PROCLAMATION 4227

Modifying Proclamation No. 3279, Relating to Imports of Petroleum and Petroleum Products, Providing for the Long-Term Control of Imports of Petroleum and Petroleum Products Through a System of License Fees and Providing for Gradual Reduction of Levels of Imports of Crude Oil, Unfinished Oils and Finished Products

By the President of the United States of America

June 19, 1973

A Proclamation

The Chairman of the Oil Policy Committee, after consultation with the committee, has advised me that Proclamation No. 3279, as amended by Proclamation No. 4210 of April 18, 1973, requires a number of technical changes which include, among others, revisions in the definitions of certain terms, the correction of inadvertent omissions, and provisions relating to the application of the oil import program to certain imports from foreign trade zones and the territories of American Samoa, Guam, and the Virgin Islands.

Ante, p. 1187.

The Chairman has advised me that none of these changes will adversely effect the national security.

I agree with the foregoing recommendations and findings of the Chairman.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, acting under and by virtue of the authority vested in me by the Constitution and laws of the United States, including

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76 Stat. 877.
19 USC 1862.

section 232 of the Trade Expansion Act of 1962, as amended, do hereby proclaim that, effective as of this date, Proclamation No. 3279, as

Ante, p. 1187.

amended by Proclamation No. 4210 of April 18, 1973, is hereby amended as follows:

Ante, p. 1189.

1. Subparagraph (1) of paragraph (a) of section 2 thereof is amended to read as follows:

"(1) for Districts I–IV, 1,992,000 average barrels per day per calendar year; *Provided,* That, in addition to the foregoing, there may be imported into District I an average of 50,000 barrels per day of No. 2 fuel oil, manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere under allocations made by the Secretary, pursuant to regulations of the Secretary, to deepwater terminal operators who do not have crude oil import allocations into Districts I–V or Puerto Rico and who, in the allocation period beginning prior to January 1, 1973, had received, from the Secretary, an allocation of imports into District I of No. 2 fuel oil; *Provided Further,* That the Secretary may, by regulation, provide that a holder of an allocation for the importation of No. 2 fuel oil, may import crude oil produced in the Western Hemisphere in lieu of No. 2 fuel oil, barrel for barrel, and exchange such crude oil for No. 2 fuel oil. Whenever the Chairman of the Oil Policy Committee, after consultation with the committee, finds that, because of supply, price, or other considerations, the requirement that No. 2 fuel oil be manufactured in the Western Hemisphere from crude oil produced in the Western Hemisphere is unduly restricting the availability of such oil for importation into District I and is not required for the national security, he shall so advise the Secretary who shall then suspend such requirement for such period of time as he shall deem compatible with the purposes of this proclamation."

Ante, p. 1190.

2. Subparagraph (i) of paragraph (d)(1) of section 2 thereof is amended to read as follows:

"(i) for Districts I–IV, 960,000 average barrels per day per calendar year; *Provided,* That the Secretary may, within the limits established by subparagraph (1) of paragraph (a) of this section, increase the quantity of crude oil and unfinished oils, which may be imported from Canada so long as such increase is, in his judgment, consonant with the purposes of this proclamation."

3. Subparagraph (ii) of paragraph (d)(1) of section 2 thereof is amended to read as follows:

"(ii) for District V, 280,000 average barrels per day per calendar year; *Provided,* That, the Secretary may, within the limits established by subparagraph (1) of paragraph (a) of this section, increase the quantity of crude oil and unfinished oils which may be imported from Canada,

so long as such increase is, in his judgment, consonant with the purposes of this proclamation."

4. Paragraph (a) of section 3 thereof is hereby amended to read as follows: *Ante*, p. 1191.

"SEC. 3(a)(1) Effective May 1, 1973, the Secretary shall, by regulation, establish a system of fees for licenses issued under allocations of imports of crude oil, unfinished oils, and finished products, over the above levels of imports established by section 2 of this proclamation. Such regulation shall require, among other appropriate provisions, that (i) with respect to imports, other than imports from Canada of motor gasoline and finished products, such fees shall be: *Ante*, pp. 1189, 1222.

