.

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**Federal Register**

The Federal Register is published daily, Monday through Friday (except Federal Holidays)."
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DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 1060]

[Cf. No. AO 360]

MILK IN MINNESOTA-NORTH DAKOTA MARKETING AREA

Decision on Proposed Marketing Agreement and Order

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 Part 900), public hearings were held upon a proposed marketing agreement and order regulating the handling of milk in the Minnesota-North Dakota marketing area. The hearings were held at Fargo, N. Dak., on August 15-19, 1966, pursuant to notices issued on June 6 and July 5, 1966, and subsequently at reopened hearings (to consider Class I pricing provisions) held jointly with other Federal order marketing areas at Denver, Colo., on November 16-17, 1966, and on April 11-12, 1967. Official notice is taken of the respective decisions issued by the Department on the basis of these reopened hearings (31 F.R. 14946) issued November 23, 1966, and (32 F.R. 6501) issued April 25, 1967, pursuant to notices issued November 4, 1966 (31 F.R. 14407), and April 4, 1967 (32 F.R. 5699).

Upon the basis of the evidence introduced at the hearings and the records thereof, the Deputy Administrator, Regulatory Programs, on April 26, 1967 (32 F.R. 6678; F.R. Doc. 67-4920) filed with the Hearing Clerk, U.S. Department of Agriculture, his recommended decision, containing notice of opportunity to file written exceptions thereto.

The material issues, findings and conclusions, rulings and general findings of the recommended decision (32 F.R. 6872; F.R. Doc. 67-4920) are hereby approved and adopted and are set forth in full herein subject to the following modifications:

Index of changes. 1. Under issue 3a(1) "Order provisions—Marketing area":

A. A paragraph is added immediately following the list of counties comprising the marketing area.

B. The 38th paragraph ("Swift, Pope, and Todd Counties * * *") which follows the text added pursuant to C, above, is revised, and immediately following, three paragraphs are added.

C. Immediately following the paragraph described in B, above, four paragraphs are added.

D. The 12th paragraph ("Foremost Dairies proposed the exclusion * * *") which follows the text added pursuant to C, above, is revised, and immediately following, three paragraphs are added.

2. Under issue 3a(2) "Order provisions—Milk to be priced and pooled":

A. Immediately following the 13th paragraph under subheading "Pool plant definition", two paragraphs are added.

There are more than 50 handlers engaged in the distribution of fluid milk in the marketing area, and are regulated under the terms of the order as recommended herein. The Grade A milk supply and distribution areas of a number of these handlers, representing a substantial portion of the total volume of Grade A milk associated with the market, extend beyond the boundaries of the State in which their plants are located.

The Land O'Lakes Creamery, Inc., is a large distributor of bottled milk in the area and is one of the largest distributors of butter and manufacturers of nonfat dry milk in the United States. Their plants located in Grand Forks, N. Dak., and Thief River Falls, and Brainerd, Minn., distribute fluid milk products extensively in both Minnesota and North Dakota. Milk is received at such plants from producers and member plants located in both such States.

The Cass-Clay Creamery, Inc., another major cooperative handler, receives milk at its Fargo, N. Dak., plant from producers located in both Minnesota and North Dakota. Grade A fluid milk products are distributed from this plant into certain areas of Minnesota, North Dakota, and South Dakota. Manufactured grade A milk as well as a substantial part of the Grade A receipts at the Fargo plant is manufactured into butter, ice cream, and dry milk which are disposed of in large part in markets located in other States. In addition, this handler ships regularly a quantity of bulk milk to a plant located in Montana.

Located across the Red River from Fargo is the Fairmont Foods Co. plant in Moorhead, Minn. This handler also receives Grade A milk from producers located in both Minnesota and North Dakota. It distributes Grade A products on routes extending into North Dakota, South Dakota, and Minnesota.

Another large processor and distributor of Grade A fluid milk products is the Fergus Dairy of Fergus Falls, Minn. This cooperative organization receives a large volume of Grade A milk from producer members and from member cooperatives located in North Dakota, and South Dakota. The distribution area of this cooperative organization covers a wide territory in western Minnesota, North Dakota, and northeastern South Dakota.

Record evidence clearly shows the free movement of milk across the respective State lines. Distribution of milk on routes in the adjoining cities of Fargo, N. Dak., Moorhead, Minn., and also Grand Forks, N. Dak., and East Grand Forks, Minn., emanates both from plants located in North Dakota and those in Minnesota. Further, products manufactured from surplus Grade A milk at certain of these plants are shipped to Chicago, New York, and to other markets throughout the United States and abroad.

2. Need for an order. Marketing conditions in the Minnesota-North Dakota marketing area are such that the issuance of a substantial proportion of the total volume of Grade A milk associated with the milk, extend beyond the boundaries of the State in which their plants are located.

2. Need for an order. Marketing conditions in the Minnesota-North Dakota marketing area are such that the issuance of an order would be necessary to regulate the marketing area discussion.
area will tend to accentuate the declared policy of the Act. The Minnesota-North Dakota market as defined herein is characterized by unstable marketing conditions. The conditions which have resulted in unrest and instability in this area are typical of those often encountered elsewhere in the fluid milk industry in the absence of a defined, marketwide, classified pricing plan.

There is rather a general agreement among producer interests in the area that the unstable marketing conditions in the area are such that an overall system of classification and pricing of milk should be adopted, and for such a system to be effective it must be created out of governmental authority.

The Minnesota-North Dakota market is a region of heavy milk production relative to population. Less than half of the producer milk which would be regulated is now used for Class I on an annual average. Thus, in an area relatively rural in nature, milk is available to producers for the use of their milk in the highest values used are limited. This situation in a market which may be categorized as a "buyers market", has contributed to the conditions of disorderly marketing in the attempts of producers to obtain proportionate shares of the higher valued Class I milk.

The more than 50 handlers distributing milk in the area generally purchase milk from farmers according to their own pricing systems. There is, therefore, no uniformity in the type of pricing plans used in the area. Prices are not necessarily related to the uses of milk.

Since milk has a greater value when used for fluid products than for manufactured dairy products, the absence of a pricing system based on utilization creates disparities in handlers' costs of milk for the same uses. This, in turn, provides for handlers to shift the burden of such disparities to producers through still lower prices. Certain handlers in the market with high proportions of their total utilization of milk for fluid products than for manufacturers' products have substantially lower utilization of their milk for Class I bottling purposes. In some cases the prices paid producers at the higher use plants are only slightly above those paid at the plants where such supplemental supplies are obtained. Also, the burden of carrying the necessary reserve supplies for the market is shifted to the suppliers of such supplemental milk.

Price paid by certain distributors of Grade A milk are, therefore, determined in large part by the prices paid producers by one or another of the major handlers in the market. Hence, these prices are not based on the utilization of the particular handler involved.

In recent years, frequent price wars have adversely affected producer prices. Picketing of retail stores has been resorted to in an effort to secure higher milk prices for farmers. Further, milk producers in considerable numbers have shifted their patronage from one company to another in the hope that by realigning their cooperative affiliation they might increase the price they receive for their milk.

A uniform pricing plan applicable to all handlers buying milk for sale in the area would stabilize and improve marketing conditions in the area. Such a plan can be made effective in the area under the terms of a milk order issued pursuant to the provisions of the Agicultural Marketing Agreement Act, as amended.

A plan which establishes a system of uniform prices, publicly announced and verified on an impartial basis, will eliminate the uncertainty about prices which has contributed to disorderly marketing conditions in the area. The order would contribute substantially to the improvement of many of the conditions complained of, and tend to effectuate the declared policy of the Act; namely providing:

1. A regular and dependable procedure through public hearings for determining prices to producers at levels contemplated by the Act;
2. The establishment of uniform prices to handlers for milk received from producers according to a classified price plan based upon the utilization made of the milk;
3. An impartial audit of handlers' records to verify the payment of required prices;
4. A system for verifying the accuracy of the weight and butterfat content of milk purchased;
5. Uniform returns to producers supplying the market based upon equitable sharing among all producers of the lower returns for the sale of reserve milk which cannot be marketed in the Class I category; and
6. Marketwide information on receipts, sales, prices, and other data relating to milk marketing conditions in the area.

Order provisions—a. Scope of regulation. It is necessary to designate clearly what milk and which persons would be subject to the various provisions of the order. This is accomplished by providing specified definitions to describe the marketing areas involved and to describe the category of persons, plants, and milk products to which the applicable provisions of the order are applied.

(1) Marketing Area. The Minnesota-North Dakota marketing area should include all the territory within the 41 contiguous counties as follows:

**COUNTIES IN WESTERN MINNESOTA**


**COUNTIES IN EASTERN NORTH DAKOTA**

Barnes, Pembina, Ramsey, Rolette, Richland, Sargent, Steele, Traill.

**COUNTIES IN NORTHWEST S. DAKOTA**

Grant, McArthur, Roberts.

**COUNTIES IN NORTHEASTERN SOUTH DAKOTA**

Kittson, Tracy, Wilkin.

The 41-county area proposed for adoption represents a contiguous area roughly bisected by the Red River which marks the boundary separating Minnesota from North and South Dakota.

The sanitary requirements relative to the production, processing, and sale of fluid milk products are substantially the same throughout the area. Grade A products sold for human consumption must meet the standards of health ordinances patterned after the U.S. Public Health Service Milk Ordinance and Code. Handlers who would be subject to full regulation distributed 85 percent or more of the milk sold in the area.

The 1960 census of population for the area proposed to be regulated was 539,666. Two principal population centers are located in the Red River Valley area. One comprises Cass County, N. Dak. (population 65,947), and Clay County, Minn. (population 39,980). These counties include two of the three largest cities in the marketing area, Fargo N. Dak., and Moorhead, Minn. The population of the two counties is about 15 percent of the total marketing area.

The other population center in the Red River Valley area surrounds Grand Forks, N. Dak., located approximately 75 miles north of Fargo. Within the contiguous counties of Grand Forks, N. Dak. (population 48,077), and Polk, Minn. (population 36,823), are the cities of Grand Forks, N. Dak. (24,461); East Grand Forks, Minn. (6,989); and Crookston, Minn. (6,646); with a combined population equal to 8 percent of the total marketing area. The two counties have a population of 34,659, about 14 percent of the total marketing area.

Other cities in the area with populations in excess of 5,000 are shown below:

1 All population figures hereafter cited are based upon the 1960 census unless otherwise noted.
Proposed Rule Making

Four major handlers have bottling plant facilities located in or near the two principal urban population centers discussed above, and distribute fluid milk and fluid milk products into these localities as well as throughout the marketing area. The Land O'Lakes Creameries, Inc., is a major distributor of bottled milk in the proposed marketing area. They operate bottling plants located at Grand Forks, N. Dak. (Grand Forks County); Thief River Falls, Minn. (approximately 60 highway miles northeast of Grand Forks in Pennington County); and Crookston, Minn. (approximately 25 miles southeast of Grand Forks in Polk County). In addition to their bottling operations, ice cream is manufactured at the Grand Forks and operations at the Crookston plant include cottage cheese manufacturing.

The Land O'Lakes plants located at Grand Forks, N. Dak., Thief River Falls, and Crookston, Minn., distribute fluid milk products to about 29 of the 41 counties of the recommended marketing area. The Thief River Falls plant distributes bottled milk directly on routes in the marketing area. A portion of the Grade A receipts at this plant is shipped to the Land OLakes plant at Thief River Falls where it is packaged and distributed back into the counties of Roseau and Lake of the Woods. Grade A milk is received by a member plant of Land O'Lakes, one of which is bottled at this plant and distributed in the city of Roseau. A portion of the Grade A receipts at this plant is shipped to the Land OLakes plant at Thief River Falls where it is packaged and distributed back into the counties of Roseau and Lake of the Woods.

The Cass-Clay Creamery, Inc., a cooperative association located at Fargo, N. Dak., is engaged in the processing and distribution of fluid milk and fluid milk products as well as the manufacture of butter, dry milk powder, and ice cream. The Cass-Clay Creamery has fluid milk distribution extending into about 28 of the 41 counties in the marketing area.

The Fairmont Foods Co. located at Moorhead, Minn., processes and distributes fluid milk products and manufactures ice cream and cottage cheese. Its distribution of Grade A fluid milk extends into all but 2 of the 41 counties in the proposed area. It also has significant sales in the South Dakota area included in the proposed marketing area, particularly around Sisseton, S. Dak.

The Fergus Dairy at Fergus Falls (Otter Tail County), Minn., processes fluid milk for bottling and manufactures butter, nonfat dry milk, and dry butter milk.

In addition, the Fergus Dairy organization bottles all Class I milk sold by the North Star Dairy at Fergus Falls (Otter Tail County), Minn., the North Star Dairy at Detroit Lakes (Becker County), Minn., and the North Star Dairy plant at Fargo, N. Dak., which is owned by the Fergus Dairy. Further, they bottle all Grade A milk sold by B & W Dairy Co. located in Sibley County, Minn.; the Carlson Dairy, Alexandria, Douglas County, Minn.; and most of the packaged fluid milk products for the

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About 55 percent of the Bemidji plant's bottled sales are in Beltrami County and about 10 percent in Hubbard County. The plant is estimated to have at least 40 percent of the total sales in Beltrami County and about 10 percent of the total distribution in Hubbard County.

About 25 producers supplying this plant have Grade A. In the past year about 25 to 28 percent of the plant's Grade A receipts were shipped in bulk to the Land O'Lakes bottling plant located in Beltrami County.

The Thief River Falls plant in turn packages fluid milk which is distributed in Beltrami County from a plant located at Blackduck (Beltrami County) Minn. The Blackduck plant accounts for about 8 percent of the sales in Beltrami County.

Another local plant supplies a major portion of the packaged fluid milk sold in the two-county area by another distributor located in Bemidji. The portion of total sales in Beltrami and Hubbard Counties sold by this distributor amounts to about 8 percent and 10 percent, respectively.

Another local plant receives its packaged milk supply from the Bemidji Creamery Association and has about 8 percent of the business in Beltrami County.

The Fairmont Foods plant at Moorhead has about 8 percent of the sales in Beltrami County and 5 percent in Hubbard County. The Cass-Clay Creamery, Inc., is estimated to have 30 percent of the fluid milk sales in Hubbard County.

The county of Clearwater, Minn., is primarily rural in character (88 percent of the population density of about eight persons per square mile) and although not an area of substantial sales volume it is within a general area of cross distribution by handlers who would be regulated under the order.

