FEDERAL REGISTER

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(Part II begins on page 9901)

Agencies in this issue—

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Agricultural Stabilization and Conservation Service
Business and Defense Services
Civil Aeronautics Board
Civil Service Commission
Commodity Credit Corporation
Comptroller of the Currency
Consumer and Marketing Service
Farmer Cooperative Service
Farmers Home Administration
Federal Aviation Administration
Federal Communications Commission
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International Commerce Bureau
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Land Management Bureau
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Securities and Exchange Commission
Small Business Administration
Wage and Hour Division

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How To Find U.S. Statutes and United States Code Citations

[Revised Edition—1965]

This pamphlet contains typical legal references which require further citing. The official published volumes in which the citations may be found are shown alongside each reference—with suggestions as to the logical sequence to follow in using them. Additional finding aids, some especially useful in citing current legislation, also have been included. Examples are furnished at pertinent points and a list of references, with descriptions, is carried at the end.

This revised edition contains illustrations of principal finding aids and reflects the changes made in the new master table of statutes set out in the 1964 edition of the United States Code.

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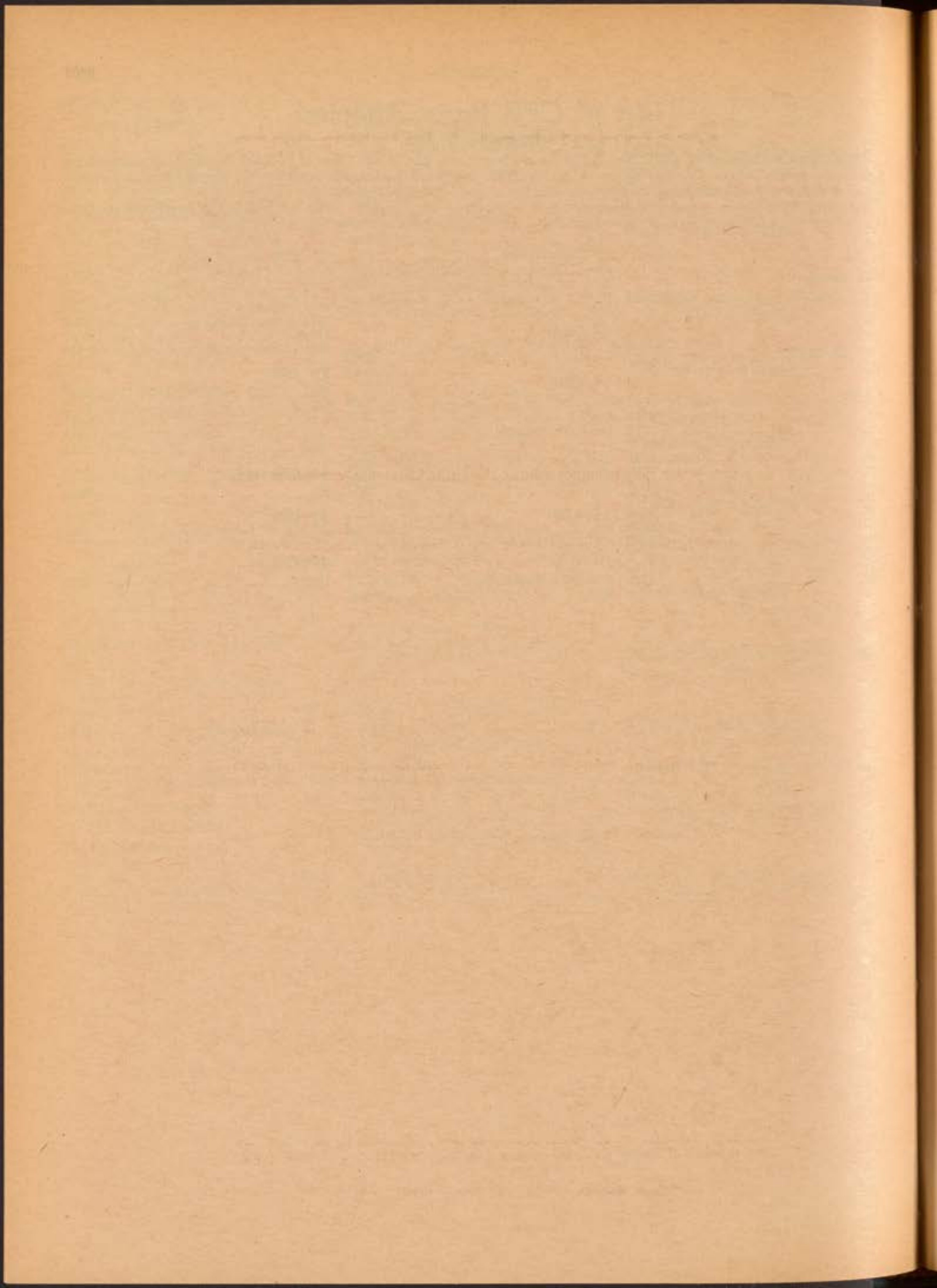

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Title 3—THE PRESIDENT

Proclamation 3790

PROCLAMATION AMENDING PART 3 OF THE APPENDIX TO THE TARIFF SCHEDULES OF THE UNITED STATES WITH RESPECT TO THE IMPORTATION OF AGRICULTURAL COMMODITIES

By The President of the United States of America

A Proclamation

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624), limitations have been imposed by Presidential proclamations on the quantities of certain dairy products which may be imported into the United States in any quota year; and

WHEREAS, in accordance with section 102(3) of the Tariff Classification Act of 1962, the President by Proclamation No. 3548 of August 21, 1963, proclaimed the additional import restrictions set forth in part 3 of the Appendix to the Tariff Schedules of the United States; and

WHEREAS the import restrictions on certain dairy products set forth in part 3 of the Appendix to the Tariff Schedules of the United States as proclaimed by Proclamation No. 3548 have been amended by Proclamation No. 3558 of October 5, 1963, Proclamation No. 3562 of November 26, 1963, Proclamation No. 3597 of July 7, 1964, section 88 of the Tariff Schedules Technical Amendments Act of 1965 (79 Stat. 950), and Proclamation No. 3709 of March 31, 1966; and

WHEREAS, pursuant to said section 22 the Secretary of Agriculture advised me there was reason to believe that the dairy products described hereinafter are being imported, and are practically certain to be imported, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with the price support program now conducted by the Department of Agriculture for milk and butterfat;

WHEREAS, at my request, the United States Tariff Commission has made an investigation under the authority of section 22 of the Agricultural Adjustment Act, as amended, with respect to this matter and related questions outlined in my request for an investigation and has reported to me its findings and recommendations made in connection therewith; and

WHEREAS, on the basis of such investigation and report, I find that the articles described below are being imported and are practically certain to be imported into the United States under such conditions and in such quantities as to materially interfere with the price support program now conducted by the Department of Agriculture for milk and butterfat:

(1) American-type cheese, including Colby, washed curd, and granular cheese (but not including Cheddar) and cheese and substitutes for cheese containing, or processed from, such American-type cheese;

(2) Articles containing over 5.5 percent but not over 45 percent by weight of butterfat which are classifiable for tariff purposes under item 182.91 of the Tariff Schedules of the United States (TSUS), the butterfat content of which is commercially extractable, or which are capable of being used for any edible purpose (except articles pack-

aged for distribution in the retail trade and ready for use by the purchaser at retail for an edible purpose or in the preparation of an edible article); and

(3) Milk and cream, fluid or frozen, fresh or sour, containing over 5.5 percent but not over 45 percent by weight of butterfat; and

WHEREAS, on the basis of such investigation and report, I find and declare that for the purpose of the first proviso to section 22(b) of the Agricultural Adjustment Act, as amended, the representative period for imports of such articles is the calendar years 1961–1965; and

WHEREAS, on the basis of such investigation and report, I find and declare that changed circumstances require that the section 22 quotas on dairy products be changed to a calendar year basis, with semi-annual allocations when the yearly quota is periodically allocated; and

WHEREAS, at my request, the United States Tariff Commission has also made an investigation under the authority of section 22 of the Agricultural Adjustment Act, as amended, to determine whether an additional quantity of Cheddar cheese could be imported without materially interfering with the price support program and has reported to me its findings and recommendations made in connection therewith; and

WHEREAS, on the basis of such investigation and report, I find and declare that changed circumstances require the modification, as hereinafter proclaimed, of the quota on Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese; and

WHEREAS, on the basis of such investigations and reports, I find and declare that the imposition of the import restrictions hereinafter proclaimed is necessary in order that the entry, or withdrawal from warehouse, for consumption of such articles will not render or tend to render ineffective, or materially interfere with the price support program now conducted by the Department of Agriculture for milk and butterfat;

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of section 22 of the Agricultural Adjustment Act, as amended, and the Tariff Classification Act of 1962, do hereby proclaim that part 3 of the Appendix to the Tariff Schedules of the United States is amended as follows:

(1) headnote 3(a) is revised to read as follows:

3. (a) *Dairy Products.*

(i) imported articles subject to the import quotas provided for in items 950.01 through 950.11, except 950.06, may be entered only by or for the account of a person or firm to whom a license has been issued by or under the authority of the Secretary of Agriculture, and only in accordance with the terms of such license; except that no such license shall be required for up to 1,225,000 pounds per quota year of natural Cheddar cheese made from unpasteurized milk and aged not less than 9 months which prior to exportation has been certified to meet such requirements by an official of a government agency of the country where the cheese was produced, of which amount not more than 612,500 pounds may be entered during the period July 1, 1967, through December 31, 1967, or during the first six months of a quota year. Such licenses shall be issued under regulations of the Secretary of Agriculture which he determines will, to the fullest extent practicable, result in (1) the equitable distribution of the respective quotas for such articles among importers or users and (2) the allocation of shares of the respective quotas for such articles among supplying countries, based upon the proportion supplied by such countries during previous representative periods, taking due account of any special factors which may have affected or may be affecting

the trade in the articles concerned. No licenses shall be issued which will permit entry during the first six months of a quota year of more than one-half of the quantities specified for any of the cheeses or substitutes for cheese (items 950.07 through .10) in the column entitled "Quota Quantity."

(ii) not more than 4,406,250 pounds of the quota quantity specified for articles under item 950.08A for the period July 1, 1967, through December 31, 1967, and not more than 8,812,500 pounds of the annual quota quantity specified in such item for each subsequent 12-month period shall be products other than natural Cheddar cheese made from unpasteurized milk and aged not less than 9 months,

(2) the superior heading preceding items 950.00 through 950.13 of part 3 is changed to read as follows:

Whenever, in any 12-month period beginning January 1 in any year, the respective aggregate quantity specified below for one of the numbered classes of articles has been entered, no article in such class may be entered during the remainder of such period:

(3) item 950.00 is added preceding item 950.01 which reads as follows:

950.00	Milk and cream, fluid or frozen, fresh or sour, containing over 5.5 percent but not over 45 percent by weight of butterfat:	
	For the 12-month period ending December 31, 1967:	
	NEW ZEALAND	the quantity entered on or before June 30, 1967, plus 750,000 gallons
	OTHER	NONE
	For each subsequent year	
	NEW ZEALAND	1,500,000 gallons
	OTHER	NONE

(4) item 950.08A is amended to read as follows:

950.08A	Cheddar cheese, and cheese and substitutes for cheese containing, or processed from, Cheddar cheese:	
	For the 12-month period ending December 31, 1967	the quantity entered on or before June 30, 1967, plus 5,018,750 pounds (See headnote 3(a)(ii) of this part)
	For each subsequent 12-month period	10,037,500 pounds (See headnote 3(a)(ii) of this part)'

(5) item 950.08B is added following item 950.08A, which reads as follows:

950.08B	American-type cheese, including Colby, washed curd, and granular cheese (but not including Cheddar) and cheese and substitutes for cheese containing, or processed from, such American-type cheese:	
	For the 12-month period ending December 31, 1967	the quantity entered on or before June 30, 1967, plus 3,048,300 pounds
	For each subsequent 12-month period	6,096,600 pounds

(6) item 950.12 is divided into two items and is amended to read as follows:

Articles containing over 5.5 percent by weight of butterfat, the butterfat content of which is commercially extractable, or which are capable of being used for any edible purpose (except articles provided for in subparts A, B, C or item 118.30, of part 4, Schedule 1, and except articles imported packaged for distribution in the retail trade and ready for use by the purchaser at retail for an edible purpose or in the preparation of an edible article):

950.12	Over 45 percent by weight of butterfat	NONE
950.13	Over 5.5 percent but not over 45 percent by weight of butterfat and classifiable for tariff purposes under item 182.91:	
	For the 12-month period ending December 31, 1967:	
	AUSTRALIA	the quantity entered on or before June 30, 1967, plus 1,120,000 pounds
	BELGIUM and DENMARK	
	OTHER	NONE
	(aggregate)	the quantity entered on or before June 30, 1967, plus 170,000 pounds
	For each subsequent 12-month period:	
	AUSTRALIA	2,240,000 pounds
	BELGIUM and DENMARK	
	OTHER	NONE
	(aggregate)	340,000 pounds

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this 30th day of June 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-first.

Lyndon B. Johnson

By the President:

Dean Rusk

Secretary of State.

[F.R. Doc. 67-7834; Filed, July 3, 1967; 4:11 p.m.]

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

Housing and Home Finance Agency and Department of Housing and Urban Development

Section 213.3144 is amended to show that the position of Director, Compliance Division is no longer excepted under Schedule A. Section 213.3184 is added to show that the position of Director, Inspector Division, Office of the Secretary is accepted under Schedule A.

1. Effective on publication in the FEDERAL REGISTER subparagraph (2) of paragraph (a) of § 213.3144 is revoked.

§ 213.3144 Housing and Home Finance Agency.

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

(2) [Revoked]

* * * * *

2. Effective on publication in the FEDERAL REGISTER a new § 213.3184 is added as set out below.

§ 213.3184 Department of Housing and Urban Development.

(a) *Office of the Secretary.* (1) Director Inspection Division.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–1958 Comp., p. 218)

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

[F. R. Doc. 67-7737; Filed, July 5, 1967; 8:49 a.m.]

PART 213—EXCEPTED SERVICE

National Conference on Problems of Mexican-American and Puerto Rican Communities

Section 213.3192 is amended to extend the Schedule A authority for positions on the Conference staff for 1 additional month, until July 31, 1967. Effective on publication in the FEDERAL REGISTER, paragraph (a) of § 213.3192 is amended as set out below.

§ 213.3192 National Conference on the Problems of the Mexican-American and Puerto Rican Communities.

(a) Until July 31, 1967, all positions on the Conference staff.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–1958 Comp., p. 218)

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

[F.R. Doc. 67-7719; Filed, July 5, 1967; 8:48 a.m.]

PART 213—EXCEPTED SERVICE

Department of Commerce

Section 213.3214(a) is added to show that not to exceed 100 positions of interviewers, supervisors, and data collection specialists in the Census Bureau who conduct interviews in the hard-core poverty areas of large cities or who supervise the conduct of these interviews, are in Schedule B when filled by residents of the areas served. Effective on publication in the FEDERAL REGISTER, § 213.3214(a) is added as set out below.

§ 213.3214 Department of Commerce.

(a) Not to exceed 100 positions of interviewers, supervisors, and data collection specialists in the Census Bureau who conduct interviews in the hard-core poverty areas of large cities or who supervise the conduct of these interviews, when filled by residents of the areas served.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954-1958 Comp., p. 218)

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

[F.R. Doc. 67-7736; Filed, July 5, 1967; 8:49 a.m.]

PART 213—EXCEPTED SERVICE

Department of Housing and Urban Development

Section 213.3384 is amended to show that the position of Special Assistant to the Director of Public Affairs is in Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (23) is added to paragraph (a) of § 213.3384 as set out below.

§ 213.3384 Department of Housing and Urban Development.

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

(23) One Special Assistant to the Director of Public Affairs.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954-1958 Comp., p. 218)

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

[F.R. Doc. 67-7738; Filed, July 5, 1967; 8:49 a.m.]

PART 213—EXCEPTED SERVICE

Department of Transportation

Section 213.3394 is amended to show that the position of Confidential Secretary to the Assistant Secretary for Public Affairs is excepted under Schedule C. Effective on publication in the FEDERAL REGISTER, subparagraph (7) is added to paragraph (a) of § 213.3394 as set out below.

§ 213.3394 Department of Transportation.

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

(7) One Confidential Secretary to the Assistant Secretary for Public Affairs.

* * * * *

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR, 1954–1958 Comp., p. 218)

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

[F.R. Doc. 67-7739; Filed, July 5, 1967; 8:49 a.m.]

PART 550—PAY ADMINISTRATION (GENERAL)

Compensation for Intermittent Employment as Test Monitor

Section 550.505 is amended by the addition of a new paragraph (k) which excepts compensation for intermittent employment as a test monitor by the Civil Service Commission from section 5533(a) of title 5, United States Code (formerly section 301(a) of the Dual Compensation Act). Section 550.505 is amended as set out below.

§ 550.505 Specific exceptions.

* * * * *

(k) Compensation for intermittent employment as a test monitor by the Civil Service Commission.

(Sec. 9, P.L. 89-301; 79 Stat. 1118; E.O. 11257, 30 F.R. 14353, 3 CFR 1965 Supp.)

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

[F.R. Doc. 67-7740; Filed, July 5, 1967; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airspace Docket No. 67-CE-54]

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

Alteration of Control Zone

On page 6581 of the FEDERAL REGISTER dated April 28, 1967, the Federal Aviation Administration published a notice of proposed rule making which would amend § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the control zone at Minneapolis, Minn. (Crystal Airport).

Interested persons were given 45 days to submit written comments, suggestions, or objections regarding the proposed amendment.

No objections have been received and the amendment as so proposed is hereby adopted, subject to the following change:

The Crystal Airport coordinates recited in the Minneapolis, Minn. (Crystal Airport), control zone redesignation as "latitude 45°21'20" N., longitude 93°21'20" W." are changed to read "latitude 45°03'45" N., longitude 93°21'20" W."

This amendment shall be effective 0001 e.s.t., September 14, 1967.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Kansas City, Mo., on June 20, 1967.

DANIEL E. BARROW,
Acting Director, Central Region.

Redesignate the Minneapolis, Minn. (Crystal Airport), control zone as that airspace within a 5-mile radius of Crystal Airport (latitude 45°03'45" N., longitude 93°21'20" W.). This control zone is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airman's Information Manual.

[F.R. Doc. 67-7665; Filed, July 5, 1967; 8:45 a.m.]

[Airspace Docket No. 67-CE-47]

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

Alteration of Control Zone and Transition Area

On pages 6581 and 6582 of the FEDERAL REGISTER dated April 28, 1967, the Federal Aviation Administration published a notice of proposed rule making which would amend §§ 71.171 and 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the control zone and transition area at North Platte, Nebr.

Interested persons were given 45 days to submit written comments, suggestions or objections regarding the proposed amendments.

No objections have been received and the amendments as so proposed are hereby adopted, subject to the following change:

The Lee Bird Field Municipal Airport coordinates recited in the North Platte, Nebr., control zone and transition area redesignations as "latitude 41°07'41" N., longitude 100°41'58" W." are changed to read "latitude 41°07'35" N., longitude 100°41'50" W."

These amendments shall be effective 0001 e.s.t., September 14, 1967.

(Sec. 307(a), Federal Aviation Act of 1958; (49 U.S.C. 1348))

Issued in Kansas City, Mo., on June 21, 1967.

DANIEL E. BARROW,
Acting Director, Central Region.

(1) Redesignate the North Platte, Nebr., control zone as that airspace within a 5-mile radius of Lee Bird Field (latitude 41°07'35" N., longitude 100°41'50" W.); within 2 miles each side of the North Platte VOR 029° radial, extending from the 5-mile radius zone to the VOR; within 2 miles each side of the 186° bearing from North Platte RBN, extending from the 5-mile radius zone to 8 miles south of the RBN; and within 2 miles each side of the 131° bearing from Lee Bird Field, extending from the 5-mile radius zone to 10 miles southeast of the airport.

(2) Redesignate the North Platte, Nebr., transition area as that airspace extending upward from 700' above the surface within a 10-mile radius of Lee Bird Field (latitude 41°07'35" N., longitude 100°41'50" W.); and within 2 miles each side of the North Platte VOR 209° radial, extending from the 10-mile radius area to 8 miles southwest of the VOR; and that airspace extending upward from 1,200 feet above the surface within a 25-mile radius of the North Platte VOR.

[F.R. Doc. 67-7666; Filed, July 5, 1967; 8:46 a.m.]

[Airspace Docket No. 67-CE-49]

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

Alteration of Transition Area

On pages 6580 and 6581 of the FEDERAL REGISTER dated April 28, 1967, the Federal Aviation Administration published a notice of proposed rule making which would amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the transition area at Michigan City, Ind.

Interested persons were given 45 days to submit written comments, suggestions, or objections regarding the proposed amendment.

No objections have been received and the proposed amendment is hereby adopted without change and is set forth below.

This amendment shall be effective 0001 e.s.t., September 14, 1967.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Kansas City, Mo., on June 21, 1967.

DANIEL E. BARROW
Acting Director, Central Region.

Redesignate the Michigan City, Ind., transition area as that airspace extending upward from 700 feet above the surface within a 6-mile radius of the Michigan City, Ind. Michigan City Airport (latitude 41°42'10" N., longitude 86°49'20" W.), within 2 miles each side of the South Bend, Ind. VORTAC 261° radial extending from the 6-mile radius area to 13 miles west of the VORTAC, and within 2 miles each side of the 016° bearing from Michigan City Airport extending from the 6-mile radius area to 9 miles north of the airport.

[F.R. Doc. 67-7667; Filed, July 5, 1967; 8:46 a.m.]

[Airspace Docket No. 67-CE-85]

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

Alteration of Transition Area

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Bismarck, N. Dak., transition area.

Since designation of the Bismarck, N. Dak., transition area, the Bismarck L/MF radio beacon has been relocated to the Bismarck ILS outer marker site. Instrument approach procedures predicated on this radio beacon at its former site have been canceled. As a result, controlled airspace for the protection of aircraft executing these canceled procedures is no longer required. Therefore, alteration of the Bismarck transition area is necessary to delete this airspace from the transition area designation.

Since the proposed alteration will reduce the existing designated Bismarck, N. Dak., transition area, it will not impose any additional burden on any person. Therefore, notice and public procedure hereon are unnecessary.

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

In § 71.181 (32 F.R. 2148), the following transition area is amended to read:

BISMARCK, N. DAK.

That airspace extending upward from 700 feet above the surface within a 7-mile radius of Bismarck Municipal Airport (latitude 46°46'33" N., longitude 100°45'14" W.), within 8 miles northeast and 5 miles southwest of the Bismarck ILS localizer southeast course extending from the OM to 12 miles southeast of the OM, and within 8 miles north and 5 miles south of the Bismarck 105° radial extending from the VOR to 12 miles east of the VOR, and that airspace extending upward from 1,200 feet above the surface within 8 miles north and 5 miles south of the 105° radial of the Bismarck VOR extending from the VOR to 14 miles east of the VOR, within 8 miles northeast and 5 miles southwest of the 129° radial of the Bismarck VOR extending from the VOR to 20 miles southeast of

the VOR, and within 8 miles northeast and 5 miles southwest of the Bismarck ILS localizer southeast course extending from 3 miles northwest to 14 miles southeast of the Bismarck OM.

(Sec. 307(a) Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Kansas City, Mo., on June 21, 1967.

DANIEL E. BARROW,
Acting Director, Central Region.

[F.R. Doc. 67-7668; Filed, July 5, 1967; 8:46 a.m.]

[Reg. Docket No. 8255]

[Special Federal Aviation Regulation No. 17]

PART 91—GENERAL OPERATING AND FLIGHT RULES

Prohibition of Air Traffic Along the St. Lawrence Seaway

The purpose of this special regulation is to restrict aircraft from operating in close proximity to the Royal Party aboard the Royal Yacht of Her Majesty Queen Elizabeth of Great Britain when the Royal Party is within the U.S. territory.

On or about July 4, 1967, Her Majesty Queen Elizabeth and other officials of Great Britain and Canada intend to travel by the Royal Yacht through territorial waters of the United States along the St. Lawrence Seaway. The Canadian Government will restrict aircraft from operating in proximity to the Royal Party within Canada and it has requested the United States to take a similar action for that portion of the voyage within or adjacent to U.S. territory. During the voyage from Montreal to Kingston, Ontario, the Royal Yacht will at times be in the United States between Cornwall, Ontario, and Kingston, Ontario.

The interest of the public in the Queen may cause an assembly on the ground of large numbers of persons and the operation of numerous aircraft along the route of the Royal Party. In order to preclude the possibility of an aircraft accident endangering air safety as well as persons and property on the surface, it appears necessary to restrict the flight of all aircraft in proximity to the Royal Party. The times of the restrictions, together with the details of the special regulation, will be published at a later date in a Notice to Airmen. The notice will include information as to which FAA facilities may be contacted to authorize operations contrary to the regulation.

On the basis of the above, I have determined there exists a requirement for the immediate adoption of this regulation for the safety to air commerce and the protection of persons and property on the ground. Therefore, I find it impracticable to comply with the notice and public procedure provisions of the Administrative Procedure Act and that good cause exists for making this regulation effective immediately.

In consideration of the foregoing, the following special Federal Aviation Regulation is hereby adopted, effective immediately:

1. Unless otherwise authorized by ATC, no person may operate an aircraft within 4,000 feet vertically or 3 nautical miles horizontally of the segment or segments of the United States-Canadian territorial border specified between Cornwall, Ontario, and Kingston, Ontario, and during the time periods specified, in a Notice to Airmen.
2. This regulation does not apply to aircraft operated by Federal, State or local authorities while engaged in law enforcement activities; or to aircraft taking off or landing at airports within the areas specified in a Notice to Airmen.
3. This regulation expires 2400 e.s.t., July 31, 1967.

(Sec. 307 of the Federal Aviation Act of 1958; 49 U.S.C. 1348).

Issued in Washington, D.C., on June 29, 1967.

WILLIAM F. MCKEE,
Administrator.

[F.R. Doc. 67-7649; Filed, July 5, 1967; 8:45 a.m.]

Title 12—BANKS AND BANKING

Chapter I—Bureau of the Comptroller of the Currency, Department of the Treasury

PART 1—INVESTMENT SECURITIES REGULATION

Alaska State Housing Authority State Lease Revenue Bonds

§ 1.188 Alaska State Housing Authority State Lease Revenue Bonds.

(a) *Request.* The Comptroller of the Currency has been requested to rule that the $5,020,000 Alaska State Housing Authority State Lease Revenue Bonds are eligible for purchase, dealing in, underwriting and unlimited holding by national banks under paragraph Seventh of 12 U.S.C. 24.

(b) *Opinion.* (1) The Alaska State Housing Authority is a public corporate authority under the laws of the State of Alaska. The Authority is authorized to provide for the acquisition, construction and financing of public building projects and to enter into lease agreements with the State of Alaska for the use of space in such projects. The Authority is issuing its general obligation bonds to accomplish such financing.

(2) The State of Alaska which possesses general powers of taxation has agreed to pay the Authority, for the right to use and occupy the projects, annual rentals in amounts sufficient to enable the Authority to make the annual principal and interest payments on these bonds and the Authority has pledged these rentals to secure such payments. The bonds of the Authority are thus supported by the faith and credit of the State.

(c) *Ruling.* It is our conclusion, therefore, that the $5,020,000 Alaska State Housing Authority State Lease Revenue Bonds are general obligations of a state or political subdivision thereof under paragraph Seventh of 12 U.S.C. 24 and, accordingly, are eligible for purchase, dealing in, underwriting and unlimited holding by national banks.

Dated: June 30, 1967.

[SEAL] WILLIAM B. CAMP,
Comptroller of the Currency.

[F.R. Doc. 67-7696; Filed, July 5, 1967; 8:47 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of International Commerce, Department of Commerce

SUBCHAPTER A—MISCELLANEOUS REGULATIONS

PART 365—MOBILE TRADE FAIRS

Requests for Financial Assistance by Mobile Trade Fair Operators

Section 365.1 *Requests for assistance by mobile trade fair operators* is amended in the following respect:

Paragraph (c), *Requests for financial assistance: Information required* is amended by adding the following unnumbered paragraph at the end thereof:

§ 365.1 Requests for assistance by mobile trade fair operators.

* * * * *

(c) * * *

It is the policy of the Department to extend financial assistance only to applicants proposing to operate mobile trade fairs primarily as an independent service to producers or distributors of U.S. goods. This will preclude any financial assistance under the Act to applicants intending to operate mobile trade fairs as a technique primarily for the promotion of the sale of goods in which they themselves have a direct interest, particularly as export agents or representatives of the producers of such goods.

* * * * *

The foregoing is an amendment of procedures involving the extension of grants and benefits and is, therefore, exempt from the provisions of 5 U.S.C. 553.

LAWRENCE A. FOX,
Director,
Bureau of International Commerce.

[F.R. Doc. 67-7655; Filed, July 5, 1967; 8:45 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER C—DRUGS

PART 141a—PENICILLIN AND PENICILLIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

PART 145—ANTIBIOTIC DRUGS; DEFINITIONS AND INTERPRETATIVE REGULATIONS

PART 146a—CERTIFICATION OF PENICILLIN AND PENICILLIN-CONTAINING DRUGS

Changes in Nomenclature

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; 21 U.S.C. 357) and under the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (21 CFR 2.120), the antibiotic drug regulations are amended as follows to effect nomenclature changes for consistency with the N.F. or U.S.P.:

1. "Penicillin V" is changed to read "phenoxymethyl penicillin" in the following places: §§ 141a.9(a) (1) (twice), (4) (twice), (5) (twice), and (b); 141a.10, section heading (twice), paragraphs (a) and (f) (five times); 141a.81, section heading (also delete the words in parentheses), paragraphs (a) and (f) (three times); 141a.82, section heading (also delete the words in parentheses) and paragraph (a); 141a.83, section heading (twice), paragraphs (a) and (h) (five times); 141a.84, section heading and paragraph (a) (2) (7 times) and (3); 141a.85, section heading and paragraph (a) (twice); 141a.87, section heading (twice) and paragraph (a); 141a.91, section heading (twice), paragraphs (a) and (g) (five times); 141a.92, section heading and paragraph (a); 141a.99, section heading and paragraph (a); 141a.121, section heading and paragraph (a) (five times); 145.3 (a) (1) (iii) (four times) and (b) (1) (iii); 145.4(a) (1) (twice); 146a.19, section heading, paragraphs (a) (four times), (d) (1) (twice), (d) (2) (ii) (twice), (d) (3) (ii) and (iv); 146a.27(a) (four times), (c) (1) (ii) (c) (twice) and (d), (d) (2) (ii) (four times) and (3) (ii) (twice); 146a.61, section heading (twice) and paragraph (a) (three times); 146a.72, section heading (twice), paragraphs (a) (three times) and (d); 146a.73, section heading section introduction, paragraphs (a) (twice) and (c) (twice); 146a.103, section heading (also delete the words in parentheses), paragraphs (a) (twice) and (d); 146a.104, section heading (twice, also delete the words in parentheses), paragraphs (a) (six times), (c) (1) (ii) (twice), and (d) (2) (ii) (three times); 146a.105, section heading (twice), paragraphs (a) (three times) and (d) (1) and (3); 146a.106, section heading, paragraphs (a) (twice), (b) (three times), and (c) (2); 146a.107, section heading and text (twice); 146a.109, section heading (twice), section introduction (twice), paragraphs (a), (b) (twice), and (c) (twice); and 146a.117, section heading, paragraphs (a) (four times), (d) (1), (2) (ii) (twice), and (3) (ii), and (e).