Fee Schedule

[Cents per barrel]

	May 1, 1973	Nov. 1, 1973	May 1, 1974	Nov. 1, 1974	May 1, 1975	Nov. 1, 1975
Crude	10.5	13.0	15.5	18.0	21.0	21.0
Motor gasoline	52.0	54.5	57.0	59.5	63.0	63.0
All other finished products and unfinished oils (except ethane, propane, butanes, and asphalt)	15.0	20.0	30.0	42.0	52.0	63.0

and,

(ii) that, with respect to imports from Canada of motor gasoline and finished products, such fees shall be:

Fee Schedule

[Cents Per Barrel]

	May 1, 1973	Nov. 1, 1973	May 1, 1974	Nov. 1, 1974	May 1, 1975	Nov. 1, 1975	May 1, 1976	Nov. 1, 1976
Motor gasoline	0	0	5.7	6.0	12.6	12.6	22.1	22.1
Other finished products (but not including ethane, propane, butanes, or asphalt)	0	0	3.0	4.2	10.4	12.6	22.1	22.1
	May 1, 1977	Nov. 1, 1977	May 1, 1978	Nov. 1, 1978	May 1, 1979	Nov. 1, 1979	May 1, 1980	Nov. 1, 1980
Motor gasoline	31.5	31.5	41.0	41.0	50.4	50.4	63.0	63.0
Other finished products (but not including ethane, propane, butanes, or asphalt)	31.5	31.5	41.0	41.0	50.4	50.4	63.0	63.0

"(2) License fees payable for imports of motor gasoline or other finished products or unfinished oils, manufactured in American Samoa, Guam, or the Virgin Islands or in a foreign trade zone and transported to the Customs territory of the United States by overland means or by vessel or vessels under United States registry, shall be at the rate applicable to the feedstock from which such motor gasoline or other finished product or unfinished oil was manufactured: *Provided,* That such rate shall apply also in cases where the holder of the license establishes to

the satisfaction of the Secretary that he made a good faith attempt to arrange shipment by vessel under United States registry and that no such vessel was available for the purpose at the time this shipment was made.

"(3) The Secretary is authorized to refund fees, whether in whole or in part, where (i) the licensee failed to use, wholly or in part, the license issued to him; (ii) refunds of license fees, whether in whole or in part, are ordered by the Oil Import Appeals Board; (iii) refund of a license fee, whether in whole or in part, is called for by reason of a person having exported finished products or petrochemicals; (iv) crude oil imported by virtue of a license for which a fee was paid has been manufactured into asphalt; (v) refund of a license fee is called for by reason of the same having been improperly charged."

Ante, p. 1191.

5. Paragraph (b) of section 3 thereof is amended to read as follows:

"(b) Except for allocations and licenses to which a license fee is not applicable, applications for allocations and licenses for imports subject to fee under the preceding paragraph shall be accompanied by the applicant's certified check, or a cashier's check, payable to the order of the Treasurer of the United States in the amount chargeable pursuant to this section or by a bond with a surety on the list of acceptable sureties on Federal bonds maintained by the Bureau of Accounts, Department of the Treasury, in a sum not less than the amount chargeable pursuant to this section, conditioned upon payment to the order of the Treasurer of the United States, within thirty (30) calendar days from the date of entry or withdrawal from warehouse for consumption of the commodities for the importation of which a license or licenses have issued, in the amount chargeable pursuant to this section. Applications not accompanied by a certified check, cashier's check, or bond in the amount required shall not be considered. Applications by or for the account of a department, establishment, or agency of the United States need not be accompanied by a certified check or a cashier's check or a bond as required by this paragraph."

6. Subparagraph (1) of paragraph (c) of section 3 thereof is hereby amended to read as follows:

"(c) (1) All monies received by the Secretary under the terms of paragraph (b) of this section shall be held by the Secretary in a suspense account and may be drawn upon by the Secretary (i) for the payment of refundable license fees; (ii) for the payment to Puerto Rico of sums equal to the sums collected by way of license fees for imports into Puerto Rico (other than imports from the Virgin Islands) and not otherwise refundable; and (iii) for the payment to American Samoa, Guam, or the Virgin Islands, as the case may be, of sums equal to the sums collected

by way of license fees and not otherwise refundable for imports therefrom into the Customs territory of the United States of crude oil or motor gasoline, other finished products, or unfinished oils, manufactured in American Samoa, Guam, or the Virgin Islands. Balances remaining in such suspense account and not required to be reserved for payments hereinabove provided shall be deposited at the end of each fiscal year in the Treasury of the United States and credited to miscellaneous receipts. Whenever the Chairman of the Oil Policy Committee, after consultation with the committee, determines that any such payments to Puerto Rico, American Samoa, Guam, or the Virgin Islands are not consonant with the purposes of this proclamation, he shall so advise the Secretary who shall then amend the applicable regulations accordingly."