A proprietary handler with a bottling plant located at Brainerd, Minn., opposed the inclusion of the nine-county area into the marketing area. This handler estimated that about 50 percent of the total sales in Douglas County. Although this handler estimated that the inclusion of this county in the marketing area, his total supply of milk for fluid use is obtained from two plants which are members of the Fergus Dairy organization. In addition, the Thief River Falls and Land O'Lakes Creameries are shown to have about 30 percent of the total county sales in addition to the 50 percent or more distributed by the local proprietary handlers.

A similar situation exists in Stevens County where a proprietary handler who objected to the regulation of Stevens County is shown to have about 40 percent of the total county distribution. About 80 percent of this plant's receipts are from a member cooperative of the Fergus Dairy organization. Additional 30-40 percent of the total county sales is distributed by three of the four major handlers previously referred to.

Swift, Pope, and Todd Counties should not be included in the marketing area. A substantial proportion of the distribution in these counties is from plants whose major distribution is outside the area to be regulated and whose principal competition is from plants which would not be subject to regulation under the order.

A proprietary handler located and doing business in Douglas County and one operating in Stevens County excepted to the inclusion of the respective counties in the marketing area as adopted in the recommended decision. Another proprietary handler located outside of the marketing area as adopted but doing business in Douglas and Stevens Counties also excepted to their exclusion. The Red River Valley Milk Producers Pool, et al., excepted on their behalf to the exclusion of the counties of Pope and Todd from the recommended marketing area. The order proposed to be adopted excepted to the exclusion of Todd County.

Record evidence concerning marketing conditions and institutional factors relating to the dairy industry in these and other counties proposed for inclusion in the marketing area included figures introduced by several witnesses showing the proportion of total sales in each of the several counties that various handlers stated was 25 to over 50 percent. About 1 percent of this handler's sales is made in Wadena County and the remaining portion in Hubbard County. With the inclusion of Beltrami and Hubbard Counties for consideration, it may be expected that the plant located at Park Rapids will be fully regulated under the order. Another handler located at Nevis in Hubbard County is known to have about 25 percent of the sales in Wadena County and probably would be fully regulated under the order. This handler did not testify at the hearing.

Some dispute centers on a six-county area in Minnesota comprising Big Stone, Swift, Douglas, Stevens, Pope, and Todd Counties.

The counties of Big Stone, Douglas, and Stevens should be included in the marketing area. At least 75 percent of the total fluid milk sales in Big Stone County are distributed by three of the four major handlers.

A proprietary plant operation located at Alexandria (Douglas County) is estimated to have at least 50 percent of the total sales in Douglas County. Although this handler estimated that the inclusion of this county in the marketing area is to its supply of milk for fluid use is obtained from two plants which are members of the Fergus Dairy organization. In addition, the Thief River Falls and Land O'Lakes Creameries are shown to have about 30 percent of the total county sales in addition to the 50 percent or more distributed by the local proprietary handler.

It is concluded that nine North Dakota counties, generally comprising the western tier of the 43-county area initially proposed for inclusion, should not be included in the marketing area. This proposal was modified at the hearing to suggest that the two counties of Rolette and Pierce, N. Dak., where this plant has a substantial volume of its total fluid milk sales, be excluded from the marketing area.

Concerning the North Dakota counties proposed to be included in the marketing area, one handler with a bottling plant located at Rugby (Pierce County), N. Dak., proposed that North Dakota Highway No. 1 serve as the western boundary of the marketing area. The handler also proposed that if any territory west of this highway were included in the marketing area, then such area should include the entire State of North Dakota. This proposal was modified at the hearing to suggest that the two counties of Rolette and Pierce, N. Dak., where this plant has a substantial volume of its total fluid milk sales, be excluded from the marketing area.

Foremost Dairies, Inc., proposed that, in the event the eight North Dakota counties of: Dickey, Eddy, Foster, Griggs, Kidder, La Moure, Stutsman, and Wells are included in the marketing area, such area should be extended to include the entire State of North Dakota.

It is concluded that nine North Dakota counties, generally comprising the western tier of the 43-county area initially proposed for inclusion, should not be included in the marketing area. These counties (listed, generally on a north to south basis) are: Rolette, Towner, Pierce, Mountrail, Wells, Eddy, Foster, Kidder, and Stutsman.

Inclusion of the nine-county area would bring under full or partial regulation a number of handlers whose principal or primary motivation for sales is with handlers who would not be regulated under the order.

A substantial part of the distribution in Pierce and Rolette Counties comes from the plant in Rugby (Pierce County), N. Dak. An estimated 50 to 75 percent of...
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the total sales in Pierce County and some 25 to 35 percent in Rolette County emanate from the Rugby plant. A handler whose plant is located at Bottineau, N. Dak. (south of the area adopted), has about 25 percent of the business in Rolette County. This handler is the principal distributor in Bottineau County and is in competition for sales with handlers located at Minot, N. Dak.

A handler located at Maddock (Benson County) has the largest part of the total sales in Benson County.

A plant located in Towner County (Towner County) accounts for about 30 percent of the sales in Towner County; the Rugby plant accounts for another 10 percent.

The counties of Pierce, Rolette, Towner, and Benson, therefore, constitute a primary sales area for these local handlers. While the area is also served to a minor extent by the Land O’ Lakes plant at Grand Forks and the Fairmont plant at Moorhead, these handlers would not be disadvantaged in the absence of regulation of the dairy market in the area. Marketing by handlers who would be fully regulated into these three counties would require the inclusion in the marketing area.

The five North Dakota counties of Wells, Eddy, Foster, Kidder, and Stutsman likewise should not be included in the marketing area.

Over 50 percent of the total fluid milk business in each of the counties of Wells, Eddy, Foster, and Kidder, and Stutsman, is produced in compliance with the Grade A inspection requirements of a duly constituted health authority and which is regularly received at plants substantially engaged in serving the fluid needs of the order market. It is concluded elsewhere in this decision that a nationwide system of pooling proceeds for Grade A milk received from dairy farmers at pool plants is essential for the promotion of efficient and orderly marketing of milk in the marketing area.

It is also concluded that delivery performance should be the measure of whether a plant is sufficiently identified with the market to be fully subject to the pricing and pooling provisions of the order. It must necessarily apply uniformly to all plants.

The standards for pool participation are discussed below in connection with the definition of a pool plant.

Any plant regardless of its location should have equal opportunity to comply with the standards of regulation and have its producers share in the available Class I sales. Whether the plants and producers choose to supply the Minnesota-North Dakota order market will depend on the economic circumstances with which they are confronted such as prices, transportation costs and alternative outlets. The specific standards of performance may be used to determine which plants and what milk constitute the regular sources of supply, and therefore, should be fully subject to regulation, may be identified by appropriate

Fargo and Moorhead. About one-half of 1 percent of the sales in Stutsman County is supplied by this handler. It was not shown that the absence of regulation would significantly affect the sales operations of this handler.

There is no cross distribution within the area in North Dakota excluded from the marketing area between handlers who are located within or to the west of such area. While the area is also served to a minor extent from the Land O’ Lakes plant at Cando (Towner County) has the largest part of the sales in Towner County; the Rugby plant accounts for about 1 percent of the sales in Stutsman County and some 25 percent in Rolette County. This handler is the principal distributor in Bottineau County and is in competition for sales with handlers located at Minot, N. Dak.

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F. The establishment of a pool plant definition is needed to assist in defining the particular operations which are to be subject to regulation and to simplify the drafting of the other order provisions. Under the "plant" definition herein provided, all of the operations conducted on the premises of an establishment operated as a single unit for the purpose of receiving milk for assembly and transfer, or for processing and packaging milk and milk products are considered as operations of a plant. A facility or establishment functioning only as a transfer point for transferring milk from one tank truck to another tank truck, or as a distribution depot for storage of packaged fluid milk products in transit for route disposition should not be considered to constitute a plant.

Because of the difference in marketing practices and functions between distributing plants and supply plants, separate criteria are provided for them. A "distributing plant" under the order would be defined as a plant that is approved by an appropriate health authority for the packaging or processing of milk to be delivered to a plants and from which any fluid milk product is disposed of during the months on routes. Plants which supply Grade A milk to distributing plants are termed "supply plants.

Route definition. To assist in the identification of those plants which are to be subject to full regulation a "route" definition is provided. The term "route" would mean the delivery of any fluid milk product classified under the order as Class I to retail or wholesale outlets other than a delivery to another plant or to a distribution point.

Fluid milk products may be moved from a milk plant to a facility such as a warehouse, loading station or storage plant. The distribution from such latter point would be deemed as delivered from the milk plant. To do otherwise would be inappropriate because it would consider the disposition of fluid milk products to be temporary storage instead of at the location at which such products are received by retailers and wholesale purchasers.

Disposition by a vendor is treated as a route disposition of the plant from which such disposition occurs.

Pool plant definition. A distributing plant would qualify as a pool plant under this order if during the months of July through February in which at least 25 percent of the Grade A receipts at such plant during the month is disposed of as Class I milk. For any month during the period of March through June such qualifying percentage is 20 percent. The lesser minimum standards for the months of March through June would provide flexibility to the handler in qualifying his plant for pool status during these months when milk production of producers is generally higher than the market year-round average.

A further requirement that at least 15 percent of the distributing plant's Grade A receipts be disposed of as Class I sales within the marketing area on routes is designed to include in the pool only the plants which have more than an incidental association with this market.

These performance standards are designed to permit the inclusion in the marketing pool of producer milk at all plants which now furnish milk for fluid use in the area. These plants are located in a region of heavy milk production relative to the area. However, production and fluid sales locally is limited. Many of these plants which serve the local fluid milk market also operate as factories for manufacturing dairy products. Less than half of the producer milk which would be regulated is now used in Class II on an annual average. There are variations in the percentages of Class III sales in different routes in the same plants. Hence, the minimum percentage of Class I use which each distributing plant (or plant system) must maintain to be pooled should be less than the market average use. The proposed percentages of 25 percent and 20 percent in the respective months will provide this flexibility.

Many of the distributing plants are combination plants with manufacturing facilities to process the reserves supplies of the market not needed for fluid use. In the case of a handler operating more than one plant, it should be provided that the combined receipts and Class I disposition of all such plants may be the basis for determining the 25 percent required.

Class I sales at the distributing plants are the basis for determining the pool status of a plant. A plant which meets the requirements for pool status would be granted pool status during the order covering the area in which it has the greater proportion of its distribution. However, recognition should be given to the adverse effects of inadvertent shifting from month to month by a plant regularly associated with the Minnesota-North Dakota market.

A handler operating a pool distributing plant which would have been subject to regulation would continue to meet the pool standards provided herein generally should not become subject to another order unless it has disposed of more milk on routes in such other marketing area than in the Minnesota-North Dakota marketing area for 3 consecutive months. This will afford the handler reasonable notice that full regulation of his plant is shifting from one order to another and will afford him the opportunity to make adjustments in his business if he desires to do so.

If, nevertheless, the provisions of the other order require such plant to be pooled thereunder, the plant should be exempt from regulation under this order.

In order that the market administrator may be fully apprised of the continuing status of such a plant, however, the operator is required to notify the market administrator in writing before the first day of any such month that he desires to withdraw his supply plant from pooling. The plant would thereafter be a nonpool plant until it again met the shipping requirements set forth above.

In his exceptions, one handler reiterated his proposal for a 20 percent in-area sales standard for pool distributing plants and a 40 percent for slightly less total Class I sales requirement in lieu of the 15 and 20-25 percent requirements, respectively, as proposed by the order and as adopted herein. This handler suggested also that only a pool plant be required to ship at least 40 percent of its producer receipts as fluid milk products to pool plant(s) in order to meet the pooling requirements of the order.

For reasons stated above, the standards adopted herein for the pooling of distributing and supply plants are
deemed to provide a reasonable and approp-
iate measure as to whether or not a plant is sufficiently identified with the market without, at the same time, ex-
cluding from pool participation handlers whose plants have been a regular and dependable source of fluid milk supply for the market.

In some markets reload points under the bulk handling method serve a func-
tion similar to that of a pool plant. The extent to which separate reloading facili-
ties are now employed in moving bulk milk to this market is not clear from the record. In the absence of spe-
cific marketing data concerning reload-
points it is concluded, that a definition of reload point should not be included, in the order. Such a definition and its application to pricing, location differen-
tials, and performance requirements may be con-
sidered at some future time if it ap-
pears that such a provision would facili-
tate the orderly marketing of milk under the order.

Nonpool plants. A plant which supplies fluid milk to the market but in a lesser volume than that required to qualify as a pool plant under the standards set forth herein is not a cooperation opening.
The term nonpool plant is further broken down to define such categories as "other order plant," "producer-handler plant," "partially regulated distributing plant," and "unregulated supply plant."

**Handler definition.** The impact of reg-
ulation under an order is on handlers. As herein provided, the definition in-
cludes (a) a producer-handler (including a coop-
ervative association) in his capacity as the 
operator of one or more pool plants; (b) a person operating a partially reg-
ulated distributing plant; (c) a coop-
ervative association with respect to pro-
ducer milk diverted from a pool distrib-
uting plant to a nonpool plant for its 
account; (d) a cooperative association with respect to its members' milk delivered in a tank truck owned, operated by, under contract to, or under the control of such cooperative. This definition will allow flexibility to a coop-
ervative association in handling its members' milk among handlers.

If a tank truck picking up milk at the 
farm is operated under the supervision of a cooperative association, it is the association that verifies the weight and butterfat content of the producer's milk. Handlers have no control over and generally take no part in checking the delivery of milk by a tank truck operator.
account member producer milk not in excess of 50 percent of the milk physically received from its producer members at pool plants during the month. This limitation appears reasonable and should be adopted. Milk diverted by the operator of a pool plant for his account would be limited to 50 percent of the quantity of producer milk physically received at his plant during the month. In all cases, however, producer status with respect to a dairy farmer whose milk is so diverted during any month of July through February would be contingent upon the receipt of his Grade A milk at a pool plant on at least 5 days during the month. This will assure the producer's association with the fluid milk market during the months of the year when milk production is seasonally lower and more likely to be needed by distributing plants for bottling use.

In the recommended decision, the 3-day deliveries requirement was made applicable to all months of the year. This change from the recommended decision will contribute toward the more efficient marketing of milk during the months of March through June.

The percentage limits on milk diversions will provide the flexibility needed by cooperatives and pool handlers to serve the market efficiently. It will not affect the pool adversely.