2. In § 146a.103(a), the first sentence is changed to read: "Phenoxymethyl penicillin is crystalline 6-(phenoxyacetamido) penicillanic acid."

The amendments in this order are to achieve consistency of certain nomenclature in the subject regulations with that of official compendia, and I find that notice and public procedure and delayed effective date are unnecessary 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)

Dated: June 28, 1967.

JAMES L. GODDARD,
Commissioner of Food and Drugs.

[F.R. Doc. 67-7713; Filed, July 5, 1967; 8:46 a.m.]

PART 141a—PENICILLIN AND PENICILLIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

PART 146a—CERTIFICATION OF PENICILLIN AND PENICILLIN-CONTAINING DRUGS

Potassium Phenoxymethyl Penicillin Chewable Wafers

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; 21 U.S.C. 357) and under the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (21 CFR 2.120; 31 F.R. 3008), the antibiotic drug regulations are amended to provide for certification of potassium phenoxymethyl penicillin chewable wafers by adding respectively to Parts 141a and 146a new sections, as follows:

§ 141a.130 Potassium phenoxymethyl penicillin chewable wafers.

(a) *Potency.* Using the phenoxymethyl penicillin working standard as the standard of comparison, proceed as directed in § 141a.1, except in lieu of the directions in § 141a.1(d), prepare the sample as follows: Grind a representative number of wafers (usually 5 to 12) using a mortar and pestle. Transfer all the powder, or a weighed aliquot of the powder, to an appropriate volumetric flask, made to mark by adding sufficient 1.0-percent phosphate buffer, pH 6.0, and shake on a mechanical shaker for not less than 45 minutes. Remove from shaker and let stand in a refrigerator overnight. Filter through a Whatman No. 1 filter paper. Remove an aliquot of the filtrate, and make the proper estimated dilutions to the reference concentration in 1.0-percent phosphate buffer, pH 6.0. The potency of potassium phenoxymethyl penicillin chewable wafers is satisfactory if they contain not less than 90 percent and not more than 125 percent of the number of units of phenoxymethyl penicillin that they are represented to contain.

(b) *Moisture.* Use four wafers and proceed as directed in § 141a.5(a).

* * * * *

§ 146a.126 Potassium phenoxymethyl penicillin chewable wafers.

(a) *Standards of identity, strength, quality, and purity.* Potassium phenoxymethyl penicillin chewable wafers are wafers composed of potassium phenoxymethyl penicillin with suitable diluents, binders, buffers, colorings, and flavorings. Each wafer contains either 200,000 units or 400,000 units of phenoxymethyl penicillin. The moisture content is not more than 1.5 percent. The potassium phenoxymethyl penicillin used conforms to the standards prescribed by § 146a.61 (a). Each other ingredient used, if its name is recognized in the U.S.P. or N.F., conforms to the standards prescribed therefor by such official compendium.

(b) *Packaging.* In all cases the immediate container shall be a tight container as defined by the U.S.P. and shall be of such composition as will not cause any change in the strength, quality, or purity of the contents beyond any limit therefor in applicable standards, except that minor changes so caused that are normal and unavoidable in good packaging, storage, and distribution practice shall be disregarded.

(c) *Labeling.* It shall be labeled in accordance with the requirements of § 148.3 of this chapter. Its expiration date is 12 months.

(d) *Request for certification; samples.* (1) In addition to complying with the requirements of § 146.2 of this chapter, a person who requests certification of a batch shall submit with his request a statement showing the batch mark, the number of wafers in such batch, the number of wafers packaged into dispensing-size containers during each day's packaging operations, the number of units in each wafer, the date on which the latest assay of the drug comprising such batch was completed, the date (unless submitted previously) on which the latest assay of the potassium phenoxymethyl penicillin used in making such batch was completed, the quantity of each ingredient used in making the batch, and a statement that such ingredient conforms to the requirements prescribed therefor, if any, by this section.

(2) Except as otherwise provided in subparagraph (4) of this paragraph, such person shall submit in connection with his request results of the tests and assays listed after each of the following made by him on an accurately representative sample of:

(i) The batch:

(*a*) If the person who requests certification is the manfacturer of the batch: Average potency and average moisture of wafers collected during the time of compressing the batch; and, unless the wafers are packaged into dispensing-size

containers immediately after they are compressed, average moisture of wafers collected during each day of packaging the batch.

(*b*) If the person who requests certification is not the manufacturer of the batch: Average potency and average moisture of wafers collected during each day the wafers are being packaged into dispensing-size containers.

(ii) The potassium phenoxymethyl penicillin used in making the batch: Potency, toxicity, moisture, pH, crystallinity, and phenoxymethyl penicillin content.

(3) Except as otherwise provided by subparagraph (4) of this paragraph, such person shall submit in connection with his request, in the quantities hereinafter indicated, accurately representative samples of the following:

(i) The batch:

(*a*) If the person who requests certification is the manufacturer of the batch: One wafer for each 5,000 wafers in the batch, but in no case less than 30 wafers collected by taking single wafers at such intervals throughout the entire time of compressing the batch that the quantities compressed during the intervals are approximately equal;

(*b*) If, after compressing, such person packages the batch into dispensing-size containers: 20 wafers collected at equal intervals during each day the wafers are being packaged, except that this sample is not required if the wafers are packaged immediately after they are compressed; or

(*c*) If the person who requests certification is not the manufacturer of the batch (for the purposes of certification, a batch shall be that number of wafers filled by such person into dispensing-size containers during each day's packaging operations): One wafer for each 5,000 wafers in the batch, but in no case less than 30 wafers collected by taking single wafers at such intervals throughout each day of packaging the wafers that the quantities packaged during the intervals are approximately equal.

(ii) The potassium phenoxymethyl penicillin used in making the batch: 10 packages, each containing equal portions of not less than 300 milligrams.

(iii) In case of an initial request for certification, each other ingredient used in making the batch: One package of each containing approximately 5 grams.

(4) The result referred to in subparagraph (2)(ii) of this paragraph and the sample referred to in subparagraph (3)(ii) of this paragraph are not required if such result and sample have been previously submitted.

(*e*) *Fees.* The fees for the services rendered with respect to each batch of potassium phenoxymethyl penicillin chewable wafers under the regulations in this section shall be:

(1) $0.75 for each wafer in the samples submitted in accordance with paragraph (d)(3)(i) (*a*) and (*c*) of this section; $3 for the sample submitted in accordance with paragraph (d)(3)(i)(*b*) of this section; $4 for each package submitted in accordance with paragraph (d)(3) (ii) and (iii) of this section.

(2) If the Commissioner considers that investigations, other than examination of such wafers and packages, are necessary to determine whether or not such batch complies with the requirements of § 146.3 of this chapter for the issuance of a certificate, the cost of such investigations.

The fee prescribed by subparagraph (1) of this paragraph shall accompany the request for certification, unless such fee is covered by an advance deposit maintained in accordance with § 146.8 (d) of this chapter.

Data supplied by the manufacturer concerning the safety and efficacy of the subject drug have been evaluated. Since the conditions prerequisite to providing for certification of the subject drug have been complied with and since it is in the public interest not to delay in providing for such certification, 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)

Dated: June 28, 1967.

JAMES L. GODDARD,
Commissioner of Food and Drugs.

[F.R. Doc. 67-7712; Filed, July 5, 1967; 8:48 a.m.]

Title 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 526—INDUSTRIES OF A SEASONAL NATURE AND INDUSTRIES WITH MARKED SEASONAL PEAKS OF OPERATION

Fresh Fruit and Vegetable Industry

On January 20, 1967, a notice was published in the FEDERAL REGISTER (32 F.R. 674) proposing to find that the fresh fruit and vegetable industry, as defined, is an industry of a seasonal nature within the meaning and under the authority of section 7(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(c)) as amended by the Fair Labor Standards Amendments of 1966 (P.L. 89-601). The notice further proposed to find that this industry is engaged in the handling, packing, storing, preparing, first processing, or canning of perishable agricultural commodities in their raw or natural state within the meaning, and under the authority, of section 7(d) of the same Act and Amendments.

Interested persons were given 30 days in which to present written data, views, or arguments. After consideration of all such relevant matter as was presented and pursuant to sections 7(c) and 7(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207 (c) and (d)), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp. p. 1004), General Order No. 45-A of the Secretary of Labor (15 F.R. 3290), and the procedure set forth in 29 CFR Part 526 (32 F.R. 3775) such findings are hereby made, and it is further found that all fresh fruits and vegetables are perishable. Accordingly, 29 CFR 526.12 is amended by adding "Fresh fruit and vegetable industry" to the list there provided with the date of this document shown under the heading "Date of Finding," and the volume and page of the FEDERAL REGISTER in which this document appears under the heading "Citation." As this amendment merely grants an additional exemption, no delay in its effective date is required (5 U.S.C. 553(d)). No useful purpose would be served by such delay. Accordingly, this amendment shall be effective immediately.

For purpose of this finding, the fresh fruit and vegetable industry is defined to include only the handling, packing, storing, preparing, first processing, and canning, of any fresh fruits and vegetables in their raw or natural state and any other operations and services necessary and incidental thereto. It includes such operations when performed in connection with fresh fruits and vegetables which have been merely refrigerated, but does not include operations performed in connection with fresh fruits and vegetables which have been frozen, preserved, canned, dehydrated or otherwise changed so that they are no longer perishable or in their raw or natural state.

The industry to which these findings apply may include transactions whereby, for purpose of filling a customer's order, fresh fruits and vegetables that have been packed or canned by employees of one employer are commingled with those packed or canned by the employees of the employer claiming these exemptions: *Provided,* That the amount of fill-in goods is 5 percent or less of the weekly volume of shipments made during each week in which the exemption is claimed.

(29 U.S.C. 207 (c) and (d))

Signed at Washington, D.C., this 30th day of June 1967.

CLARENCE T. LUNDQUIST,
Administrator, Wage and Hour and Public Contracts Divisions, U.S. Department of Labor.

[F.R. Doc. 67-7751; Filed, July 5, 1967; 8:50 a.m.]

Chapter XII—Federal Mediation and Conciliation Service

PART 1401—AVAILABILITY OF INFORMATION

PART 1402—PROCEDURES OF THE SERVICE

PART 1403—FUNCTIONS AND DUTIES

PART 1404—ARBITRATION

Revision of Regulations

Parts 1401 through 1404 of chapter XII are revised to read as follows:

PART 1401—AVAILABILITY OF INFORMATION

Sec.
1401.1 Places at which information may be obtained.
1401.2 Nondisclosure of information.
1401.3 Confidential records.
1401.4 Notices of disputes nonconfidential.
1401.5 Compliance with subpoenas.

AUTHORITY: The provisions of this Part 1401 issued under sec. 202, 61 Stat. 153, as amended; 29 U.S.C. 172. Interpret or apply sec. 3, 80 Stat. 250, sec. 203, 61 Stat. 153; 5 U.S.C. 552, 29 U.S.C. 173.

§ 1401.1 Places at which information may be obtained.

Any individual, employer or union, or representative thereof, desiring information regarding the operations of the Service within a region should communicate with the regional office of the Service in the region in which the labor dispute or other matter exists with respect to which information is sought. General inquiries for information concerning the Service should be addressed to the Federal Mediation and Conciliation Service, 14th and Constitution Avenue NW., Washington, D.C., 20427. The location of regional offices of the Service and their respective jurisdictions are as follows:

REGION NUMBER, ADDRESS, AND JURISDICTION

1. Room 1101, 11th Floor East, 346 Broadway, New York, N.Y. 10013—Maine; New Hampshire; Vermont; Connecticut; Rhode Island; Massachusetts; New York; and northern New Jersey counties of Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Sussex, and Union.

2. Room 5021, U.S. Courthouse and Post Office Building, Ninth and Chestnut Streets, Philadelphia, Pa. 19107—Pennsylvania; Delaware; Maryland; District of Columbia; West Virginia; southern New Jersey counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Warren, Hunterdon, Mercer, Monmouth, and Salem; eastern Virginia counties of Alleghany, Botetourt, Roanoke, Franklin, Henry, and all east of these counties; and southeastern Ohio counties of Belmont, Monroe, Washington, Noble, and Guernsey.

3. Room 154, Peachtree at Seventh Street Building, 50 Seventh Street NE., Atlanta, Ga. 30323—western Virginia counties of Lee, Wise, Scott, Dickenson, Buchanan, Russell, Washington, Tazewell, Smyth, Bland, Wythe, Grayson, Carroll, Pulaski, Giles, Craig, Montgomery, Floyd, and Patrick; southwest Kentucky counties of Fulton, Hickman, Carlisle, Ballard, McCracken, Graves, Marshall, Calloway, Livingston, Todd, Lyon, Trigg, Caldwell, Crittenden, Union, Webster, Hopkins, Christian, Muhlenberg, Logan, and Simpson; Arkansas (Crittenden County only); Tennessee; North Carolina; South Carolina; Georgia; Florida; Alabama; Mississippi; Louisiana; Puerto Rico; and the Virgin Islands.

4. Room 2021, Superior Building, 815 Superior Avenue NE., Cleveland, Ohio 44114—Indiana (counties of Clark and Floyd); Kentucky (except the counties under Region 3 jurisdiction); Ohio (except the counties of Belmont, Monroe, Washington, Noble, and Guernsey); Michigan (Lower Peninsula; Upper Peninsula under Region 5 jurisdiction).

5. Room 1402, U.S. Courthouse and Federal Office Building, 219 South Dearborn Street, Chicago, Ill. 60604—Illinois (except the counties under Region 6 jurisdiction); Indiana (except Clark and Floyd Counties under Region 4 jurisdiction); Wisconsin; Minnesota; North Dakota; South Dakota; and Michigan (Upper Peninsula; Lower Peninsula under Region 4 jurisdiction).

6. Room 3266, Federal Building, 1520 Market Street, St. Louis, Mo. 63103—Iowa; Missouri; southwest Illinois (counties of Calhoun, Greene, Jersey, Madison, Macoupin, Monroe, Randolph, and St. Clair); Arkansas (except Crittenden County); Nebraska; Kansas; Oklahoma; and Texas (except El Paso and Hudspeth Counties under Region 7 jurisdiction).

7. Room 13471, New Federal Office Building, 450 Golden Gate Avenue, Post Office Box 36007, San Francisco, Calif. 94102—Washington; Oregon; California; Idaho; Montana; Wyoming; Nevada; Utah; Colorado; Arizona; New Mexico; southwest Texas (counties of El Paso and Hudspeth); Alaska; Hawaii; and Guam.

§ 1401.2 Nondisclosure of information.

Public policy and the successful effectuation of the Federal Mediation and Conciliation Service's mission require that commissioners and employees maintain a reputation for impartiality and integrity. Labor and management or other interested parties participating in mediation efforts must have the assurance and confidence that information disclosed to commissioners and other employees of the service will not subsequently be divulged, voluntarily or because of compulsion.

§ 1401.3 Confidential records.

All files, reports, letters, memoranda, minutes, documents, or other papers (hereinafter referred to as "confidential records") in the official custody of the Service or any of its employees, relating to or acquired in its or their official activities under Title II of the Labor-Management Relations Act, 1947, as amended, are hereby declared to be confidential. No such confidential records shall be disclosed to any unauthorized person, or be taken or withdrawn, copied or removed from the custody of the Service or its employees by any person, or by any agent or representative of such person without the prior consent of the Director.

§ 1401.4 Notices of dispute nonconfidential.

Written notices of disputes received pursuant to section 8(d)(3) of the Labor-Management Relations Act, 1947, as amended, are not confidential records of the Service. Parties at interest have the right to receive certified copies of any such notice of dispute upon written request to the regional director of the region in which the notice is filed. The notice of dispute and a conformed copy should be filed in the office of the regional director of the region in which the dispute exists, or if the filing party so desires, at the office of the Director of the Service; and if the dispute is occurring in two or more regions such notice may be filed with the regional director for any of such regions, or filed at the office of the Director of the Service, at 14th and Constitution Avenue NW., Washington, D.C. 20427. A conformed copy of such notice of dispute should be served upon the other party to the contract.

§ 1401.5 Compliance with subpoenas.

No officer, employee, or other person officially connected in any capacity with the Service, shall produce or present any confidential records of the Service or testify on behalf of any party to any cause pending in any arbitration or other proceedings or court or before any board, commission, committee, tribunal, investigatory body, or administrative agency of the United States or of any State, Territory, the District of Columbia or any municipality with respect to facts or other matters coming to his knowledge in his official capacity or with respect to the contents of any confidential records of the Service, whether in answer to an order, subpoena, subpoena duces tecum, or otherwise, without the prior written consent of the Director. Whenever any subpoena or subpoena duces tecum calling for confidential records or testimony as described above shall have been served upon any such officer, employee, or other person, he will appear in answer thereto, and unless otherwise expressly directed by the Director, respectfully decline, by reason of this section, to produce or present such confidential records or to give such testimony.

PART 1402—PROCEDURES OF THE SERVICE

§ 1402.1 Notice of dispute.

The notice of dispute filed with the Federal Mediation and Conciliation Service pursuant to the provisions of section 8(d)(3) of the Labor-Management Relations Act, 1947, as amended, shall be in writing. The following Form F-7, for use by the parties in filing a notice of dispute, has been prepared by the Service:

FMCS Form F-7.
Revised May 1964.

NOTICE TO MEDIATION AGENCIES

To: Regional Office, Federal Mediation and Conciliation Service; and
To: (Appropriate State or Territorial agency.)

Date ____________

You are hereby notified that written notice of the proposed termination or modification of the existing collective bargaining contract was served upon the other party to this contract and that no agreement has been reached.

1. (a) Name of employer (if more than one company or an association, submit names and addresses on separate sheet in duplicate). Phone No._______

Address of establishment affected (street) (city) (State) (Zip Code).

(If more than one establishment, or plant, list addresses on separate sheet.)

(b) Employer Official to communicate with (name and title).
Address: Phone No. ______

______ ______ ______
(Street) (City) (State)

2. (a) International union ____________ Local No.______ AFL-CIO ( ). Independent ( ). Phone No.______ Address of local union:

______ ______ ______
(Street) (City) (State)

______
(Zip Code)

(b) Union official to communicate with .... Phone No.......
Address:

....
(Street) (City) (State)

....
(Zip Code)

3. (a) Number of employees covered by the Contract(s) ....

(b) Total number employed by the Company at this location(s) ....

4. Type of establishment and principal products, or services........................
(Factory, mine, wholesaler, over-the-road trucking, etc.)

5. Contract expiration or reopening date ....

6. Name of official filing this notice .... Title ....
Address .... Phone No. ......

Check on whose behalf this notice is filed: Union .... Employer ....
Signature ....

Receipt of this notice does not constitute a request for mediation nor does it commit the agencies to offer their facilities. This particular form of notice is not legally required. Receipt of notice will not be acknowledged in writing by the Federal Mediation and Conciliation Service. (Attach copies of any statement you wish to make to the Mediation Agencies.)

Copies of this Form F-7 are obtainable at the national, regional and field offices of the Service. This form may be duplicated for use by representatives of employers or unions provided it is copied in full without change.

(Sec. 202, 61 Stat. 153, as amended; 29 U.S.C. 172. Interpret or apply sec. 3, 80 Stat. 250, sec. 203, 61 Stat. 153; 5 U.S.C. 552, 29 U.S.C. 173)

PART 1403—FUNCTIONS AND DUTIES

Sec.
1403.1 Definitions.
1403.2 Policies of the Federal Mediation and Conciliation Service.
1403.3 Obtaining data on labor-management disputes.
1403.4 Assignment of mediators.
1403.5 Relations with State and local mediation agencies.

AUTHORITY: The provisions of this Part 1403 issued under sec. 202, 61 Stat. 153, as amended; 29 U.S.C. 172. Interpret or apply sec. 3, 80 Stat. 250, sec. 203, 61 Stat. 153; 5 U.S.C. 552, 29 U.S.C. 173.

§ 1403.1 Definitions.

As used in this part, unless the context clearly indicates otherwise.

(a) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

(b) The term "affecting commerce" means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor-management dispute burdening or obstructing commerce or the free flow of commerce.

(c) The term "labor union" or "labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(d) The term "State or other conciliation services" means the official and accredited mediation and conciliation establishments of State and local governments, which are wholly or partially supported by public funds.

(e) The term "proffer its services," as applied to the functions and duties of the Federal Mediation and Conciliation Service, means to make mediation services and facilities available either on its own motion or upon the request of one or more of the parties to a dispute.

§ 1403.2 Policies of the Federal Mediation and Conciliation Service.

It is the policy of the Federal Mediation and Conciliation Service:

(a) To facilitate and promote the settlement of labor-management disputes through collective bargaining by encouraging labor and management to resolve differences through their own resources.

(b) To encourage the States to provide facilities for fostering better labor-management relations and for resolving disputes.

(c) To proffer its services in labor-management disputes in any industry affecting commerce, except as to any matter which is subject to the provisions of the Railway Labor Act, as amended, either upon its own motion or upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption to commerce.

(d) To refrain from proffering its services: (1) In labor-management disputes affecting intrastate commerce exclusively, (2) in labor-management disputes having a minor effect on interstate commerce, if State or other conciliation services are available to the parties, or (3) in a labor-management dispute when a substantial question of representation has been raised, or to continue to make its facilities available when a substantial question of representation is raised during the negotiations.

(e) To proffer its services in any labor-management dispute directly involving Government procurement contracts necessary to the national defense, or in disputes which imperil or threaten to imperil the national health or safety.

(f) To proffer its services to the parties in grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement only as a last resort and in exceptional cases.

§ 1403.3 Obtaining data on labor-management disputes.

When the existence of a labor-management dispute comes to the attention of the Federal Service upon a request for mediation service from one or more parties to the dispute, through notification under the provisions of section 8(d)(3), Title I of the Labor-Management Relations Act, 1947, or otherwise, the Federal Service will examine the information to determine if the Service should proffer its services under its policies. If sufficient data on which to base a determination is not at hand, the Federal Service will inquire into the circumstances surrounding the case. Such inquiry will be conducted for fact-finding purposes only and is not to be interpreted as the Federal Service proffering its services.

§ 1403.4 Assignment of mediators.

The Federal Service will assign one or more mediators to each labor-management dispute in which it has been determined that its services should be proffered.

§ 1403.5 Relations with State and local mediation agencies.

(a) If under State or local law a State or local mediation agency must offer its facilities in a labor-management dispute in which the Federal Service is proffering its services, the interests of such agencies will be recognized and their cooperation will be encouraged in order that all efforts may be made to prevent or to effectively minimize industrial strife.

(b) If, in a labor-management dispute there is reasonable doubt that the dispute threatens to cause a substantial interruption to commerce or that there is more than a minor effect upon interstate commerce, and State or other conciliation services are available to the parties, the regional director of the Federal Service will endeavor to work out suitable arrangements with the State or other conciliation or mediation agency for mediation of the dispute. Decisions in such cases will take into consideration the desires of the parties, the effectiveness and availability of the respective facilities, and the public welfare, health, and safety.

(c) If requested by a State or local mediation agency or the chief executive of a State or local government, the Federal Service may make its services available in a labor-management dispute which would have only a minor effect upon interstate commerce when, in the judgment of the Federal Service, the effect of the dispute upon commerce or the public welfare, health, or safety justifies making available its mediation facilities.

PART 1404—ARBITRATION

Sec.
1404.1 Arbitration.
1404.2 Composition of roster maintained by the Service.
1404.3 Security status.
1404.4 Procedures; how to request arbitration services.
1404.5 Arbitrability.
1404.6 Nominations of arbitrators.
1404.7 Appointment of arbitrators.
1404.8 Status of arbitrators after appointment.
1404.9 Prompt decision.
1404.10 Importance of impartiality.
1404.11 Arbitrator's award and report.
1404.12 Fees of arbitrators.
1404.13 Conduct of hearings.

AUTHORITY: The provisions of this Part 1404 issued under sec. 202, 61 Stat. 153, as amended; 29 U.S.C. 172. Interpret or apply sec. 3, 80 Stat. 250, sec. 203, 61 Stat. 153; 5 U.S.C. 552, 29 U.S.C. 173.

§ 1404.1 Arbitration.

The labor policy of the U.S. Government is designed to foster and promote free collective bargaining. Voluntary arbitration and fact-finding are tools, in appropriate cases, of free collective bargaining and may be desirable alternatives to economic strife. The parties assume broad responsibilities for the success of the private juridical system they have chosen. The Service will assist the parties in their selection of arbitrators.

§ 1404.2 Composition of roster maintained by the Service.

It is the policy of the Service to maintain on its roster only those arbitrators who are experienced, qualified, and acceptable, and who adhere to ethical standards. Applicants for inclusion on its roster must not only be well-grounded in the field of labor-management relations, but, also, possess experience in the labor arbitration field or its equivalent. (Arbitrators employed full time as representatives of management or labor are not included on the Service's roster.) After a careful screening and evaluation of the applicant's experience, the Service contacts representatives of both labor and management, as qualified arbitrators must be acceptable to those who utilize its arbitration facilities. The responses to such inquiries are carefully weighed before an otherwise qualified arbitrator is included on the Service's roster.

§ 1404.3 Security status.

The arbitrators on the Service's roster are not employees of the Federal Government, and, because of this status, the Service does not investigate their security status. Moreover, when an arbitrator is selected by the parties, he is retained by them and, accordingly, they must assume complete responsibility for the arbitrator's security status.

§ 1404.4 Procedures; how to request arbitration services.

The Service prefers to act upon a joint request which should be addressed to the Director of the Federal Mediation and Conciliation Service, Washington, D.C. 20427. In the event that the request is made by only one party, the Service may act if the parties have agreed that either of them may seek a panel of arbitrators. A brief statement of the nature of the issues in dispute should accompany the request, to enable the Service to submit the names of arbitrators of specialized competence. The request should also include a copy of the collective bargaining agreement or stipulation. In the event that the entire agreement is not available, a verbatim copy of the provisions relating to arbitration should accompany the request.

§ 1404.5 Arbitrability.

Where either party claims that a dispute is not subject to arbitration, the Service will not decide the merits of such claim. The submission of a panel should not be construed as anything more than compliance with a request.

§ 1404.6 Nominations of arbitrators.

When the parties have been unable to agree on an arbitrator, the Service will submit to the parties the names of three, five, seven, or more arbitrators, as requested, or will make a direct appointment upon being duly advised that a panel is not desired. Together with the submission of a panel of suggested arbitrators, the Service furnishes a short statement of the background, qualifications, and experience of each of the nominees. In selecting names for inclusion on a panel, the Service considers many factors, but the desires of the parties are, of course, the foremost consideration. If at any time a company or a union, or both, suggests that a name or names be omitted from a panel, such name or names will generally be omitted. The Service will not, however, place names on a panel at the request of one party unless the other party has knowledge of such request and has no objection thereto, or unless both parties join in such request. If the issue described in the request appears to require special technical experience or qualifications, arbitrators who possess such qualifications will, where possible, be included in the list submitted to the parties. Where the parties expressly request that the list be composed entirely of technicians, or that it be all-local or non-local, such request will be honored, if qualified arbitrators are available. Two of the methods of selection from a panel are (a) at a joint meeting, alternately striking names from the submitted panel until one remains, and (b) each party separately advising the Service of its order of preference by numbering each name on the panel. In almost all cases, an arbitrator is chosen from one panel of names. However, if a request for another panel is made, the Service will comply with the request, providing that additional panels are permissible under the terms of the agreement or the parties so stipulate. Subsequent adjustment of disputes is not precluded by the submission of a panel or an appointment. A substantial number of issues are being settled by the parties themselves after the initial request for a panel and after selection of the arbitrator. Notice of such settlement should be sent promptly to the arbitrator and to the Service. The arbitrator should be compensated whenever he receives insufficient notice of settlement to enable him to rearrange his schedule of arbitration hearings or working hours.

§ 1404.7 Appointment of arbitrators.

After the parties notify the Service of their selection, the arbitrator is appointed by the Director. If any party fails to notify the Service within 15 days after the date of mailing the panel, all persons named therein shall be deemed acceptable to such party. The arbitrator, upon appointment notification, is requested to communicate with the parties immediately to arrange for preliminary matters such as date and place of hearing. There is an advantage to the parties of advising the Service of the arbitrator selected, as the standards and procedures established by the Service, including those governing the range of fees, apply to the appointed arbitrator. Also, the names of arbitrators who have not completed a pending arbitration are not ordinarily included on panels requested by the same parties.

§ 1404.8 Status of arbitrators after appointment.

After appointment, the legal relationship of arbitrators is with the parties rather than the Service, though the Service does have a continuing interest in the proceedings. Industrial peace and good labor relations are enhanced by arbitrators who function justly, expeditiously and impartially so as to obtain and retain the respect, esteem and confidence of all participants in the arbitration proceedings. The conduct of the arbitration proceeding is under the arbitrator's jurisdiction and control, subject to such rules of procedure as the parties may jointly prescribe. He is to make his own decisions and write his own opinions based on the record in the proceedings. He may not delegate his duty and responsibility to others in whole or in part without the knowledge and prior consent of both parties. The powers of the arbitrators may be exercised by a majority unless otherwise provided by agreement or by law, and, unless prohibited by law, they may proceed in the absence of any party who, after due notice, fails to be present or to obtain a postponement. The award, however, must be supported by evidence as an award cannot be based solely upon the default of a party.

§ 1404.9 Prompt decision.