7. Subparagraph (1) of paragraph (b) of section 4 thereof is hereby amended by adding the following at the end thereof: *Ante*, p. 1192.

"In respect of the territories of American Samoa, Guam, the Virgin Islands, and foreign trade zones, the Secretary may make such regulations as he deems consonant with the purposes of this proclamation to the end that persons having refineries and petrochemical plants located in such territories or zones shall participate to the fullest practicable extent, upon terms not less favorable, so far as possible, than those accorded to persons in the Customs territory of the United States in all appropriate aspects of the programs authorized by this proclamation."

8. Subparagraph (2) of paragraph (b) of section 4 is hereby amended by deleting the proviso therein contained.

9. Subparagraph (5) of paragraph (b) of section 4 thereof is hereby amended to read as follows:

"(5) With respect to the allocation of imports to which license fees are not applicable of residual fuel oil to be used as fuel in Puerto Rico, such regulations shall, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel among persons who were importers of that product into Puerto Rico during all or part of the calendar year 1958. In addition, the Secretary by regulation may, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel, the maximum sulphur content of which is acceptable to the Secretary, (i) among persons who are in the business in the respective districts or Puerto Rico of selling residual fuel oil to be used as fuel and who in a base period to be established by the Secretary had inputs of that product to deepwater terminals located in the respective districts or Puerto Rico and (ii) among persons who are in the business in the respective districts or Puerto Rico of selling residual fuel oil to be used as fuel and who have through-

put agreements (warehouse agreements) with deepwater terminal operators. With respect to the allocation of imports into District I of residual fuel oil to be used as fuel, such regulations, shall, to the extent possible, provide for a fair and equitable distribution of imports of residual fuel oil to be used as fuel (i) among persons who are in the business in District I of selling residual fuel oil to be used as fuel and who in a base period to be established by the Secretary had inputs of that product to deepwater terminals located in District I; (ii) among persons who are in the business in District I of selling residual fuel oil to be used as fuel and who have throughput agreements (warehouse agreements) with deepwater terminal operators; and (iii) notwithstanding the levels established in section 2 of this proclamation, during the allocation year commencing in 1973, the Secretary may make allocations of imports of residual fuel oil to be used as fuel into District I to persons in District I who own and operate newly constructed deepwater terminal facilities, based upon estimated deepwater terminal inputs during a base period to be established by the Secretary. For the allocation period commencing in 1974 and subsequent allocation periods, the Secretary may make allocations of imports of residual fuel oil to be used as fuel into District I based upon estimated deepwater terminal inputs during a base period to be established by the Secretary to persons in District I who own and operate newly constructed deepwater terminal facilities; *Provided,* That such allocations shall be included within the levels established by subparagraph (4) of paragraph (a) of section 2 of this proclamation, as amended."

Ante, pp. 1189, 1222.

Ante, p. 1194.

10. Paragraph (b) of section 5 thereof is hereby amended to read as follows:

"(b) The Appeals Board may be empowered, subject to the general direction of the Chairman of the Oil Policy Committee, without regard to the limits of the maximum levels of imports established in section 2 of this proclamation: (1) to reverse or modify on grounds of error actions taken by the Secretary on applications for allocations of imports under such regulations; (2) to modify, on the grounds of exceptional hardship, any allocation made to any person under such regulations; (3) to grant allocations of imports of crude oil and unfinished oils in special circumstances to persons with importing histories who do not qualify for allocations under such regulations; (4) to grant allocations of imports of finished products on grounds of exceptional hardship; (5) to grant allocations of imports of crude oil, unfinished oils, and finished products to independent refiners or established independent marketers who are

Ante, pp. 1189, 1222.

experiencing exceptional hardship or in emergencies in order to assure, insofar as practicable, that adequate supplies are available; (6) to review the revocation or suspension of any allocation or license; (7) to review the denial by the Secretary of refunds of license fees, whether in whole or in part, theretofore paid by a person; and (8) to grant refunds, in whole or in part, of license fees paid by persons to whom licenses were issued for imports which they subsequently became entitled to make under allocations made by the Board. Except with respect to its function to review applications for allocations of imports to which license fees are applicable, licenses issued pursuant to Board allocations shall be fee exempt."