Should milk receipts from dairy farmers be diverted in excess of the limit set forth herein the diverting handler must specify the dairy farmers whose milk was diverted and all of the milk of such dairy farmers not received at a pool plant during the month shall not be producer milk in such month.

Milk diverted to a nonpool plant will be considered as received by the diverting handler at the location of the plant to which diverted, for purposes of pricing such milk.

In order to preclude duplicate regulation of milk, provisions should be made for excluding as producers, persons whose milk is diverted to a plant at which such milk is subject to the price and payment provisions of any other order.

Under no circumstances would a delivery of producer milk from the farm to the plant of a producer-handler be considered as diverted.

Exceptions were filed on behalf of the proponents of cooperative associations requesting that the order accommodate diversion of producer milk to nonpool plants from any pool plant when it is a distributing or supply plant. The terms contained in the recommended order would have limited diversion of producer milk from pool distributing plants to 5 percent of their total milk supply. This request should be adopted. The conditions which justify diversion of producer milk within the limits prescribed are generally applicable to both distributing and supply plants.

Some plants in the market which would qualify as pool supply plants under the terms of the order may not draw the necessary manufacturing facilities to process all


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Proponents suggested a limitation of 50,000 pounds as the amount of fluid milk products which might be received by a producer-handler. Such a figure is unreasonable. In this market the producer-handlers operate a limited number of units. The 3,000 pounds provided herein will be ample to meet the needs of the producer-handlers for supplemental supplies.

Receipts of milk at a pool plant from producer-handlers should be considered as a receipt of other source milk. This procedure is appropriate, otherwise produce-handlers would be permitted to use their own Class I sales would share in the Class I sales of other handlers in the market. At the same time the producer-handler would not be bearing proper share of the reserve supplies associated with such Class I sales.

Various business arrangements, involving superficial association with the milk production operation, may be used to accommodate an appropriate producer-handler operation. To preclude the use of such devices the order should provide that a producer-handler furnish a report to the market administrator setting forth a statement that (a) the care and management of all the dairy animals and other resources necessary to produce the entire volume of fluid milk products handled (except for milk which is permitted to be received within the 3,000 pound limitation) is the personal enterprise of and at the personal risk of such person, and (b) the operation of the processing and distributing business is the personal enterprise of and at the personal risk of such person. A producer-handler would be required to make such reports of his receipts and utilization as the market administrator deems necessary to verify the status of such person's operation and facilitate verification of transactions with other handlers.

**Other source milk definition.** A definition of "other source milk" is necessary to facilitate the application of the order to the various categories of receipts at a regulated plant.

Other source milk should include all skim milk and butterfat contained in or represented by (a) fluid milk products utilized by the handler in his operation (except producer milk, fluid milk products received from pool plants, and fluid milk products in inventory at the beginning of the month), (b) all manufactured dairy products from any source (including those produced at the plant) which are reprocessed or converted into another product during the month, and (c) all fluid milk products from any source other than fluid milk products which are not otherwise accounted for under the order.

In order to verify the actual utilization of milk products from producers, it is necessary that the market administrator be in a position to reconcile all receipts of milk and dairy products with the disposition records of the plant. If such records are not readily available, the milk must be held responsible for the shrinkage or the overrun which occurs as a result of the discrepancy between records of receipt and disposition. Otherwise, the handler with improper records would...
In a position to gain an advantage over his competitors who properly account for all milk and dairy products received. It is equally necessary that the handler be required to account for milk and dairy products received in a form in which they can be converted into Class I products. Otherwise, a handler by failing to keep records of receipts of nonfat dry milk and similar products, as can be accomplished by substituting skim milk or other fluid products could gain a competitive advantage over other handlers in the market.

b. Classification and allocation of milk. A classified use plan should be established to ensure that all milk and milk products handled by handlers fully or partially regulated under the order are fully accounted for according to the various uses in such handlers’ plants. Milk is disposed of in the market in a wide variety of forms, representing different proportions of butterfat and skim milk components of milk. These proportions may be greatly changed from the proportions of butterfat and skim milk in the milk and milk products on hand at the beginning of the month. The process of floating concentrated milk and milk products on a skim milk and butterfat basis, and pricing such skim milk and butterfat in accordance with the form in which (or the purpose for which) used is the most appropriate means of securing complete accounting on all milk involved in the market transactions.

This accounting system common in Federal orders, will insure uniformity in application of the classification and pricing provisions of the order to all handlers supplying and/or distributing milk in the market.

Fluid milk product. A definition of “fluid milk products” is provided in the order to implement the draft of the classification provisions of the order. Under the proposed definition herein provided, the term “fluid milk product” includes milk, skim milk, flavored milk, concentrated milk, buttermilk, milk drinks (plant and milk beverages); evaporated or skim milk to yield a finished product. These items were not classified and therefore, would be classified uniformly as Class II products the skim milk to be classified as liquid milk. Concentrated milk which may be restored to its original form in the home through the addition of water, as well as reconstituted fluid milk products, computed for the same Class I sales as whole milk. Accounting for such products on the basis of original volume, including all the water originally associated with the solids, is necessary in order to assure equity among handlers and to return to producers the full use value of their milk.

Fortified fluid milk products present a special classification and accounting problem. The fortified fluid milk products customarily is accomplished by the addition of nonfat dry milk to fluid milk or skim milk to yield a finished product of higher nonfat milk solids content than that of an equivalent amount of whole milk. Reconstitution, on the other hand, involves the process of “floating” concentrated milk solids in water to yield a weight of product approximately equal to the weight of milk from which the condensed product was first made by the removal of water. To maintain proper accounting for fortified fluid milk products the nonfat milk solids added to such items should be converted to their skim milk equivalent. This is necessary to insure uniformity of application of the accounting system. It is not necessary, however, to price as Class I all the water originally associated with the added solids. The other product, the solids used in fortification cannot be considered as displacing producer milk in Class I except to the extent that the volume of product is increased. The addition of solids to make a more concentrated product will increase the sales of producer milk, and in any event would not displace producer milk in Class I beyond the minor increase in volume which results.

In the case of fortified fluid milk products the nonfat milk solids classified as Class I milk should be only that contained in an equal volume of unmodified product of the same nature and butterfat content, excluding the dry weight of any nonfat milk solids added. The skim milk equivalent of the nonfat milk solids not classified as Class I milk should be classified as Class II milk.

Holders maintain inventory of milk and milk products which must be considered in accounting for receipts and utilization. The accounting procedure will be facilitated by providing for Class II classification on only that portion of ending inventory of fluid milk products which is in bulk storage in the plant. All fluid milk products on hand in packaged form in the plant should be classified as Class I.

This will facilitate handlers’ reconciliation of inventory products with that of the market administrator. Products on hand in plants in distribution outlets or in transit may be considered by some handlers as disposed of and therefore, would be classified as Class II. However, such products in distribution points or in transit differs with the individual handlers. It is not uncommon for handlers to consider products on loaded trucks as milk in inventory.

The classification as Class I of all packaged fluid milk products will result in such products which are on hand at the end of the month, either in plants, on loaded trucks, or in distribution points, being classified uniformly as Class I regardless of whether they are considered as being in inventory or as being already disposed of.

Packaged fluid milk products on hand on the effective date of the order, however, should be classified as Class II, since these items were not classified and priced as Class I in the order.

To assure that all handlers pay the current month’s Class I price for producer milk disposed of during the month, the Class I price in the preceding month must be increased. The handler will be charged the difference between the Class I price for the current month and the Class I price for the preceding month on the quantity of ending inventory assigned to Class I in the preceding month. Likewise, if the Class I price decreases, the handler will receive a corresponding refund.

The allocation section should provide that inventory of packaged fluid milk products should be subtracted from Class I utilization before making other assignments therein provided.

Inventory of fluid milk products in bulk form will be subtracted under the order for Class I. The treatment of the Class II disposition in the following month prior to the allocation of current fluid milk receipts. The higher value use of any fluid milk product in inventory, which is allocated to Class I in the following month, should be reflected in...
returns to producers. This is accomplished by a reclassification charge on such milk at the difference between the Class II price of the proceeding month and the Class I price of the current month.

Inasmuch as a handler may receive milk from other order plants and unregulated supply plants as well as producer milk or any pool plant milk, a limited number of these sources may contribute to his inventory situation at the end of the month. The assignment provisions herein adopted for homogenized milk and chocolate milk products disposed of or dumped or disposed of by the handler must account for all such milk. Furthermore, any other order milk so assigned will have been priced at the comparable surplus Class I price in the order of origin. In either case, therefore, the reclassification charge is appropriate.

Skim milk and butterfat in fluid milk products involved by a handler for livestock feed should be classified as Class II milk. Such outlets often represent the most efficient means for disposing of surplus milk. Transportation and handling costs are such that it may be uneconomical to ship relatively small quantities of unneeded milk to trade outlets. In the case of route returns of such products, however, homogenized milk and chocolate milk, it is difficult and impractical to salvage the butterfat for further use. Such butterfat which is not saleable should be classified as Class II when dumped or disposed of for livestock feed.

It would not be practicable to permit in an unlimited manner the dumping of skim milk and butterfat by pool plant handlers. Neither would it be appropriate to classify such skim milk and butterfat, for which no better outlet is available, in other than Class II. Accordingly, the order should clearly specify a Class II classification for all skim milk and butterfat dumped, provided that the market administrator is notified in advance and afforded the opportunity to verify the dumping.

Waste and loss of skim milk and butterfat experienced in plant operations are referred to as “shrinkage.” Since shrinkage represents disappearance of milk for which the handler must account but in which no direct return is realized, it should be considered as Class II milk to the extent that the amount is reasonable and is not the result of incomplete or faulty record keeping. The maximum shrinkage allowance in Class II at each pool plant should be 2 percent of producer milk (except that diverted to a nonpool plant for which a cooperative association is the handler pursuant to §1060.10(c)), plus 1.5 percent of producer milk from a cooperative as a handler and bulk fluid milk products from pool plants handled and diverted to the extent of less 1.5 percent of bulk fluid milk products transferred to other plants (except pool plants of the same handler). A 1.5 percent shrinkage allowance would be allowed on bulk fluid milk products received from other order plants and unregulated supply plants (exclusive of the quantity for which Class II utilization is requested by the handler).

As provided in this decision, a cooperative would be the handler for milk delivered from producers' farms to the pool plant of another handler in a tank truck owned and operated by the handler and purchased from such producer. When a cooperative is a handler under such conditions, the operator of a pool plant receiving this bulk tank milk directly from the producer would be responsible for settling with the cooperative for such milk in the same manner as a receipt from producers. However, the full 2 percent allowance for shrinkage would be permitted the handler only if he is purchasing the milk on the basis of farm weights and has so notified the market administrator. Otherwise, the maximum shrinkage in Class II allowed the handler on such milk would be 1.5 percent, and the cooperative would be responsible for any difference between the gross weight of producer milk received in the tank truck at the pool plant and the quantities thereafter agreed upon by the operator of the pool plant would be considered a receipt of producer milk by the cooperative at the location of the pool plant. The cooperative would report such differences, which may reasonably be expected to be within 0.5 percent of the quantity of producer milk determined on the basis of farm weights during the month. The cooperative should be responsible for inclusion in the monthly pool computation. Up to 0.5 percent of the total producer farm tank milk involved would be reported as a difference in excess of the maximum allowable Class II shrinkage of 0.5 percent would be Class I. The cooperative would be responsible for settling with the producer-settlement fund for the total quantity of shrinkage it reported. If the quantity of bulk tank milk physically received at a pool plant from a cooperative during the month is less than or equal to the sum of the farm weights, the cooperative would have no settlement to make with the producer-settlement fund on such milk. However, in those instances wherein the quantities of milk physically received at pool plants are greater than the farm weights, the pool plant operator’s obligation to the cooperative and the producer-settlement fund would be on the basis of the weights ascertained at his plant.

Plants which are operated in a reasonably efficient manner and for which accurate records of all receipts and utilization are maintained should have plant losses in excess of the maximums provided. Any shrinkage in excess of the maximums should be classified as Class I milk. This is reasonable and necessary to strengthen the classified pricing plan and will tend to encourage maintenance of adequate records and efficient handling of milk.

It is appropriate to limit the volume of unregulated supply plant milk and other order milk that may be classified in Class II as shrinkage since these types of receipts are allocated pro rata to class usage along the retail chain of pool plants and producers. Under the allocation system provided, such other source milk will share with producer milk in any shrinkage allocated to Class I. When the specified Class II shrinkage limitations are exceeded. No specific shrinkage limit is necessary on unregulated or other order milk that does not share a pro rata assignment and thus is allocated first to Class II uses, since the allocation procedure insures assignment of such milk to Class II in an amount at least equal to the shrinkage that may be anticipated. It is necessary, therefore, to provide specific rules so that the classification of such transfers may be determined under this order.

Fluid milk products transferred by a handler to a pool plant of another handler should be classified as Class I milk unless utilization as Class II milk is claimed for both plants on the reports submitted for the month to the central administrator. However, sufficient Class II utilization must be available at the transferee plant for such assignment after prior allocation of receipts of unregulated milk, other order milk, and other Federal orders and provides a percentage limitation for Class II utilization. Wherever the quantities of milk involved in such transfers are such that it may be necessary to limit fluid milk products transferred to a producer-handler, classifying such milk as Class I and handling costs are such that it may be more appropriate to ship relatively small quantities of unneeded milk to trade outlets. However, in those instances wherein the quantities of milk physically received at a pool plant from a cooperative for which there is no such limitation, the total shrinkage should be prorated to these two categories.

Transfers. Fluid milk products may be disposed of to other plants pursuant to their own regulations. It is necessary, therefore, to provide specific rules so that the classification of such transfers may be determined under this order.

Fluid milk products transferred by a handler to a pool plant of another handler should be classified as Class I milk unless utilization as Class II milk is claimed for both plants on the reports submitted for the month to the central administrator. However, sufficient Class II utilization must be available at the transferee plant for such assignment.

In the case of a transferor handler who received source milk of the type to which surplus values inherently apply (such as nonfat dry milk), it is necessary to limit the volume of such milk that may be allocated to Class II uses, since the allocation procedure insures assignment of such milk to Class II in an amount at least equal to the shrinkage that may be anticipated. It is necessary, therefore, to provide specific rules so that the classification of such transfers may be determined under this order.