Early hearing and decision of industrial disputes is desirable in the interest of good labor relations. The parties should inform the Service whenever a decision is unduly delayed. The Service expects to be notified if and when (a) an arbitrator cannot schedule, hear and determine issues promptly, and (b) he is advised that a dispute has been settled by the parties prior to arbitration. The arbitrator is also expected to keep the Service informed of changes in address, occupation or availability, and of any business connection with or of concern to labor or management. The award shall be made not later than thirty (30) days from the date of the closing of the hearing, or the receipt of a transcript and any posthearing briefs, or if oral hearings have been waived, then from the date of receipt of the final statements and proof by the arbitrator, unless otherwise agreed upon by the parties or specified by law. However, a failure to make such an award within thirty (30) days shall not invalidate an award. The Service, however, when nominating arbitrators, takes notice of any arbitrator's failure to comply with its policies and procedures. The parties can expedite awards. They may advise the Service and the arbitrator if an early decision is de-

sired. If such notice is given, the Service will so advise the arbitrator at the time of his appointment. The parties can also request that an opinion follow the award, or that an opinion be omitted in appropriate cases. The parties may also provide in their agreement or in their arbitration stipulation or request that an award must be rendered within a fixed time after the close of the hearing in order to be valid, unless the time is enlarged by agreement of the parties. Such a provision, however, would operate to nullify an award made after such a period of time and should therefore be carefully drafted so as not to cause hasty and ill-considered decisions.

§ 1404.10 Importance of impartiality.

Interviews with or communications by the arbitrator to and from one party without the knowledge and consent of the other party, are easily misunderstood and should be avoided since they can result in a loss of confidence in the integrity, fairness and judgment of the arbitrator. Likewise, the arbitrator should refrain from giving unsolicited advice in his opinion, or award or other document for the same reason. Arbitrators are called upon to decide issues which the parties have been unable to resolve and, consequently, difficult decisions are inevitable. Their acceptability can be advanced not alone by the soundness of the decisions, but also by the orderly and impartial manner in which the entire arbitration proceeding is conducted.

§ 1404.11 Arbitrator's award and report.

At the conclusion of the hearing and after the award has been submitted to the parties, each arbitrator is required to file a copy with the Service. The Service then evaluates awards with a view to determining whether they meet the accepted professional standards as to form, clarity and logic. The arbitrator is further required to submit a report showing a breakdown of his fees and expense charges so that the Service may be in a position to check conformance with its fee policies. Cooperation in filing both award and report within fifteen (15) days after handing down the award is expected of all arbitrators. It is the policy of the Service not to release arbitration decisions for publication without the consent of both parties. Furthermore, the Service expects the arbitrators it has nominated or appointed not to give publicity to awards they may issue, except in a manner agreeable to both parties.

§ 1404.12 Fees of arbitrators.

No administrative or filing fee is charged since the Service is required by law to provide such facilities. The current policy of the Service permits its nominees or appointees to charge a fee for their services not exceeding $150 per day. The Service expects its arbitrators in fixing the fee for a case to give due consideration to the financial condition of each party, the accepted standards for the area in which the dispute arises, the complexity of the issues involved and the length of time consumed preliminary to and in the course of the hearing; in the study of the evidence and preparation of the award. In those rare instances where arbitrators fix wages or other terms of a new contract, the responsibilities involved are so grave that the arbitrators are not subject to the above fee restriction. The parties may prefer to agree with the arbitrator upon a fixed fee in advance of the arbitration. This, however, could result in unnecessarily prolonging an arbitration hearing. The parties can reduce the cost of arbitration by the careful preparation of exhibits and evidence and by the stipulation of undisputed facts. The parties may also stipulate that the arbitrator devote not more than a specified number of days to the study and preparation of the opinion and award. There is, however, some risk in so doing since the award and opinion may not be satisfactory or sufficiently clear if such restriction is made in other than simple, routine cases. The Service is not concerned with whether the fees and expenses of the arbitrator are paid by only one of the parties or are divided between them. Nevertheless, unless the parties agree otherwise, (a) the fee and expenses of the arbitrator shall be paid equally by the parties, (b) the expenses of witnesses for either side shall be paid by the parties producing such witnesses, (c) the total cost of the stenographic record, if any is made, and all transcripts thereof, shall be prorated equally by all parties ordering copies, and (d) the expenses of any witnesses or the cost of any briefs produced at the direct request of the arbitrator, shall be borne equally by the parties unless the arbitrator in his award assesses such expenses or any part thereof against any specified party or parties.

§ 1404.13 Conduct of hearings.

The Service does not prescribe detailed or specific rules of procedure for the conduct of an arbitration proceeding because it favors flexibility in labor relations. It believes that the parties and experienced arbitrators know best how arbitration proceedings should be conducted if wise decisions and industrial peace are to be achieved. Questions such as hearing rooms, submission or prehearing or post hearing briefs, and recording of testimony, are left to the discretion of the individual arbitrator and the parties. The Service does, however, expect its arbitrators and the parties to conform to applicable laws, and to be guided by ethical and procedural standards as codified by appropriate professional organizations and generally accepted by the industrial community and experienced arbitrators. In cities where the Service maintains offices, the parties are welcome upon request to the Service to use its conference rooms when they are available.

Washington, D.C., June 30, 1967.

WILLIAM E. SIMKIN,
Director.

[F.R. Doc. 67-7752; Filed, July 5, 1967; 8:50 a.m.]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 17254, RM-1082; FCC 67-765]

PART 73—RADIO BROADCAST SERVICES

Assignment of UHF Channel to Anaheim, Calif.

Report and order. 1. On March 3, 1966, pursuant to a petition by Morrio Publishing Co., the Commission issued a notice of proposed rulemaking in the above entitled matter (FCC 67-274, 32 F.R. 3835) proposing to assign Channel 56 to Anaheim, Calif. Interested parties were invited to comment on or before April 10, 1967, and to reply to such documents on or before April 20, 1967.

2. Only one party filed comments, Davis Broadcasting Co. (Davis), licensee of KWIZ, Santa Ana, Calif., and KWIZ-FM, Beverly Hills, Calif., which supported the proposed assignment and stated that if the assignment is made it is prepared to promptly apply for the channel. The petitioner, Morrio Publishing Co., failed to file comments or reply comments. Davis Broadcasting Co. is not connected in any way with the petitioner.

3. Anaheim is approximately 25 miles southeast of the Los Angeles Post Office and 28 miles from Mt. Wilson, site of the Los Angeles TV stations. No claim is made that reception from the Los Angeles stations is inadequate, however, both parties point out that these stations are oriented programwise to the Greater Los Angeles market and do not satisfy the need of Anaheim and Orange County for an outlet of local expression and a forum for local advertising. The Commission desires to continue its policy of encouraging the development of television stations to serve local needs and we believe that there is reasonable evidence that the assignment of a channel to Anaheim would result in a local service for this city. We are concerned, nevertheless, with the fact that Anaheim is only 25 miles from Los Angeles and that good service to the city could be provided if the transmitter were eventually to be located on the outskirts of the metropolitan area. The petitioner did not indicate where it intends to locate its transmitter, however, Davis Broadcasting Co. submitted engineering data showing the location of possible transmitter sites in the Santa Ana mountains in the opposite direction from Los Angeles. In order to forestall any interest in using the Anaheim assignment as a metropolitan outlet the Commission wishes to make it clear that the decision in this case is based on data supporting the assignment of a channel for local use. The need for an additional channel in Los Angeles would have to be determined in a separate proceeding.

4. Accordingly, pursuant to the authority contained in sections 4(i), 303, and 307(b) of the Communications

Act of 1934: *It is ordered*, That, effective August 7, 1967, § 73.606(b) of the Commission rules is amended, insofar as the city listed below is concerned, to read as follows:

City	Channel No.
Anaheim, Calif	56

NOTE: The appropriate offset for Channel 56 will be supplied in subsequent order.

5. *It is further ordered*, That this proceeding is terminated.

(Secs. 4, 303, 307, 48 Stat., as amended, 1066, 1082, 1083; 47 U.S.C. 154, 303, 307)

Adopted: June 28, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,[1]
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7703; Filed, July 5, 1967; 8:47 a.m.]

Title 44—PUBLIC PROPERTY AND WORKS

Chapter IV—Business and Defense Services Administration, Department of Commerce

[Foreign Excess Property Order No. 1]

PART 401—FOREIGN EXCESS PROPERTY

Definition of Used and Unused Personal Property

On June 2, 1967, there was published in the FEDERAL REGISTER (32 F.R. 7978) a Notice of Proposed Amendment to Foreign Excess Property Order No. 1. Said notice provided for the submission of views or arguments in writing to the Foreign Excess Property Officer of the Department of Commerce within 20 days following the day of publication of the notice. Views and arguments have been received in writing and modifications have been made in the text of the proposed amendment.

Pursuant to the above and in accordance with the provisions of 5 U.S.C. 553, Foreign Excess Property Order No. 1 (44 CFR, Part 401) (27 F.R. 5937) is hereby amended by adding the following two paragraphs to § 401.2, "Definitions."

§ 401.2 Definitions.

* * * * *

(j) "Used" property means property which shows physical signs of use or which has deteriorated because of such factors as rust, damage, age, handling or exposure.

(k) "Unused" property means property which is in new condition.

[1] Commissioner Johnson absent.

This amendment shall take effect upon the date of its publication in the FEDERAL REGISTER.

BUSINESS AND DEFENSE SERVICES ADMINISTRATION,
RODNEY L. BORUM,
Administrator.

[F.R. Doc. 67-7698; Filed, July 5, 1967; 8:47 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission and Department of Transportation

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

[Ex Parte No. 37]

PART 105a—INSPECTION OF RECORDS

Availability of Commission Records for Public Inspection

At a general session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 26th day of June 1967.

Part 105a is amended by adding the ICC Manual-Administration to the specific files and records in the custody of the Secretary which are available for public inspection.

It is ordered, That paragraph (f) be added to § 105a.1 of Chapter I, Subtitle B, of Title 49 of the Code of Federal Regulations to read as follows:

§ 105a.1 Records available at the Commission's Washington Office.

* * * * *

(f) ICC Manual-Administration.

(Sec. 12, 24 Stat. 383, as amended; 49 U.S.C. 12, 81 Stat. 54; 5 U.S.C. 552)

It is further ordered, That this amendment shall become effective July 4, 1967.

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

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 67-7742; Filed, July 5, 1967; 8:49 a.m.]

Title 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

PART 412—PUBLIC INFORMATION

The Federal Crop Insurance Corporation hereby establishes rules for the implementation of Public Law 90-23 (81 Stat. 54), 5 U.S.C. 552. The rules are incorporated in a new Part 412 and are for guidance of the public as to the availability of records of the Federal Crop Insurance Corporation for public inspection and copying and the fees to be charged. The text of this Part 412 follows:

Subpart A—Disclosure of Identifiable Records

Sec.
412.1 Policy.
412.2 Records available to the public.
412.3 Records not available to the public.
412.4 Determination of availability.
412.5 Deletion of identifying details.
412.6 Procedure for requesting access.
412.7 Fees.

Subpart B—Availability of Bulletins, Staff Manuals and Instructions and Related Material

412.8 Bulletins, staff manuals, and instructions and related material.
412.9 Index.

AUTHORITY: The provisions of this part issued under 5 U.S.C. 552, 559.

Subpart A—Disclosure of Identifiable Records

§ 412.1 Policy.

To make available to the public all Federal Crop Insurance Corporation (hereinafter referred to as "Corporation") records except where exempted by 5 U.S.C. 552(b). All Corporation offices as listed, and referred to, in Amendment 5 to former Part 400, Chapter IV of the FEDERAL REGISTER entitled Federal Crop Insurance Corporation, Organization, Functions, and Procedures (32 F.R. 8774, et seq.) are designated information centers from which records may be requested.

§ 412.2 Records available to the public.

The Corporation will promptly make available all records upon creation according to rules prescribed in § 412.6 and for the fees provided in § 412.7 except exempt records described in § 412.3. "Creation" as used herein is defined as the time when the record is approved by proper authority or when the material is published.

§ 412.3 Records not available to the public.

Exempt records of the Corporation include the following:

(a) Matters that are related solely to the internal personnel rules and practices of the Corporation.

(b) Matters that are specifically exempted from disclosure by statute.

(c) Matters that are trade secrets and commercial or financial information obtained from a person and privileged or confidential such as from producers, processors, and producer associations.

(d) Matters that are intra-agency and interagency memorandums or letters which would not be available by law to a party other than an agency in litigation with the Corporation such as agendas to be acted upon by the Board of Directors; minutes of Board of Directors meetings; documents in an insurance contract file with any person; budgets, budget estimates, and supporting data.

(e) Personnel, medical, and similar records of employees of the Corporation, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(f) Matters that are investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.

§ 412.4 Determination of availability.

The head of the office to which a request is made by a person for a record, the availability of which is in question because it is not specifically covered by §§ 412.2 or 412.3, shall determine the availability subject to review by the Manager of the Corporation, who shall have the final authority to rule on its availability. Any appeals shall be made in writing to the Manager.

§ 412.5 Deletion of identifying details.

Records generally available to the public may contain certain information, the disclosure of which would clearly be an unwarranted invasion of personal privacy. The records holding office shall delete details concerning business affairs, medical or family matters, and such other matters, the disclosure of which would be an invasion of privacy, from the record before making it available. A covering letter shall be prepared explaining the justification for the deletion which shall accompany the transmittal of the record.

§ 412.6 Procedure for requesting access.

(a) *Where to request records or material.* The Federal Crop Insurance office in Washington, D.C., and each office in the field is designated as an "information center." There is established in the Washington, D.C., office a reference and reading room where all records are or will be made available to the public. This is located in Room 4090 of the South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Requests for records may be made during the regular working hours of the respective information centers. Any such center shall furnish the requested record within that reasonable period of time which will allow the center to honor the request without undue interference with its regular operations.

(b) *How to request records.* Members of the public may make their requests orally or in writing. The request for any records must be specific enough to reasonably identify the record requested to enable the Corporation's representative to locate it. If a fee is to be charged for the record in accordance with § 412.7, payment of such fee shall accompany the request.

(c) *Obtaining records not maintained by the office to which the request is made.* Records normally in the possession of the Corporation are maintained by the several offices which use them. An information center which does not possess the requested record may request it from the State office or the National Service office, or may refer the request to one of those offices for proper service. The Washington office will honor requests for records normally maintained by any of its field offices.

§ 412.7 Fees.

(a) Single copies of material and blank forms made available to the public under § 412.2 are furnished free of charge to the extent that stocks on hand last. If the requester needs more than one copy, he is authorized at his own expense to make reproductions.

(b) If the requester prefers that the Corporation provide reproductions, they will be provided under a schedule of fees issued pursuant to regulations prescribed by the Director, Office of Plant and Operations, Department of Agriculture. In the event that any item requested is not included in the schedule, the fee shall be negotiated.

Subpart B—Availability of Bulletins, Staff Manuals and Instructions and Related Material

§ 412.8 Bulletins, staff manuals, and instructions and related material.

Requests for bulletins, staff manuals and other instructions and related material shall be made in accordance with § 412.6.

§ 412.9 Index.

The Corporation will maintain and make available for public inspection and copying a current index providing identifying information for all Corporation regulations, manuals, handbooks, Manager's numbered memorandums, and bylaws of the Corporation upon creation pursuant to § 412.2.

(Above relates to Title 7, Chapter IV, Parts 401 et seq.)

Adopted by the Board of Directors on June 29, 1967.

[SEAL] EARLL H. NIKKEL,
Secretary,
Federal Crop Insurance Corporation.

Approved:

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-7813; Filed, July 3, 1967; 12:35 p.m.]

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

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

PART 725—FLUE-CURED TOBACCO

Subpart—Proclamation of National Marketing Quotas on an Acreage-Poundage Basis for the 1968–69, 1969–70, and 1970–71 Marketing Years, and Determinations and Announcements With Respect to the National Marketing Quota for the 1968–69 Marketing Year

Basis and purpose. Section 725.3 is issued pursuant to and in accordance with the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.), and as further amended by Public Law 89–12 (79 Stat. 66), approved April 16, 1965, hereinafter referred to as the "Act," to proclaim national marketing quotas for Flue-cured tobacco for the 1968–69, 1969–70, and 1970–71 marketing years; to determine and announce the reserve supply level for Flue-cured tobacco for the marketing year beginning July 1, 1967; and to determine and announce for Flue-cured tobacco for the marketing year beginning July 1, 1968, the amount of the national marketing quota; the national average yield goal; the national acreage allotment; the reserve for making corrections in farm acreage allotments, adjusting inequities, and for establishing acreage allotments for new farms; the national acreage factor; and the national yield factor.

Flue-cured marketing quotas on an acreage-poundage basis have been in effect for the 1965–66, 1966–67, and 1967–68 marketing years, and the 1967–68 marketing year is the last of the 3 consecutive years for which marketing quotas previously proclaimed will be in effect. Section 317(d) of the Act provides that the Secretary shall proclaim marketing quotas for Flue-cured tobacco on either an acreage basis or an acreage-poundage basis for the 1968–69, 1969–70, and 1970–71 marketing years, whichever he determines would result in a more effective quota. It is hereby determined that, in view of the better supply control resulting from the experience gained with the acreage-poundage quota program, a more effective quota would result from marketing quotas on an acreage-poundage basis. The determinations by the Secretary contained in § 725.3 have been made on the basis of the latest available statistics of the Federal Government.

Due consideration has been given data, views, and recommendations received from Flue-cured tobacco producers and others pursuant to the notice (32 F.R. 7287) given in accordance with the provisions of 5 U.S.C. 553. Respondents to the notice (32 F.R. 7287) preponderantly recommended the proclamation of quotas and holding the referendum at polling places before the opening of the 1967 marketing season. All respondents, on the issue of whether quotas should be proclaimed on an acreage basis or on an acreage-poundage basis, were in favor of acreage-poundage quotas. As to the national marketing quota, national average yield goal, and national acreage allotment for the 1968–69 marketing year, respondents also preponderantly recommended keeping the quota, yield goal, and allotment about the same as for each of the three marketing years 1965–66, 1966–67, and 1967–68.

Flue-cured tobacco farmers approved quotas on an acreage-poundage basis for the 3 marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967, for Flue-cured tobacco comprising types 11, 12, 13 and 14, in a special referendum (30 F.R. 9299; 31 F.R. 881–886; 30 F.R. 6144, 6145), in lieu of quotas on an acreage basis in effect for those marketing

years. Since Flue-cured tobacco farmers will soon be making their plans for 1968 Flue-cured tobacco production and need to know the 1968 acreage allotments for their farms, as well as the type of marketing quota program available, in order to complete such plans, it is hereby found that compliance with the 30-day effective date provision of 5 U.S.C. 553 is impracticable and contrary to the public interest. Therefore, the proclamation, determinations and announcements contained herein shall become effective upon the date of filing with the Director, Office of the Federal Register.

Under the formula in the Act the basis for determining the reserve supply level depends upon the marketing year in which it is determined. 7 U.S.C. 1301(b)-(10)(B), (11)(B), (12), (14)(B). The 1967-68 marketing year begins on July 1, 1967 and ends on June 30, 1968 (7 U.S.C. 1301 (b)(7)). The reserve supply level is determined to be 3,107.0 million pounds, based upon a normal year's domestic consumption of 770.0 million pounds and a normal year's exports of 510.0 million pounds.

The reserve supply level is defined in the Act as 105 percent of the normal supply. The normal supply is defined in the Act as a normal year's domestic consumption and exports, plus 175 percent of a normal year's domestic consumption and 65 percent of a normal year's exports. A normal year's domestic consumption is defined in the Act as the yearly average quantity produced in the United States and consumed in the United States during the 10 marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption. A normal year's exports is defined in the Act as the yearly average quantity produced in the United States which was exported from the United States during the 10 marketing years immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports. The 10-year average domestic consumption during the 10 marketing years preceding the 1967-68 marketing year (including estimate for the 1966-67 marketing year) was 760.6 million pounds, and the 10-year average exports during such period (including estimate for the 1966-67 marketing) was 461.9 million pounds. After adjustment for trends, a normal year's domestic consumption at 770.0 million pounds and a normal year's exports of 510.0 million pounds appear reasonable, and result in a reserve supply level of 3,107.0 million pounds.

The carryover of Flue-cured tobacco on July 1, 1968 is estimated at 2,212.0 million pounds. The 1968 crop, based on the 1968 national acreage allotment of 607,605.18 acres and with an allowance for overmarketings and undermarketings, is estimated at 1,138.0 million pounds. The total supply of Flue-cured tobacco for the 1968-69 marketing year is, therefore, presently estimated at 3,350.0 million pounds or 243.0 million pounds above the reserve supply level.

It is estimated that 750.0 million pounds of Flue-cured tobacco will be utilized in the United States during the 1968-69 marketing year, and 520.0 million pounds will be exported in such marketing year. This compares with the present estimates for the 1967-68 marketing year of 735 million pounds for domestic utilization and 520 million pounds for export. The estimates for the 1968-69 marketing year take into account an expected increase in cigarette production and a high level of exports because of improved quality in the leaf marketed under the acreage-poundage program.

It is determined that it is desirable to effect an orderly reduction of supplies to the reserve supply level, and, therefore, a downward adjustment in a national marketing quota of 1,270 million pounds should be made. Accordingly, the national marketing quota for Flue-cured tobacco for the marketing year beginning July 1, 1968 is determined to be 1,126.5 million pounds. This reduction is less than the maximum reduction of 15 per centum permitted by the Act, but no further reduction is deemed desirable because experience gained from actual operations under the acreage-poundage program is still limited and a greater reduction would not effect an orderly reduction to the reserve supply level.

It is determined that the national marketing quota of 1,126.5 million pounds in view of the anticipated carryover will insure an adequate supply of Flue-cured tobacco for the 1968-69 marketing year.

The "national average yield goal" has been determined to be 1,854 pounds per acre. It has been determined that this yield will improve or insure the usability of Flue-cured tobacco and increase the net return per pound to the growers. In making this determination consideration was given to research data of the Agricultural Research Service of the Department and one of the land-grant colleges in the Flue-cured tobacco area. A national average yield goal of 1,854 pounds was determined and announced for the 1965-66, 1966-67 and 1967-68 marketing years (30 F.R. 6144, 14592; 31 F.R. 15020).

The community average yields have been determined for Flue-cured tobacco and published in the FEDERAL REGISTER, § 724.34u (30 F.R. 6207, 9875, 14487.

The national acreage allotment is 607,605.18 acres, determined in accordance with the provisions of the Act by dividing the national marketing quota of 1,126.5 million pounds by the national average yield goal of 1,854 pounds.

In accordance with the provisions of the Act a reserve from the national acreage allotment is established in the amount of 301.57 acres for making corrections in farm acreage allotments, adjusting inequities and establishing allotments for new farms. It is estimated that the reserve acreage will be adequate.

Consideration in the light of the latest available statistics of the Federal Government was given as to whether any of the types of Flue-cured tobacco should be treated as a kind of tobacco pursuant to the proviso in section 301(b)(15) of the Act at the time the national marketing quota for the 1965-66 marketing year for Flue-cured tobacco was determined (30 F.R. 6144), and it was determined that types 11, 12, 13, and 14 constitute one kind of tobacco for purposes of the Act for the 1965-66, 1966-67, and 1967-68 marketing years. This finding was affirmed by the Secretary in his determination of January 18, 1966 (31 F.R. 881), and that determination was sustained in the case of Brown et al. v. Freeman. This finding is hereby made applicable for the 1968-69, 1969-70, and 1970-71 marketing years.

No action may be taken under section 313(i) of the Act unless a substantial difference exists in the usage or market outlets for any one or more of the types comprising the kind of tobacco. On the basis of the facts recited (30 F.R. 6144) in connection with the consideration of section 301(b)(15), it was determined that there is no substantial difference existing in the usage or marketing outlets for any one or more of the types of Flue-cured tobacco and, therefore, no action was taken for the 1965-66 marketing year (nor for the 1966-67 and 1967-68 marketing years) under this section. The same conditions prevailed with respect to usage or marketing outlets that prevailed at the time of the determination for the marketing quotas on an acreage-poundage basis for the 1965-66, 1966-67, and 1967-68 marketing years and, therefore, no action is being taken under section 313(i) of the Act for the 1968-69 marketing year. In addition, section 313(i) of the Act applied only to marketing quotas and acreage allotments established pursuant to section 313. It is, therefore, concluded that, notwithstanding section 4 of Public Law 89-12, the better view is that section 313(i) of the Act should not be applied to acreage allotments and marketing quotas determined under Public Law 89-12.

§ 725.3 Proclamation, determinations and announcements.

(a) *Proclamation.* Since marketing quotas have been made effective for Flue-cured tobacco for the 1965-66, 1966-67, and 1967-68 marketing years (30 F.R. 6144), and since the 1967-68 marketing year is the last of 3 consecutive years for which marketing quotas previously proclaimed will be in effect for Flue-cured tobacco, and since it is determined that a marketing quota program on an acreage-poundage basis will result in a more effective marketing quota for Flue-cured tobacco, a marketing quota on an acreage-poundage basis is hereby proclaimed for Flue-cured tobacco for the 1968-69, 1969-70 and 1970-71 marketing years.

(b) *Reserve supply level for Flue-cured tobacco for the marketing year beginning July 1, 1967.* The reserve supply level for Flue-cured tobacco for the marketing year beginning July 1, 1967 is 3,107 million pounds, calculated, as provided in the Act, from a normal year's domestic consumption of 770 million pounds and a normal year's exports of 510 million pounds.

(c) *National marketing quota for Flue-cured tobacco on an acreage-poundage basis for the marketing year beginning July 1, 1968.* A national marketing

quota for Flue-cured tobacco on an acreage-poundage basis for the marketing year beginning July 1, 1968 is hereby determined and announced in the amount of 1,126.5 million pounds. This quota is based upon an estimated utilization in the United States in such marketing year of 750 million pounds and exports in such marketing year of 520 million pounds, with a downward adjustment which is determined to be desirable for the purpose of effecting an orderly reduction of supplies (3,350 million pounds estimated as of July 1, 1968) to the reserve supply level.

(d) *National average yield goal.* The national average yield goal for flue-cured tobacco for the marketing year beginning July 1, 1968, is determined and announced at 1,854 pounds. This goal is based on the yield per acre which on a national average basis, it is determined, will improve or insure the usability of flue-cured tobacco and increase the net return per pound to growers.

(e) *National acreage allotment.* The national acreage allotment for flue-cured tobacco on an acreage-poundage basis for the marketing year beginning July 1, 1968 is determined and announced to be 607,605.18 acres. This allotment was determined by dividing the national marketing quota of 1,126.5 million pounds by the national average yield goal of 1,854 pounds.

(f) *Reserve acreage for making corrections in farm acreage allotments, adjusting inequities, and establishment of acreage allotments for new farms.* A national reserve from the national acreage allotment in the amount of 301.57 acres is hereby determined and announced. This reserve is for making corrections in farm acreage allotments, adjusting inequities, and establishing allotments for new farms. Of the 301.57 acres, 100.0 acres are hereby set aside to be available for new farms. The remainder of 201.57 acres is hereby made available for making corrections in farm acreage allotments and for adjusting inequities.

(g) *National acreage factor.* The national acreage factor for flue-cured tobacco for the 1968–69 marketing year is determined and announced to be 1.0.

(h) *National yield factor.* The national yield factor for flue-cured tobacco for the 1968–69 marketing year is determined and announced to be .9316.

(Secs. 301, 313, 317, 375, 52 Stat. 38, 47, 66, as amended, 79 Stat. 66; 7 U.S.C. 1301, 1313, 1314c, 1375)

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

Signed at Washington, D.C., on July 3, 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-7810; Filed, July 5, 1967; 8:50 a.m.]

PART 728—WHEAT

Subpart—1968–69 Marketing Year

Sec.
728.341 Basis and purpose.
728.342 National marketing quota for wheat for 1968–69 marketing year.
728.343 1968 national acreage allotment for wheat.
728.344 Apportionment of the 1968 national acreage allotment for wheat among the several States.
728.345 Designation of States outside the commercial wheat-producing area for the 1968–69 marketing year.

AUTHORITY: Secs. 728.341 to 728.345 issued under secs. 301, 332, 333, 334, 334a, 335, 375, 377, 379b, 52 Stat. 38, as amended, 53, as amended, 54, as amended, 66 as amended, 73 Stat. 393, as amended, 76 Stat. 621, 626, as amended; 7 U.S.C. 1301, 1332, 1333, 1334, 1334b, 1335, 1375, 1377, 1379b.

§ 728.341 Basis and purpose.

(a) The regulations contained in §§ 728.341 to 728.345 are issued pursuant to and in accordance with the Agricultural Adjustment Act of 1938, as amended, to (1) announce that a national wheat marketing quota shall not be in effect for the 1968–69 marketing year, (2) announce the amount of the national marketing quota which would have been determined if a national quota had been proclaimed, (3) proclaim the 1968 national acreage allotment for wheat, (4) apportion the national acreage allotment among the several States, and (5) designate the commercial wheat-producing area for the 1968–69 marketing year.

(b) Section 332(d) of the act provides that the Secretary shall not proclaim a national marketing quota for the crop of wheat planted for harvest in the calendar year 1968, and that farm marketing quotas shall not be in effect for such crop of wheat.

(c) Section 333 of the act provides that the Secretary shall proclaim a national acreage allotment for each crop of wheat; and that "The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of the projected national yield and expected underplantings (acreage other than that not harvested because of program incentives) of farm acreage allotments will produce an amount of wheat equal to the national marketing quota for wheat for the marketing year for such crop, or if a national marketing quota was not proclaimed, the quota which would have been determined if one had been proclaimed."

(d) Section 322(b) provides that "The amount of the national marketing quota for wheat for any marketing year shall be an amount of wheat which the Secretary estimates (i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat, (ii) will be utilized during such marketing year in the United States for seed, (iii) will be exported either in the form of wheat or wheat products thereof, and (iv) will be utilized during such marketing year in the United States as livestock (including poultry) feed, excluding the estimated quantity of wheat which will be utilized for such purpose as a result of the substitution of wheat for feed grains under section 328 of the Food and Agriculture Act of 1962; less (A) an amount of wheat equal to the estimated imports of wheat into the United States during such marketing year and, (B) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the act: *Provided*, That if the Secretary determines that the total stocks of wheat in the nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the national marketing quota for wheat for any marketing year shall be not less than 1 billion bushels." The amount of national marketing quota for wheat for the 1968–69 marketing year set out in § 728.342 and 1968 national acreage allotment for wheat set out in § 728.343 were computed in accordance with the formulas in the act."