11. The first paragraph of section 11 thereof is amended to read as follows: *Ante*, p. 1196.

"SEC. 11 Annually, beginning May 1, 1974, the maximum levels of imports subject to allocation and license, to which license fees shall not be applicable, except allocations made and licenses issued by reason of new, expanded, or reactivated refinery capacity and petrochemical plants in Districts I–IV and District V allocations and licenses issued to persons who manufacture in such Districts finished products or petrochemicals from crude oil and unfinished oils and who export finished products or petrochemicals, subject to such designations as the Secretary may make, shall be reduced as follows:"

12. Paragraph (a) of section 12 thereof is amended to read as follows: *Ante*, p. 1196.

"SEC. 12(a) Commitments and obligations contained in long-term allocations heretofore made of imports of crude oil and unfinished oils into Puerto Rico shall be unimpaired by this proclamation or regulations issued thereunder."

13. Subparagraph (2) of paragraph (g) of section 15 thereof is amended to read as follows: *Ante*, p. 1197.

"(2) 'Gasoline' means a refined petroleum distillate, including naphtha, jet fuel or other petroleum oils (but not benzene which meets the ASTM distillation standards for nitration grade or cumene, ethylbenzene, isoprene, meta-xylene, orthoxylene or para-xylene having a purity of 95 percent or more by weight) derived by refining or processing crude oil or unfinished oils, in whatever type of plant such refining or processing may occur, and having a boiling range at atmospheric pressure from 80° to 400°F."

Ante, p. 1198.

14. Subparagraph (4) of paragraph (g) of section 15 thereof is amended to read as follows:

"(4) 'Distillate fuel oil' means any fuel oil, gas oil, topped crude oil, or other petroleum oils (except refined petroleum wax) derived by refining or processing crude oil or unfinished oils, in whatever type of plant such refining or processing may occur, which has a boiling range at atmospheric pressure from 550° to 1200°F."

15. Subparagraph (1) of paragraph (h) of section 15 thereof is amended to read as follows:

"(1) By distillation with a resulting yield of at least two distinct finished products or unfinished oils, two of which must be equal to not less than 10 percent of the total charge of such unfinished oils to a distillation unit. Different grades or specifications of finished products or unfinished oils will not constitute distinct finished products or unfinished oils for purposes of this subparagraph. Distillation of petroleum oils which have been reconstituted by blending of two or more finished products or unfinished oils does not constitute processing for the purposes of this subparagraph."

16. Subparagraph (2) of paragraph (h) of section 15 thereof is amended to read as follows:

"(2) By catalytic or thermal conversion in process units such as alkylation, coking, cracking, hydrofining, hydrodesulphurization, polymerization, isomerization, dehydrogenation, or reforming."

Ante, p. 1199.

17. Paragraph (k) of section 15 thereof is amended by adding the following subparagraphs:

"(6) That certain allocation made to Fuel Desulphurization, Inc., of residual fuel oil and fuel oil into Districts I–IV—dated January 8, 1969 (as amended).

"(7) That certain allocation made to Guardian Oil Refining Corporation of residual fuel oil in Districts I–IV—dated January 8, 1969 (as amended).

"(8) That certain allocation made to Supermarine Inc., of residual fuel oil and fuel oil into Districts I–IV—dated January 8, 1969 (as amended).

"(9) That certain zone allocation made to Hawaiian Independent Refinery, Inc., of shipments of crude oil and unfinished oils into foreign-

trade sub-zone No. 9–A at Ewa, Oahu, Hawaii, of foreign-trade zone No. 9—Honolulu, Hawaii, dated May 7, 1970."

IN WITNESS WHEREOF, I have hereunto set my hand this nineteenth day of June, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-seventh.

PROCLAMATION 4228

National Student Government Day

By the President of the United States of America

July 2, 1973

A Proclamation

Fundamental to the American educational ideal is the sense that our schools should be not only centers of learning but also laboratories for democracy. From the primary grades all the way up through the graduate departments of our universities, various forms of self-government and independent decision-making have become an increasingly important factor in the educational process.

Student councils and similar organizations provide students with an opportunity to work together for common purposes, select leaders from among their peers, and deal responsibly with faculty and administrators in their schools. Such opportunities are helping to teach the basic skills of citizenship and to develop the qualities of leadership in the young people who take part. By enhancing the self-respect of students and the mutual respect among groups within a school community, student governments also contribute to that climate of eagerness to learn and grow in which education can best flourish.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, do hereby proclaim November 14, 1973, as National Student Government Day. I invite the Governors of the States and of the Commonwealth of Puerto Rico and other officials at the local level to issue similar proclamations.