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Fluid milk products transferred or diverted in bulk to a nonpool plant that is neither an order plant nor a producer-handler plant which is located not more than 300 miles by the shortest highway distance from the city halls of Fargo or Grand Forks, N. Dak., shall be classified as Class I milk unless otherwise regulated under another order.

The operator of the nonpool plant, if requested, should make his books and records available to the market administrator for the purpose of verifying the receipts and utilization of milk in such nonpool plant. Provision for verification by the market administrator is reasonable and necessary to insure proper application of the classification procedures prescribed in the order.

The skim milk and butterfat so diverted or transferred should be assigned following the assignment of utilization at such nonpool plant to receipts of packaged fluid milk products from pool plants and other order plants. This assignment is in accord with the classification of such packaged products to the plant of origin. Other utilization at the nonpool plant should be assigned on the basis that any Class I utilization disposed of on routes in the marketing area should be first assigned to the skim milk and butterfat in the fluid milk products so transferred or diverted to the nonpool plant from pool plants, and next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitute the regular source of supply of Grade A milk for such nonpool plant. Further, any Class I utilization disposed of on routes in the marketing area of another order should be first assigned to receipts from plants fully regulated by such order, and next pro rata to receipts from pool plants and other order plants not regulated by such order and thereafter to receipts from dairy farmers who the market administrator determines constitute the regular source of supply of Grade A milk for such nonpool plant. The remaining quantities of skim milk and butterfat transferred from a pool plant to which shipment is made. shall be classified as the skim milk and butterfat in any transfers of milk, skim milk, and cream in bulk from the nonpool plant to pool plants, and should be classified as if it were a direct transfer from one pool plant to another pool plant with Class II utilization indicated.

If this results in transfers from pool plants of two or more handlers being classified as Class I such classification should be shared pro rata between the handlers unless, at or before the time of reporting, the plant operators indicate agreement on a different sharing of such Class I classification.

If such assignment does not cover all transfers to the nonpool plant, assignment of additional milk shall be made subject to adjustment when such information is available. For these purposes, also if the transferee order provides for more than two classes of utilization, milk classified as Class II but not as Class I shall not be credited in determining the quantity of fluid milk products classified as Class I and milk allocated to other classes shall be classified as Class II.

Fluid milk products transferred or diverted to a nonpool plant that is neither an order plant nor a producer-handler plant which is located more than 300 miles by the shortest highway distance as determined by the market administrator from the city halls of Fargo or Grand Forks, N. Dak., should be Class I milk.

Within the 300-mile range the manufacturing facilities are adequate to insure the orderly disposition of the market's reserve supply and milk moving a greater distance can be presumed to be for Class I uses. Hence, on shipments beyond such distance with the following exception, it is not necessary and it is not administratively feasible for the order to provide classification on the basis of verified utilization in the nonpool plant to the plant of origin.

While it is not feasible to move whole milk long distances except for Class I use, cream may be shipped a considerable distance for use in ice cream and other similar purposes. Cream transferred as such, and Class II (and so reported by the transferring handler) to a nonpool plant located beyond the 300-mile range, therefore, should be so classified without requiring verification of its use by the market administrator at the nonpool plant, provided that prior to shipment the market administrator is given sufficient notice to allow him to verify the shipment, and the container of such cream is tagged as being for manufacturing purposes only, and this is so invoiced.

Such a provision will assure the availability of outlets for surplus cream irrespective of distance from the market and at the same time reduce the expense of verifying the use of surplus cream.

In the case of fluid milk products transferred from pool plants to fully regulated plants under another order, the market administrator shall coordinate the classification under both orders. Specifically, fluid milk products transferred to an order plant in excess of receipts from such plant in the same category (packaged, bulk designated for surplus disposal, or bulk milk not so designated) should be classified in the classes to which allocated as a fluid milk product under the other order. The market administrator may coordinate the classification of both the transferor and transferee plants so request in the reports of receipt and utilization filed with their respective market administrators. Transfers in bulk form should be classified as Class II to the extent that Class II utilization (or comparable utilization under such other order) is available for such assignments. The market administrator should cooperate in extending provisions of the transferee order. If, however, information concerning the classification to which allocated under the order is not available to the market administrator, the establishment classification pursuant to this parameter, classification should be as Class I, subject to adjustment when such information is available. For these purposes, also if the transferee order provides for more than two classes of utilization, milk classified as Class II but not as Class I shall not be credited in determining the quantity of fluid milk products classified as Class I and milk allocated to other classes shall be classified as Class II.

If the form in which a fluid milk product is transferred to another order plant is not defined as a fluid milk product under such other order, classification should be in accordance with the form in which it leaves the transferee plant. This would be the case where the classification of a product differs in the shipping and receiving markets and, accordingly, identical classification will not be possible. These differences exist primarily because the health authorities in different areas have varying requirements with respect to the use of Grade A milk in some milk products. Hence, the order provisions must be designed to accommodate the differences in classification which exist in order compared to any order market from which such products are.

Class II utilization in the nonpool plant would be limited to shipments of skim milk and butterfat so disposed of on routes in the marketing area of another order should be first classified as Class II, and milk allocated to other classes shall be classified as Class II.

Such milk may enter the market in two ways. It may be distributed directly on routes by a partially regulated plant or by a plant subject to regulation under another order. It may also be received as other source milk by a fully regulated plant. In the latter instance it may consist of receipts from an order plant, from an unregulated supply plant, or even from manufacturing plants or dairy farmers whose milk is not regulated by any order or which is regulated under another order.

Regardless of the source of the milk or the method of entry into the market, provision must be made for treating such milk in a manner which will protect, to the extent consistent with the Act, the regulatory plan of the order. A uniform program for treating such milk was made effective by amendments to all orders which were in effect on July 1, 1964, following the decision of the Assistant Secretary of June 19, 1964 (29 F.R. 9214).

The findings and conclusions of such decision relating to this matter are equally applicable to the Minnesota-North Dakota marketing area. The decision of June 19, 1964, was adopted as a part of this decision.

The conditions described therein as generally applicable to all marketing areas under that time, are equally applicable to the Minnesota-North Dakota marketing area. It is necessary, therefore, that the provisions of this order relating to the integration of other source milk do not differ materially from similar provisions of
other orders. The provisions herein recommended are identical in principle to the general amendments made to all orders for such different purposes of the Assistant Secretary, and are recommended for adoption in the interest of continuing a coordinated program among markets and providing for the uniform treatment of regulated milk in the several markets.

This decision sets forth in detail the procedure to be followed in allocating over a base zone the volume of nonpool milk that may be received from the several types of nonpool sources. It provides for a payment into the producer-settlement fund on unregulated milk which is allocated to Class I.

This decision also prescribes the obligations of a partially regulated distributing plant with respect to record keeping and reporting, as well as defining the circumstances under which such a plant would be required to make payments to the producer-settlement fund.

c. Determination and level of class prices. In order to promote and maintain orderly marketing conditions in the Minnesota-North Dakota marketing area, minimum Class I and Class II prices for producers established at levels which will reflect economic conditions affecting the market supply and demand for milk and its products and tend to obtain an adequate supply of milk to meet the fluid needs of the market plus a necessary reserve for fluctuations in demand. Of the estimated 420 million pounds of Grade A milk received annually by handlers in the market who are expected to be fully regulated, less than half of such milk is required for fluid uses. There is, therefore, no indication that supplies are inadequate or tending to become inadequate for the Minnesota-North Dakota market.

The level of Class I price must not be so high as to attract additional supplies to the market under current marketing conditions and the needs are entirely adequate. Such overattribution of milk supplies would tend to shift agricultural resources into the production of milk and its products with the resultant production of surpluses which would depress the blend price to producers. Yet the price must exceed the manufactured milk price by a sufficient amount to encourage producers to produce milk of the high quality required for the fresh fluid needs of the market.

Class II prices should be established at a level which will assure a market for milk delivered by producers in excess of Class I needs. Such prices should not encourage the development of milk supplies for use as Class II products.

Class prices as well as uniform prices to producers should be computed and announced for milk of 3.5 percent butterfat content. This is the prevailing practice among handlers in the market.

Class I price. For an 18-month period beginning with the effective date of the order, the Class I price for milk of 3.5 percent butterfat content should be established at an annual level of $3.00 per hundredweight higher than the average price paid for manufacturing grade milk in Minnesota and Wisconsin during the preceding month. For the period through April 1968, 20 cents should be added to such difference.

The Class I price for any plant located outside of the base zone should be adjusted for location at the rate of 1.2 cents for each 10 road miles or fraction thereof not within the perimeter of the base zone. Such location adjustments should be added to the Class I price if the plant is located in North or South Dakota and should be subtracted from such price if the plant is located in Minnesota.

The manufacturing milk price in Minnesota and Wisconsin to be used as the basic formula for determining Class I prices is reported by the Department of Agriculture each month and for the purpose of pricing Class I milk should be converted to a 3.5 percent butterfat basis using a butterfat differential equal to 12 percent of the wholesale price of butter at Chicago. The price so adjusted is used as a basic formula for establishing Class II prices in most Federal milk orders.

The purpose for which such basic formula price is used is to provide a measure of the general economic conditions affecting the supply and demand for milk. By using manufacturing milk prices as a formula factor in determining Class I prices it is possible to reflect such general economic factors automatically in Class I prices.

Since this marketing area is located in a region of heavy milk production in relation to population, there is considered to be a relatively large supply in the area than is disposed of for Class I use. In order to compensate producers for producing milk of Grade A quality which is needed for Class I sales, the Class I milk price must be somewhat higher than producers of manufacturing grade milk receive. However, if the Class I price more than compensates producers for the extra cost of Grade A milk production, they are encouraged unnecessarily to shift from manufacturing grade milk production to the production of Grade A quality milk. If additional Grade A milk supplies cannot be disposed of in Class I outlets, such milk must be utilized in manufactured dairy products at a price competitive with dairy products made from manufacturing grade milk. Because dairy products made from Grade A milk bring no premium in the market place over those made from manufacturing grade milk, farmers producing Grade A milk and manufacturers of dairy products can obtain no higher price for Grade A milk so used than the prevailing rate for manufacturing grade milk.

Hence, in establishing a Class I price, particularly for this area where large quantities of Grade A milk in excess of those needed for Class I sales already exist, it is essential that the Class I price be maintained at a level which will not encourage the production of Grade A milk to be produced, thereby adding only to the volume which must be manufactured.

Since the Class I price must be so close to the price that would be paid for Grade A milk, the only feasible method of accomplishing such alignment is to base the Class I price directly on such manufacturing milk price.

The proposed Class I price together with the proposed Class II price (as described later) and a Class I utilization of 45 percent would have given a market blend price of $3.54. This price is in excess of prices paid by producers by the handlers in 1965 by an amount which reflects the increased in milk prices which have occurred on a national level since that time.

The Cass-Clay Creamery is located in Fargo and the Fairmount Foods plant in Moorhead, the Fergus Dairy plant in Fergus Falls, Minn., is about 55 miles to the northwest. One of the principal bottling plants is located at Thief River Falls, Minn., about 116 miles north of Fargo. None of the handlers operating these plants pays its producers on a strictly classified price plan. The average price per hundredweight of 3.5 percent milk paid by each of them to its producers during 1965 was $3.54 by Cass-Clay, $3.66 by Fairmont Foods, $3.55 by Fergus Dairy, and $3.57 by Land O'Lakes. The Minnesota Dairy Co. of Grand Forks is one of the principal handlers in this area. The price per hundredweight paid its producers for milk containing 3.5 percent butterfat for 1965, was estimated to be $3.85 on the average, plus an additional 13 cents per hundredweight hauling subsidy.

There is, however, no indication in the utilization of the above handlers. Substantially more than half of the Grade A milk received by Cass-Clay and Fergus Dairy is used in the manufacture of dairy products. The average classification of the four plants of Land O'Lakes (located at Thief River Falls, Crookston, and Brainerd, Minn., and Grand Forks, N. Dak.) approximates 60 percent Class I. The Fairmont Foods plant at Moorhead, Minn., also utilizes the greater part of its receipts as Class I milk. At the plant of the Minnesota Dairy Co., virtually all producer receipts are used for Class I purposes.

An identical Class I price should apply to all plant locations within the base zone (discussed in detail under the heading "Location differentials"). This zone encompasses the Fargo-Moorhead and Grand Forks, N. Dak., metropolitan areas. These cities and their environs are the areas of greatest population concentration and more than half of the market's Class I sales are made therein. Also included in the base zone are other nearby cities of smaller population with
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which there is a considerable exchange of Class I sales.

Producer association proponents for the Minnesota-North Dakota order proposed to eliminate any price incentive for Minneapolis-St. Paul milk to move into this area which already has more Grade A milk than can be disposed of in Class I sales. Since the demand for Class I milk in Fargo, Grand Forks, and Valley City, N. D., at Moorhead, East Grand Forks, Crookston and Thief River Falls, Minn., is distributed. The adjoining cities of these transportation costs. Although the area has an ample supply of milk to meet current demands, complete data with respect to receipts and sales of milk in the area are not available. Any price adjustment mechanism which would be designed to reflect such supply and sales relationships in a pricing formula would not, therefore, be practical at this time. Furthermore, the conditions of supply and sales are likely to be somewhat different than those which have prevailed in recent years.

For this reason, a limit of 18 months is provided for the Class I price provisions of the order. This will afford an opportunity to review the provisions at a hearing in the light of marketing conditions at that time. Such review could also consider supply and sales relationships for adjustment purposes.

Class II price. The Class II price should reflect the market price for manufacturing grade milk f.o.b. plants in Minnesota and Wisconsin, as reported by the U.S. Department of Agriculture, adjusted to a 3.5 percent butterfat test. The order proponents initially proposed that the Class II price be established at the level of the Minnesota-Wisconsin manufacturing grade milk price, adjusted to 3.5 percent butterfat test. They modified this proposal at the hearing to request a Class II price level 6 cents per hundredweight below the market level. There was general agreement by producers and handlers alike that the Class II milk price for the market should be based upon the Minnesota-Wisconsin price series. There was less agreement as to the amount, if any, that the Class II price should be below the series price. Support in this matter ranged from a zero to a minus 6 cents per hundredweight position.