(e) The considerations entering into the determination of the national marketing quota for wheat that would have been determined for the 1968–69 marketing year in the amount of 1,510 million bushels are set out in § 728.342. The projected national yield for the 1968 crop of wheat is determined to be 27.5 bushels per acre. The basis for this determination follows: The national yield per harvested acre of wheat during each of the 5 calendar years 1962 through 1966, as reported by the Statistical Reporting Service, USDA, was found to be 25.0, 25.2, 25.8, 26.5, and 26.3 respectively. The average of these five annual yields was computed to be 25.8. Based on a graphic projection of national annual wheat yields for a 16-year (1951–66) base period to determine trend in wheat yields and with consideration given to annual wheat yields in the various production areas, improved current production practices, abnormal weather, and expected harvest acreage, it was determined that the 5-year average of 25.8 should be adjusted upward to 27.5 for the purposes of the projected national yield for the 1968 crop of wheat. On the basis of a national quota of 1,510 million bushels, a national projected yield of 27.5 bushels per acre, and expected underplantings (acreage other than that not harvested because of program incentives) of 4.3 million acres, a national acreage allotment of 59.3 million acres was determined.

(f) (1) Section 334(a) of the act, as amended, provides that the 1968 national

acreage allotment for wheat (less (i) a reserve of not to exceed 1 per centum thereof for apportionment to counties in addition to the county allotments made under section 334(b) of the act on the basis of relative needs of counties for additional allotment because of reclamation and other new areas coming into production of wheat, and less (ii) a special reserve not in excess of 1 million acres for the purpose explained in the following paragraph) shall be apportioned by the Secretary among the several States on the basis of the preceding year's allotment for each such State, including all amounts allotted to the State, adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State, taking into consideration established crop rotation practices, estimated decrease in farm allotments because of loss of history, and other relevant factors.

(2) A special reserve acreage of not in excess of 1 million acres, is also provided for in addition to the national acreage reserve. Such special acreage reserve shall be made available to the States to make additional allotments to counties on the basis of relative need of counties, as determined by the Secretary, for additional allotments to make adjustments in the allotments on old wheat farms (i.e. farms on which wheat has been seeded or regarded as seeded to one or more of the three crops immediately preceding the crop for which the allotment is established) on which the ratio of wheat acreage allotment to cropland on the farms is less than one-half the average ratio of wheat acreage allotment to cropland on old wheat farms in the county. Such adjustments shall not provide an allotment for any farm which would result in an allotment-cropland ratio for the farm in excess of one-half of such county average ratio and the total of such adjustments in any county shall not exceed the acreage made available therefor in the county. Such apportionment from the special acreage reserve shall be made only to counties where wheat is a major income-producing crop, only to farms on which there is limited opportunity for the production of an alternative income-producing crop, and only if an efficient farming operation on the farm requires the allotment of additional acreage from the special acreage reserve. For the purpose of making adjustments from the special acreage reserve, the cropland on the farm shall not include any land developed as cropland subsequent to the 1963 crop year. In determining the amount of the reserve, consideration was given to the acreage required for making such adjustments for past programs. The acreage apportioned to farms for the 1965 program amounted to approximately 46,000 acres. The acreage apportioned to farms in 1966 was 23,255 acres, and in 1967 was 20,562 acres. Accordingly, it is determined that 20,000 acres will be adequate for the purpose of this special reserve for the 1968 crop.

(3) The national reserve acreage needed for reclamation and other new areas coming into the production of wheat is determined to be 5,000 acres. This determination is based upon experience gained during past years and expected needs for the coming year.

(4) The 1968 national wheat allotment was apportioned among the various States as follows:

(i) To each 1967 State wheat allotment determined under section 334(a) of the act, as amended, and published in the FEDERAL REGISTER of June 15, 1966 (31 F.R. 8337) and increased 15 percent by further amendment published in the FEDERAL REGISTER of September 9, 1966 (31 F.R. 11859), was added the sum of 1967 allotment acreage allocated to counties in each State from the special national acreage reserve to increase allotments on eligible farms in designated counties where wheat is a major income-producing crop. The resulting preliminary apportionment bases for each State were (*a*) adjusted to reflect the net plus or minus change in 1967 wheat allotment resulting from the transfer of farms to other States for administrative purposes, and (*b*) were adjusted downward to the extent of the sum of 1967 wheat allotments removed from farms going out of agricultural production. Adjustment in State preliminary apportionment bases for established crop rotation practices were determined to be necessary only in the States of Colorado, Oregon, and Washington. Because history loss in 1964 and prior years is already reflected in each 1967 State allotment and section 334(a) of the act, as amended by the Agriculture Act of 1964, provided for full preservation of history in 1965 and under provisions of section 377 of the act has the effect of preserving history in 1966, no adjustment of State preliminary apportionment bases was made because of history loss. The national wheat allotment of 59.3 million acres, less the national reserve and the special reserve, was distributed pro rata to States on the basis of each State's apportionment base determined in accordance with the foregoing.

(g) Section 334a of the act provides that if the acreage allotment for any State for any crop of wheat is 25,000 acres or less, the Secretary may designate such State as outside the commercial wheat-producing area for the marketing year for such crop in order to promote efficient administration of the act and the Agricultural Act of 1949. From the standpoint of efficient and equitable administration of the marketing quota and marketing allocation program for the 1968–69 marketing year, it is considered desirable that wheat marketing certificates be made available to wheat producers in all States on precisely the same basis. Therefore, no State for which a State acreage allotment was determined will be designated outside the commercial wheat-producing area for the 1968–69 marketing year.

(h) The findings and determinations by the Secretary contained in §§ 728.342 through 728.345 have been made on the basis of the latest available statistics of the Federal Government as required by section 301(c) of the act.

(i) Since farmers need to know their 1968 farm acreage allotments as soon as possible in order to plan their 1968 seeding operations, and since farm acreage allotments cannot be determined until the national acreage allotment is determined and apportioned among States and counties, it is necessary that this document become effective as soon as possible. Moreover, since farm marketing quotas will not be in effect on the 1968 crop of wheat, this document relates only to loans, grants, and benefits, and is exempted from the notice, public procedure, and effective date provisions of 5 U.S.C. 553. Accordingly, the apportionment and determinations herein shall become effective upon the date of the filing of this document with the Director, Office of the Federal Register.

§ 728.342 National marketing quota for wheat for 1968–69 marketing year.

A national marketing quota for wheat shall not be in effect for the 1968–69 marketing year. In order that a national acreage allotment may be determined for the 1968 crop of wheat, it is necessary to determine the amount of the national wheat marketing quota which would have been determined if one had been proclaimed for the 1968–69 marketing year.

Based upon (a) estimated human consumption in the United States during the 1968–69 marketing year of 540 million bushels for food, food products, and beverages, composed wholly or partly of wheat, (b) estimated use for seed in the United States during each marketing year of 70 million bushels, (c) estimated exports of wheat and wheat products during such marketing year of 750 million bushels, and (d) the estimated amount which will be utilized during such marketing year as livestock (including poultry) feed, excluding the estimated quantity of wheat which will be utilized for such purpose as a result of the substitution of wheat for feed grains under section 328 of the Food and Agriculture Act of 1962, of 126 million bushels; less estimated imports into the United States during such marketing year of 1 million bushels, the amount of the national marketing quota for wheat for the 1968–69 marketing year would be 1,485 million bushels. It is determined that stocks of wheat owned by the Commodity Credit Corporation are not excessive and no reduction in such stocks is necessary to achieve the policy of the Act. It is also determined that the total stocks of wheat in the nation are insufficient to assure an adequate carryover for the 1969–70 marketing year. Therefore, the national quota for the 1968–69 marketing year which would otherwise be determined is increased by 25 million bushels to a total amount of 1,510 million bushels.

§ 728.343 1968 national acreage allotment for wheat.

Based upon the projected national yield of wheat of 27.5 bushels per acre

which is hereby determined, and expected underplantings, the 1968 national acreage allotment which will make available a supply of wheat equal to the national marketing quota is determined to be 59.3 million acres, and a 1968 national acreage allotment in that amount is hereby proclaimed.

§ 728.344 Apportionment of the 1968 national acreage allotment of wheat among the several States.

The national acreage allotment, less a national reserve of 5,000 acres and a special acreage reserve of 20,000 acres for additional allotments to counties, is hereby apportioned among the several States as follows:

State	*Acreage allotment*
Alabama	71,742
Arizona	45,068
Arkansas	154,770
California	422,845
Colorado	2,690,395
Connecticut	364
Delaware	29,880
Florida	19,464
Georgia	142,280
Idaho	1,242,982
Illinois	1,866,453
Indiana	1,435,717
Iowa	158,874
Kansas	11,117,320
Kentucky	235,174
Louisiana	43,851
Maine	285
Maryland	180, 820
Massachusetts	225
Michigan	1, 241, 575
Minnesota	1, 064, 737
Mississippi	61, 459
Missouri	1, 743, 636
Montana	4, 084, 955
Nebraska	3, 310, 931
Nevada	17, 509
New Jersey	53, 276
New Mexico	488, 865
New York	346, 435
North Carolina	451, 645
North Dakota	7, 618, 233
Ohio	1, 699, 514
Oklahoma	5, 117, 838
Oregon	882, 644
Pennsylvania	614, 696
Rhode Island	184
South Carolina	203, 487
South Dakota	2, 879, 784
Tennessee	216, 707
Texas	4, 258, 167
Utah	309, 825
Vermont	515
Virginia	309, 263
Washington	2, 061, 715
West Virginia	31, 612
Wisconsin	61, 030
Wyoming	286, 254
Total apportioned to States	59, 275, 000
Special acreage reserve	20, 000
National reserve	5, 000
Total national allotment	59, 300, 000

§ 728.345 Designation of States outside the commercial wheat-producing area for the 1968–69 marketing year.

No State for which a State acreage allotment was determined is designated as outside the commercial wheat-producing area for the 1968–69 marketing year. Accordingly, the commercial wheat-producing area for the 1968–69 marketing year shall consist of all States in the United States except New Hampshire, Alaska and Hawaii.

Effective date: Upon filing with the Director, Office of the Federal Register.

Issued at Washington, D.C., this 29th day of June 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-7732; Filed, July 5, 1967; 8:49 a.m.]

SUBCHAPTER C—SPECIAL PROGRAMS

[Amdt. 10]

PART 751—LAND USE ADJUSTMENT PROGRAMS

Subpart—Cropland Adjustment Program for 1966 through 1969

LAND ACQUISITION FUNDS AND COST-SHARE ASSISTANCE TO PUBLIC ENTITIES

The regulations governing the 1966–1969 Cropland Adjustment Program (31 F.R. 3483) are amended as follows:

Section 751.142(c)(2) is amended to read as follows: "must not be acquired through the actual exercise of the right of eminent domain unless the seller requested or consented to such action and the Deputy Administrator determines that acceptance of such land would be in the interest of the program; and".

(Sec. 602(q), 79 Stat. 1210)

Effective date: Date of signature.

Signed at Washington, D.C., on June 28, 1967.

H. D. GODFREY,
Administrator, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 67-7686; Filed, July 5, 1967; 8:46 a.m.]

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

PART 900—GENERAL REGULATIONS

Subpart—Procedure for Determining the Qualification of Cooperative Milk Marketing Associations

Sec.
900.350 General statement.
900.351 Applications for qualification.
900.352 Confidential information.
900.353 Qualification standards.
900.354 Inspection and investigation.
900.355 Annual reporting.
900.356 Listing of qualified associations.
900.357 Denial of application; suspension or revocation of determination of qualification.

AUTHORITY: The provisions of this subpart issued under secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674.

§ 900.350 General statement.

Cooperative marketing associations apply for qualification by the Secretary under the Federal milk order program for certain privileges and exemptions. These privileges and exemptions are expressed in the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246) as amended, and the milk marketing orders issued pursuant to its provisions.

§ 900.351 Applications for qualification.

Any association of producers may apply for determinations as to whether it is a qualified cooperative association with authority to represent producers in order referendums; has authorization to collect payment from handlers for members' milk; and is rendering specified marketing services to producers. Applicant associations should supply information for these determinations, using as a guide Application Form DA-25. The application form may be obtained from the Dairy Division, Consumer and Marketing Service, United States Department of Agriculture, Washington, D.C. 20250. Determinations required of the Secretary of Agriculture, or the Administrator of the Consumer and Marketing Service, by delegation are made by the Director of the Dairy Division. Once issued they are valid until amended, suspended or terminated.

§ 900.352 Confidential information.

The documents and other information submitted by an applicant association and otherwise obtained by investigation, examination of books, documents, papers, records, files and facilities, and in reports filed subsequent to initial determinations of qualification, shall be regarded as confidential and shall be governed by § 900.210.

§ 900.353 Qualification standards.

Statutory requirements for qualification of cooperative associations are provided in subsections (5) and (12) of section 608c of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 set seq.). The association must: (a) Be a cooperative marketing association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," (7 U.S.C. 291, 292); (b) have its entire organization and all of its activities under the control of its members; (c) have full authority in the sale of its members' milk; and (d) be engaged in making collective sales or marketing of milk or milk products for the producers thereof. Qualification for exemption from deductions for marketing service payments under specific marketing orders and payment for milk of members under specific orders shall be determined in accordance with the terms of the respective marketing orders.

§ 900.354 Inspection and investigation.

The Secretary of Agriculture, or his duly authorized representative, shall have the right, at any time after an application is received, to examine all books, documents, papers, records, files and facilities of the association, to verify any of the information submitted and to procure such other information as may be required to determine whether the association is qualified in accordance with its application.

§ 900.355 **Annual reporting.**

Determinations of qualification for privileges and exemptions are subject to amendment, termination or suspension if the association does not currently meet the qualification standards. An association found to be qualified pursuant to the Act is required to file an annual report after its annual meeting has been held following the close of its fiscal year. Form DA-24 is used for this purpose. The report form is available at the Dairy Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250. The association is required to file a copy of its report with the Dairy Division at Washington and with the market administrator of each order under which it operates.

§ 900.356 **Listing of qualified associations.**

A copy of each determination of qualification is furnished to the respective association. Copies are also filed in the Dairy Division, Consumer and Marketing Service, and with the Hearing Clerk, Office of the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250, where they are available for public inspection. A list of qualified associations engaged in marketing milk under a particular milk marketing order is maintained at the office of the market administrator of the order.

§ 900.357 **Denial of application; suspension or revocation of determination of qualification.**

Any cooperative association whose application has been wholly or partially denied, or whose determination of qualification has been wholly or partly revoked or suspended, may petition the Secretary for a review of such action. Such petition shall state facts relevant to the matter for which review is sought. After due notice to such cooperative association, the Director of the Dairy Division, or in his absence the Acting Director, shall hold, in the manner hereinafter specified, an informal hearing.

(a) *Notice.* Notice shall be given in writing and shall be mailed to the last known address of the association, or of an officer thereof, at least 3 days before the date set for a hearing. Such notice shall contain: a statement of the time and place of the hearing, said place to be as convenient to the association as can reasonably be arranged, and may contain a statement of the reason for calling the hearing and the nature of the questions upon which evidence is desired or upon which argument may be presented.

(b) *Parties.* Hearings are not to be public and are to be attended only by representatives of the association and of the Government, and such other persons as either the association or the Government desires to have appear for purposes of submitting information or as counsel.

(c) *Conduct of hearing.* The Director or Acting Director of the Dairy Division, or a person designated by him, shall preside at the hearing. The hearing shall be conducted in such manner as will be most conducive to the proper disposition of the matter. Written statements or briefs may be filed by the association within the time specified by the presiding officer.

(d) *Preliminary report.* The presiding officer shall prepare a preliminary report setting forth a recommendation as to what action shall be taken and the basis for such action. A copy of said report shall be served upon the association by mail or in person. The association may file exceptions to said report within 10 days after service thereof.

(e) *Final report.* After due consideration of all the facts and the exceptions, if any, the Director of the Dairy Division shall issue a final report setting forth the action to be taken and the basis for such action.

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

Effective Date: Upon publication.

Signed at Washington, D.C., on June 30, 1967.

S. R. Smith,
Administrator.

[F.R. Doc. 67-7729; Filed, July 5, 1967; 8:49 a.m.]

[Lime Reg. 23, Amdt. 3]

PART 911—LIMES GROWN IN FLORIDA

Quality and Size Regulation

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 911, as amended (7 CFR Part 911), regulating the handling of limes grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the Florida Lime Administrative Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of limes, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the Federal Register (5 U.S.C. 553) in that the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient; and this amendment relieves restrictions on the handling of limes grown in Florida.

Order. The provisions of paragraph (a)(1)(ii) of § 911.325 (Lime Reg. 23; 32 F.R. 6606, 8022, 9081) are hereby amended to read as follows on and after July 5, 1967:

§ 911.325 **Lime Regulation 23.**

(a) *Order.* (1) * * *

(ii) Any limes of the group known as large fruited or Persian limes (including Tahiti, Bearss, and similar varieties) which do not grade at least U.S. Combination, Mixed Color, with not less than 75 percent, by count, of the limes in each container thereof grading at least U.S. No. 1, Mixed Color, and the remainder thereof grading not less than U.S. No. 2, Mixed Color; or

* * * * *

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

Dated: July 3, 1967.

Floyd F. Hedlund,
Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 67-7812; Filed, July 3, 1967; 12:35 p.m.]

[Plum Reg. 4, Amdt. 1]

PART 917—FRESH PEARS, PLUMS, AND PEACHES GROWN IN CALIFORNIA

Limitation of Shipments

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 917, as amended (7 CFR Part 917), regulating the handling of fresh pears, plums, and peaches grown in California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the Plum Commodity Committee, and upon other available information, it is hereby found that the limitation of shipments of July Santa Rosa variety of plums, in the manner herein provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication thereof in the Federal Register (5 U.S.C. 553) in that, as hereinafter set forth, the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient; compliance with the provisions of this regulation will not require of handlers any preparation therefor which cannot be completed by the effective time hereof; and this amendment relieves restrictions on the handling of July Santa Rosa variety of plums for the shipment of smaller sizes.

In § 917.392 (Plum Reg. 4 (32 F.R. 7841)) subparagraph (a)(1) is revised, subparagraph (2) is redesignated subparagraph (4), and new subparagraphs 2 and 3 are inserted.

§ 917.392 **Plum Regulation 4.**

(a) *Order.* (1) During the period July 1, 1967, through October 31, 1967, no handler shall ship any package or container of Burmosa, El Dorado, Mariposa, Red Roy, Laroda, Ace, Elephant Heart, Sharkey, July Santa Rosa, or

Grand Rosa plums unless such plums are of a size that, when packed in a standard basket, they will pack at least a 3 x 4 x 5 standard pack.

(2) During each day of the aforesaid period, any handler may ship from any shipping point a quantity of July Santa Rosa variety of plums, which are smaller than the size prescribed in subparagraph (1) of this paragraph if such quantity does not exceed 50 percent of such variety shipped by such handler which meets the size specified in said subparagraph (1): *Provided*, That all such smaller plums are of a size that, when packed in a standard basket, they will pack at least a 4 x 5 standard pack.

(3) If any handler, during any day of the aforesaid period, ships from any shipping point less than the maximum allowable quantity of July Santa Rosa variety of plums that may be smaller than the size prescribed in subparagraph (1) of this paragraph, the quantity of such undershipment may be shipped by such handler only from such shipping point.

(4) When used herein, "standard pack" shall have the same meaning as set forth in the U.S. Standards for Grades of Fresh Plums and Prunes (7 CFR 51.1520-1538), "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "diameter" shall mean the distance through the widest portion of the cross section of a plum at right angles to a line running from the stem to the blossom end; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(b) The provisions of this amendment shall become effective July 1, 1967.

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

Dated: June 30, 1967.

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

[F.R. Doc. 67-7683; Filed, July 5, 1967; 8:46 a.m.]

Chapter X—Consumer and Marketing Service (Marketing Agreements and Orders; Milk) Department of Agriculture

[Milk Order Nos. 104, 132]

PART 1104—MILK IN RED RIVER VALLEY MARKETING AREA

PART 1132—MILK IN TEXAS PANHANDLE MARKETING AREA

Order Amending Orders

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

(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 certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the above designated marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate 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 feeds, available supplies of feeds, 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 as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, 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.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than the month of July 1967. Any delay beyond that date would tend to disrupt the orderly marketing of milk in the marketing area.

The provisions of the said order are known to handlers. The emergency decision of the Assistant Secretary containing all amendment provisions of this order, was issued June 28, 1967. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective July 1, 1967, and that it would be contrary to the public interest to delay the effective date of this order for 30 days after its publication in the FEDERAL REGISTER. (5 U.S.C. 553(d) (1966).)

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in sec. 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as herein amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

ORDER RELATIVE TO HANDLING

It is therefore ordered, That on and after the effective date hereof the handling of milk in the respective hereinafter designated marketing areas shall be in conformity to and in compliance with the terms and conditions of the aforesaid orders, as amended and as hereby further amended, as follows:

Section 1104.61(a) is revised to read as follows:

§ 1104.61 Plants subject to other Federal orders.

* * * * *

(a) A distributing plant meeting the requirements of § 1104.9 which also meets the pooling requirements of another Federal order and from which, the Secretary determines, a greater quantity of Class I milk was disposed of during the month on routes in such other Federal order marketing area than was so disposed of in this marketing area, except that if such plant was subject to all the provisions of this part in the immediately preceding month, it shall continue to be subject to all the provisions of this part until the third consecutive month in which a greater proportion of its Class I disposition is made in such other marketing area unless, notwithstanding the provisions of this paragraph, it is regulated under such other order. On the basis of a written application made by the plant operator at least 15 days prior to the date for which a determination of the Secretary is to be effective, the Secretary may determine that the Class I dispositions in the respective marketing areas to be used for purposes of this paragraph shall exclude (for a specified period of time) Class I disposition made under limited term contracts to governmental bases and institutions.

* * * * *

1. Section 1132.10(a) is revised to read as follows:

§ 1132.10 Pool plant.

* * * * *

(a) A distributing plant from which a volume of Class I milk not less than 50 percent of the Grade A milk received at such plant from dairy farmers and from other plants is disposed of during the month on routes (including routes operated by vendors) or through plant stores to retail or wholesale outlets (except pool plants) and not less than 15 percent of such receipts, or an average of not less than 10,000 pounds per day, whichever is less, is so disposed of to such outlets in the marketing area: *Provided*, That if a portion of a plant is physically apart from the Grade A portion of such plant, is operated separately and is not approved by any health authorities 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.

* * * * *

2. § 1132.61(a) is revised to read as follows:

§ 1132.61 Plants subject to other Federal orders.

* * * * *

(a) A distributing plant meeting the requirements of § 1132.10(a) which also meets the pooling requirements of another Federal order and from which, the Secretary determines, a greater quantity of Class I milk is disposed of during the month on routes in such other Federal order marketing area than was disposed of to retail and wholesale outlets (excluding pool plants) in this marketing area, except that if such plant was subject to all the provisions of this order in the immediately preceding month, it shall continue to be subject to all the provisions of this order until the third consecutive month in which a greater proportion of its Class I disposition is made in such other marketing area unless notwithstanding the provisions of this paragraph it is regulated under such other order. On the basis of a written application made by the plant operator at least 15 days prior to the date for which a determination of the Secretary is to be effective, the Secretary may determine that the Class I dispositions in the respective marketing areas to be used for purposes of this paragraph shall exclude (for a specified period of time) Class I disposition made under limited term contracts to governmental bases and institutions.

* * * * *

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

Effective date: July 1, 1967.

Signed at Washington, D.C., on June 29, 1967.

GEORGE L. MEHREN,
Assistant Secretary.

[F.R. Doc. 67-7654; Filed, July 5, 1967; 8:45 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regs., 1967 Crop Grain Sorghum Supp.]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1967 Crop Grain Sorghum Loan and Purchase Program

This annual crop year supplement, together with the General Regulations for the 1964 and Subsequent Crops (31 F.R. 5941) and the 1966 and Subsequent Crops Grain Sorghum Supplement (31 F.R. 8000), and any amendments thereto, contain the provisions for price support loans and purchases for the 1967 crop of grain sorghum.

Sec.
1421.2581 Availability.
1421.2582 Compliance requirements.
1421.2583 Warehouse charges.
1421.2584 Maturity of loans.
1421.2585 Support rates and discounts.

AUTHORITY: The provisions of this subpart issued under sec. 4, 62 Stat. 1070 as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 105, 401, 63 Stat. 1051 as amended; 15 U.S.C. 714c, 7 U.S.C. 1421, 1441.

§ 1421.2581 Availability.

A producer desiring a price support loan must request a loan on his eligible grain sorghum on or before May 31, 1968, on grain sorghum stored in Oklahoma and Texas and on or before June 30, 1968, on grain sorghum stored in all other States. To obtain price support through a sale to CCC, a producer must give the appropriate ASCS county office notice of his intent to sell his eligible grain sorghum to CCC on or before June 30, 1968, with respect to grain sorghum stored in the States of Oklahoma and Texas and on or before July 31, 1968, with respect to grain sorghum stored in any other State.

§ 1421.2582 Compliance requirements.

To be eligible for a loan or purchase, a producer must qualify for a price support payment under the 1966-69 Feed Grain Program Regulations (31 F.R. 8339), and any amendments thereto, on grain sorghum of the 1967 crop on the farm on which the grain sorghum tendered for loan or purchase was produced except that such qualification is not necessary with respect to grain sorghum produced in an area of the United States in which the feed grain program is not in effect.

§ 1421.2583 Warehouse charges.

Subject to the provisions of § 1421.2569, the following schedule of deductions for grain sorghum stored in an approved warehouse operating under the Uniform Grain Storage Agreement shall apply:

SCHEDULE OF DEDUCTIONS FOR STORAGE CHARGES BY MATURITY DATES

Maturity date of June 30, 1968	Deduction (cents per hundred weight)	Maturity date of July 31, 1968
(1)		(1).
	27	Prior to June 4, 1967.
	26	June 4-June 19, 1967.
Prior to June 5, 1967	25	June 20-July 5, 1967.
June 5-June 20, 1967	24	July 6-July 21, 1967.
June 21-July 6, 1967	23	July 22-Aug. 6, 1967.
July 7-July 22, 1967	22	Aug. 7-Aug. 22, 1967.
July 23-Aug. 7, 1967	21	Aug. 23-Sept. 7, 1967
Aug. 8-Aug. 23, 1967	20	Sept. 8-Sept. 23, 1967.
Aug. 24-Sept. 8, 1967	19	Sept. 24-Oct. 9, 1967.
Sept. 9-Sept. 24, 1967	18	Oct. 10-Oct. 25, 1967.
Sept. 25-Oct. 10, 1967	17	Oct. 26-Nov. 10, 1967.
Oct. 11-Oct. 26, 1967	16	Nov. 11-Nov. 26, 1967.
Oct. 27-Nov. 11, 1967.	15	Nov. 27-Dec. 12, 1967.
Nov. 12-Nov. 27, 1967.	14	Dec. 13-Dec. 28, 1967.
Nov. 28-Dec. 13, 1967	13	Dec. 29, 1967-Jan. 13, 1968.
Dec. 14-Dec. 29, 1967	12	Jan. 14-Jan. 29, 1968.
Dec. 30, 1967-Jan. 14, 1968.	11	Jan. 30-Feb. 14, 1968.
Jan. 15-Jan. 30, 1968	10	Feb. 15-Mar. 1, 1968.
Jan. 31-Feb. 15, 1968	9	Mar. 2-Mar. 17, 1968.
Feb. 16-Mar. 2, 1968	8	Mar. 18-Apr. 2, 1968.
Mar. 3-Mar. 18, 1968	7	Apr. 3-Apr. 18, 1968.
Mar. 19-Apr. 3, 1968	6	Apr. 19-May 4, 1968.
Apr. 4-Apr. 19, 1968	5	May 5-May 20, 1968.
Apr. 20-May 5, 1968	4	May 21-June 5, 1968.
May 6-May 21, 1968	3	June 6-June 21, 1968.
May 22-June 6, 1968	2	June 22-July 7, 1968.
June 7-June 30, 1968	1	July 8-July 31, 1968.

[1] Dates storage charges start, all dates inclusive.

§ 1421.2584 Maturity of loans.

Loans mature on demand but not later than: June 30, 1968, on grain sorghum stored in the States of Oklahoma and Texas and July 31, 1968, on grain sorghum stored in all other States.

§ 1421.2585 Support rates and discounts.