Large quantities of reserve supplies of milk for the market are utilized in the manufacture of butter and nonfat dry milk. These operations are confined to a few large plants. There is much variation in the handling and marketing of surplus milk at the plants of other handlers. Some milk-utilized for Class I purposes in the market is handled at plants with limited manufacturing facilities. However, a number of plants which would be pool plants under the order maintain manufacturing operations for manufacturing items such as ice cream and cottage cheese. Throughout the year, particularly in the spring and months of heavy production, producer milk not needed for fluid uses is moved to manufacturing plants by the handlers, who regularly receives the milk or by the cooperative association responsible for marketing such producer milk. Further, the Class II price for manufacturing milk should be at a level which will provide the highest possible returns to producers in the market while at the same time allowing the orderly marketing of such milk. A Class II price based on the average Minnesota-Wisconsin manufacturing milk price should adequately meet these pricing objectives. The desirability of using a competitive price is based on the premise that in the highly competitive dairy industry, average prices which are paid in the areas where there is a marketing system, which are paying the highest prices at the time of such disposal. Because of smaller volume and inefficient means of handling, it is possible that many handlers may at times incur losses in handling their reserve supplies of milk. The handling of such reserve milk is incidental, however, to the handling of fluid milk for sale.

The price for manufacturing milk should be at a level which will provide the highest possible returns to handlers in the marketplace. It is possible that many handlers may at times incur losses in handling their reserve supplies of milk. The handling of such reserve milk is incidental, however, to the handling of fluid milk for sale.

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**Butterfat differentials.** The recommended classification system provides for a full accounting of all skim milk and butterfat utilized in all products. While milk is priced to handlers at a basic test of 3.5 percent, it is intended that each handler's cost for milk shall reflect the proportions of skim milk and butterfat in each class. This is accomplished by adjusting the class prices to each handler by a proper butterfat differential.

The Class I butterfat differential adopted herein is the same as that used in a substantial number of other orders and is determined as manifesting the Chicago butter price by 0.12.

This differential, which would have averaged 7.2 cents in 1965 (a variation that year from 7 to 1.6 cents), is a reasonable representation of the value of butterfat when disposed of in the fluid items indicated in this class.

The Class II butterfat differential of 11.5 percent of the Chicago butter price is likewise with its components part in a number of other orders throughout the country. It will vary from month to month as the butter price varies. Hence, it will facilitate the movement of butterfat which is needed for fluid use to manufacturing outlets. The Class II butterfat differential will appropriately reflect the values of butterfat and skim milk components in milk used in manufacturing operations.

The use of the Chicago butter price as a basis for establishing butterfat differentials was assumed for both producers and handlers that such differentials reflect changes in the butterfat values in the national market. The differentials adopted were suggested by proponents of such a basis.

The butterfat differential used in making payments to producers should be calculated at the average of the return actually received from the sale of butterfat in the proportionate rate to be used for this purpose would be the average of the Class I and Class II butterfat differentials weighted by the proportion of butterfat in producer milk classified in each class. The Class II butterfat differential will reflect the average value of their butterfat in the two classes provided in this order. The producer butterfat differential does not affect a handler's obligation and its sole purpose is to provide returns among producers to the extent their milk differs from the basic 3.5 percent butterfat test.

**Location differentials.** Location differentials should be incorporated in the order to provide appropriate adjustment in the Class I price and uniform price based upon the location of any plant at which products are received. While milk because of its bulky and perishable nature incurs high transportation costs if moved a considerable distance. Milk delivered directly by farmers to handlers should be located close to the area where such milk is distributed to consumers is therefore more valuable to the handler than milk obtained at a plant many miles from the market.

**The Fargo-Moorhead metropolitan area and Grand Forks, N. Dak., are the principal cities from which fluid milk products are distributed throughout the recommended marketing area. They represent the points where there is the largest concentration of production and therefore are the areas of largest milk sales to consumers.**

A base zone within which there would be identical price treatment for all handlers so located includes the Minnesota counties of Marshall, Polk, Pennington, Red Lake, Norman, Clay and the North Dakota counties of Grand Forks, Traill, and Cass. This zone encompasses the Fargo-Moorhead metropolitan area and Grand Forks, N. Dak.

The perimeter of the zone where it intersects the roads leading to the various plants which would be regulated (roads on routes with the least road mileage) provides appropriate basing points for determining location adjustments to prices at such plants.

The Class I and uniform price applicable at any such plant, therefore, which is located outside of the base zone should be subject to a plus or minus adjustment on the basis of 1.2 cents per 10 road miles or fraction thereof that such plant is located from the perimeter of such base zone. The measurement for this purpose should be based upon the shortest all-weather-road miles as determined by the market administrator. The location adjustment would be added to the prices at plants located in North or South Dakota or Minnesota, and subtracted at plants located in Minnesota.

In the recommended decision issued April 28, 1967, provision was made for a base zone (no location adjustment) to encompass plants of handlers located less than 70 road miles from the nearer of Fargo or Grand Forks. A 10-cent plus or minus adjustment was recommended for any plant up to 80 road miles from the two cities and an additional 1.2 cents for each successive 10 miles beyond 80 miles.

A reappraisal of the location differentials which would be subject to exceptions filed. The changes from the recommended decision adopted herein are intended to achieve insofar as possible a higher degree of uniformity in prices to all handlers f.o.b. the market and maintain the historical price differential which existed in the past among the plants to be brought under regulation.

The order provides for higher prices for milk received at pool plants located west and southwest of the Minnesota-North Dakota State boundary, and lower prices for milk received at plants in the heavy production areas of Minnesota.

Milk production in the portion of the marketing area west of the Red River decreases rapidly along plains provided by the river. Supplemental supplies needed by handlers located there must be received from plants located either in Grand Forks or Fargo, or further to the west in the areas which have historically produced milk at the point to which the milk is delivered.

No location differential should apply to Class II milk. Such milk need not be moved to the areas of centers of population to be sold. Handlers should not be encouraged to move milk long distances for Class II purposes at the expense of dairy producers since Class II products are for little freight cost and prices for such products vary little with location. The Class II milk should be manufactured as close as possible to the source of production and the product should be transported rather than the milk.

A method is provided for determining, if necessary, the priority of milk from various plants allocated to Grand Forks for the purpose of computing the aggregate location differential to be allowed.

To insure that milk will not be moved unnecessarily at producers' expense, the order should contain a provision to determine whether milk transferred between plants may receive the location differential credit. This should provide that, for
the purpose of calculating such credit fluid milk products received from pool plants shall be assigned to any Class I milk at the total bulk tank plant that is in excess of the sum of producer milk receipts at such plant and receipts from other order plants and unregulated supply plants for which payment is required. Including such proportions of milk, the market-wide pool will be established in the attached order at \( \frac{1060.10(c)}{1060.10(c)} \) of the order. A partial payment for producer milk received during the first 15 days of the month should be made at not less than the Class II price for the preceding month. The final settlement for the value of such milk should be made at the applicable uniform price, less partial payments.

In making payments to producers, the handler should be required to furnish each producer a supporting statement. This statement should show the pounds and butterfat tests of milk received from each producer, the price of such milk, if such rate is other than the applicable minimum, and any deductions claimed by the handler.

(3) Producer-settlement fund. All producers will receive payment at the rate of the market-wide uniform price each month. Because the payment due from each handler for producer milk established in the attached order at \( \frac{1060.10(c)}{1060.10(c)} \) of the order.

A partial payment for milk delivered during the first 15 days of the month would also be required on or before the last day of the month at not less than the Class II price for the preceding month without deduction for hauling. Final payment to producers would be required on or before the 15th day of the month at the applicable uniform price for the preceding month, less partial payments and authorized deductions.

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In addition to the definitions discussed earlier in this decision, which define the scope of the regulation, certain other terms and definitions are desirable in the interest of brevity and to assure that each usage will meet the necessary certainty of meaning. Such terms as are defined in the attached order are common to many other Federal milk orders.

1. Market Administrator. Provisions should be adopted by the Secretary of a market administrator to administer the order and to set forth the powers and duties for such agency essential to the proper functioning of such office.

2. Records and reports. Provisions should be included in the order requiring handlers to maintain adequate records of their operations and to make reports necessary to establish classification of producer milk and payments due therefor. Such reports are necessary for the computation of the uniform price and determination of the market administrator's pricing status under the order. The maintenance of adequate records is necessary to enable the market administrator to verify receipts and utilization as reported. Such records should be available to the Secretary of a market administrator to compute the amounts distributed in the marketing area and on other source milk allocated to handlers of such handler's own production.

3. Expense of administration. Each handler shall be required to pay to the market administrator, as his proportionate share of the cost of administering the order, 4 cents per hundredweight, or such lesser amount as the Secretary may prescribe, on producer milk (including milk of such handler's own production) and on other source milk allocated to Class I (except milk so assessed under another Federal order).

The market administrator must have sufficient funds to enable him to administer properly the terms of the order. The act provides that such cost of administration shall be financed through an assessment on handlers. A principal function of the market administrator is to verify the receipts and disposition of milk from all sources. Equity in sharing the cost of administration of the order among handlers will be achieved, therefore, by applying the administrative assessment on the basis of Grade A milk received from dairy farmers at a plant and on other source milk allocated to Class I milk.

The order provides that a cooperative association may act as the handler for milk of members which is delivered in tank trucks directly from the farm to pool plants of other handlers.

The cooperative is considered the handler for such milk for the purpose of accounting to the individual producers. Such milk is producer milk at the plant of the receiving handler and is treated in the same manner as directed receipt from producers. Therefore, the handler who receives the milk should pay the administrative assessment on it.

The order specifies minimum performance standards that must be met to obtain regulated status. Operators of plants metropolitan milk markets are required to either (1) make specified payments into the producer-settlement fund on route distribution in the marketing area, or (2) otherwise pay into such fund and/or to dairy farmers an amount not less than the classification value of the plant. Dairy farmers computed as though such plant were a fully regulated plant.

The market administrator, in administering the order, as it applies to the non-pool route distributor, must incur expenses in essentially the same manner as in applying the order to pool handlers. However, the order is not applicable to such distributor to the same extent as to regulated handlers. Hence, payment of the administrative assessment on his in-area sales reasonably would constitute his pro rata share of administrative expenses.

In the case of unregulated milk which enters the market through a regulated plant for Class I use, it is the regulated handler who utilizes the unregulated milk and who must report to the market administrator the receipt and use of such milk. Also, the receipts and utilization of unregulated milk at his plant are subject to verification by the market administrator. Hence, it is appropriate that the regulated handler be responsible for payment of the administrative assessment on such unregulated milk.

The order is designed so that the cost of administration is shared equitably among all handlers distributing milk in the proposed marketing area. However, to prevent duplication an assessment should not be made on other source milk on which an assessment was made under another Federal order. In view of the anticipated volume of milk and the costs of administering orders in markets of comparable circumstances, it is concluded that an initial rate of 4 cents per hundredweight is necessary to meet the cost of administration. Provision should be made to enable the Secretary to reduce the amount of the administrative assessment without the necessity of amending the order.

A higher assessment rate may prevail when the order is first issued since part of the assessment is used each month to reserve funds for operating expenses. Once the necessary reserve has been established, the assessment rate to handlers is reduced to whatever rate is necessary to meet operating expenses. These changes may be done at any time experience in the market reveals that a lesser rate will provide sufficient revenue for proper administration of the order.

4. Market management. Provisions should be made in the order for furnishing marketing services to producers, such as verifying the tests and weights of producer milk and furnishing market information. These services are provided by the market administrator.
PROPOSED RULE MAKING

General findings. (a) The proposed marketing agreement and order 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 proposed marketing agreement and the order 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 proposed marketing agreement and order will regulate the handling of milk in the same manner as, and will be applicable to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reason previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, “Marketing Agreement Regulating the Handling of Milk in the Minnesota-North Dakota Marketing Area”, and “Order Regulating the Handling of Milk in the Minnesota-North Dakota Marketing Area”, which have been decided upon in the Minnesota-North Dakota Marketing Area, and

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the Federal Register. The regulatory provisions of said marketing agreement are identical with those contained in the attached order which will be published with this decision.

Referendum order: determination of representative period; and designation of referendum agent. It is hereby directed that a referendum be conducted among producers to determine whether the issuance of the attached order regulating the handling of milk in the Minnesota-North Dakota marketing area, is approved or favored by the producers, as defined under the terms of the proposed order, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of June 1967 is hereby determined to be the representative period for the conduct of such referendum.

A. T. Radigan and Edward T. Coughlin are hereby designated agents of the Secretary to conduct such referendum in accordance with the procedures for the conduct of referenda to determine producer approval of milk marketing orders (1 CFR 900.309 et seq.), such referendum to be completed on or before the 30th day from the date this decision is issued.


GEORGE L. MEHREN,
Assistant Secretary.

Order 1 Regulating the Handling of Milk in the Minnesota-North Dakota Marketing Area

GENERAL DEFINITIONS

Sec. 1060.1 Act.
1060.2 Minnesota-North Dakota marketing area.
1060.3 Route.
1060.4 Department.
1060.5 Chiago butter price.
1060.6 Person.
1060.7 Secretary.
1060.8 Producer.
1060.9 Cooperative association.
1060.10 Handler.
1060.11 Producer-handler.

DEFINITIONS OF MILK AND MILK PRODUCTS

1060.15 Producer milk.
1060.16 Divided milk.
1060.17 Other source milk.
1060.18 Fluid milk product.

DEFINITIONS OF PLANTS

1060.20 Plant.
1060.21 Distributing plant.
1060.22 Supply plant.
1060.23 Pool plant.
1060.24 Nonpool plant.

DEFINITION OF MARKET ADMINISTRATOR

1060.30 Designation.
1060.31 Powers.
1060.32 Duties.

DEFINITIONS OF REPORTS, RECORDS AND FACILITIES

1060.35 Reports of receipts and utilization.
1060.36 Payroll reports.
1060.37 Other reports.
1060.38 Records and facilities.
1060.39 Retention of records.

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1060.40 Skim milk and butterfat to be used in manufacturing.
1060.41 Classes of utilization.
1060.42 Shrinkage.
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1060.44 Transfers.
1060.45 Computation of skim milk and butterfat in each class.
1060.46 Allocation of skim milk and butterfat to be classified.

MINIMUM PRICES

1060.50 Basic formula price.
1060.51 Class price.
1060.52 Butterfat differentials to handlers.
1060.53 Location differentials to handlers.

APPLICATION OF PROVISIONS

1060.60 Producer-handlers and exempt institutions.
1060.61 Plants subject to other Federal orders.

PROGRAM REGULATING THE HANDLING OF MILK IN THE MINNESOTA-NORTH DAKOTA MARKETING AREA

This order shall not become effective unless and until the requirements of § 1060.44 of the rules of practice and procedure, governing proceedings to formulate marketing agreements and marketing orders have been met.

PROPOSED RULE MAKING

1060.62 - Obligation of handler operating a partially regulated distributing plant.

1060.70 Computation of the net pool obligation of each pool handler.

1060.71 Computation of uniform price.

DEFINITION OF UNIFORM PRICE

1060.72 Time and method of payment.

1060.73 Location differentials to producers and on nonpool milk.

1060.74 Payments to the producer-settlement fund.

1060.75 Payments out of the producer-settlement fund.

1060.76 Adjustment of accounts.

1060.77 Marketing services.

1060.78 Expense of administration.

1060.79 Termination of obligation.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

1060.80 Effective time.

1060.81 Suspension or termination.

1060.82 Continuing obligations.

1060.83 Terminating obligations.

MISCELLANEOUS PROVISIONS

1060.100 Agents.

1060.101 Separability of provisions.


§ 1060.0 Findings and determinations.

(a) Findings upon the basis of the hearing record. 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 Part 900), a public hearing was held upon a proposed marketing agreement and a proposed order regulating the handling of milk in the Minnesota-North Dakota marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, and all of the terms and conditions thereof, will tend to further the declared policy of the Act;

(2) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feed, available supplies of feed, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest;

(3) The said order regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held;

(4) All milk and milk products handled by handlers, as defined in this order, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expenses, 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to:

(a) Producer milk (including a handler's own farm production):

(b) Other source milk allocated to Class I milk pursuant to § 1060.40(a) (4) and (5) and the corresponding steps in § 1060.46(b); and

(c) Class I milk disposed of in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Minnesota-North Dakota marketing area shall be in conformity to, and in compliance with, the following terms and conditions:

The provisions of §§ 1060.0 to 1060.101, both inclusive, of the proposed order contained in the recommended decision issued by the Deputy Administrator, Regulatory Programs, on April 28, 1967, shall be and are the terms and conditions of this order and are set forth in full herein subject to the following revisions:

Changes are made in §§ 1060.2, 1060.16, 1060.41(b)(3), (llly), (ad), and 1060.61(a)(3), (II), 1060.63(a) and (b) (1), 1060.80(c) (Introductory text and (a)), and 1060.82(a).

GENERAL DEFINITIONS

§ 1060.1 Act.

"Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

§ 1060.2 Minnesota-North Dakota marketing area.

(a) "Minnesota-North Dakota marketing area" (hereinafter referred to as the "marketing area") means all the counties listed below, including territory wholly or partly within such boundaries occupied by Government (municipal, State, or Federal) reservations, institutions, or other similar establishments:

MINNESOTA

Becker, Beltrami, Big Stone, Clay, Clearwater, Douglas, Grant, Hubbard, Kittson, Lake of the Woods, Mahnomen.

Marshall, Norman, Otter Tail, Pennington, Polk, Round Lake, Renville, Rockau, Stevens, Traverse, Wadena, Wilkin.

NORTH DAKOTA

Barnes, Pembina, Ramsey, Ransom, Richland, Sargent, Steele, Traill.

SOUTH DAKOTA

Grant, Roberts.

(b) The "base zone" shall include that portion of the marketing area in the counties of Clay, Marshall, Norman, Pennington, Polk, and Red Lake, all in the State of Minnesota; and the counties of Cass, Grand Forks, and Traill, all in the State of North Dakota.

§ 1060.3 Route.

"Route" means a delivery to a wholesale or retail outlet either directly or through a distributing facility such as a distribution point, a plant store, or a vendor of a fluid milk product classified as Grade A (92-score) milk, other than a delivery to a pool plant or a nonpool plant.

§ 1060.4 Department.

"Department" means the U.S. Department of Agriculture or such other Federal agency as is authorized to perform the price reporting functions specified in this part.

§ 1060.5 Chicago butter price.

"Chicago butter price" means the simple average as computed by the market administrator 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 during the month by the Department.

DEDefinitions of Persons

§ 1060.6 Person.

"Person" means any individual, partnership, corporation, association, institution, or other business unit.

§ 1060.7 Secretary.

"Secretary" means the Secretary of Agriculture of the United States or such other officer or employee of the United States as is authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture of the United States.

§ 1060.8 Producer.

"Producer" means any person, other than a producer-handler as defined in any order (including this order) issued pursuant to the Act, who produces milk in compliance with the Grade A inspection requirements of a duly constituted health authority, which milk is (a) received at a pool plant, or (b) directed as producer milk pursuant to § 1060.16.

§ 1060.9 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association:

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§ 1060.10 Handler.

"Handler" means:
(a) Any person (including any cooperative association) in his capacity as the operator of one or more pool plants;
(b) Any cooperative association with respect to producer milk which it causes to be diverted for its account from a pool plant pursuant to § 1060.16;
(c) Any cooperative association with respect to the milk of its member producers which is delivered directly from the farm to the pool plant of another handler in a tank truck owned, operated by, under contract to, or under the control of such other pool plant, including the milk for which a cooperative association is a handler pursuant to this paragraph shall be deemed to have been received at the location of the pool plant to which it was delivered;
(d) Any person who operates a partially regulated distributing plant. This definition shall not apply to a governmental entity or an organization which is exempt from the provisions of this part pursuant to § 1060.60(b); and
(e) A producer handler, or any person who operates an order plant as described in § 1060.61;

§ 1060.11 Producer-handler.

"Producer-handler" means any person who operates a dairy farm and a cooperative association which has diverted milk pursuant to § 1060.10(b) or (c)

§ 1060.12 Other-source milk.

"Other-source milk" means milk produced by, or received from, persons or from sources other than pool plants and not more than 3,000 pounds of milk and fluid milk products (including milk equivalent of nonfluid products which are reconstituted into fluid milk products) during the month from any source except:

(a) The milk of any member producer, other than a member of a cooperative association which has diverted milk pursuant to paragraphs (a) and (b) of this section, during the months of July through February such handler may divert an aggregate quantity not exceeding 50 percent of the milk of all such producers whose milk has been received at a pool plant(s) for at least 3 days during the month.

§ 1060.13 Other-source fluid milk.

"Other-source fluid milk" means milk produced or received from any source other than a pool plant and not more than 3,000 pounds of milk and fluid milk products (including milk equivalent of nonfluid products which are reconstituted into fluid milk products) during the month from any source. Such milk or products must be properly identified and satisfactorily traceable to the producer.

§ 1060.14 Diverted milk.

"Diverted milk" means, for any month, milk produced by a dairy farmer which a pool plant handler or a handler pursuant to § 1060.10(b) caused to be moved or combined with the milk of another producer (other than the milk of a producer-handler) if such movement is specifically reported and the conditions of paragraphs (a) or (b), and (e) of this section have been met.

§ 1060.15 Producer milk.

"Producer milk" means all skim milk and butterfat contained in Grade A milk:
(a) Received during the month at a pool plant directly from a producer or a handler pursuant to § 1060.10(c); and
(b) Diverted to the provisions of § 1060.16 from a pool plant to a nonpool plant other than an order plant or a producer-handler plant; or
(c) Received by a cooperative association handler pursuant to § 1060.10(c) from producers in excess of the quantity delivered to pool plants.

§ 1060.16 Diverted milk.

"Diverted milk" means, for any month, milk produced by a dairy farmer which a pool plant handler or a handler pursuant to § 1060.10(b) caused to be moved or combined with the milk of another producer (other than the milk of a producer-handler) if such movement is specifically reported and the conditions of paragraphs (a) or (b), and (e) of this section have been met. Such milk shall be deemed to have received by the diverting handler at the location of the nonpool plant to which diverted in applying §§ 1060.53 and 1060.54. The diversion of producer milk is subject to the following conditions:

(a) During March through June a cooperative association handler pursuant to § 1060.10(b) may divert for his account without limit the milk of any member producer. During the months of July through February such handler may divert an aggregate quantity not exceeding 50 percent of the milk of all such producers whose milk has been received at a pool plant(s) for at least 3 days during the month.

(b) During March through June a handler in his capacity as the operator of a pool plant may divert for his account without limit the milk of any producer, other than a member of a cooperative association which has diverted milk pursuant to paragraphs (a) and (b) of this section. During the months of July through February such handler may divert an aggregate quantity not exceeding 50 percent of the milk of all such producers whose milk has been received at his pool plant(s) for at least 3 days during the month.

(c) In the event milk receipts from dairy farmers are diverted in excess of the above limits, the diverting handler shall specify the milk of all such producers whose milk has been received at a pool plant during the month shall be producer milk for such month.

§ 1060.17 Other source milk.

"Other-source milk" means all skim milk and butterfat contained in or represented by:
(a) Fluid milk products received from any source except:
   (1) Producer milk;
   (2) Fluid milk products received from pool plants; or
   (3) Inventory of fluid milk products on hand at the beginning of the month; and
(b) Products, other than fluid milk products, received from any source (including those produced at the plant) which are reprocessed or converted into fluid milk products or other products in the plant during the month, and any disappearance of products other than fluid milk products not otherwise accounted for.

§ 1060.18 Fluid milk product.

"Fluid milk product" means milk, skim milk, flavored milk, concentrated milk, buttermilk, milk drinks (plain or flavored), sour cream and sour cream products labeled Grade A, cream or any fluid form of cream, milk, or skim milk. The term includes these products in fluid, frozen, fortified (including "dietary" milk products) or reconstituted form but does not include sterilized products in hermetically sealed containers and such products as yogurt, eggnog, aerated cream in dispensers, ice cream mix, frozen dessert mix and evaporated or condensed milk or skim milk.

§ 1060.20 Plant.

"Plant" means the land, buildings, facilities, and equipment constituting a single operating unit or establishment at which milk or milk products are received, processed and/or packaged. Separate facilities and/or points used for transferring bulk milk from one tank truck to another shall not be a plant under this definition. Facilities used only as a distribution point for storing fluid milk products in transit on their way to a plant shall not be a plant under this definition.

§ 1060.21 Distributing plant.

"Distributing plant" means a plant that is approved by an appropriate health authority for packaging milk products that is acceptable to the appropriate health authority for distribution in the marketing area as Grade A is moved during the month to a distributing plant.

§ 1060.22 Supply plant.

"Supply plant" means a plant from which a fluid milk product that is acceptable to the appropriate health authority for distribution in the marketing area as Grade A is moved during the month to a pool plant.

§ 1060.23 Pool plant.

"Pool plant" means any plant meeting the conditions of paragraph (b) of this section except the plant of a handler exempted pursuant to § 1060.60 and § 1060.61: Provided, That if a portion of a plant is physically separated from the Grade A portion of such plant, is operated separately and is not approved by any health authority for the receiving, processing, or packaging of any fluid milk product for Grade A disposition, it shall not be considered as part of a pool plant pursuant to this section.

(a) A distributing plant from which during the month there is disposed:
   (1) As Class I milk on routes in the marketing area not less than 16 percent of Grade A milk receipts at such plant; and
   (2) As Class I milk on any order plant or transfer route to another plant and classified as Class I, for the period from the beginning of the month to the end of the month.

(b) A pool plant which diverted a fluid milk product pursuant to § 1060.10(b) or (c) and was approved for Grade A disposition as of the date the diverted product was received at the pool plant and is operated by a cooperative association which has diverted milk pursuant to § 1060.10(b) or (c) for the period from the beginning of the month to the end of the month.

(c) A pool plant which diverted a fluid milk product pursuant to § 1060.10(b) or (c) and was approved for Grade A disposition as of the date the diverted product was received at the pool plant and is operated by a producer handler, for the period from the beginning of the month to the end of the month.

(d) A handler dealer which diverted a fluid milk product pursuant to § 1060.10(b) or (c) and was approved for Grade A disposition as of the date the diverted product was received at the pool plant and is operated by a cooperative association which has diverted milk pursuant to § 1060.10(b) or (c) for the period from the beginning of the month to the end of the month.

(e) A handler dealer which diverted a fluid milk product pursuant to § 1060.10(b) or (c) and was approved for Grade A disposition as of the date the diverted product was received at the pool plant and is operated by a producer handler for the period from the beginning of the month to the end of the month.

§ 1060.24 Pool plant operations.

"Pool plant operations" means the marketing of Grade A milk and products which are diverted from a pool plant under this part pursuant to § 1060.60 or § 1060.61; provided, That if a portion of a plant is physically separated from the Grade A portion of such plant, is operated separately and is not approved by any health authority for the receiving, processing, or packaging of any fluid milk product for Grade A disposition, it shall not be considered as part of a pool plant.

§ 1060.25 Pool plant operation charges.

"Pool plant operation charge" means any charge made or paid directly or indirectly to a pool plant and charged to a participant during the month, due in whole or in part to the marketing of Grade A milk, which may be a combination of the following:
(a) Administrative charge;
(b) Marketing expense charge;
(c) Marketing loss charge; or
(d) Premium charge.
considered as one plant for the purpose of meeting the applicable percentage requirement of this subparagraph if the handler submits a written request to the market administrator prior to the delivery period for such such consideration is requested and:

(b) A supply plant from which less than 25 percent of its producer receipts at such plant during the month is shipped and which products to pool; pool plants qualified pursuant to paragraph (a) of this section: Provided, That a supply plant which qualified pursuant to this paragraph in each of the immediately preceding months of August through November shall be a pool plant for the months of March through June unless the plant operator requests the market administrator in writing that such plant not be a pool plant, such nonpool status to be effective the first month following such notice and thereafter until the plant qualifies as a pool plant on the basis of such notice.

§ 1060.24 Nonpool plant.

"Nonpool plant" means any milk receiving, marketing or processing plant other than a pool plant. The following categories of nonpool plants are further defined as follows:

(a) "Original nonpool plant" means a plant that is subject to the pricing and pooling provisions of another order issued pursuant to the Act.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means any nonpool plant that is not an order plant or pool producer-handler plant from which fluid milk products (labeled Grade A) in consumer-type packages or dispenser units are distributed on routes in the marketing area during the month.

(d) "Unregulated supply plant" means a nonpool plant that is a supply plant and is neither an order plant nor a producer-handler plant.

Market Administrator

§ 1060.30 . Designation.