(a) *Basic support rates (terminals).* Basic support rates for terminal markets for grain sorghum grading No. 2 or better are as follows:

Terminal market	*Rate per hundredweight*
Sioux City, Iowa	$1.71
Omaha, Nebr	1.75
Council Bluffs, Iowa	1.75
Atchison, Kans	1.85
Kansas City, Kans	1.85
Kansas City, Mo	1.85
St. Joseph, Mo	1.85
Cairo, Ill	1.99
East St. Louis, Ill	1.99
St. Louis, Mo	1.99
Memphis, Tenn	2.04
Beaumont, Tex	2.09
Brownsville, Tex	2.09
Corpus Christi, Tex	2.09
Galveston, Tex	2.09
Houston, Tex	2.09
Port Arthur, Tex	2.09
Baton Rouge, La	2.09
New Orelans, La	2.09
Los Angeles, Calif	2.28
Long Beach, Calif	2.28
Oakland, Calif	2.28
San Francisco, Calif	2.28
Wilmington, Calif	2.28
Stockton, Calif	2.28
Astoria, Oreg	2.26
Portland, Oreg	2.26
Kalama, Wash	2.26
Longview, Wash	2.26
Seattle, Wash	2.26
Tacoma, Wash	2.26
Vancouver, Wash	2.26

(b) *Basic support rates (counties)*. Basic support rates for counties for grain sorghum grading No. 2 or better are as follows:

ALABAMA

County	Rate per hundred-weight
All counties	$1.16

ARIZONA

County	Rate	County	Rate
Apache	$1.58	Mohave	$1.58
Cochise	1.83	Navajo	1.58
Coconino	1.58	Pima	1.88
Gila	1.58	Pinal	1.93
Graham	1.68	Santa Cruz	1.83
Greenlee	1.58	Yavapai	1.58
Maricopa	1.93	Yuma	1.96

ARKANSAS

County	Rate	County	Rate
Arkansas	$1.77	Lee	$1.82
Ashley	1.71	Lincoln	1.74
Baxter	1.59	Little River	1.55
Benton	1.51	Logan	1.55
Boone	1.56	Lonoke	1.77
Bradley	1.61	Madison	1.51
Calhoun	1.60	Marion	1.56
Carroll	1.54	Miller	1.55
Chicot	1.73	Mississippi	1.82
Clark	1.60	Monroe	1.80
Clay	1.77	Montgomery	1.55
Cleburne	1.78	Nevada	1.56
Cleveland	1.65	Newton	1.56
Columbia	1.56	Ouachita	1.59
Conway	1.73	Perry	1.60
Craighead	1.81	Phillips	1.81
Crawford	1.54	Pike	1.56
Crittenden	1.82	Poinsett	1.82
Cross	1.82	Polk	1.51
Dallas	1.61	Pope	1.59
Desha	1.76	Prairie	1.79
Drew	1.72	Pulaski	1.76
Faulkner	1.74	Randolph	1.79
Franklin	1.56	St. Francis	1.82
Fulton	1.66	Saline	1.65
Garland	1.60	Scott	1.51
Grant	1.61	Searcy	1.56
Greene	1.80	Sebastian	1.54
Hempstead	1.56	Sevier	1.53
Hot Spring	1.61	Sharp	1.66
Howard	1.55	Stone	1.63
Independence	1.71	Union	1.56
Izard	1.61	Van Buren	1.73
Jackson	1.77	Washington	1.51
Jefferson	1.76	White	1.79
Johnson	1.56	Woodruff	1.81
Lafayette	1.56	Yell	1.59
Lawrence	1.78		

CALIFORNIA

County	Rate	County	Rate
Alameda	$2.06	San Benito	$2.02
Amador	2.06	San Bernardino	2.02
Butte	2.02	San Diego	1.96
Calaveras	2.06	San Francisco	2.09
Colusa	2.04	San Joaquin	2.10
Contra Costa	2.06	San Luis Obispo	1.97
El Dorado	2.01	San Mateo	2.07
Fresno	2.03	Santa Barbara	1.95
Glenn	2.03	Santa Clara	2.05
Imperial	1.99	Santa Cruz	2.01
Inyo	1.78	Shasta	1.85
Kern	2.00	Sierra	1.74
Kings	2.03	Siskiyou	1.85
Lake	1.97	Solano	2.05
Lassen	1.76	Sonoma	2.04
Los Angeles	2.04	Stanislaus	2.08
Madera	2.07	Sutter	2.03
Marin	2.06	Tehama	1.94
Merced	2.07	Tulare	2.01
Modoc	1.84	Tuolumne	2.07
Monterey	2.00	Ventura	2.03
Napa	2.05	Yolo	2.05
Orange	2.03	Yuba	2.03
Placer	2.04		
Plumas	1.88		
Riverside	1.98		
Sacramento	2.06		

COLORADO

County	Rate per hundred-weight
All counties	$1.48

FLORIDA

County	Rate
All counties	$1.66

GEORGIA

County	Rate
All counties	$1.71

IDAHO

County	Rate
All counties	$1.40

ILLINOIS

County	Rate
All counties	$1.53

INDIANA

County	Rate
All counties	$1.56

IOWA

County	Rate	County	Rate
Adair	$1.50	Mahaska	$1.48
Adams	1.52	Marion	1.49
Appanoose	1.52	Marshall	1.43
Audubon	1.52	Mills	1.53
Boone	1.46	Monona	1.53
Buena Vista	1.47	Monroe	1.49
Calhoun	1.48	Montgomery	1.53
Carroll	1.51	O'Brien	1.49
Cass	1.51	Osceola	1.48
Cherokee	1.49	Page	1.55
Clarke	1.52	Palo Alto	1.44
Clay	1.46	Plymouth	1.49
Crawford	1.53	Pocahontas	1.45
Dallas	1.47	Polk	1.46
Davis	1.49	Pottawattamie	1.53
Decatur	1.53	Ringgold	1.54
Des Moines	1.43	Sac	1.49
Dickinson	1.44	Shelby	1.53
Emmet	1.43	Sioux	1.49
Fremont	1.53	Story	1.45
Greene	1.48	Taylor	1.57
Guthrie	1.49	Union	1.54
Hamilton	1.44	Van Buren	1.46
Harrison	1.53	Wapello	1.49
Hanry	1.44	Warren	1.50
Humboldt	1.44	Washington	1.43
Ida	1.49	Wayne	1.54
Jasper	1.46	Webster	1.46
Jefferson	1.47	Woodbury	1.49
Keokuk	1.47	Wright	1.42
Lee	1.46	All other counties	1.41
Lucas	1.52		
Lyon	1.48		
Madison	1.50		

KANSAS

County	Rate	County	Rate
Allen	$1.59	Lyon	$1.58
Anderson	1.62	McPherson	1.50
Atchison	1.63	Marion	1.51
Bourbon	1.61	Marshall	1.58
Brown	1.61	Miami	1.63
Butler	1.51	Mitchell	1.50
Chase	1.55	Montgomery	1.58
Chautauqua	1.55	Morris	1.54
Cherokee	1.58	Morton	1.49
Clay	1.54	Nemaha	1.59
Cloud	1.52	Neosho	1.59
Coffey	1.59	Osage	1.61
Cowley	1.51	Osborne	1.49
Crawford	1.59	Ottawa	1.51
Dickinson	1.52	Pottawatomie	1.59
Doniphan	1.62	Reno	1.49
Douglas	1.63	Republic	1.52
Elk	1.55	Rice	1.50
Ellsworth	1.50	Riley	1.58
Franklin	1.63	Saline	1.51
Geary	1.55	Sedgwick	1.51
Greenwood	1.56	Seward	1.49
Harper	1.49	Shawnee	1.61
Harvey	1.51	Smith	1.50
Jackson	1.61	Stevens	1.49
Jefferson	1.63	Sumner	1.51
Jewell	1.51	Wabaunsee	1.58
Johnson	1.63	Washington	1.54
Kingman	1.50	Wilson	1.58
Labette	1.58	Woodson	1.59
Leavenworth	1.63	Wyandotte	1.63
Lincoln	1.50	All other counties	1.48
Linn	1.63		

KENTUCKY

County	Rate per hundred-weight
All counties	$1.66

LOUISIANA

County	Rate
All parishes	$1.66

MICHIGAN

County	Rate
All counties	$1.51

MINNESOTA

County	Rate
All counties	$1.46

MISSISSIPPI

County	Rate
All counties	$1.66

MISSOURI

County	Rate	County	Rate
Adair	$1.52	Linn	$1.59
Andrew	1.62	Livingston	1.62
Atchison	1.57	McDonald	1.55
Audrain	1.52	Macon	1.57
Barry	1.55	Madison	1.71
Barton	1.59	Maries	1.55
Bates	1.63	Marion	1.51
Benton	1.59	Mercer	1.57
Bollinger	1.73	Miller	1.51
Boone	1.54	Mississippi	1.75
Buchanan	1.63	Moniteau	1.53
Butler	1.76	Monroe	1.54
Caldwell	1.63	Montgomery	1.56
Callaway	1.50	Morgan	1.55
Camden	1.51	New Madrid	1.76
Cape Girardeau	1.74	Newton	1.55
Carroll	1.63	Nodaway	1.59
Carter	1.56	Oregon	1.65
Cass	1.63	Osage	1.54
Cedar	1.61	Ozark	1.59
Chariton	1.61	Pemiscot	1.78
Christian	1.55	Perry	1.69
Clark	1.50	Pettis	1.59
Clay	1.63	Phelps	1.54
Clinton	1.63	Pike	1.49
Cole	1.50	Platte	1.63
Cooper	1.57	Polk	1.58
Crawford	1.56	Pulaski	1.52
Dade	1.58	Putnam	1.56
Dallas	1.54	Ralls	1.52
Daviess	1.61	Randolph	1.57
De Kalb	1.62	Ray	1.63
Dent	1.53	Reynolds	1.53
Douglas	1.56	Ripley	1.76
Dunklin	1.77	St. Charles	1.59
Franklin	1.60	St. Clair	1.62
Gasconade	1.56	St. Francois	1.71
Gentry	1.59	St. Louis	1.61
Greene	1.55	Ste. Genevieve	1.69
Grundy	1.59	Saline	1.61
Harrison	1.57	Schuyler	1.51
Henry	1.62	Scotland	1.50
Hickory	1.59	Scott	1.75
Holt	1.59	Shannon	1.56
Howard	1.58	Shelby	1.55
Howell	1.61	Stoddard	1.75
Iron	1.71	Stone	1.55
Jackson	1.63	Sullivan	1.57
Jasper	1.58	Taney	1.55
Jefferson	1.68	Texas	1.56
Johnson	1.62	Vernon	1.61
Knox	1.50	Warren	1.58
Laclede	1.50	Washington	1.69
Lafayette	1.63	Wayne	1.75
Lawrence	1.55	Webster	1.54
Lewis	1.50	Worth	1.58
Lincoln	1.48	Wright	1.56

NEBRASKA

County	Rate	County	Rate
Adams	$1.50	Gage	$1.57
Boone	1.49	Hamilton	1.48
Burt	1.53	Jefferson	1.55
Butler	1.53	Johnson	1.57
Cass	1.56	Lancaster	1.56
Cedar	1.49	Madison	1.50
Clay	1.51	Merrick	1.49
Colfax	1.53	Nance	1.49
Cuming	1.53	Nemaha	1.57
Dakota	1.50	Nuckolls	1.51
Dodge	1.53	Otoe	1.56
Dixon	1.49	Pawnee	1.58
Douglas	1.53	Piece	1.50
Fillmore	1.54	Platte	1.52

NEBRASKA—Continued

County	Rate per hundredweight
Polk	$1.51
Richardson	1.58
Saline	1.56
Sarpy	1.54
Saunders	1.53
Seward	1.53
Stanton	1.52
Thayer	1.54
Thurston	$1.52
Washington	1.53
Wayne	1.49
Webster	1.49
York	1.50
All other counties	1.48

NEVADA

County	Rate per hundredweight
All counties	$1.50

NEW MEXICO

County	Rate per hundredweight
Curry	$1.59
Hidalgo	1.59
Lea	1.59
Luna	$1.59
All other counties	1.58

NORTH CAROLINA

County	Rate per hundredweight
All counties	$1.71

NORTH DAKOTA

County	Rate per hundredweight
All counties	$1.41

OHIO

County	Rate per hundredweight
All counties	$1.56

OKLAHOMA

County	Rate per hundredweight
Adair	$1.47
Alfalfa	1.52
Atoka	1.57
Beaver	1.53
Beckham	1.57
Bryan	1.60
Carter	1.57
Choctaw	1.57
Cimarron	1.53
Comanche	1.56
Cotton	1.58
Craig	1.56
Dewey	1.53
Ellis	1.52
Garfield	1.54
Grant	1.50
Greer	1.57
Harmon	1.59
Harper	1.51
Haskell	1.47
Jackson	1.58
Jefferson	1.60
Johnston	1.57
Kay	1.49
Kiowa	1.56
Latimer	$1.47
Le Flore	1.47
Love	1.60
McCurtain	1.51
Major	1.53
Marshall	1.60
Noble	1.52
Nowata	1.57
Osage	1.50
Ottawa	1.56
Pawnee	1.53
Pushmataha	1.51
Roger Mills	1.54
Rogers	1.53
Sequoyah	1.47
Stephens	1.57
Texas	1.53
Tillman	1.58
Tulsa	1.52
Washington	1.56
Woods	1.51
Woodward	1.52
All other counties	1.55

OREGON

County	Rate per hundredweight
All counties	$1.55

PENNSYLVANIA

County	Rate per hundredweight
All counties	$1.71

SOUTH CAROLINA

County	Rate per hundredweight
All counties	$1.71

SOUTH DAKOTA

County	Rate per hundredweight
Bon Homme	$1.47
Charles Mix	1.43
Clay	1.49
Douglas	1.44
Hanson	1.43
Hutchinson	1.45
Lincoln	1.48
McCook	1.44
Minnehaha	$1.46
Moody	1.44
Turner	1.47
Union	1.49
Yankton	1.49
All other counties	1.42

TENNESSEE

County	Rate per hundredweight
All counties	$1.66

TEXAS

County	Rate per hundredweight
Anderson	$1.79
Andrews	1.60
Angelina	1.83
Aransas	1.91
Archer	1.63
Atascosa	1.83
Austin	1.88
Bandera	1.80
Bastrop	1.81
Baylor	1.63
Bee	1.91
Bell	1.77
Bexar	1.82
Blanco	1.76
Borden	$1.60
Bosque	1.72
Bowie	1.63
Brazoria	1.89
Brazos	1.84
Brooks	1.84
Brown	1.69
Burleson	1.83
Burnet	1.73
Caldwell	1.84
Calhoun	1.87
Callahan	1.69
Cameron	1.91
Camp	1.68

TEXAS—Continued

County	Rate per hundredweight
Cass	$1.65
Chambers	1.83
Cherokee	1.78
Childress	1.61
Clay	1.63
Coke	1.69
Coleman	1.69
Collin	1.67
Collingsworth	1.60
Colorado	1.86
Comal	1.82
Comanche	1.69
Concho	1.69
Cooke	1.63
Coryell	1.74
Cottle	1.61
Dallam	1.56
Dallas	1.70
Delta	1.63
Denton	1.67
De Witt	1.84
Dimmit	1.72
Duval	1.86
Eastland	1.69
Ellis	1.71
Erath	1.69
Falls	1.79
Fannin	1.63
Fayette	1.83
Fisher	1.66
Foard	1.63
Fort Bend	1.89
Franklin	1.68
Freestone	1.77
Frio	1.78
Galveston	1.89
Gillespie	1.80
Glasscock	1.62
Goliad	1.89
Gonzales	1.80
Grayson	1.63
Gregg	1.70
Grimes	1.86
Guadalupe	1.82
Hamilton	1.69
Hansford	1.55
Hardeman	1.60
Hardin	1.83
Harris	1.89
Harrison	1.69
Hartley	1.55
Haskell	1.66
Hays	1.79
Hemphill	1.55
Henderson	1.74
Hidalgo	1.89
Hill	1.74
Hood	1.69
Hopkins	1.64
Houston	1.82
Howard	1.61
Hunt	1.67
Hutchinson	1.55
Jack	1.66
Jackson	1.85
Jasper	1.82
Jefferson	1.85
Jim Hogg	1.84
Jim Wells	1.91
Johnson	1.70
Jones	1.66
Karnes	1.86
Kaufman	1.69
Kendall	1.81
Kenedy	1.88
Kent	1.61
Kerr	1.80
Kimble	1.69
King	1.62
Kinney	1.72
Kleberg	1.90
Knox	1.64
Lamar	1.62
Lampasas	1.72
La Salle	1.76
Lavaca	1.83
Lee	1.83
Leon	$1.81
Liberty	1.88
Limestone	1.79
Lipscomb	1.56
Live Oak	1.88
Llano	1.72
McCulloch	1.69
McLennan	1.77
McMullen	1.86
Madison	1.84
Marion	1.68
Martin	1.61
Mason	1.69
Matagorda	1.84
Maverick	1.71
Medina	1.81
Menard	1.69
Midland	1.61
Milam	1.80
Mills	1.70
Mitchell	1.62
Montague	1.63
Montgomery	1.88
Moore	1.55
Morris	1.68
Nacogdoches	1.77
Navarro	1.75
Newton	1.82
Nolan	1.65
Nueces	1.92
Ochiltree	1.55
Orange	1.83
Palo Pinto	1.69
Panola	1.74
Parker	1.69
Polk	1.85
Rains	1.70
Real	1.77
Red River	1.60
Refugio	1.91
Roberts	1.56
Robertson	1.80
Rockwall	1.68
Runnels	1.69
Rusk	1.73
Sabine	1.77
San Augustine	1.77
San Jacinto	1.88
San Patricio	1.92
San Saba	1.69
Scurry	1.61
Shackelford	1.66
Shelby	1.77
Sherman	1.55
Smith	1.73
Somervell	1.70
Starr	1.84
Stephens	1.66
Sterling	1.65
Stonewall	1.65
Tarrant	1.70
Taylor	1.68
Throckmorton	1.66
Titus	1.68
Tom Green	1.69
Travis	1.79
Trinity	1.85
Tyler	1.82
Upshur	1.70
Uvalde	1.77
Val Verde	1.68
Van Zandt	1.70
Victoria	1.87
Walker	1.86
Waller	1.88
Washington	1.84
Webb	1.80
Wharton	1.87
Wichita	1.60
Wilbarger	1.60
Willacy	1.89
Williamson	1.79
Wilson	1.83
Wise	1.67
Wood	1.69

TEXAS—Continued

County	Rate per hundredweight
Young	$1.66
Zapata	1.80
Zavala	1.72
All other counties	$1.59

UTAH

County	Rate per hundredweight
All counties	$1.40

VIRGINIA

County	Rate per hundredweight
All counties	$1.71

WASHINGTON

County	Rate per hundredweight
All counties	$1.55

WISCONSIN

County	Rate per hundredweight
All counties	$1.46

WYOMING

County	Rate per hundredweight
All counties	$1.45

(c) *Discounts.* The basic support rate shall be adjusted by discounts as follows:

	(Cents per hundredweight)
(1) Class:	
Mixed grain sorghum	3
(2) Grade:	
No. 3 (not over 14 percent moisture)	3
No. 4 (not over 14 percent moisture)	5
Smutty	5
(3) Weed control law (where required by § 1421.74)	15

(4) *Other factors:* Discounts established by CCC for quality factors not specified above which affect the value of the grain sorghum, such as (but not limited to) moisture heat damage, test weight, weevily, musty, sour, stones, weathered, discolored. The discounts established will be based upon the market discounts for the factors at the time the grain sorghum is delivered to CCC, as determined by CCC. Producers may obtain schedules of such factors and discounts at ASCS county offices approximately one month prior to the loan maturity date.

NOTE: Discounts are cumulative except only one grade discount shall be applied.

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on June 27, 1967.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 67-7478; Filed, July 5, 1967; 8:45 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 1464—TOBACCO

Subpart—Tobacco Loan Program

1966 CROP PUERTO RICAN TOBACCO, TYPE 46, ADVANCE SCHEDULE

Set forth below is a schedule of advance rates, by grades, for the 1966 crop of type 46 tobacco under the tobacco loan program published July 16, 1966 (31 F.R. 9679).

§ 1464.1776 1966-Crop Puerto Rican Tobacco, Type 46, Advance Schedule.[1]

(Dollars per hundred pounds, farm sales weight)

Grade		Advance rate
C1F	Price block I	39.6
C1P		
X1P	Price block II	27.5
X1F		
X1S		
X2P	Price block III	20.5
X2F		
X2T		
X2S		
N	Price block IV	10.5

(Sec. 1464.1776 issued under sec. 4, 62 Stat. 1070, as amended, sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054, sec. 125, 70 Stat. 198, 74 Stat. 6; 7 U.S.C. 1441, 1445, 1421, 1423, 7 U.S.C. 1813, 15 U.S.C. 714b, 714c)

Effective date: Date of filing with Office of Federal Register.

Signed at Washington, D.C., on June 29, 1967.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 67-7733; Filed, July 5, 1967; 8:49 a.m.]

[1] The cooperative associations through which price support is made available to growers are authorized to deduct $1 per hundred pounds from the advances to growers to apply against overhead and handling costs. Tobacco is eligible for advance only if consigned by the original producer. No advance is authorized for scrap or tobacco designated as "No-G" (no grade).

Chapter XV—Foreign Agricultural Service, Department of Agriculture

PART 1520—PUBLIC INFORMATION

The Foreign Agricultural Service hereby establishes rules for the implementation of 5 U.S.C. 552(a)(2) and 552(a)(3). The rules are incorporated in a new Part 1520, the text of which follows:

Subpart A—Availability of Reports, Staff Manuals and Instructions, and Related Material

Sec.
1520.1 Reports and informational material.
1520.2 Staff manuals and instructions.
1520.3 Index.
1520.4 Facilities for inspection; copies.

Subpart B—Disclosure of Identifiable Records

Sec.
1520.5 Requests.
1520.6 Delegation of authority.
1520.7 Available records.
1520.8 Exempt records.
1520.9 Appeals.
1520.10 Inspection and copies.

AUTHORITY: The provisions of this part issued under 5 U.S.C. 552, 559.

Subpart A—Availability of Reports, Staff Manuals, and Instructions, and Related Material

§ 1520.1 Reports and informational material.

The Foreign Agricultural Service, hereinafter referred to as "FAS", issues from time to time reports, leaflets, and other informational material concerning the programs for which it has responsibilities in the field of foreign agricultural trade, including the administration of Public Law 480. As such reports and material are issued, copies, will be mailed to all interested persons who may be affected. FAS will make all such issued reports and material available for public inspection and copying. Forms utilized by participants in FAS programs will also be made available for public inspection and copying.

§ 1520.2 Staff manuals and instructions.

FAS will make available for public inspection and copying its administrative staff manuals and instructions to staff affecting any member of the public except those exempt from disclosure pursuant to the provisions of 5 U.S.C. 552(b).

§ 1520.3 Index.

FAS will maintain and make available for public inspection and copying a current index providing identifying information for all FAS reports and staff manuals and instructions made available pursuant to § 1520.2.

§ 1520.4 Facilities for inspection; copies.

Facilities for public inspection and copying of the material described in the foregoing sections will be provided in a reading area in the office of the Assistant Administrator for Management, FAS, South Building, U.S. Department of Agriculture, Washington, D.C. Copies of such material may also be obtained in person or by mail. Applicable fees are prescribed by the Director, Office of Plant and Operations, U.S. Department of Agriculture.

Subpart B—Disclosure of Identifiable Records

§ 1520.5 Requests.

Requests for FAS records pursuant to 5 U.S.C. 552(a)(3) shall (a) be made to the Assistant Administrator for Management, FAS, South Building, U.S. Department of Agriculture, Washington, D.C. 20250, and (b) identify each record sought with reasonable specificity. The Assistant Administrator may require that the request be made in writing. Requests for records may be filed in person or by mail.

§ 1520.6 Delegation of authority.

Subject to the provisions of § 1520.9, the Assistant Administrator for Management is authorized to act on behalf of FAS on all requests for records in accordance with 5 U.S.C. 552, as implemented by this subpart and the regulations of the Secretary of Agriculture, Part 1 of this title, as amended.

§ 1520.7 Available records.

The Assistant Administrator for Management will promptly make available all FAS records requested in accordance with § 1520.5 unless he determines that it is an exempt record as described in § 1520.8. The Assistant Administrator shall promptly give written notice of any such determination, together with the reasons therefor.

§ 1520.8 Exempt records.

Exempt records of FAS include the following:

(a) Matters that are specifically required by Executive order to be kept secret.

(b) Matters that are related solely to the internal personnel rules and practices of FAS.

(c) Matters that are specifically exempt from disclosure by statute.

(d) Matters that are trade secrets and commercial or financial information obtained from a person and privileged or confidential.

(e) Matters that are intra-agency and interagency memoranda or letters which would not be available by law to a party other than an agency of the Government in litigation with FAS.

(f) Matters that are personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(g) Matters that are investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency of the Government.

§ 1520.9 Appeals.

A denial by the Assistant Administrator for Management of any request for a FAS record may be appealed by the person who made the request to the Administrator, FAS. The appeal shall be made in writing within 15 days after the date of mailing of the Assistant Administrator's notice of determination. The Administrator will give written notice of FAS's final determination. As provided in the regulations of the Secretary of Agriculture governing the availability of official records, Part 1 of this title, as amended, except where disclosure is prohibited by statute, Executive order, or the regulations of other Government agencies, the Administrator may, in individual cases, make records exempt from disclosure available if he determines that disclosure will not adversely affect the national interest or constitute an unwarranted invasion of individual privacy.

§ 1520.10 Inspection and copies.

A person who has requested available records shall be promptly notified that upon payment of applicable fees, he may inspect and copy such records, and purchase copies or extracts thereof, in the office of the Assistant Administrator for Management, on business days from 9:30 a.m. to 5 p.m. Copies of such records may also be purchased by mail. Applicable fees are prescribed by the Director, Office of Plant and Operations, U.S. Department of Agriculture.

Effective date. This Part 1520 shall become effective on July 4, 1967.

Issued at Washington, D.C., this 30th day of June 1967.

RAYMOND A. IOANES,
Administrator,
Foreign Agricultural Service.

[F.R. Doc. 67-7819; Filed, July 3, 1967; 12:35 p.m.]

Chapter XVIII—Farmers Home Administration, Department of Agriculture

SUBCHAPTER A—GENERAL REGULATIONS

[FHA Instruction 424.2]

PART 1804—PLANNING AND PERFORMING DEVELOPMENT WORK

Design Policies and Construction Contracts

Subpart B, Part 1804, Title 7, Code of Federal Regulations is amended as follows:

1. Section 1804.22(b)(2) (32 F.R. 8236) is revised to read as follows:

§ 1804.22 Design policies.

* * * * *

(b) *Community waste disposal systems.* * * *

(2) Sewage collection lines will be designed and constructed with capacities based upon the estimated per capita population to be served by the system, including both existing and future. The average per capita flow of sewage is estimated at 40 gallons per day. The lateral and submain lines will be designed for not less than six times the average daily flow. Main trunk lines will be designed for not less than five times the daily average flow.

* * * * *

2. Section 1804.26(b) (32 F.R. 8237) is revised to read as follows:

§ 1804.26 Construction contracts.

* * * * *

(b) *Contract forms—negotiated and competitive bids.* Development performed in accordance with § 1804.25 (b) and (c) of this subpart may be completed in accordance with either lump-sum or unit-price contracts. Such contracts should contain the following:

Item I—Notice and Instructions to Bidders.
Item II—Bidder's Proposal.
Item III—Notice of Award.
Item IV—Bid Schedule.
Item V—Construction Contract.
Item VI—Performance Payment Bond.
Item VII—Plans and Specifications.
Item VIII—Form FHA 442-7, "Change Orders."
Item IX—Form FHA 400-2, "Equal Opportunity Clause," (where applicable).

A model form of each document listed from I through VI above is available at any FHA office. All such contract documents and related items must be approved by the State Director, with the assistance of the Office of the General Counsel, prior to the release of invitations to bid. Form FHA 440-27, "Labor Standards Provisions," will be used where required for contracts financed by Economic Opportunity loans to cooperatives.

* * * * *

(R.S. 161, 5 U.S.C. 301; sec. 339, 75 Stat. 318; 7 U.S.C. 1989; sec. 602, 78 Stat. 528, 42 U.S.C. 2942; Order of Director, Office of Economic Opportunity, 29 F.R. 14764; Orders of Secretary of Agriculture, 29 F.R. 16210, 32 F.R. 6650)

Dated: June 29, 1967.

HOWARD BERTSCH,
Administrator,
Farmers Home Administration.

[F.R. Doc. 67-7728; Filed, July 5, 1967; 8:48 a.m.]

Title 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 200—ORGANIZATION; CONDUCT AND ETHICS; AND INFORMATION AND REQUESTS

Subpart D—Information and Requests

MISCELLANEOUS AMENDMENTS

The Securities and Exchange Commission has amended section 200.80 of Title 17 of the Code of Federal Regulations to reflect its implementation of the recently enacted amendment of section 3 of the Administrative Procedure Act, 5 U.S.C. 552. Both the amendment to the Act and the amendment to § 200.80 will become effective on July 4, 1967.

Pursuant to the Commission's action, § 200.80 will be redesignated as "Commission Records and Information" and will be significantly expanded to reflect in full the nature of information available from the Commission and the manner in which that information may be obtained. Since the subject matter of Rule 25 of the Commission's rules of practice, 17 CFR 201.25 has been incorporated into § 200.80 by this amendment, § 201.25 has been repealed, and §§ 201.26 and 201.27 of Title 17 of the Code of Federal Regulations have been renumbered §§ 201.25 and 201.26 respectively.

Since this amendment relates only to matters of agency procedure and practice, the Commission deems that the public notice and other rule making procedures provided in section 4 of the Administrative Procedure Act, as amended, 5 U.S.C. 553, are unnecessary.

Commission action: Pursuant to the authority contained in section 3 of the Administrative Procedure Act, 60 Stat. 238, as amended by Public Law 90-23, 81 Stat. 54, 5 U.S.C. 552, and section 19 of the Securities Act of 1933, 48 Stat. 85, 15 U.S.C. 77s, section 23 of the Securities Exchange Act of 1934, 48 Stat. 901, 15 U.S.C. 78w, section 20 of the Public Utility Holding Company Act of 1935, 49 Stat. 833, 15 U.S.C. 79t, section 319 of the Trust Indenture Act of 1939, 53 Stat. 1173, 15 U.S.C. 77sss, section 38 of the Investment Company Act of 1940, 54 Stat. 841, 15 U.S.C. 80a-37, and section 211 of the Investment Advisers Act of 1940, 54 Stat. 855, 15 U.S.C. 80b-11, the Commission hereby rescinds § 201.25, redesignates §§ 201.26 and 201.27 as §§ 201.25 and 201.26 respectively, amends § 200.80, and adds §§ 200.80a-200.80d, of Chapter II of Title 17 of the Code of Federal Regulations to read as follows:

§ 200.80 Commission records and information.

(a) *Information published in the Federal Register.* Except as provided in paragraph (c) of this section the following materials are published in the FEDERAL REGISTER for the guidance of the public:

(1) Description of the Commission's central and field organization and the established places at which, the employees from whom, and the methods whereby the public may obtain information, make submittals or requests, or obtain decisions;

(2) Statements of the general course and method by which the Commission's functions are channeled and determined, including the nature and requirements of all formal and informal procedures available;

(3) Rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

(4) Substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the Commission; and

(5) Each amendment, revision, or repeal of the foregoing.

(b) *Public reference facilities; materials and records available.* (1) The Commission has a specially staffed and equipped public reference room in its principal office at Washington, D.C., and public reference facilities in the New York and Chicago Regional Offices. Some facilities for public use are also provided in other regional and branch offices. In addition to materials otherwise set forth in this paragraph (b), certain of the materials described in paragraph (a) of this section will be available at the public reference room at the principal office of the Commission and may be available at the Regional Offices.

(2) Except as provided in paragraph (c) of this section the materials hereinafter set forth in this subparagraph (2) are available for public inspection and copying during normal business hours at the public reference room at the principal office of the Commission and at the Regional Offices of the Commission. To the extent required to prevent a clearly unwarranted invasion of personal privacy, identifying details may be deleted, e.g., apparently defamatory statements made about any person, information received by or given to the Commission in confidence, or any contents of personnel and medical and similar files. In addition, certain materials which are considered to be nonpublic, as described in paragraph (c) of this section may, as authorized by the Commission from time to time, be made available for public inspection and copying in an abridged or

summary form or with identifying details deleted.

(i) Final opinions of the Commission, including concurring and dissenting opinions, as well as orders made by the Commission in the adjudication of cases;

(ii) A record of the final votes of each member of the Commission in every Commission proceeding concluded after July 1, 1967.