The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 1060.31 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary on complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 1060.32 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to the following:

(a) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, for the purpose of such combination of such producer-handlers to the Secretary a bond effective as of the date on which he enters upon his duties and conditioned upon the faithful performance of such duties, in an amount and with sureties thereto satisfactory to the Secretary;

(b) Employ and fix the compensation of such person as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount, and with satisfactory sureties thereon, covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 1060.68 the cost of his bond and of the bonds of those combinations of person previously described, and all other expenses except those incurred under § 1060.87, necessarily incurred by him in maintaining and operating his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary, surrender the same to such other persons as the Secretary may designate;

(f) Submit his books and records to examination by the Secretary and furnish such books and records as may be required by the Secretary;

(g) Verify all reports and payments of each handler by audit of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends and by such other means as are necessary;

(h) Publicly disclose to handlers and producers at his discretion, unless otherwise directed by the Secretary, the name of any person who, within 10 days after the date upon which he is required to perform such act, has not made reports pursuant to §§ 1060.35 to 1060.37, inclusive, or has not made payments pursuant to §§ 1060.89, 1060.83, 1060.86, 1060.87, and 1060.88;

(i) Prepare and disseminate to the public such statistics and such information as he deems advisable and as do not reveal confidential information;

(j) Publicly announce on or before:

(1) The 6th day of each month, the Class I price and butterfat differential for the month computed pursuant to §§ 1060.51(b) and 1060.52(a), respectively; and the Class III price and butterfat differential for the immediately preceding month computed pursuant to §§ 1060.51(b) and 1060.52(b), respectively, and

(2) The 12th day of each month, the uniform price and the butterfat differential computed pursuant to §§ 1060.71 and 1060.81, respectively, both applicable to milk received during the immediately preceding month;

(k) On or before the 12th day of each month, report to each cooperative association which so requests the amount and class utilization of milk received by each handler during the immediately preceding month from such cooperative association in its capacity as a handler pursuant to § 1060.10(a) and directly from such handlers and to each handler pursuant to § 1060.46(a)

(1) through (10) and the corresponding steps of §§ 1060.46(b); and

(1) Whenever required for purposes of allocating receipts from other order plants pursuant to § 1060.46(a) and the corresponding step of § 1060.46(b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, 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;

(m) Report to the market administrator of the other order, as soon as possible after the report of receipts and payments of the month is received from a handler who has received fluid milk products from an order plant, the classification to which such receipts are allocated pursuant to § 1060.46 and the amount of the corresponding step of § 1060.46(b); and

(n) Furnish to each handler operating a pool plant who has shipped fluid milk products to an order plant, the classification to which the skim and butterfat in such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and, as necessary, any changes in such classification arising in the verification of such report.

Reports, Records, and Facilitates

§ 1060.35 . Reports of receipts and utilization.

On or before the 7th day after the end of each month each handler who operates a pool plant(a) shall report for each such plant to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The receipts at each plant of milk from each producer (including such handlers' own production), the average butterfat test, the pounds of butterfat contained therein, the number of days on which milk was received from such producer, and the total quantity of milk and butterfat in such fluid milk products that were allocated by the market administrator of the other order during that month to each handler pursuant to § 1060.10(c);

(b) The quantities of skim milk and butterfat contained in (or used in the production of) fluid milk products received from other producers;

(c) The quantities of skim milk and butterfat contained in receipts of other source milk;

(d) The utilization of skim milk and butterfat required to be reported pursuant to this section;

(e) The disposition of fluid milk products on routes in the marketing area;
(f) The pounds of skim milk and butterfat contained in all fluid milk products on hand, both in bulk and in packages, at the beginning and at the end of the month;

(g) Such other information with respect to receipt and utilization as the market administrator may prescribe; and

(h) Each handler specified in § 1060.10 (d) who operates a partially regulated distributing plant shall report as required in this section, except that receipts of Grade A milk shall be reported in lieu of those in producer milk. Such report shall include a separate statement showing the respective amounts of skim milk and butterfat disposed of in the marketing area as Class I milk on routes.

§ 1060.36 Payroll reports.

On or before the 20th day after the end of each month each handler, except a producer-handler or a handler making payments pursuant to § 1060.62(b), shall submit to the market administrator for each producer payrolls (or in the case of a handler making payments pursuant to § 1060.62(a), his payroll for dairy farmers delivering Grade A milk) for receipts during the preceding month which shall show:

(a) The total pounds of milk, the average butterfat test thereof, and the pounds of butterfat received from each producer and cooperative association and the number of days on which milk was received from such producer;

(b) The amount of payment to each producer and cooperative association;

(c) The nature and amount of any deductions or charges involved in such payments.

§ 1060.37 Other reports.

(a) Each producer-handler and each handler making payments pursuant to § 1060.62(b) shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe;

(b) Each handler pursuant to § 1060.10 (b) shall report to the market administrator in detail as to the receipts of milk classified as Grade A milk, the pounds of butterfat in producer milk delivered to each pool plant in such month and all other producer milk for which it is a handler;

(c) Each handler who receives milk from producers, payment for which is to be made to a cooperative association pursuant to § 1060.80(b) shall report to such cooperative association with respect to each such producer, on forms approved by the market administrator, as follows:

(1) On or before the 20th day of the month, the total pounds of milk received during the first 15 days of the month;

(2) On or before the seventh day after the end of the month:

(i) The pounds per shipment, the total pounds of milk, the average butterfat test of milk received from such producer during the month;

(ii) The amount or rate and nature of any deductions; and

(iii) The amount of any payments to such producer pursuant to § 1060.66.

§ 1060.38 Records and facilities.

Each handler shall maintain and make available to the market administrator during the usual hours of business, such accounts and records of his operations, together with such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipt and utilization of all skim milk and butterfat-handled in any form during the month;

(b) The weights and tests for butterfat and other content of all milk and milk products handled during the month;

(c) The pounds of skim milk and butterfat contained in or represented by all milk products in inventory at the beginning and end of each month; and

(d) Payments to dairy farmers and cooperative associations, including the amount and nature of any deductions and the disbursement of money so deducted:

§ 1060.39 Retention of records.

All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the month to which such books and records pertain: Provided, That if within such 3-year period, the market administrator notifies the handler in writing that the retention of such books and records, or specified books and records, is necessary in connection with a proceeding under section 8e(15) (A) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator.

In either case, the market administrator shall give written notice to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

§ 1060.40 Skim milk and butterfat to be classified.

(a) The skim milk and butterfat which are required to be reported pursuant to § 1060.35 and § 1060.37(b) shall be classified each month by the market administrator pursuant to the provisions of §§ 1060.41 through 1060.46; and

(b) If any water contained in the milk from which a product is made is removed before the product is utilized or diverted, the market administrator shall determine the quantity of skim milk and butterfat contained in the product and shall apportion the water originally associated with such solids.

§ 1060.41 Classes of utilization.

Subject to the conditions set forth in §§ 1060.42 through 1060.46, the classes of utilization shall be as follows:

(a) Class I milk. Class I milk shall be all skim milk (including that used to produce reconstituted skim milk) and butterfat:

(1) Disposed of in the form of a fluid milk product except:

(i) Fluid milk products classified as Class II pursuant to paragraph (b) (2) and (3) of this section;

(ii) Fluid milk products which are fortified with nonfat milk solids shall be Class I in an amount equal only to the weight of an equal volume of an unfortified product of the same butterfat content;

(2) Contained in inventory of packaged fluid milk products on hand at the end of the month; and

(3) Not accounted for as Class II milk:

(b) Class II milk. Class II milk shall be:

(1) Skim milk and butterfat used to produce any product other than a fluid milk product;

(2) Skim milk and butterfat disposed of:

(i) For livestock feed; or

(ii) Dumped after prior notification to and opportunity for verification by the market administrator;

(3) The weight of skim milk in any fortified fluid milk product in excess of the pounds classified as Class I milk pursuant to paragraph (a) (1), (2), or (3) of this section;

(4) In inventory of bulk-fluid milk products on hand at the end of the month;

(5) Skim milk and butterfat, respectively, in actual shrinkage at each pool plant allocated pursuant to § 1060.42(b) (1) but not in excess of:

(1) Two percent of producer milk except that received from a handler pursuant to § 1060.10(c) or diverted pursuant to § 1060.16 to a nonpool plant;

(2) Plus 1.5 percent of milk received in bulk tank lots from other pool plants;

(3) Plus 1.5 percent of producer milk received from a handler pursuant to § 1060.10(c), except that if the handler operating the pool plant fails to notify the market administrator that the purchase of such milk is on the basis of farm tests and weights determined by farm bulk tank calibrations, the applicable percentage shall be two percent;

(4) Plus 1.5 percent of milk received in bulk tank lots from other order plants exclusive of the quantity for which Class II utilization was requested by the operators of both plants;

(5) Plus 1.5 percent of milk in bulk tank lots from unregulated supply plants, exclusive of the quantity for which Class II utilization was requested by the handler;

(6) Less 1.5 percent of milk in bulk tank lots transferred from pool plants to other plants; and

(7) Plus 0.5 percent of milk received by a cooperative handler pursuant to § 1060.10 (b) and (c) from producers as determined by farm tests and weights measured by farm bulk tank calibrations, in excess of the exception in subparagraph (5) (iii) of this paragraph applies; and

(8) Skim milk and butterfat in shrinkage allocated pursuant to § 1060.42(b) (2).
§ 1060.42 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts at each pool plant as follows:
(a) Compute the total shrinkage of skim milk and butterfat, respectively, for each handler at each plant; and
(b) Proportioning the resulting amounts among the receipts of skim milk and butterfat contained in:
(1) The net quantity of producer milk and other milk as specified in § 1060.41(b)(5) (except milk diverted to a nonpool plant pursuant to § 1060.15); and
(2) Other source milk exclusive of that specified in § 1060.41(b)(3).

§ 1060.43 Responsibility of handlers and certification of milk.

(a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise, and
(b) Any skim milk and butterfat shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 1060.44 Transfers.

Skim milk or butterfat in the form of a fluid milk product shall be classified:
(a) As the utilization indicated by the transference and transfer handlers in their reports pursuant to § 1060.35, otherwise as Class I milk, if transferred from a pool plant to another pool plant subject in either event to the following conditions:
(1) The skim milk or butterfat so assigned to either class shall be limited to the extent thereof remaining in such class in the transference plant after computations pursuant to § 1060.46(a) (9), and the corresponding step of § 1060.46(b);
(2) If the transferor handler received during the month other source milk to be allocated pursuant to § 1060.46(a) (4) and the corresponding step of § 1060.46(b), the skim milk and butterfat so transferred up to the total of such receipts shall not be classified as Class I milk to a greater extent than would be applicable to a like quantity of such other source milk received at the transference plant, if such classification would change the classification of producer milk on the market or the classification of such other source milk received by the transferor handler during the month;
(b) As Class I milk, if transferred from a pool plant to a producer-handler or to an exempt holding establishment institution as defined in § 1060.60;
(c) As Class I if transferred from a pool plant in packaged form to a nonpool plant that is neither an other order plant nor a producer-handler plant;
(d) As Class I milk, if transferred or diverted to a nonpool plant that is neither an other order plant nor a producer-handler plant and is located more than 300 miles by shortest highway distance to the market administrator, from the nearer of the city halls of Fargo or Grand Forks, N. Dak., unless that cream so transferred or diverted may be classified as Class II if the handler claims such cream so transferred or diverted in paragraph (c) of this section in his report pursuant to § 1060.35, the handler tags the container of such cream as for manufacturing purposes and so notifies the market administrator, and the handler gives the market administrator sufficient notice to allow him to verify the shipment;
(e) As Class I milk if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant and is located more than 300 miles by shortest highway distance as determined by the market administrator, from the nearer of the city hall of Fargo or Grand Forks, N. Dak., unless that skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment resulting from paragraph (3) of this paragraph;
(f) As Class I milk if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant and is located more than 300 miles by shortest highway distance to the market administrator, after the market administrator determines constitute regular orders issued pursuant to the Act for the class and area in which such transaction occurred;
(g) As Class I milk if transferred or diverted from a pool plant to another pool plant, next pro rata to unassigned receipts at such pool plant and Class I milk allocated to other order plants; and
(h) As Class I milk if transferred or diverted from a nonpool plant that is neither an other order plant nor a producer-handler plant, the requirements of paragraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred or diverted shall be classified according to the assignment furnished pursuant to § 1060.35(b) or another order (including allocation pursuant to § 1060.35). The classification so transferred or diverted shall be classified otherwise; and
(i) As Class I milk if any skim milk or butterfat is transferred to a second nonpool plant under this paragraph, the same conditions of audit, classification and allocation shall apply;
(j) As follows, if transferred to an other order plant in excess of receipts from such plant in the same category as described in subparagraph (1), (2), or (3) of this paragraph:
(1) If transferred in packaged form, classification shall be in the classes to which allocated as a fluid milk product under the other order;
(2) If transferred in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order after the conditions set forth in subparagraph (3) of this paragraph;
(3) If the operator of the other transfer or transference plants or the operator of the market administrator determines that any fluid milk product is transferred or diverted to an order plant that is not available to the market administrator for purposes of establishing classification pursuant to this paragraph, classification shall be as described in subparagraph (2) when such additional information is available;
(k) For purposes of this paragraph, if the transference order provides for more than two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I and milk allocated to other classes shall be classified as Class II; and
(l) If the form in which any fluid milk product is transferred to another order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1060.41.

§ 1060.45 Computation of skim milk and butterfat in each class.

For each month the market administrator shall correct for mathematical and for other obvious errors the reports of receipts and utilization submitted pursuant to § 1060.35 by each handler and shall complete the computations of skim milk and butterfat in each class at all pool plants of such handler. Allocation pursuant to § 1060.45 and computation of obligations pursuant to § 1060.50 shall be...
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based upon the combined utilization so computed.

§ 1060.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 1060.44, the market administrator shall determine the classification of producer milk for each handler as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk classified as Class II pursuant to § 1060.41(b) (5);

(2) Subtract from the pounds of skim milk in each class the pounds of skim milk in fluid milk products received in packaged form from other order plants as follows:

(i) From Class II milk, the lesser of the pounds remaining or 2 percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(3) Except for the first month this order is effective, subtract from the remaining pounds of skim milk in Class I the pounds of Class I milk in inventory of packaged fluid milk products on hand at the beginning of the month;

(4) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk classified as Class II pursuant to § 1060.41(b) (5);

(5) Subtract, in the order specified below, from the pounds of skim milk remaining in Class II, but not in excess of such quantity:

(i) The pounds of skim milk in receipts of fluid milk products from an unidentified source, for which Grade A certification is not established, or which are from unidentified sources; and

(ii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order, and from exempt institutions as defined in § 1060.60(b);

(6) Subtract from the pounds of skim milk remaining in Class II, but not in excess of such quantity:

(i) The remaining pounds of such receipts;

(ii) Subtracted pursuant to subparagraph (1) of this paragraph;

(iii) From the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(iv) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(v) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(vi) From the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(vii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(viii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(ix) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(x) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xi) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xiii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xiv) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xv) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xvi) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xvii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xviii) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xix) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from unregulated supply plants which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(xx) From the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from other order plants, in excess of other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(2) The adjustment pursuant to this section shall be added to the Class I price if the plant is located in North or South Dakota and shall be subtracted from such price if the plant is located in Minnesota.