(iii) Statements of policy and interpretations which have been adopted by the Commission and are not published in the FEDERAL REGISTER;

(iv) Administrative staff manuals and instructions to staff that affect a member of the public; and

(v) Current indices to the materials made available pursuant to subparagraphs (i), (iii), and (iv) of this subparagraph (2) which have been issued, adopted or promulgated after July 1, 1967, and such other indices as the Commission may determine.

(3) Subject to the provisions of paragraphs (c), (e) and (g) of this section, all other records and documents retained by the Commission in the performance of its statutory duties will promptly be made available for inspection to any person, and a copy of any record or document will be provided as soon as may be practicable, upon request made pursuant to paragraph (d) of this section. A compilation of documentary materials available at the public reference room at the principal office of the Commission appears below as Appendix A to this section (17 CFR 200.80a).

(4) All regional offices have available for public examination copies of prospectuses used in recent offerings of securities registered under the Securities Act; registration statements and recent annual reports filed pursuant to the Securities Exchange Act of companies having their principal office in their respective regions; active broker-dealer and investment adviser applications originating in their respective regions; and Regulation A (17 CFR 200.251 et seq.) letters of notification filed in their respective regions.

(5) In the New York offices of the Commission other available materials include copies of all recent registration statements and annual reports filed pursuant to the Securities Exchange Act; recent periodic reports made by companies having securities listed on exchanges; and recent periodic reports by many companies which have effective registration statements under the Securities Act of 1933.

(6) In the Chicago offices of the Commission other available materials include all recent registration statements and annual reports filed pursuant to the Securities Exchange Act, and other recent periodic reports of many companies which have securities listed on exchanges.

(7) In the San Francisco offices of the Commission other available materials include all recent registration statements and annual reports filed pursuant to the Securities Exchange Act.

(c) *Nonpublic matters.* Certain materials and records are considered to be nonpublic. Thus the Commission will not generally publish or make available to any person matters that are:

(1) Specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy.

(2) Related solely to the internal personnel rules and practices of the Commission or any other agency of the Government of the United States, including operation rules, guidelines, and manuals of procedure for investigators, auditors, and other employees.

(3) Specifically exempted from disclosure by statute, including:

(i) Information contained in any notification, statement, application, declaration, report, or other document or record filed with or received by the Commission as required or permitted by law which is entitled to confidential treatment by operation or application of the provision of Clause 30 of Schedule A of the Securities Act of 1933 and Rule 485 (17 CFR 230.485) thereunder, section 24 of the Securities Exchange Act of 1934 and Rule 24b-2 (17 CFR 240.24b-2) thereunder, section 22 of the Public Utility Holding Company Act of 1935 and Rule 104(b) (17 CFR 250.104(b)) thereunder, section 321(b) of the Trust Indenture Act of 1939, section 33(b) of the Investment Company Act of 1940, section 45(a) of the Investment Company Act of 1940 and Rule 45a-1 (17 CFR 270.45a-1) thereunder, or section 210 of the Investment Advisers Act of 1940; and

(ii) Information concerning administrative proceedings which are nonpublic pursuant to the provisions of section 22 of the Securities Exchange Act of 1934, section 19 of the Public Utility Holding Company Act of 1935, section 320 of the Trust Indenture Act of 1939, section 41 of the Investment Company Act of 1940, or section 212 of the Investment Advisers Act of 1940.

(4) Trade secrets and commercial and financial information obtained from a person and privileged or confidential, including:

(i) Information obtained in connection with interpretative letters or no-action letters which is deemed to have been submitted in confidence unless the contrary clearly appears; and

(ii) Information contained in letters of comment in connection with registration statements, applications for registration or other material filed with the Commission, replies thereto, and related material which is deemed to have been submitted to the Commission in confidence or to be confidential at the instance of the registrant or person who has filed such material unless the contrary clearly appears; and

(iii) Information contained in any document submitted to or required to be filed with the Commission where the Commission has undertaken formally or informally to receive such submission or filing for its use or the use of specified persons only, such as preliminary proxy material filed pursuant to Rule 14a-6 under the Securities Exchange Act (17 CFR 240.14a-6), reports filed pursuant to Rule 322(c) and (d) under the Securities Act (17 CFR 230.322 (c) and (d)), agreements filed pursuant to Rule 320(e) under the Securities Act (17 CFR 230.320(e)) or Rule 15c3-1(c)(7)(G) under the Securities Exchange Act (17 CFR 240.15c3-1(c)(7)(vii)) and schedules filed pursuant to Part II of Form X-17A-5 (17 CFR 249.617) in accordance with Rule 17a-5(b)(3) under the Securities Exchange Act (17 CFR 240.17a-5(b)(3)); and

(iv) Information contained in reports, summaries, analyses, letters, or memoranda arising out of or in connection with an examination or inspection or other investigation of the books and records of any person.

(5) Interagency or intra-agency memoranda or letters, including records which reflect discussions between or consideration by members of the Commission or members of its staff, or both, of any action taken or proposed to be taken by the Commission or by any member of its staff and also reports, summaries, analyses, conclusions, or any other work product of members of the Commission or of attorneys, accountants, analysts, or other members of the Commission's staff prepared in the course of an examination of the books or records of any person whose affairs are regulated by the Commission, or prepared otherwise in the performance of their duties, except those which by law would routinely be made available to a party other than an agency in litigation with the Commission.

(6) Personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, including those concerning all employees of the Commission and those concerning persons subject to regulation by the Commission such as personal information about employees of brokers or dealers reported to the Commission pursuant to Rule 15b8-1(a)(2)(iii) under the Securities Exchange Act (17 CFR 240.15b8-1(a)(2)(iii)).

(7) Investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency, including those concerning or related to inspections or examinations of the books and records of any person and other investigations as authorized by law, which pertain to or may disclose the possible violation by any person of any provision of any of the statutes, rules, or regulations administered by the Commission; and all written communications from or to any person complaining of or otherwise furnishing information respecting such possible violations, as well as all correspondence and memoranda in connection with such complaint or information.

(8) Contained in or related to examinations, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; and

(9) Geological and geophysical information and data, including maps, concerning wells.

(d) *Requests for Commission records and copies thereof.* Requests for Commis-

sion records may be made in person on Form SEC-86 during normal business hours at the public reference room at the principal offices of the Commission in Washington, D.C. Inquiries in general, and orders for copies of Commission records may be made to the public reference room personally, by telephone or by mail.

(1) Each request for a Commission record or copy thereof shall identify the record with sufficient specificity with respect to names, dates and subject matter to permit it to be located among the records maintained by or for the Commission. A person who has made a request for a Commission record or copy thereof will be advised if further identifying information must be provided before his request can be filled.

(2) A charge will be made for locating and making available for inspection or copying records requested by any one person only if more than one-half man-hour of work is required to comply with his request.

(3) Certain Commission records, such as correspondence to and from the Commission, are maintained in files which also contain nonpublic materials such as intra-agency and interagency memoranda and letters. If undue delay and expense is to be avoided, any person who wishes to examine such a record or to obtain a copy thereof should identify the letter or other similarly filed record with particular specificity.

(4) No records will be made available, and no copy of any records will be provided to any person who has failed to pay appropriate fees for records services, as described in paragraph (g) of this section, with respect to any current or past records services obtained or requested.

(e) *Record availability subject to delay.* Records generally will be made available to the public on a first-come, first-served basis. In some circumstances, however, there may be a delay in making records available or in providing copies thereof:

(1) *Records at Federal Records Centers.* Many records of the Commission are stored in Federal Records Centers in accordance with law (including many of the documents which have been on file with the Commission for more than 2 years) and cannot be made available for several days after a request has been made. Any person who has requested for personal examination a record stored at the Federal Records Center will be notified when the record will be made available to him at the public reference room of the Commission. Any person who has ordered a copy of such record will be provided with a copy as soon as practicable.

(2) *Records in use.* Any record being inspected by or copied for another member of the public will be made available as soon as practicable. Although every effort will be made to make a record in use by a member of the Commission or its staff available when requested, it may occasionally be necessary to delay making such a record available when doing so at the time the request is made would seriously interfere with the work of the Commission or its staff. When for reasons stated in this subparagraph (2) it appears that a record cannot be made available on the day it is requested, the person who made the request will then or thereafter be notified when the record will be made available to him at the public reference room of the Commission. Any person who has requested a copy of a record that is in use when the request is received will be provided with a copy as soon as practicable.

(3) *Missing or lost records.* Any person who has requested a record or copy will be notified if the record sought cannot be found. If he so requests, he will be notified if it subsequently is located.

(4) *Inadequate description; requests for numerous records.* If the records clerk finds that more than one-half man-hour will be required on any one day to locate and make available for inspection records requested by a person, whether because of the inadequacy of identifying information provided, because of the aggregate number of records requested by him on that day, or for a similar reason, work in excess of one-half man-hour on that day will be contingent upon the availability of personnel and in accordance with an equitable allocation of time to all persons requesting records. Such additional work will also be subject to payment of fees in accordance with subparagraph (1) of paragraph (g) of this section.

(f) *Administrative review*—(1) *Rulings on availability or records.* Any person may apply for a ruling by the Public Information Officer of the Commission or his designee with respect to any record which has not been made available upon request and with respect to any copy of a record which has been requested but which has not been provided. Such application shall be in writing and will be given prompt attention. If the Public Information Officer finds that any provision of this section, or any rule or regulation referred to herein has not been applied properly to the applicant's request he shall direct proper compliance.

(2) *Petition for Commission action.* Any person who has not received a record requested or a copy requested may, within 30 days after the Public Information Officer has acted upon his application for a ruling, petition the Commission for an order directing that the record be made available to him or that a copy of the record be provided, either for good cause shown or because such record may not lawfully be withheld. Such petition shall be in writing, shall identify the record in the form in which it originally was requested, shall state the date upon which the record was requested, and may state such facts and cite such authorities as petitioner may consider appropriate.

(g) *Fees for records services; schedule of fees.* A current schedule of fees for records services, including locating and making records available, attestations, and copying as provided in this paragraph (g) is published by the Commission and may be obtained upon request made in person, by telephone or by mail from the public reference room or at any regional or branch office of the Commission.

(1) *Services requiring more than one-half man-hour.* A fee will be charged as provided in the Commission's current schedule of fees when more than one-half man-hour of work is devoted to locating and making available for inspection or for copying records requested by a person, except that no such fee will be charged in connection with any record which is not made available because it is found to be nonpublic as described in paragraph (c) of this section, and no such fee will be charged for time devoted to an attempt to locate any record which, although adequately identified, is not made available because, after reasonable search, it cannot be located unless, after the person who requested the record or copy has been notified that it cannot be located, the search is continued beyond that time at his insistence.

(2) *Records obtained from Federal Records Centers.* When, to fill a request for inspection or copying, records are required to be obtained from a Federal Records Center, fees, in addition to those provided in this paragraph (g), will be charged to the extent authorized or required by rules or regulations promulgated by the General Services Administration.

(3) *Attestations.* In addition to any other fees or charges which may apply, a fee will be charged for records attestations as provided in the Commission's current schedule of fees. The seal of the Commission will be affixed to all attestations without additional charge.

(4) *Copying services.* Photocopies of public records filed with or retained by the Commission, or portions thereof, will be provided subject to fees established by an annual agreement between the Commission and the private contractor. A person who has been provided with copies of records upon request will be billed by the contractor for his copying services at rates shown in the Commission's current schedule of fees.

(5) *Transcripts of public hearings.* Copies of the transcripts of recent public hearings may be obtained from the reporter subject to the fees established by an annual agreement between the Commission and the reporter. Copies of that contract, which contains tables of charges, may be inspected in the public reference room at the principal office of the Commission and in each regional and branch office. Copies of other public transcripts may be obtained, in the manner of other Commission records, subject to the charges referred to in subparagraph (4) of this paragraph (g).

(h) *Releases and publications.* (1) The Commission's decisions, reports, orders, rules and regulations are published initially in the form of releases and distributed to the press and mailed to persons on the mailing lists to receive them. Certain decisions and reports thereafter are printed in bound volumes entitled "Securities and Exchange Commission Decisions and Reports;" these volumes may be purchased from the Superintend-

ent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(2) The Commission publishes an annual report to the Congress which sets forth the result of the Commission's operations during the past fiscal year under the various statutes committed to its charge. Copies may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

(3) The Commission also makes other information in the fields of securities and finance, including economic studies, available to the public through the issuance of releases on specific subject matters.

(4) A classification of the releases available from the Commission appears below as Appendix B to this section (17 CFR 200.80b). Other publications available from the Commission are set forth in Appendix C of this section (17 CFR 200.80c). Copies of statutes, rules and regulations, and miscellaneous publications set forth in Appendix D to this section (17 CFR 200.80d) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

§ 200.80a **Appendix A—Documentary materials available to the public.**

SECURITIES ACT OF 1933

Description	*Pursuant to section*
Registration statement providing financial and other information concerning securities offered for public sale, filed under Regulation C [17 CFR 230.400 et seq.].	6.
Prospectuses (selling circulars) in connection with registration statement.	10.
Periodic reports (annual, semiannual, and current) to keep reasonably current the information in registration statement.	[1].
Preliminary data (prospectus, circular letters, etc.) to oil offering (Regulation B) [17 CFR 230.300 et seq.].	3(b).
Offering sheets for oil or gas rights and royalties under Regulation B for exemption from registration provisions [17 CFR 230.300 et seq.].	3(b).
Notifications of exemption from registration filed under Regulation A, E, and F [17 CFR 230.251, 230.601, 230.651 et seq.].	3(b).
Offering circulars and written advertisements or other communications under Regulation A, E, and F [17 CFR 230.251, 230.601, 230.651 et seq.].	3(b).
Report of sales and use of proceeds (Regulation A and E) [17 CFR 230.251, 230.601 et seq.].	3(b).
Consent by nonresident to service of process (Regulation A) [17 CFR 230.251 et seq.].	3(b).
Application for relief from disability under Regulations A and F [17 CFR 230.651 et seq.].	3(b).

SECURITIES EXCHANGE ACT OF 1934

Description	*Pursuant to section*
Registration statement (securities listed on a national securities exchange).	12(b).
Registration statement (securities traded over the counter).	12(g).
Exemption from section 12(g), 13, 14, 15, or 16	12(h).
Information by a foreign issuer temporarily exempt from section 12(g).	12(g)(3).
Certification of exchange approving securities for listing registration.	12(d).
Periodic reports (annual, semiannual, quarterly, and current) to keep current the information in above application for registration of securities.	13(a).
Notices of suspension of trading	12(d).
Application to withdraw or strike a security from listing and registration on a national securities exchange.	12(d).
Notification by an exchange of the admission to trading of a substituted or additional class of security.	12(a).
Definitive proxy soliciting material filed under Regulation 14A [17 CFR 240.14a-1 et seq.].	14(a).
Distribution of information to security holders from whom proxies are not solicited filed under Regulation C [17 CFR 230.400 et seq.].	14(c).
Initial statement of beneficial ownership of equity securities by officers, directors, and principal stockholders of issuers having listed equity securities; and changes in such ownership.	16(a).
Application for permission to extend unlisted trading privileges, notification of changes, and notification of termination or suspension.	12(f).
Application for registration as a broker and dealer, and amendments or supplements to such application.	15(b).
Reports of financial condition of registered brokers and dealers.	17.
Irrevocable appointment of agent for service of process, pleadings, and other papers.	23(a).
Notice by nonresident broker or dealer specifying address of place in United States where copies of books and records are located and undertaking to furnish to Commission, upon demand, copies of books and records he is required to maintain.	17.
Subordination agreements	
Annual assessment and information for registered brokers and dealers not members of a registered national securities association.	15(b)(8).
Assessment and information form for registered brokers and dealers not members of a registered national securities association (as of June 30, 1965).	15(b)(8).
Initial assessment and information form for registered brokers and dealers not members of a registered national securities association.	15(b)(8).
Application by an exchange for registration or exemption from registration as a national securities exchange.	6(a).
Annual amendments and supplemental material filed to keep reasonably current the information contained in applications for registration or exemption.	6(e).
Record disposal plans of national securities exchange	17.
Application for listing securities on an exempted exchange.	12(b).
Periodic reports to keep reasonably current the information contained in application for listing securities on exempted exchange.	13.
Certification of exempted exchange approving securities for listing.	12(d).
Application for registration as a national securities association or affiliated securities association.	15A.
Annual supplement consolidated to keep reasonably current the information in the above application.	15A.
Application by a national securities association or a broker or dealer for admission or continuance of broker or dealer as member of a national securities association, notwithstanding a disqualification under section 15A (b)(4).	15A(b)(4).

[1] Section 15(d)—Securities Exchange Act of 1934.

SECURITIES EXCHANGE ACT OF 1934—Continued

Description	Pursuant to section
Application for review of disciplinary action or denial of membership by registered securities association.	15A(g).
Reports on stabilizing activities pertaining to a fixed price offering of securities registered or to be registered under the Securities Act of 1933, or offered or to be offered pursuant to an exemption under Regulation A [17 CFR 230.251 et seq.], or being or to be otherwise offered if aggregate offering price exceeds $300,000.	17.
Plans by exchanges authorizing payment of special commission in connection with a distribution of securities on exchanges.	10.

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Description	Pursuant to section
Notification of registration and registration statement by public utility holding companies providing financial and other information concerning the issue and sale of securities.	5(a), 5(b).
Annual reports by registered holding companies to keep reasonably current information in the registration statement.	14.
Application for an order of the Commission declaring registrant has ceased to be a holding company.	5(d).
Statement by a person employed or retained by a registered holding company or subsidiary thereof, of subject matter in respect of which retained or employed; and annual statement thereafter.	12(i).
Application for exemption from provisions of the Act and applications for declaratory orders regarding status of company under Act by holding companies, subsidiaries, and other companies.	2(a)(3), 2(a)(4), 2(a)(7)(B), 2(a)(8)(B), 3(a), (b).
12-month statement by bank claiming general exemption under the Act.	3(a), (d).
Application for approval of mutual service company or declaration with respect to organization and conduct of business of subsidiary service company.	13(b).
Statement executed by financial institution authorizing representative to serve as officer or director of holding company or subsidiary, filed by representative.	17(c).
Initial statement of beneficial ownership of securities filed by officers and directors of registered public utility holding companies, and changes in such ownership.	17(a).
Annual reports by mutual and subsidiary service companies.	13.
Application by interested persons for approval of reorganization plans required in court proceedings for reorganization of registered holding companies and subsidiaries.	11(f).
Application by or on behalf of persons requesting approval of payment of fees, expenses or remuneration for services rendered in connection with a proceeding in reorganization in a U.S. court involving registered holding companies or subsidiaries.	11(f).
Application by registered holding companies and subsidiaries for approval of voluntary plans of reorganization to enable companies to conform with provision of section 11(b), and applications or affidavits in support of requests for fees and expenses by participants.	11(e).

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935—Continued

Description	Pursuant to section
Report by an affiliate service company or by a person principally engaged in performance of services for public utilities proposing to take any step in performance of service, construction or sale of goods.	13(e), 13(f).
Application by registered holding company for approval of amount at which to enter investments pursuant to Paragraph 8C of Uniform System of Accounts.	15.
Declaration with respect to solicitation of proxies or consents regarding reorganization and security transactions of registered holding company or subsidiary.	11(g), 12(c).
Proxy soliciting material	12(e).[2]
Annual statement claiming exemption for a holding company system which is intrastate or predominantly an operating company.	3(a)(1), 3(a)(2).
Applications and declarations thereto regarding sale and acquisition of assets and securities by registered holding companies, subsidiaries, and certain persons.	6(b), 7, 9(a)(2), 9(c)(3), 10, 12(b), (c), (d), (f).
Certificate of notification for short-term borrowings not requiring Commission approval.	6(b), 7, 9(c)(3), 10, 11, 12(b), (c), (d), (f).
Notices of intention regarding proposed sales of securities and other assets not requiring filing of application or declaration.	11, 12(d), 12(f).
Statements in justification of fees and expenses proposed to be paid.	6(b), 7, 9, 10, 12(d).
Reports to stockholders by registered holding company or subsidiary thereof and annual reports submitted by registered holding company or subsidiary thereof to a State commission covering operations not reported to Federal Power Commission.	14, 15.

TRUST INDENTURE ACT OF 1939

Description	Pursuant to section
Statement of eligibility and qualification of corporations or individuals as trustees under qualified indenture under which debt security has been or is to be issued.	305, 307.
Application for qualification of indenture under which security (bonds, debentures, notes, and similar debt securities) has been or is to be issued.	307.
Application for exemption from provisions of the Act in certain cases.	304(c), (d).
Application re conflict of interest of trustees	310(b)(1).
Reports by indenture trustee to indenture security holders with respect to eligibility and qualification under section 310.	313.
Application relative to affiliations between trustees and underwriters.	310(b)(3), 310(b)(6).

INVESTMENT ADVISORS ACT OF 1940

Description	Pursuant to section
Application for registration as investment advisor or to amend or supplement such an application.	203(c) or 203(f), 204.
Irrevocable appointment of agent for service of process, pleadings and other papers.	211(a).
Application by person who does not deem himself to be an investment adviser.	202(a)(11)(F).

INVESTMENT COMPANY ACT OF 1940

Description	Pursuant to section
Notification of registration of investment company, and registration statement covering an offering of securities of investment company evidencing an interest in a portfolio of securities in which the investment company invests.	8(a), 8(b).

[2] Regulation 14 under the Securities Exchange Act of 1934 applicable (17 CFR 240.14a-1 et seq.).

INVESTMENT COMPANY ACT OF 1940—Continued

Description	*Pursuant to section*
Periodic reports (annual, semiannual, and quarterly) to keep reasonably current the information in above registration statement.	30(a), 30(b)(1).
Annual, semiannual, and other periodic reports to security holders of registered investment companies.	30(b)(2).
Application for order of the Commission determining registrant has ceased to be an investment company.	8(f).
Fidelity bond, resolution of board of directors notice of cancellation or termination of bond for officers and employees of investment companies who have access to its securities or funds.	17(g).
Waiver of indemnification of officer and directors of investment companies.	17(h), 17(i).
Report of independent auditors examining records of investment companies.	17(f).
Application by other than registrant for order of Commission declaring corporate name of registrant is misleading or deceptive.	35(d).
Request by company for certificate to be issued to Secretary of Treasury.	([3]).
Proxy soliciting material	20(a).[4]
Initial statement of beneficial ownership of securities by officers, directors, and other specified insiders of registered closed-end investment companies, and changes in such ownership.	
Application for exemption from provisions of the Act and other relief.	2(a)(9), 3(b)(2), 6 (b), (c), (d), 7(d), 10 (e), (f), 11 (a), (c), 12 (d)(1), (d)(2), 14(a), 15(a), 16(a), 17 (a), (b), (d), (e), 18(i), 22(d), 23 (b)(5), (c)(3), 24(d), 26(a)(2)(C), 28(c), 35(d), and others.
Statement of transaction—exemption from provisions of section 10(f).	10(f).
Application for an ineligible person to serve as officer, director, etc., of a registered investment company.	9(b).
Request for advisory report of the Commission relating to the reorganization of registered investment company.	25(b).
Report of repurchase of its own securities by a closed-end company.	23(c).
Sales literature regarding securities of certain investment companies.	24(b).
Statement of the Federal Savings and Loan Corporation relating to the exemption of certain issuers.	6(a)(4).
Reports submitted pursuant to an order of the Commission.	

[3] Section 851(e)(1) of the Internal Revenue Code of 1954 is applicable.

[4] Regulation 14 under the Securities Exchange Act of 1934 is applicable (17 CFR 240.14a-1 et seq.).

MISCELLANEOUS

Requests or petitions that a change in the Commission's rules, regulations or forms be made; comments on proposed rules, regulations or forms; issuance, amendment or repeal of rules, regulations or forms promulgated under various Acts administered by the Commission.

Transcripts of proceedings in public hearings including testimony, exhibits received in evidence, intermediate decisions, oral argument, motions, briefs, exceptions.

Commission findings, opinions, orders, rulings, and notices issued for public release.

Hearings and comments on proposed rules or statements of policy, etc., except where the writer requests that his comments not be made public.

Periodic reports filed by the International Bank for Reconstruction and Development under Regulation BW—Rules 1 to 4, section 15(a) of the Bretton Woods Agreement Act [17 CFR Part 285].

Periodic reports filed by Inter-American Development Bank, pursuant to Regulation IA [17 CFR Part 286] adopted pursuant to section 11(a) of the Inter-American Bank Act.

Copies of papers filed in court, and papers and documents received from courts, are primarily for the use of the Commission attorneys and other members of the staff. These may not always be complete and accurate and may contain nonpublic staff notations. However, in appropriate situations, with the approval of the Office of the General Counsel, examination of such material may be made or copies obtained as a matter of courtesy.

Reports by the Commission to the Congress as a whole.

§ 200.80b Appendix B—Classification of releases available.

Mailing lists are maintained in the following classifications only:

1. *Rule Proposals:* A special classification for those who wish to receive all proposals (except those referred to in item 8 below) for adoption of new rules of forms or amendments of existing rules or forms (under any of the SEC laws) in order to have an opportunity to submit views and comments thereon. Registrants affected by any such proposal will receive copies thereof whether or not they are on this list. For new or amended rules or forms, if and when adopted, see other release classifications.

2. *All Rules Under Securities Act of 1933* (including those with respect to oil and gas royalties, securities and dealers) and under the Trust Indenture Act of 1939: This classification is only for new or amended rules as finally adopted. See classification 2 for proposed new or amended rules or forms.

3. *All Rules Under Securities Exchange Act of 1934:* This classification is only for new or amended rules, as finally adopted. See classification 2 for proposed new or amended rules or forms.

4. *Holding Company Act Opinions and Rules:* Special classification for those interested in Commission decisions and rules adopted under this Act (frequently, a summary of a decision is distributed in lieu of the full text thereof). See classification 2 for proposed new or amended rules or forms.

5. *All Rules Under Investment Company Act of 1940:* This classification is only for new or amended rules, as finally adopted. See classification 2 for proposed new or amended rules or forms.

6. *All Rules Under Investment Advisers Act of 1940:* This classification is only for new or amended rules, as finally adopted. See classification 2 for proposed new or amended rules or forms.

7. *Accounting:* A paperbound book containing Accounting Series Releases Nos. 1 to 77, inclusive, amended to March 10, 1956, may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402, for $1. Proposed new or amended accounting rules will be distributed to persons whose names appear on the accounting list. When any such revision in the accounting rules or other accounting release is adopted, one copy thereof will generally to distributed to each person on this list. However, where the new rule or release is lengthy or may not be of wide, general interest, a special "summary" briefly describing the rule or release will be distributed to this list. In such event, one copy of such newly adopted rule or release may be obtained by request from our Publications and Distribution Unit.

8. *Corporate Reorganizations:* Announcements relating to the Commission's activities under Chapter X of the Bankruptcy Act, as amended, and advisory reports (or summaries thereof filed with Courts pursuant thereto.

9. *Securities Traded on Exchanges:* Annual directory and quarterly supplements of securities traded on national securities exchanges.

10. *Individuals' Saving:* Releases issued quarterly presenting data on the volume and composition of individuals' saving. (Information is also included in the SEC monthly Statistical Bulletin.)

11. *Weekly Trading Data on New York Exchanges:* SEC stock price indexes and daily round-lot and odd-lot transactions effected on the New York and American Stock Exchanges. (Information is also included in the SEC monthly Statistical Bulletin.)

12. *Plant and Equipment Expenditures:* Releases issued quarterly presenting data on plan and equipment expenditures of U.S. business, both actual and anticipated. Joint study of SEC and Department of Commerce. (Information is also included in the SEC monthly Statistical Bulletin.)

13. *Net Working Capital:* Releases issued quarterly presenting data on current assets and liabilities of all U.S. corporations. (Information is also included in the SEC monthly Statistical Bulletin.)

14. *Quarterly Financial Reports:* Releases issued quarterly summarizing balance sheet and income data for U.S. manufacturing corporations reflected in reports of joint

SEC and FTC study. (Copies of reports available at GPO at cost of $1 per year.)

15. *New Securities Offerings:* Releases issued quarterly presenting data on all new securities offerings by corporations in the United States. (More detailed data is available in the SEC monthly Statistical Bulletin.)

16. *Corporate Pension Funds:* Releases issued annually presenting estimates of corporate pension fund assets and their composition and data on receipts and expenditures.

17. *Litigation Releases:* Releases announcing actions to enjoin violations of SEC laws and rules and developments in such actions, as well as developments in criminal prosecutions for securities violations.

§ 200.80c Appendix C—Other publications available from the Commission.

Limited amounts of the following material are available, free of charge, upon request to the Commission's Publications and Distribution Units:

Work of the Securities and Exchange Commission. (This pamphlet describes briefly the duties and activities of the Commission.)

Uniform System of Accounts for Public Utility Holding Companies.

Uniform System of Accounts for Mutual Service Companies and Subsidiary Service Companies.

List of Registered Investment Companies.

Most frequently used Forms under each of the Acts.

§ 200.80d Appendix D—Statutes, rules, and miscellaneous publications.

Copies of the material listed below may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C.:

Acts, Rules and Regulations:

Securities Act of 1933, as Amended.

General Rules and Regulations Under the Securities Act of 1933.

Securities Exchange Act of 1934, as Amended.

General Rules and Regulations Under the Securities Exchange Act of 1934.

Public Utility Holding Company Act of 1935.

General Rules and Regulations Under the Public Utility Holding Company Act of 1935.

Trust Indenture Act of 1939 and General Rules and Regulations Thereunder.

Investment Company Act of 1940, as Amended.

General Rules and Regulations Under the Investment Company Act of 1940.

Investment Advisers Act of 1940 and General Rules and Regulations Thereunder.

Regulation S-X (form and content of financial statements) Under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, and the Investment Company Act of 1940.

Chapter X of the National Bankruptcy Act.

Rules of Practice of the Commission.

Compilations and Reports:

SEC Annual Report to Congress.

SEC Decisions and Reports.

SEC Judicial Decisions.

Accounting Series Releases (compiled, includes Nos. 1–77—see classification 8 in Appendix A for further information).

Periodicals:

Official Summary. A monthly summary of security transactions and holdings reported under the provisions of the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, and the Investment Company Act of 1940 by officers, directors, and certain other persons.

Statistical Bulletin. Issued monthly. Presents data on new securities offerings, registrations, underwriters, trading on exchanges, stock price indexes, round-lot and odd-lot tradings, special offerings, secondary distributions, and other financial series including those releases under classifications 11 to 15, inclusive.

Quarterly Financial Reports—Manufacturing: Reports beginning with the third quarter of 1955 presenting quarterly balance sheet and income data for all U.S. manufacturing corporations. Joint study of SEC and the Federal Trade Commission.

News Digest. A daily summary of orders, decisions, rules and rule proposals issued by the Commission under the various laws it administers, together with a résumé of financing proposals contained in Securities Act registration statements and of other Commission announcements.

Directory of Companies Filing Annual Reports With the Securities and Exchange Commission Under the Securities Exchange Act of 1934. Published annually. Lists companies alphabetically and classified by industry groups according to the Standard Industrial Classification Manual of the Bureau of the Budget.

(Sec. 3, 60 Stat. 238, as amended, P.L. 90-23, 81 Stat. 54, 5 U.S.C. 552; secs. 19, 23, 48 Stat. 85, 901, as amended, 15 U.S.C. 77s, 78w; sec. 20, 49 Stat. 833, 15 U.S.C. 79t; sec. 319, 53 Stat. 1173, 15 U.S.C. 77sss; secs. 38, 211, 54 Stat. 841, 855, 15 U.S.C. 80a-37, 80b-11)

Effective date. The foregoing action shall be effective on July 4, 1967.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

JUNE 30, 1967.

[F.R. Doc. 67-7792; Filed, July 3, 1967; 12:35 p.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 958]

[AO-283-A1]

ONIONS GROWN IN CERTAIN DESIGNATED COUNTIES IN IDAHO, AND MALHEUR COUNTY, OREG.

Decision and Referendum Order on Proposed Amendment of Marketing Agreement and Order

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Parma, Idaho, April 19, 1967, pursuant to notice thereof which was published in the FEDERAL REGISTER (32 F.R. 5629), upon proposed amendments to Marketing Agreement No. 130 and Order No. 958 (7 CFR Part 958) regulating the handling of onions grown in the Idaho and Malheur County, Oreg., production area.

On the basis of the evidence presented at the hearing and the record thereof, a recommended decision in this proceeding was filed on June 2, 1967, with the Hearing Clerk, U.S. Department of Agriculture, and notice thereof was published in the June 7, 1967, FEDERAL REGISTER (32 F.R. 8168). The notice allowed 15 days after publication (or until June 22, 1967) for filing exceptions thereto. No exceptions were filed.

Material issues, findings and conclusions. The material issues, findings, and conclusions, and the general findings of the recommended decision set forth in the FEDERAL REGISTER (32 F.R. 8168) are hereby approved and adopted as the material issues, findings and conclusions, and the general findings of this decision as if set forth in full herein.

Amendment of the marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement, as Amended, Regulating the Handling of Onions Grown in Certain Designated Counties in Idaho and Malheur County, Oreg." and "Order Amending the Order Regulating the Handling of Onions Grown in Certain Designated Counties in Idaho, and Malheur County, Oreg." which have been decided upon as the appropriate and detailed means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

Referendum order. Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), it is hereby directed that a referendum be conducted among producers who, during the period July 1, 1966, through June 30, 1967 (which period is hereby determined to be a representative period for the purpose of such referendum) were engaged in the production area comprising Malheur County, Oreg., and all counties south and southeast of the southern boundary of Idaho County in the State of Idaho, in the production of onions for market, to determine whether such producers favor the issuance of the annexed order.

Robert H. Eaton and Allan E. Henry of the Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, are hereby designated referendum agents of the Secretary of Agriculture to conduct said referendum severally or jointly.

The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda in Connection With Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended" (30 F.R. 15414).

The ballots used in the referendum shall contain a summary of the proposed amendments to be voted on.

It is hereby ordered, That this decision and referendum order, except the annexed marketing agreement, as amended, be published in the FEDERAL REGISTER. The regulatory provisions of the said marketing agreement, as amended, are identical with those contained in the annexed order which will be published with this decision.

Dated: June 29, 1967.

GEORGE L. MEHREN,
Assistant Secretary.

Order[1] *Amending the Order Regulating the Handling of Onions Growns in Certain Designated Counties in Idaho, and Malheur County, Oreg.*

§ 953.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations made in connection with the issuance of the order, and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674) and the applicable rules of practice and procedure effective thereunder (7 CFR Part 900), a public hearing was held at Parma, Idaho, on April 19, 1967, upon proposed amendments to Marketing Agreement No. 130 and Order No. 958 (7 CFR Part 958), regulating the handling of onions grown in the Idaho and Malheur County, Oreg., production area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The said order, and all the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The said order regulates the handling of onions produced in the production area in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, the marketing agreement and order upon which a hearing has been held;

(3) The said order is limited in its application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act, and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) There are no differences in the production and marketing of onions in the production area covered by the order which require different terms applicable to different parts of such area; and

(5) All handling of onions produced in the production area is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce.

It is therefore ordered, That, on and after the effective date hereof, all handling of onions produced in the production area shall be in conformity to, and in compliance with, the terms and conditions of the said order which are as follows:

1. Delete § 958.44 "*Refunds*" and in lieu thereof insert a new § 958.44 and add a new § 958.45, as follows:

§ 958.44 Reserve fund.

At the end of each fiscal period, funds in excess of the committee's expenses may be placed in an operating reserve not to exceed approximately 1 fiscal year's operational expenses or such lower limits as the committee, with the approval of the Secretary, may establish. Also, the committee, with the approval of the Secretary, may include in its budget an item for such reserve. Funds in the reserve shall be available for use by the committee for expenses authorized pursuant to § 958.40. Funds in excess of

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders have been met.

those placed in the operating reserve shall be refunded to handlers. Each handler's share of such excess shall be the amount he paid in excess of his pro rata share of the expenses of the committee.

§ 958.45 **Accounting of funds upon termination of the order.**

Any funds collected as assessments pursuant to this subpart and remaining unexpended in the possession of the committee after termination of this part shall be distributed in such manner as the Secretary may direct: *Provided*, That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.

2. Amend § 958.47 to read as follows:

§ 958.47 **Marketing research and development.**

(a) The committee, with the approval of the Secretary, may establish or provide for the establishment of marketing research and development projects, including paid advertising, designed to assist, improve, or promote the marketing, distribution, and consumption of onions. Any such project for the promotion and advertising of onions may utilize an identifying mark which shall be made available for use by all handlers in accordance with such terms and conditions as the committee, with the approval of the Secretary, may prescribe. The expenses of such projects shall be paid from funds collected pursuant to § 958.42.

(b) In recommending projects pursuant to this section the committee shall give consideration to the following:

(1) The expected supply of onions in relation to market requirements;

(2) The supply situation among competing areas and commodities;

(3) The anticipated benefits from such projects in relation to their costs;

(4) The need for marketing research with respect to any market development activity; and

(5) The need for a coordinated effort with USDA's Plentiful Foods Program.

(c) If the committee should conclude that a program of marketing research or development should be undertaken, or continued, in any crop year, it shall submit the following for the approval of the Secretary:

(1) Its recommendations as to the funds to be obtained pursuant to § 958.42;

(2) Its recommendation as to any marketing research projects; and

(3) Its recommendation as to promotion activity and paid advertising.

3. Amend subparagraph (3), paragraph (a), of § 958.52 to read as follows:

§ 958.52 **Issuance of regulations.**

* * * * *

(a) * * *

(3) Provide a method, through rules and regulations issued pursuant to this part, for fixing the size, capacity, weight, dimensions, or pack of the container, or containers, which may be used in the packaging or handling of onions, including appropriate container markings to identify the contents thereof.

* * * * *

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

[F.R. Doc. 67-7684; Filed, July 5, 1967; 8:46 a.m.]

[7 CFR Part 1004]

[Docket No. AO–160–A34]

MILK IN DELAWARE VALLEY MARKETING AREA

Notice of Recommended Decision and Opportunity to File Written Exceptions on Proposed Amendments to Tentative Marketing Agreement and to 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), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreement and order regulating the handling of milk in the Delaware Valley marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 3d day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order as amended, were formulated, was conducted at Philadelphia, Pa., on June 12–13, 1967, pursuant to notice thereof which was issued May 29, 1967, (32 F.R. 7976), and a supplemental notice thereto issued June 2, 1967 (32 F.R. 8176).

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

1. Providing a base and excess plan for payment of producers and need for emergency action with respect to this plan.
2. Diversion of milk to other Federal order plants for Class II use.
3. Modification of the point of pricing of diverted milk.
4. Shipping requirements for supply plants to attain pool plant status.

This decision deals only with issue No. 1. All the remaining material issues will be considered in a further decision on the record.

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

Issue No. 1. Base and excess producer payment plan. The order should provide for the payment of producers under a base and excess plan as a means of encouraging a uniform level of production throughout the year.

The base-excess plan proposed by one of the major cooperatives in the market and included herein, is identical with minor exceptions to the plans contained in the Washington, D.C., and Upper Chesapeake Bay markets.

Effective May 1, 1967, the Class I seasonal pricing plan was removed from the Delaware Valley order. The base-excess plan was then proposed in recognition of the problems involved in inducing producers to maintain a desirable pattern of production throughout the year. With the discontinuance of seasonal pricing there is no longer adequate financial incentive for producers to maintain production patterns that meet the seasonal needs of the market.

In the Delaware Valley market production usually reaches its high during the March through June period and its low during the July through December period. On the other hand, Class I sales hold relatively even during the year. When production and sales patterns are considered together the greatest need for production is during the July through December period and the least need for production is during the March through June period.

The base-excess plan herein proposed will provide added incentive for the producers to maintain the needed production pattern. This is accomplished by providing that each producer's base shall be based on his deliveries of milk during the low production months. Hence, each producer's returns during the high production months reflect the degree of conformity of his production during such period with that of the low production months.

Base-excess plans have been operated in various forms in the market by the proponent cooperative since as early as 1920. In recent years the cooperative has operated base plans in conjunction with several handlers for which its members were the sole suppliers. These base plans have apparently been readily accepted by the producers involved. The proponent also indicated that many of its members who had not been under base-excess plans were also interested in a base-excess plan for the market.

Under the plan herein adopted bases will be determined annually. Bases so computed will reflect each individual producer's average daily deliveries during the months of July through December to the extent that deliveries were made on 154 or more days. These bases will be effective for the subsequent months of March through June. Each producer will receive payment at the base price for milk delivered during the March–June period which is not in excess of his established base. Milk delivered in such months in excess of his established base will be paid for at the excess price.

The computation of a daily base for each producer would be made by the market administrator who should be required to notify producers of their established bases on or before the 20th day of February each year.

The market administrator cannot compute the bases earned by individual producers until after the end of the base-forming period on December 31 of each year. On the other hand, a producer needs to know the size of his daily base prior to the March 1 beginning of the base-paying period. Provision for notification of the producer of his daily base by February 20 of each year will allow the market administrator sufficient time to compute the bases and yet give the producers advance notice of the size of their bases so that they may make any needed adjustments in their operations.

The daily base of each producer will be determined by dividing his total deliveries of milk during the base-forming months by the number of days of delivery but by not less than 154 days.

The calendar period from July through December is 184 days. Therefore, a producer delivering during the entire period should have his deliveries divided by 184 in determining his base. Where a producer is on every-other-day delivery and a delivery is made on July 1, the delivery would, in fact, include production from the last day of June. Therefore, in such case the divisor for the entire period of delivery should be 185 which would be the total number of days of production included in his deliveries. When he delivers on less than 184 days his deliveries should also be divided by the number of days of production included in his deliveries except that the divisor should in no case be less than 154.

A base-excess plan is adopted to encourage a uniform production pattern throughout the year. Therefore, a producer should be required to deliver his milk regularly to the market during the months of short production (the base-forming period) in order to earn a full base on which he would be paid a higher price during the flush production months (the base-paying period). However, by providing a minimum divisor of 154, a 30-day allowance is made which will accommodate unusual circumstances which might prevent deliveries of production from each day during the full period.

Definitions of "base milk" and "excess milk" should be provided to implement the base-excess plan as herein proposed. The amount of base milk to which a producer may be entitled during each of the base-paying months of March through June should be computed by multiplying the number of days in such months on which the producer's milk is received by the daily base determined for such producer. In the case of every-other-day delivery the order should provide that the day of nondelivery prior to a day of delivery, although such prior day is in the preceding month, be considered as a day of delivery in determining the amount of base milk to which the producer is entitled during the month.

The amount of a producer's deliveries up to the amount of base milk to which he is entitled during the month will be base milk. Any deliveries by the producer above the amount of base milk to which he is entitled will be excess milk.

Because of the recent change in the Delaware Valley order to a marketwide pooling arrangement and in light of the necessity for instituting this base-excess plan on such short notice the first base-forming period should not begin until August 1, 1967. This will insure greater equity among all producers by allowing time for adjustments to be made to the changed market structure without a reduction in the size of the producer's base.

The first base-forming period should be August through December 1967. The number of calendar days during this period, therefore, would be 153 and in the case of every-other-day delivery beginning on August 1, the total days delivered would be 154. Bases would be computed in the same manner as otherwise provided except that the minimum divisor should be reduced by the previously discussed 30-day contingency period. During this first base-forming period, therefore, the minimum divisor will be 123.

With respect to provisions hereinafter discussed relating to bases for producers transferring from either the Washington, D.C., or Upper Chesapeake Bay markets during the base-forming period and for producers delivering to plants which become pool plants after the beginning of the base-forming period, it is concluded that such bases formed during the initial base-forming period should be computed from deliveries during August through December the same as for the other producers. This will provide each affected producer equal treatment under these provisions.

Bases are applicable only during the months of March through June which are the months of highest production and of least need for additional supplies. Any producer who does not establish a base during the months of July through December has not, in fact, served the market when his milk was needed; therefore, he should not appropriately share in the Class I sales during the four flush production months when his milk would not be needed for Class I use. However, provision should be made to cover a situation in which a producer transfers from the Washington, D.C., or Upper Chesapeake Bay markets to the Delaware Valley market during the base-forming period.

There is a close interrelationship between the three markets. To a large degree they draw upon the same supply area and producers should not be unduly inhibited from shifting between the markets in response to the varying needs of the markets.

Such a provision should allow a producer who has delivered to either of the other two markets during the July through September period and then to the Delaware Valley market during the October through December period to establish a base under the Delaware Valley order computed from total deliveries to all three orders during the entire July through December base-forming period.

Both the Washington, D.C., and Upper Chesapeake Bay orders contain base-excess plans essentially identical to the plan herein proposed for the Delaware Valley order. Therefore, producers delivering to these markets during the base-forming period are in fact operating under a base-excess plan and are producing accordingly for a fluid market. However, providing that they can form a full base under the Delaware Valley order only if they delivered to the Delaware Valley market during the last 3 months of the base-forming period assures that they have been associated with that market when the supplies are most needed.

The Washington, D.C., and Upper Chesapeake Bay orders now have similar provisions for transfer of producers between those two orders. Although, these two orders do not presently provide for similar transfers from the Delaware Valley market, the interrelationship of these markets and the similarity of base plans requires that the Delaware Valley order provide for such transfers.

Producers and producer representatives associated with the New York-New Jersey market proposed that similar treatment be provided for producers who might wish to transfer from the New York-New Jersey market which operates a seasonal incentive (Louisville) plan. Similar treatment in such case would be unjustified since the two types of plans are not compatible for the purposes of transferring base-forming rights. If similar provisions were made, a producer could associate himself with a pay-back market until October 1 and then form a base on the Delaware Valley market which includes deliveries to the other market for which the producer would have shared in part in payments under the seasonal incentive plan. Then in the flush months such producer would benefit by drawing a base price under the Delaware Valley order while his counterparts under the "Louisville" plan were receiving a lower price during the take-out period. Such treatment would allow the producer a decided financial advantage under both orders without commitment to either market. Therefore, this modification is denied.

Provision also should be made for computing bases for dairy farmers delivering to a plant which first achieves pool plant status after the beginning of the base-forming period. For such farmers bases should be computed from records of deliveries to the plant during the applicable base-forming period. Also, provision should be made for a producer who delivered to a pool plant during September through December but was considered as a "dairy farmer for other markets" during the immediately preceding months of July and August to have his base computed from his total deliveries to the pool and nonpool plants of the handler during the entire July through December period. These two provisions will permit such producers to share equitably with all other producers in the returns for milk.

Operation of the base-excess plan for paying producers requires certain rules in connection with the establishment and transfer of bases to provide reasonable administrative workability of the plan.

In general these rules herein adopted are identical to those contained in the Washington, D.C., and Upper Chesapeake Bay orders. Because the three markets to a large extent draw from a common supply area it was considered desirable to provide a base-excess plan for the Delaware Valley order essentially identical to those contained in the other two orders. Since these rules have worked well in the other two orders and because of the interrelationship of the Delaware Valley market's supply with their supply these rules are concluded to be equally appropriate for Delaware Valley.

The order should provide that a base may be transferred in its entirety upon proper application to the market administrator for such transfer signed by the parties involved. Such application is to be made on or before the second day of the month following the month of transfer. It is also necessary for administrative reasons to provide a procedure for assignment of bases in cases of joint ownership where the order provides for the allotment of only one base. In such cases the rules should provide for division of a base among joint holders upon termination of partnership if certain conditions are met. If a copy of the partnership agreement setting forth the percentage of the total interest of the partners in the base is filed with the market administrator before the end of the base-making period then, upon termination of the partnership agreement, each partner would be entitled to his stated share of the base.

When a producer operates more than one farm selling milk eligible for forming a base a separate base should be established for each farm.

During the months of March through June, separate uniform prices will be computed for base milk and excess milk. Base milk of each producer is that quantity of milk delivered by him during the month up to his average daily base multiplied by the number of days of production delivered by him to handlers during the month. Milk delivered in addition to this quantity by the producer will be excess milk.

The uniform price for excess milk would be computed first and is generally the Class II price. However, if the total Class I sales exceed the total quantity of base milk the excess uniform price is a blend of the Class I and Class II usage of excess milk.

The uniform price for base milk is determined by dividing the total volume of base milk into the remaining value of milk of all producers after subtracting the value of excess milk.

In some cases, due to audit adjustment or inventory classification, the normal procedure for calculation of base and excess prices might result in a base price higher than the Class I price. If this should occur, such additional value over the Class I prices should be assigned first to excess milk until the value of excess milk per hundredweight is brought up to the Class I price and any remaining additional value should be prorated between base and excess milk.

The order presently provides for location differentials to producers at the Class I rate applicable to handlers. Such differentials should continue to apply to all producer milk during July through February and to producer base milk during March through June. However, application of the Class I rate to excess milk during March through June could result in the excess price at certain locations being lower than the Class II use value of the milk at such locations. Therefore, the order should provide that excess milk be subject to the same location differential rate as the handler Class II location differential rate.

Emergency action. The notice of hearing stated that consideration would be given to the economic and emergency marketing conditions relating to this proposed amendment. Producer representatives requested emergency action in order that the plan be made effective as soon as possible. This was to provide as close to a full initial base-forming period as possible so as to properly affect production decisions during the 1967 base-forming period and the 1968 base-paying period.

It is concluded that these ends can be achieved without the omission of the recommended decision. Therefore, the request to eliminate the issuance of the recommended decision and the opportunity to file exceptions thereto is denied.

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

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

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

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order as amended regulating the handling of milk in the Delaware Valley marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

1. In § 1004.16, the period at the end of paragraph (c) is changed to a semicolon and new paragraphs (d) and (e) are added to read as follows:

§ 1004.16 Milk and milk products.

* * * * *

(d) "Base milk" means milk received from a producer by a pool handler during any of the months of March through June of each year which is not in excess of such producer's daily base computed pursuant to § 1004.63 multiplied by the number of days in such months on which such producer's milk was so received: *Provided,* That with respect to any producer on every-other-day delivery, the day of nondelivery prior to a day of delivery, although such prior day is in the preceding month, shall be considered as a day of delivery for the purpose of this paragraph;

(e) "Excess milk" means milk received from a producer by a pool handler during any of the months of March through June which is in excess of base milk received from such producer during such month.

2. In § 1004.22, subparagraph (2) of paragraph (j) is revised and a new paragraph (o) is added, both to read as follows:

§ 1004.22 Duties.

* * * * *

(j) * * *

(2) The 13th day of each month, the uniform price(s) computed pursuant to §§ 1004.71 and 1004.72 and the butterfat differential to producers computed pursuant to § 1004.81, both for the preceding month;

* * * * *

(o) On or before February 20 of each year notify:

(1) Each cooperative association of the daily base established by each producer member of such association; and

(2) Each nonmember producer of the daily base established by such producer.

3. A new § 1004.63 is added to read as follows:

§ 1004.63 Computation of base for each producer.

For each of the months of March through June each year the market administrator shall compute, subject to the rules set forth in § 1004.64, a base for each producer described in paragraphs (a) through (d) of this section by dividing the applicable quantity of milk receipts specified in such paragraph by 184 (by 185, in the case of a producer on every-other-day delivery schedule who delivered July 1) less the number of days, if any, during the immediately preceding base-forming period of July through December for which it is shown that the day's production of milk of such producer was not received by a pool handler as described in the applicable paragraphs (a), (b), (c), or (d) of this section under which such producer's base is computed: *Provided*, That in no event shall the number of days used to compute a producer's base pursuant to this part be less than 154; except that with respect to this paragraph and paragraphs (a), (b), and (c) of this section the initial base-forming period shall be August through December 1967 and the minimum number of days used to compute the producer's base which will be applicable during the March through June 1968 base-paying period shall be not less than 123:

(a) For any producer, except as provided in paragraphs (b), (c), and (d) of this section, the quantity of milk receipts shall be the total pounds of producer milk received by all pool handlers from such producer during the preceding months of July through December;

(b) For any producer whose milk was received during the preceding months of July through December at a plant which became a pool plant after the beginning of such base-earning period, the quantity of milk receipts shall be the total pounds of milk received from such dairy farmer during such July–December period by pool handlers as producer milk or at the plant as a nonpool plant;

(c) For any producer who, during any of the three base-earning months July through September the preceding year (two base-earning months of August and September 1967 during the initial base-earning period), qualified under Order 3 (Washington, D.C.) or Order No. 16 (Upper Chesapeake Bay) as a producer and was a producer under Order No. 4 during all of each of the three remaining base-earning months of October, November, and December, the quantity of milk receipts shall be the total pounds of milk received from such farmer during all of the months of July through December by pool handlers under each of the orders; or

(d) For any producer not described in paragraphs (b) or (c) of this section but whose milk was received by a handler as producer milk during the months of September, October, November, and December of the preceding year at a pool plant at which receipt of his milk in the immediately preceding months of July and August would have qualified or did qualify his as a "dairy farmer for other markets" pursuant to § 1004.14(b), the quantity of milk receipts shall be the total pounds of milk received from such producer by pool handlers during such months of July through December and verified receipts at the nonpool plant of the handler, affiliate of the handler or any person who controls or is controlled by the handler during such months of July through September.

4. A new § 1004.64 is added to read as follows:

§ 1004.64 Base rules.

The following rules shall apply in connection with the establishment of bases:

(a) A base computed pursuant to § 1004.63 or as designated pursuant to paragraph (c) of this section may be transferred in its entirety to any other person upon written application to the market administrator on or before the second day of the month following the month of transfer. Such application shall be on a form approved by the market administrator and shall be signed by the base holder, or his heirs, or assigns and by the person to whom such base is to be transferred: *Provided*, That if a base is held jointly, the entire base shall be transferable only upon receipt of such application signed by all joint holders or their heirs, or assigns;

(b) If a producer operates more than one farm, and milk is received from each at a pool plant or by a cooperative association in its capacity as a handler pursuant to § 1004.10 (b) or (c), he shall establish a separate base with respect to producer milk delivered from each such farm;

(c) Only one base shall be allotted with respect to milk produced by one or more persons where the dairy farm is jointly owned or operated: *Provided*, That in the case of a base established jointly, if a copy of the partnership agreement setting forth as a percentage of the total the interests of the partners in the base is filed with the market administrator before the end of the base-making period, then upon termination of the partnership agreement each partner will be entitled to his stated share of the base to hold in his own right, or to transfer as provided in paragraph (a) of this section (including transfer to a partnership of which he is a member) such division with respect to any member of the partnership to be effective as of the end of any month during which an application for such division signed by each member is received by the market administrator.

5. In § 1004.71, the introductory paragraph and paragraph (f) are revised to read as follows:

§ 1004.71 Computation of uniform price.

For each month the market administrator shall compute the weighted average price and for each of the months of July through February the uniform price per hundredweight of milk received from producers as follows:

* * * * *

(f) Subtract not less than four cents or more than five cents per hundredweight. The result shall be the single "weighted average price" and also the "uniform price" per hundredweight for milk of 3.5 percent butterfat received from producers in the months of July through February.

6. A new § 1004.72 is added to read as follows:

§ 1004.72 Computation of uniform prices for base milk and excess milk.

For each of the months of March through June the market administrator shall compute the uniform prices per hundredweight for base milk and excess milk received from producers, each of 3.5 percent butterfat content, f.o.b. market, as follows:

(a) Compute the aggregate value of excess milk for all handlers included in the computations pursuant to § 1004.71 (a) as follows:

(1) Multiply the hundredweight quantity of such milk which does not exceed the total quantity of producer milk received by such handlers assigned to Class II milk by the Class II milk price;

(2) Multiply the remaining hundredweight quantity of excess milk by the Class I milk price; and

(3) Add together the resulting amounts;

(b) Divide the total value of excess milk obtained in paragraph (a) of this section by the total hundredweight of such milk and round to the nearest cent. The resulting figure shall be the uniform price for excess milk;

(c) From the amount resulting from the computations of § 1004.71 (a) through (d) subtract an amount computed by multiplying the hundredweight of milk specified in § 1004.71(e)(2) by the weighted average price;

(d) Subtract the total value of excess milk determined by multiplying the uniform price obtained in paragraph (b) of this section by the hundredweight of excess milk, from the amount computed pursuant to paragraph (c) of this section;

(e) Divide the amount calculated pursuant to paragraph (d) of this section by the total hundredweight of base milk for handlers included in these computations: *Provided*, That if the resulting price should exceed the Class I price by more than the amount deducted pursuant to paragraph (f) of this section the aggregate amount in excess thereof shall be included in the computation of the excess price pursuant to paragraph (a) of this section, except that if by such addition the excess price should exceed the base price then the aggregate amount of the excess shall be prorated to the aggregate values of base milk and excess milk on the basis of the respective volumes of base and excess milk; and

(f) Subtract not less than four cents nor more than five cents from the price

computed pursuant to paragraph (e) of this section. The resulting figure shall be the uniform price for base milk.

7. In § 1004.80, paragraph (a) and subparagraph (2) of paragraph (d) are revised to read as follows:

§ 1004.80 Time and method of payment.

(a) Except as provided in (b) and (d) of this section, each pool handler shall make payment as specified in subparagraph (1) and (2) of this paragraph to each producer from whom milk is received.

(1) On or before the last day of each month at not less than the Class II price for the preceding month per hundredweight for his deliveries of producer milk during the first 15 days of the months of July through February and for his deliveries of base milk during the first 15 days of the months of March through June; and

(2) On or before the 20th of the following month at not less than the uniform price computed pursuant to § 1004.71 for the month of July through February and at not less than the price for base milk computed pursuant to § 1004.72 (c) through (f) with respect to base milk received from such producer and not less than the excess price determined pursuant to § 1004.72 (a) and (b) for excess milk received from such producers for the months of March through June subject to the following adjustments:

(i) Proper deductions authorized in writing by such producers;

(ii) Partial payments made pursuant to subparagraph (1) of this paragraph;

(iii) The butterfat differential computed pursuant to § 1004.81; and

(iv) Less the location differential received pursuant to § 1004.82: *Provided*, That if by such date such handler has not received full payment from the market administrator pursuant to § 1004.85 for such month he may reduce pro rata his payments to producers by not more than the amount of such underpayment. Payment to producers shall be completed thereafter not later than the date for making payments pursuant to this paragraph next following after receipt of the balance due from the market administrator;

* * * * *

(d) * * *

(2) A final payment equal to the value of such milk at the uniform price(s) adjusted by the applicable differentials pursuant to §§ 1004.81 and 1004.82, less the amount of partial payment on such milk.

8. Section 1004.82 is revised to read as follows:

§ 1004.82 Location differential to producers.

(a) For milk received from producers and from cooperative association handlers pursuant to § 1004.10(c), subject to the exception contained in § 1004.15(d):

(1) The uniform price computed pursuant to § 1004.71 during any month(s) of July through February and the uniform price for base milk computed pursuant to § 1004.72 for base milk received from producers during any month(s) of March through June at a pool plant located at least 45 miles from the nearest of the city halls, in Philadelphia, Pennsylvania; Atlantic City or Trenton, New Jersey, by the shortest highway distance as determined by the market administrator shall be reduced 23 cents plus one and one-half cent for each additional 10 miles.

(2) The uniform price for excess milk computed pursuant to § 1004.72 for excess milk received from producers during any month(s) of March through June at a pool plant at which a location differential applies shall be reduced by a location differential computed pursuant to § 1004.52(c).

(b) For purposes of computations pursuant to §§ 1004.84 and 1004.85 the weighted average price shall be reduced at the rates set forth in paragraph (a) (1) of this section applicable at the location of the plant(s) at which the milk was received with respect to other source milk for which a value is computed pursuant to § 1004.70(e) (1) and at the location of the nonpool plant(s) from which the milk was received with respect to other source milk for which a value is computed pursuant to § 1004.70(e) (2).

9. In § 1004.84, paragraph (b) is revised to read as follows:

§ 1004.84 Payments to the producer-settlement fund.

* * * * *

(b) The sum of:

(1) The value of milk received by such handler from producers and from cooperative association handlers pursuant to § 1004.10(c) at the applicable uniform price(s) pursuant to § 1004.71 and § 1004.72 adjusted by producer butterfat and location differentials, less in the case of a cooperative association on milk for which it is a handler pursuant to § 1004.10(c), the amount due from other handlers pursuant to § 1004.80(d); and

(2) The value at the weighted average price adjusted by the producer butterfat differential pursuant to § 1004.81 and the location differential on nonpool milk pursuant to § 1004.82(b) (not to be less than the value at the Class II price) with respect to other source milk for which values are computed pursuant to § 1004.70(e).

Signed at Washington, D.C., on June 30, 1967.