§ 1060.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported by the United States Department of Agriculture for the month. Such price shall be adjusted to the nearest one-tenth cent computed at 0.12 times the Chicago butter price for the month. The resulting price shall be rounded to the nearest full cent. For the purpose of computing Class I prices from the effective date hereof through April 1968, the basic formula price shall not be less than $0.45.

§ 1060.51 Class prices.

Subject to the provisions of §§ 1060.52 and 1060.53, the minimum class prices per hundredweight of milk for the month shall be as follows:

(a) Class I price. For the first 18 months from the effective date of this section, the price for Class I milk shall be the basic formula price for the preceding month plus 90 cents, and plus 20 cents through April 1968.

(b) Class II price. The price for Class II milk shall be the basic formula price.

§ 1060.52 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, the class prices for the month pursuant to § 1060.51 shall be increased or decreased, respectively, for each one-tenth percent butterfat at a rate rounded to the nearest one-tenth cent determined as follows:

(a) Class I price. Multiply the Chicago butter price for the preceding month by 0.120;

(b) Class II price. Multiply the Chicago butter price for the preceding month by 0.115.

§ 1060.53 Location differentials to handlers.

(a) For producer milk received at a pool plant or diverted to a handler plant located outside the base zone and classified as Class I milk or assigned Class II location adjustment credit pursuant to paragraph (b) of this section and for other source milk for which a location adjustment is applicable, the price computed pursuant to § 1060.51(a) shall be adjusted 1.2 cents for each 10 road miles or fraction thereof to which such plant is located beyond the perimeter of the base zone.

(b) For the purposes of calculating such adjustments:

(1) All distances shall be by shortest hard-surfaced highways and/or all-weather-roads, as determined by the market administrator.

(2) The adjustment pursuant to this section shall be added to the Class I price if the plant is located in North or South Dakota and shall be subtracted from such price if the plant is located in Minnesota.

(3) Transfers of fluid milk products between pool plants shall be assigned Class I milk disposition at the receiving plant, in excess of the sum of receipts at such plant from producers (including receipts from a cooperative association as a handler of bulk tank milk pursuant to § 1060.10(c)) and the pounds assigned as Class I milk to receipts from other order plants and unregulated supply plants. Such assignment is to be made first to shipping plants priced at the same price, then in sequence to plants having a lower price, beginning with the plant at which the highest price would apply, FEDERAL REGISTER, VOL. 32, NO. 167—TUESDAY, AUGUST 29, 1967

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§ 1060.60 Producer-handlers and exempt institutions.

(a) Sections 1060.60 through 1060.66, 1060.59 through 1060.54, 1060.70, 1060.71, and 1060.80 through 1060.88 shall not apply to a producer-handler; and

(b) None of the provisions of this part shall apply to a governmentally owned and operated institution which dispenses of Class I milk solely for use on its own premises or to its own facilities. Sales of fluid milk products from a pool plant to such an institution shall be Class II and receipts of fluid milk products at a premises or to its own facilities. Sales shall be subject to regulation of such other order:

§ 1060.61 Plants subject to other Federal orders.

The provisions of this order shall not apply with respect to a plant of a handler specified in paragraph (a) or (b) of this section except that such handler shall, with respect to the receipt and disposition of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and shall allow verification of such reports by the market administrator:

(a) A distributing plant from which the Secretary determines a greater proportion of fluid milk products is disposed of on routes in any other marketing area regulated by another order issued pursuant to the Act and such plant is fully subject to regulation of such other order; Provided, That a distributing plant which was a pool plant under this order in the immediately preceding month shall continue to be subject to all of the provisions of this part until the third consecutive month in which a greater proportion of its Class I disposition on routes is made in such other marketing area unless, notwithstanding the provisions of this paragraph, it is regulated by such other order; and

(b) A distributing plant which meets the requirements set forth in § 1060.23(a) which also meets the requirements of another marketing order on the basis of its distribution in such other marketing area and from which the Secretary determines a greater quantity of milk is disposed of during the month on routes in this marketing area than is so disposed of in such other marketing area but which plant is nevertheless fully regulated under such other marketing order.

§ 1060.62 Obligation of handler operating a partially regulated distributing plant.

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to §§ 1060.35(h) and 1060.36 the information necessary to compute the amount specified in paragraph (a), he shall pay the amount computed pursuant to paragraph (b) of this section:

(a) An amount computed as follows:

1) The obligation that would have been computed pursuant to § 1060.70 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at the pool plant or other order plant and transferred from such nonpool plant to a pool plant or an other order plant shall be classified as Class II milk if allocated to such class at the pool plant or other order plant and be valued at the uniform price for the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1060.70(f) and a credit in the amount specified in § 1060.84(b)(2) with respect to receipts from an unregulated supply plant, unless such plant is computed as specified in subdivision (ii) of this subparagraph.

2) If the producer of the partially regulated distributing plant requests, and provides with his report pursuant to §§ 1060.35(b) and 1060.36, a similar report with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant.

3) From this obligation there will be deducted the amount of (1) the gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by a member of a supply plant (a) included in the computations pursuant to subparagraph (1) of this paragraph, and (ii) any payments to the producer-settlement fund of any other order under which such plant is also a partially regulated distributing plant;

(b) An amount computed as follows:

1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk on routes (other than to pool plants) in the marketing area;

2) Deduct (except that deducted under a similar provision of another order issued pursuant to the Act) the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants;

3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content;

4) From the value of such milk at the Class I price applicable at the location of the nonpool plant, subtract its value at the uniform price applicable at such location (not to be less than the Class II price).

§ 1060.70 Computation of the net pool obligation of each pool handler.

The net pool obligation of each pool handler as described in § 1060.10(a), (b), and (c) during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the quantity of producer milk in each class as computed pursuant to § 1060.46(e) by the applicable Class II prices (adjusted pursuant to §§ 1060.52 and 1060.53);

(b) Add the amount obtained from multiplying the pounds of average deducted less than the Class I price for the preceding month and the appropriate Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1060.46(a)(1) and the corresponding step of § 1060.46(b) by the applicable class prices;

(c) Add the amount computed from multiplying the difference between the appropriate Class II price for the preceding month and the appropriate Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1060.46(a)(3) and the corresponding step of § 1060.46(b) provided, That if the Class I price for the current month is less than the Class I price for the preceding month, the result shall be a minus amount;

(d) Add the amount equal to the difference between the value at the Class I price applicable at the pool plant and the butterfat content of milk represented by the values specified in paragraph (a) of this section is less or more, respectively, than 3.5%.
percent, the amount obtained by multi-
plying such difference by the butterfat
differential pursuant to § 1060.81 and by
multiplying the result by the total hun-
dredweight of such milk;
(c) Add an amount equal to the total
value of plus location differentials
computed pursuant to § 1060.82(a);
(d) Subtract an amount equal to the
total value of the plus location differen-
tials computed pursuant to § 1060.82(a);
(e) Add an amount equal to not less
than one-half of the unobligated bal-
ance in the producer-settlement fund;
(f) Divide the resulting amount by the
sum of the following for all handlers in-
cluded in these computations;
(1) The total hundredweight of pro-
ducer milk; and
(2) The total hundredweight for
which a value is computed pursuant to
§ 1060.70(f); and
(g) Subtract not less than 4 cents nor
more than 5 cents per hundredweight.
The resulting amount shall be the “uniform price” for
milk received from producers.

PAYMENTS
§ 1060.80 Time and method of payment.
Each handler shall make payment for
milk received from producers or coopera-
tive associations as follows:
(a) To each producer for whom pay-
ment is not made pursuant to paragraph
(b) or (c) of this section:
(1) A final settlement on or before the
15th day of the month following the
month during which the handler received
milk shall be paid not less than the uniform price for
such milk, adjusted by the butterfat dif-
erential pursuant to § 1060.81, subject to the location adjustment to producers pursuant to § 1060.82, and less the following amounts:
(i) The payments made pursuant to
subparagraph (2) of this paragraph;
(ii) Marketing service deductions
pursuant to § 1060.87; and
(iii) Any deductions authorized by the producer: Provided, That if by such date such handler has not received full pay-
ment for such month pursuant to § 1060.85, he may reduce his total pay-
ment to all producers uniformly by not less than the amount of deduction in
payment from the market administrator; the handler shall, however, complete
such payments not later than the date for making such payments pursuant to
this paragraph next following receipt of
the balance from the market adminis-
trator;
(2) A partial payment on or before the
last day of each month with respect
producer milk received during the first
15 days of the month at not less than the
Class II price for the preceding
month (without deduction for hauling);
(b) (1) On or before the second day
prior to the date payments are due indi-
vidual producers as specified in this sec-
tion, pay to each cooperative association
which so requests and which the
market administrator determines is
authorized by its members to col-
lect payments for their milk and which promises in writing to reimburse
the handler the amount of any actual loss incurred by him because
of any member's claim on the part of
the cooperative association of the pay-
ments pursuant to paragraph (a) of
this section an amount equal to the sum
of the individual payments otherwise
payable to such producer. The fore-
gone payment shall be made with re-
spect to milk of each producer whom
the cooperative association certifies is a
member effective on and after the first
day of the calendar month next follow-
ning receipt of such certification through
the last day of the month next preced-
ing receipt of notice from the coopera-
tive association of a termination of
membership or until the original
request is rescinded in writing by the co-
operative association; and
(c) A copy of each such request,
promise to reimburse, and certified list of
members shall be filed simultaneously
with the market administrator by the
collective associations as follows:
(a) To each producer for whom pay-
ment is made pursuant to paragraph (a), of this section
subject to verification at his discretion-
provided, however, that such certification shall be made
subject to the accuracy of
such certification
by
(b) Payments made pursuant to
§§ 1060.84(b) and 1060.85, the uniform price shall be adjusted at the
rates set forth in § 1060.53 applicable at
the location of the nonpool plant from
which the milk was received.

§ 1060.81 Butterfat differential to pro-
ducers and on nonpool milk.
(a) For producer milk received at a
pool plant or diverted to a nonpool plant
located outside the base zone, the uni-
form price shall be adjusted at the rate
set forth in § 1060.55.
(b) For purposes of the computation pur-
suant to §§ 1060.81(b) and 1060.55, the uniform price shall be adjusted at the
rates set forth in § 1060.53 applicable at
the location of the nonpool plant from
which the milk was received.

§ 1060.83 Producer-settlement fund.
The market administrator shall estab-
lish and maintain a separate fund as the
“producer-settlement fund” into
which he shall deposit all funds received
pursuant to paragraph (a) of this section
and out of which he shall make all pay-
ments required pursuant to paragraph
(b) of this section:
(a) Payments made by handlers pur-
suant to § 1060.62(a) and (b), and
§§ 1060.84 and 1060.86;
(b) Payments due handlers pursuant
to §§ 1060.85 and 1060.86: Provided, That
payments due any handler shall be offset
by payments due from such handler pur-
suant to §§ 1060.82, 1060.84, 1060.85, 1060.87, and 1060.98.
§ 1060.84 Payments to the pro-
cessor-settlement fund.
On or before the 12th day after the end of
the month each handler shall pay to the
market administrator the amount, if
any, by which the total amounts specified in paragraph (a) of this section exceed the
amount specified in paragraph (b) of
this section: Provided, That payment
made by a cooperative association as a
handler shall not relieve the transferee
handler of any obligation on any such
milk which is due the cooperative asso-
ciation, or otherwise due pursuant to
§§ 1060.89 through 1060.88:
(a) The sum of:
(1) The total of the nonpool obliga-
tion computed pursuant to § 1060.70 for such handlers;
(2) The total of the nonpool obliga-
tion computed pursuant to § 1060.70 for such handlers;
and
(3) The minimum rate or rates at
which payment to the producer is
required under the provisions of §§ 1060.80, 1060.81, and 1060.82;
(b) The sum of:
(1) The amount required to be paid
producers (including payments to pro-
ducers through cooperative associations).

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pursuant to § 1060.80 before deductions authorized by the producer or cooperative association or for marketing services pursuant to § 1060.84(b) exceed the amount computed pursuant to § 1060.84(b);

(2) The value at the uniform price applicable at the location of the plant(s) from which received (not to be less than the value at the Class II price) with respect to other source milk for marketing services pursuant to § 1060.86(a) (1) shall be made within 5 days of the amount due and payment therefor shall be made within 5 days from the market administrator, payment shall be made within 5 days.

§ 1060.87 Marketing services.

(a) Except as set forth in paragraphs (b) and (c) of this section, each handler in making payments to producers other than to himself pursuant to § 1060.80(a) (1), shall deduct 5 cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to any transaction involving fraud or willful concealment of a fact material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

§ 1060.88 Expense of administration.

As his pro rata share of the expense of the administration of the order, each handler shall pay to the market administrator on or before the 15th day after the end of each month four cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to all milk received from such handler, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

§ 1060.89 Termination of obligations.

The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation.

§ 1060.90 Effective time.

The provisions of this part, or any amendments hereinafter, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 1060.91.

§ 1060.91 Suspension or termination.

The Secretary may suspend or terminate any or all of the provisions of this part at any time after such reasonable notice as the Secretary shall give whenever he finds that it obstructs or does not tend to facilitate the declared policy of the Act. This part shall, in any event, terminate whenever the provisions of the Act authorizing it cease to be in effect.

§ 1060.92 Continuing obligations.

(a) If, upon the suspension or termination of any or all of the provisions of this part, there are any obligations arising hereunder, the final accrual or ascertainment of which requires further acts; by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: Provided, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person or agency as the Secretary may designate.

(b) The market administrator or such other person as the Secretary may designate shall (1) continue in such capacity until removed by the Secretary; (2)
§ 1060.93 Liquidation.

Upon the suspension or termination of the provisions of this part, except this section, the market administrator, or such liquidating agent as the Secretary may designate shall if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidating and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

§ 1060.100 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 1060.101 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.