CLARENCE H. GIRARD,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 67-7735; Filed, July 5, 1967; 8:49 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 91]

[Docket No. 8254; Notice 67-24]

VOR EQUIPMENT CHECK OUTSIDE THE UNITED STATES

Notice of Proposed Rule Making

The Federal Aviation Administration is considering amending Part 91 of the Federal Aviation Regulations to provide for VOR equipment checks outside the United States using test signals and checkpoints that have not been approved or designated by the Administrator.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to: Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket GC-24, 800 Independence Avenue SW., Washington, D.C. 20590. All communications received on or before September 4, 1967, will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

When the VOR equipment check requirements were originally adopted in CAR Part 43, they were applicable only to operations conducted in the United States. They were recodified into FAR § 91.25 and by virtue of a recent amendment (Amendment 91-29), are now applicable to operations by U.S. registered civil aircraft outside the United States. Since the FAA does not operate, approve, or designate test signals and checkpoints for conducting VOR equipment checks outside the United States, the operators of these aircraft are forced to rely on the less accurate methods provided for by § 91.25(b) (4). This proposed amendment would allow the use of test signals or checkpoints that are operated, approved, or designated by appropriate authority outside the United States. Appropriate authority would include both foreign governments and the U.S. military forces serving abroad.

In consideration of the foregoing, it is proposed to amend Part 91 by amending § 91.25(b) to read as follows:

§ 91.25 VOR equipment check for IFR operations.

* * * * *

(b) Except as provided in paragraph (c) of this section, each person conduct-

ing a VOR check under paragraph (a) (2) of this section, shall—

(1) Use, at the airport of intended departure, an FAA operated or approved test signal or, outside the United States, a test signal operated or approved by appropriate authority, to check the VOR equipment (the maximum permissible indicated bearing error is plus or minus 4 degrees);

(2) If a test signal is not available at the airport of intended departure, use a point on an airport surface designated as a VOR system checkpoint by the Administrator or, outside the United States, by appropriate authority (the maximum permissible bearing error is plus or minus 4 degrees);

(3) If neither a test signal nor a designated checkpoint on the surface is available, use an airborne checkpoint designated by the Administrator or, outside the United States, by appropriate authority (the maximum permissible bearing error is plus or minus 6 degrees); or

(4) * * *

(Secs. 307, 313(a), and 601; 49 U.S.C. 1348, 1354(a), and 1421)

Issued in Washington, D.C., on June 29, 1967.

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

[F.R. Doc. 67-7669; Filed, July 5, 1967; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[14 CFR Parts 221, 399]

[Docket No. 18256; EDR-112B; PSDR-17B]

TARIFFS OF AIR CARRIERS AND FOREIGN AIR CARRIERS

Passenger Charges for Visual In-Flight Entertainment in Interstate and Overseas Air Transportation; Supplemental Notice

JUNE 29, 1967.

The Board in 32 F.R. 4076, March 15, 1967, and by circulation of EDR-112, PSDR-17, dated March 9, 1967, gave notice that it had under consideration proposed amendments to Part 221 of the Economic Regulations (14 CFR Part 221) and Part 399 of its Statements of General Policy (14 CFR Part 399). Inter alia, the proposed amendments would state the policy of the Board that, in the absence of a contrary showing, a tariff providing for a charge of less than $2 for visual in-flight entertainment which includes a full-length feature motion picture would be considered unjust and unreasonable. Subsequently, in a related proceeding—IATA Agreement Relating to In-flight Entertainment, Docket 17828—the Board directed U.S. carrier members of IATA to submit data concerning their experience with the $2.50 charge for in-flight entertainment and ordered Inflight Motion Pictures, Inc., to submit data upon its contracts by June 19, 1967, and provision was made for the filing of comments on such data and reply comments in that proceeding (Order E-25153, May 16, 1967). By EDR-112A/PSDR-17A, 32 F.R. 8921, June 22, 1967, the Board gave notice that it would consider the data and comments filed pursuant to Order E-25153, supra, in this rule making proceeding and invited interested persons to submit comments on such data and reply comments by July 5 and July 11, 1967, respectively. However, the Board has extended the time for filing comments and reply comments in the IATA Agreement proceeding to July 27 and August 3, respectively. Good cause exists for a like extension of time for the filing of comments and reply comments in this proceeding.

Accordingly, pursuant to authority delegated in § 385.20(d) of the Board's organization regulations, effective June 21, 1967, the undersigned hereby extends the time for submitting comments to July 27, 1967, and the time for filing reply comments to August 3, 1967.

(Sec. 204(a), Federal Aviation Act of 1958, as amended, 72 Stat. 743; 49 U.S.C. 1324)

By the Civil Aeronautics Board.

[SEAL] ARTHUR H. SIMMS,
Associate General Counsel,
Rules and Rates Division.

[F.R. Doc. 67-7700; Filed, July 5, 1967; 8:47 a.m.]

[14 CFR Part 389]

[Docket No. 18745; ODR-3]

FEES AND CHARGES FOR SPECIAL SERVICES

Certain Filing and License Fees

JUNE 29, 1967.

Notice is hereby given that the Civil Aeronautics Board has under consideration reissuance and amendment of the above part which would set forth additional fees for Board services. The principal features of the proposed amendments are further described in the explanatory statement, and the proposed amendments are set forth in the proposed rule. This regulation is proposed under the authority of section 204(a) of the Federal Aviation Act of 1958 (72 Stat. 743, 49 U.S.C. 1324) and Title V of the Act of August 31, 1951 (65 Stat. 290, 5 U.S.C. 140).

Interested persons may participate in the proposed rule making through submission of 10 copies of comments addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C. 20428. All relevant matter in communications received on or before August 7, 1967, will be considered by the Board before taking action on the proposal. Copies of such communications will be available for examination by interested persons in the Docket Section of the Board, Room 710 Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., upon receipt thereof.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

Explanatory statement. Title V of the Act of August 31, 1951, 5 U.S.C. 140, expresses the policy of Congress "that any work, service, publication, report, document, benefit, privilege, authority, use, franchise, license, permit, certificate, registration, or similar thing of value or utility performed, furnished, provided, granted, prepared, or issued by any Federal Agency * * * to or for any person * * * except those engaged in the transaction of official business of the Government, shall be self-sustaining to the full extent possible * * *." In order to accomplish this objective, the statute authorizes the head of each agency to prescribe by regulation such fees and charges as he shall determine to be fair and equitable "taking into consideration direct and indirect cost to the Government, value to the recipient, public policy or interest served, and other pertinent facts." The Bureau of the Budget, in implementing this policy, has issued Circular A-25, September 23, 1959, which sets forth general policies for developing an equitable and uniform system of charges for certain government services.

The Board, in conducting its regulatory activities, confers special benefits on indentifiable recipients above and beyond those which accrue to the public, and it is therefore proper, and in implementation of the sense of Congress as indicated above, that these recipients should bear a greater share of the Board's costs. At the same time, it is clear that some part of the Board's expense should be financed by the general revenue. The proposed fees set forth in Subpart C represent approximately one-fourth of the direct costs incurred by the Board in relation to the various matters involved, and, in our opinion, represent reasonable recoveries in relation to the benefits accruing to those to whom the fees apply.

Because of the public policy and interest served, the proposed rule would exempt governments or instrumentalities thereof, as well as foreign direct and indirect air carriers, from the payment of the fees. The general rules applicable to payment of fees and the fee schedule itself are believed self-explanatory with the exception of the license fee provided by § 389.24(a)(2). The latter provides for the payment of a license fee by each carrier which, pursuant to its application, is issued a certificate or has its certificate amended. This fee is based on annual gross transport revenue increase, as estimated by the Board, resulting from the new or changed authority in accordance with a specified schedule. The estimate of gross annual transport revenue increase will ordinarily be determined from the Board's findings in its opinion or order in the case. It is contemplated that this determination will be made under delegated authority by the Executive Director with appropriate procedures for review of this determination by the Board.

Subparts A and B of the proposed rule represent recodification of the present Part 389, and the substantive amendments appear in Subpart C.

Proposed rule. It is proposed to amend and reissue Part 389 of the Organization Regulations (14 CFR 389) to read as follows:

PART 389—FEES AND CHARGES FOR SPECIAL SERVICES

Subpart A—General Provisions

Sec.
389.1 Policy and scope.

Subpart B—Fees for Special Services

389.10 Applicability of subpart.
389.11 Services available.
389.12 Payment of fees and charges.
389.13 Fees for services.
389.14 Copying records and documents.
389.15 Certification of copies of documents.
389.16 Board publications.
389.17 Transcripts of hearings.

Subpart C—Filing and License Fees

389.20 Applicability of subpart.
389.21 Payment of fees.
389.22 Failure to make proper payment.
389.23 Exemption.
389.24 Schedule of filing and license fees.

Subpart A—General Provisions

§ 389.1 Policy and scope.

Pursuant to the provisions of Title V of the Independent Offices Appropriation Act of 1952 (5 U.S.C. 140) as implemented by Bureau of Budget Circular A-25, dated September 23, 1959, the Board sets forth in this regulation the special services made available by the Board and prescribes the fees to be paid for these and various other services.

Subpart B—Fees for Special Services

§ 389.10 Applicability of subpart.

This subpart describes certain special services made available by the Board and prescribes the fees and charges for these services.

§ 389.11 Services available.

Upon request and payment of fees as provided in subsequent sections, there are available, with respect to documents subject to inspection, services as follows:

(a) Copying records and documents.

(b) Certification of copies of documents under seal of the Board.

(c) Subscriptions to publications of the Board.

(d) Transcripts of hearings.

§ 389.12 Payment of fees and charges.

The fees charged for special services may be paid by check, draft, or postal money order, payable to the Civil Aeronautics Board, except for charges for reporting services which are performed under competitive bid contracts with non-Government firms. Fees for reporting are payable to the firms providing the services.

§ 389.13 Fees for services.

Except for photocopy work, the basic fees set forth below provide for documents to be mailed with ordinary first class postage prepaid. If copy is to be transmitted by registered, certified, air, or special delivery mail, postal fees therefor will be added to the basic fee. Also, if special handling or packaging is required, costs therefor will be added to the basic fee. For photocopy work, postage will be in addition to the fee for copying.

§ 389.14 Copying records and documents.

Copies of public records and documents on file with the Civil Aeronautic Board, as it may be practicable to furnish, will be provided upon request therefor and payment of fees as set forth below:

(a) Copies of documents are made by Board facilities, or by non-Government contractors.

(b) The fee for photocopying, including handling, will be at the rate of 35 cents per page.

(c) A minimum fee of $1 excluding postage will be charged for this service.

(d) The fee for copying by non-Government contractors will be that established in the contracts with the Board and will be billed directly by such contractors.

§ 389.15 Certification of copies of documents.

(a) The Secretary of the Board will provide, on request, certification or validation (with the Civil Aeronautics Board seal) of documents filed with or issued by the Board. Copies of tariffs filed with the Board will be certified only when such copies have been made under the Board's supervision upon request of the applicant. Charges for this service are as follows:

(b) Certification of the Secretary, $2. This fee includes clerical services involved in checking the authenticity of records to be certified, and shall be prepaid with the request. If copying of the documents to be certified is required, the copying charges provided for in § 389.14 will be in addition to the charges specified in this section.

§ 389.16 Board publications.

(a) *Charges for subscriptions.* Charges are established for subscriptions to Board publications for which there are regular mailing lists. Publications available, and charges therefor, are described in the "List of Publications" available on request to the Board's Publications Section, B-22, Washington, D.C. 20428. This list and the charges therein are subject to revision at least annually and without prior notice. Subscriptions to publications are for calendar year terms and all subscriptions expire on December 31 of each year. Subscriptions to weekly or monthly publications for periods of less than a full calendar year will be prorated on a monthly basis. Quarterly publications will be proroted on a quarterly basis. No provision is made for refund upon cancellation of subscription by a purchaser. Payment for subscriptions in the form prescribed in § 389.12 shall accompany the subscription order.

(b) *Free services.* No charge will be made by the Board for notices, decisions, orders, etc., required by law to be served on a party to any proceeding or matter before the Board. No charge will be made for single copies of Board publications individually requested in person or by mail, except where a charge is specifically fixed for a publication at the time of its issuance. In addition, subscriptions to Board publications will be entered without charge when one of the following conditions is present:

(1) The furnishing of the service without charge is an appropriate courtesy to a foreign country or international organization;

(2) The recipient is engaged in a nonprofit activity designed for the public safety, health, and welfare in the field of civil aeronautics;

(3) The recipient is another government agency, Federal, State or local, concerned with aeronautics or having a legitimate interest in the proceedings and activities of the Board;

(4) The recipient is a college or university;

(5) The recipient does not fall into any of the foregoing categories, but free service at a reduced rate is determined by the Board to be appropriate in the interest of and contributing to the Board's program.

(c) *Reciprocal services.* Arrangements may be made for furnishing publications to a foreign country on a reciprocal basis.

§ 389.17 Transcripts of hearings.

Transcripts of testimony and oral argument are furnished by a non-Government contractor, and may be purchased directly from the reporting firm.

Subpart C—Filing and License Fees

§ 389.20 Applicability of subpart.

This subpart prescribes the fees for filing certain documents with the Board and the license fees to be paid by air carriers which are issued certificates or which have their certificates amended and the general rules pertaining to such fees.

§ 389.21 Payment of fees.

(a) Any document for which a filing fee is required by § 389.24 shall be accompanied by check, draft or postal money order, payable to the Civil Aeronautics Board, in the amount prescribed herein.

(b) The license fee required by § 389.24(a)(2) shall be paid within 30 days of notification by the Board of the amount determined by it to be due.

(c) Where a document seeks authority or relief in the alternative and therefore would otherwise be subject to more than one filing fee, only the highest fee shall be required.

(d) No fee shall be returned after the document has been filed with the Board, except as provided in § 389.24(a)(1).

§ 389.22 Failure to make proper payment.

Documents which are not accompanied by the filing fees required by § 389.24 will be returned to the sender, and such documents will not be considered as filed with the Board.

§ 389.23 Exemption.

Governments, and instrumentalities or agencies thereof, and foreign direct

and indirect air carriers are exempted from the fee requirements prescribed herein.

§ 389.24 Schedule of filing and license fees.

(a) *Certificates of public convenience and necessity.* (1) The filing fee for an application, under section 401 of the Act, (i) for a certificate of public convenience and necessity to engage in air transportation, or (ii) to amend, modify, renew or transfer a certificate or to abandon a route or a part thereof, is $200, of which $100 will be refunded if the application is withdrawn prior to hearing or dismissed under the stale application rule of § 302.911 of this chapter.

(2) In addition to the filing fee, one of the following license fees shall be paid by each carrier which, pursuant to its application, is issued a certificate or has its certificate amended:

(i) A fee based on annual gross transport revenue increase, as estimated by the Board, resulting from new or changed authority in accordance with the following schedule:

Over—	Under—	Fee
$0 to	$100,000	$100
$100,000 to	$1,000,000	1,200
$1,000,000 to	$5,000,000	6,000
$5,000,000 to	$10,000,000	12,000
$10,000,000 or	Over	25,000

or

(ii) A fee of $1,000 for each point involved where annual gross transport revenues are not estimated by the Board to increase from delegation or consolidation of points.

(b) *Agreements.* The filing fee for a contract or agreement filed under section 412(a) of the Act is $20: *Provided, however,* That where the filing seeks approval of more than one contract, agreement or conference resolution, a separate filing fee will be assessed for each such separate contract, agreement or resolution: *Provided further,* That identical resolutions in the same filing applicable to different IATA conference areas will be counted as one resolution.

(c) *Air cargo pickup and delivery service.* The filing fee for an application, under § 222.3 of this chapter, for tariff filing authority providing for pickup and delivery service is $150.

(d) *Airport notice or authorization.* The filing fee (1) for an airport notice, under § 202.3(a) of this chapter or § 203.5(a) of this chapter, to permit a certificated route carrier to serve a point regularly through an airport not then regularly used by such carrier, or (2) for an application, under § 202.3(b)(2) of this chapter, for permission to use an airport, is $30.

(e) *Change in service pattern.* The filing fee for an application, under Parts 202, 203, or 376 of this chapter, for change in service pattern or an approved service plan is $240.

(f) *Change of name.* The filing fee for an application, under Part 215 of this chapter, for a change of name or use of a trade name is $300.

(g) *Delay inauguration of or temporarily suspend service.* The filing fee for an application, under Part 205 of this chapter, for authority to delay inauguration of service or to temporarily suspend service is $240.

(h) *Exemptions from section 401 and special operating authorization.* The filing fee for an application (1) for an exemption under section 416(b) of the Act from the provisions of section 401 of the Act (except an application dealing with a single specifically described charter flight), or (2) for a special operating authorization under section 417 of the Act, is $240.

(i) *Exemptions from section 403.* The filing fee for an application for exemption under section 416(b) of the Act from the provisions of section 403 of the Act is $25.

(j) *Other exemptions and Part 208 and 295 waivers.* The filing fee for (1) an application for exemption under section 101(3) and section 416(b) of the Act, except applications within the provisions of §§ 389.24(h) or (i), or (2) a request under § 208.3a of this chapter or § 295.3 of this chapter for a waiver of any of the provisions of Part 208 of this chapter or Part 295 of this chapter, respectively, is $55.

(k) *Free or reduced-rate authority, waiver of tariff regulations, and special tariff permission.* The filing fee for applications (1) under § 223.8 of this chapter for authority to furnish free or reduced-rate overseas or foreign air transportation, (2) under § 221.200 of this chapter for waiver or modification of the provisions of Part 221 of this chapter with respect to the filing and posting of tariffs, or (3) for special tariff permission under § 221.133 of this chapter or § 221.191 of this chapter, is $7.

(l) *Inclusive tour charters.* The filing fee for an application for a Statement of Authorization under § 378.11 of this chapter to conduct inclusive tour charters is $75 for each tour charter described.

(m) *Interlocking relationships under section 409.* The filing fee for an application for approval of interlocking relationships, under section 409 of the Act, is $175.

(n) *Merger, acquisition of control, etc., under section 408.* The filing fee for an application, under section 408 of the Act, is $65, except that for an application for merger or consolidation, the filing fee is $2,000 for each carrier named in the merger or consolidation.

(o) *Operating authorization — air freight forwarder.* The filing fee for an application, under Part 296 of this chapter or 297 of this chapter, for operating authorization as an air freight forwarder or international air freight forwarder is $275.

(p) *Tariff filing.* The filing fee for tariffs filed pursuant to section 403 of the Act is $1 per tariff page.

[F.R. Doc. 67-7702; Filed, July 5, 1967; 8:47 a.m.]

FEDERAL TRADE COMMISSION

[16 CFR Part 415]

ADVERTISING OF NONPRESCRIPTION SYSTEMIC ANALGESIC DRUGS

Notice of Trade Regulation Rulemaking Proceeding

Notice is hereby given that the Federal Trade Commission, pursuant to the Federal Trade Commission Act, as amended, 15 U.S.C. 41, et seq., and the provisions of Part 1, Subpart B of the Commission's procedures and rules of practice, 32 F.R. 8444 (June 13, 1967), has initiated a proceeding for the promulgation of a Trade Regulation Rule regarding unfair and deceptive acts or practices in the advertising of nonprescription systemic analgesic drugs.

The Commission has initiated this proceeding, having reason to believe that manufacturers and other marketers of nonprescription systemic analgesic drug preparations, in the advertising of such products, have: (1) made representations with respect to the efficacy or safety thereof which contradict or exceed the warnings, statements or directions for use appearing on the label or in the labeling thereof; (2) falsely and deceptively represented that the analgesic effects resulting from the use of their products are faster, stronger, or longer lasting than those achieved by use of such competing products. (It appears that each of the various analgesic products now offered to the consuming public is effective to essentially the same degree as all other competing products supplying an equivalent quantity of an analgesic ingredient or combination of ingredients); (3) claimed that benefits will be derived from the action of a specified ingredient or combination of ingredients without disclosing the identity of such ingredient or combination of ingredients by its common or usual name(s); (4) claimed that benefits will be derived from the action of any specified ingredient or combination of ingredients without having established that each such ingredient or combination of ingredients is efficacious for the purpose for which it is offered when the product is taken in accordance with directions for use; and, therefore, that (5) these practices constitute an unfair method of competition and an unfair and deceptive act or practice, in violation of sections 5 and 12 of the Federal Trade Commission Act.

In taking this action the Commission has considered, among other things, the results of an extensive staff investigation of advertising representations for nonprescription systemic analgesic drugs, and on the basis of its accumulated experience and available studies and reports, is of the opinion that the public interest in a Trade Regulation Rulemaking proceeding is specific and substantial.

Accordingly, the Commission therefore proposes the following Trade Regulation Rule:

§ 415.1 The Rule.

In connection with the sale or offering for sale of nonprescription systemic analgesic drug preparations, subject to jurisdictional requirements of sections 5 and 12 of the Federal Trade Commission Act, it is an unfair method of competition and/or an unfair or deceptive act or practice to disseminate any advertisement which:

(a) Contains any representation with respect to efficacy or safety which contradicts, or in any manner exceeds, the warnings, statements or directions for use appearing on the label or in the labeling of such product; or

(b) Represents that any analgesic effects resulting from the use of such product are faster, stronger, or longer lasting than those achieved by the use of a competitive product unless the advertiser has established and can demonstrate that a significant difference in such effects exists due to an increased total quantity of analgesic ingredient(s) in the recommended dosage, and this fact is clearly and conspicuously disclosed in the advertisement; or

(c) Represents that any benefit will be derived from the action of any specified ingredient or combination of ingredients unless—

(1) The identity of such ingredient or combination of ingredients is clearly and conspicuously disclosed by its common or usual name(s), and,

(2) The advertiser has established and can demonstrate that each such ingredient or combination of ingredients is efficacious as represented for the purpose for which it is offered when the product is taken in accordance with directions for use.

For the purpose of carrying out the provisions of the statutes administered by it, the Commission is empowered to promulgate rules and regulations applicable to unlawful trade practices. Such Trade Regulation Rules express the experience and judgment of the Commission, based on facts of which it has knowledge derived from studies, reports, investigations, hearings, and other proceedings, or within official notice, concerning the substantive requirements of the statutes which it administers.

Where a Trade Regulation Rule is relevant to any issue involved in an adjudicative proceeding thereafter instituted, the Commission may rely upon the rule to resolve the issue, provided that the respondent shall have been given a fair hearing on the applicability of the rule to the particular case.

Protection of the consuming public from false, misleading, deceptive or unfair advertising of products, particularly those that may endanger human health or safety, is a prime duty of the Commission.

All interested persons, including the consuming public, are hereby notified that they may file written data, views, or arguments concerning the proposed Rule and the subject matter of this proceeding with Mr. Joseph W. Shea, Secretary, Federal Trade Commission, Sixth Street at Pennsylvania Avenue NW., Washington, D.C. 20580, not later than September 15, 1967. To the extent practicable, persons wishing to file written presentations in excess of two pages should submit 20 copies.

The data, views, or arguments presented with respect to the proposed rule will be available for examination by interested parties at the office of the Assistant Secretary for Legal and Public Records, Federal Trade Commission, Washington, D.C., and will be considered by the Commission.

All persons, firms, corporations, or others engaged in the sale or distribution of non-prescription analgesic drugs in commerce, as "commerce" is defined in the Federal Trade Commission Act, would be subject to the requirements of any Trade Regulation Rule promulgated in the course of this proceeding.

All interested parties, including the consuming public, are urged to express their approval or disapproval of the proposed rule, or to recommend revisions thereof, and to give a full statement of their views in connection therewith.

Issued: July 5, 1967.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 67-7741; Filed, July 5, 1967; 8:49 a.m.]

Notices

DEPARTMENT OF STATE

Agency for International Development

[Public Notice No. 1]

STATEMENT OF ORGANIZATION, FUNCTIONS, AND PROCEDURES

In compliance with 5 U.S.C. 552, this notice provides for the guidance of the public a description of the central and field organization of the Agency for International Development, the established places at which, the officers from whom and the methods whereby the public may obtain information, make submittals or requests or obtain decisions; statements of the general course and method by which the Agency's functions are channeled and determined, including the nature and requirements of all formal and informal procedures available; rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations; statements of general policy or interpretations of general applicability formulated and adopted by the Agency. Any revision or amendment of this statement will be published in the FEDERAL REGISTER.

I. *Creation and authority of the Agency.* Section 621 of the Foreign Assistance Act of 1961 (75 Stat. 445; 22 U.S.C. 2381), authorizes the President to exercise his functions under that act through such agency or officer of the U.S. Government as he may direct. Executive Order 10973 of November 3, 1961, 26 F.R. 10469, as amended, delegated to the Secretary of State the functions set forth in the Foreign Assistance Act of 1961, Public Law 87-195, 75 Stat. 424, approved September 4, 1961, as amended, and certain other Acts, except with respect to certain matters specifically reserved to the President or delegated to others by that order. The Executive order also directed that the Secretary of State establish an Agency in the Department of State to be known as the Agency for International Development. Pursuant to the authority and direction contained in Executive Order 10973, the Secretary of State issued Delegation of Authority No. 104, November 3, 1961, 26 F.R. 10608 establishing the Agency for International Development as an agency within the Department of State and delegated to the Administrator of that Agency the functions conferred upon the Secretary of State by Executive Order 10973, unless otherwise reserved by the Secretary of State or delegated to others by him.

II. *Program of the Agency.* A. AID has responsibility for carrying out nonmilitary U.S. foreign assistance programs and for continuous supervision and general direction of the assistance programs under the Foreign Assistance Act of 1961 as amended. It also carries out certain functions under the act of September 8, 1960 (74 Stat. 869; 22 U.S.C. 1942 et seq.), to provide for assistance in the development of Latin America and for other purposes, and under Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1691 et seq.).

B. The nonmilitary foreign assistance programs which AID administers include the following major categories of assistance:

1. *Development Loans.* To promote economic development through loans repayable in dollars to less developed friendly countries and areas. Emphasis is placed on assisting long-range plans and programs designed to develop economic resources and increase productive capabilities, taking into account the statutory criteria, such as whether financing could be obtained from other free-world sources on reasonable terms, including private sources within the United States; economic and technical soundness of the activity to be financed, including capacity of the recipient country to repay the loan at a reasonable rate of interest; whether the financed activity gives reasonable promise of contributing to the development of economic resources or to the increase of productive capacities; the contribution the financed activity will make to realizable long-range development objectives and self-sustaining growth; the extent to which the recipient country is demonstrating a clear determination to take effective self-help measures and showing a responsiveness to the vital economic, political and social concerns of its people; and the possible effects of the loan involved upon the U.S. economy.

2. *Technical Cooperation and Development Grants.* To promote the economic development of less developed friendly countries and areas with emphasis on assisting the development of human resources through programs of technical cooperation and development. Statutory criteria for Technical Cooperation and Development Grants largely parallel those for Development Loans but include also requirements that there be taken into account the recipient country's willingness to pay a fair share of the costs of programs under this title, its demonstration of a clear determination to take effective self-help measures, and the desirability of safeguarding the international balance of payments position of the United States. Statutory language directs emphasis on programs of development of education and human resources in countries and areas in earlier stages of economic development and high priority efforts to increase agricultural production where expanding populations or diet deficiencies cause demand to exceed the rate of food production.

Under this title assistance is also authorized to be furnished to schools and libraries abroad founded or sponsored by U.S. citizens and serving as study and demonstration centers for ideas and practices of the United States, and to overseas hospital centers for medical education and research, founded or sponsored by U.S. citizens.

In addition, under this title, there is authority: (1) to make loans (particularly of foreign currencies) to associations of operators of small farms in less developed friendly countries to improve agricultural methods, increase or diversify agricultural productivity and stimulate development of local self-help and mutual cooperation programs; (2) to pay transportation costs of U.S. registered voluntary non-profit relief agencies' shipments of voluntary contributions for relief and rehabilitation of friendly peoples.

3. *Investment Guaranties.* To facilitate and increase participation of private enterprise in furthering the development of the economic resources and productive capacities of less developed friendly countries and areas, the Agency issues guaranties to eligible U.S. investors.

Under Sections 221 through 224 of the Foreign Assistance Act of 1961, as amended, Congress has authorized three investment guaranty programs: (1) Specific political risk guaranties against (a) inconvertibility of foreign currency, (b) loss by expropriation or confiscation, and (c) loss due to war, revolution or insurrection; (2) Extended risk guaranties which cover up to 75 percent of both political and business risks; (3) Extended risk guaranties covering up to 100 percent of losses on certain housing projects.

4. *Surveys of investment opportunities.* To encourage and promote the undertaking by private enterprise of surveys of investment opportunities, other than surveys of extraction opportunities, in less developed friendly countries by financing up to 50 percent of the costs of surveys undertaken, subject to terms and conditions specified by A.I.D. under authority of section 231 of the Act.

5. *Development research.* Carry out program of research into, and evaluation of, the process of economic development in less developed friendly countries and areas, into the factors affecting the relative success and costs of development activities, and into the means, techniques, and such other aspects of development assistance as A.I.D. may determine, in order to render such assistance of increasing value and benefit.

6. *International organizations.* To provide voluntary contributions on a grant basis to international organizations and programs administered by international organizations in accordance with section 301 of the Act.

7. *Supporting assistance.* To provide assistance to friendly countries, organizations or eligible bodies, to support or promote economic or political stability.

8. *Public Law 480—the Agricultural Trade Development and Assistance Act of 1954, as amended.* In cooperation with the Department of Agriculture, the Agency participates in the sale of agricultural commodities on concessional terms under Title I of P.L. 480 for economic development and to assist in combatting hunger, and under Title II, administers the donation of agricultural commodities to meet famine or other urgent or extraordinary relief requirements, to combat malnutrition, to promote economic and community development and for needy persons and nonprofit school lunch and preschool feeding programs outside the United States.

The Agency also administers certain local currency programs under Title I, principally loans and grants for economic development, including so-called "Cooley" loans to U.S. business firms, their branches, subsidiaries or affiliates for business development and trade expansion in developing countries.

III. *Organization and functions.* A. *General.* A.I.D. performs its functions as an agency within the Department of State. The Administrator reports directly to the Secretary of State and the President and is charged with central direction and responsibility for the economic assistance program and coordination of the military and economic assistance programs. The headquarters office in Washington is responsible for the formulation, coordination, and support of the various programs of the Agency.

The overall organization structure of the Agency consists of the Office of the Administrator; five Regional Bureaus to carry out assistance programs abroad; and offices and staffs to assist the Administrator in dealing with functional areas and interregional programs and managing the affairs of the Agency; and overseas U.S. A.I.D. missions which develop the program of assistance in cooperation with the government of the participating country and work closely with the local officials in program execution.

B. *The Office of the Administrator.* The Administrator plans, directs, and coordinates the operation of the Agency. He is responsible, subject to the approval of the Secretary of State, for the formulation and execution of U.S. foreign assistance programs delegated to the Agency. He supervises and directs the activities of all personnel of the Agency in the United States and overseas.

The Administrator's office includes the Deputy Administrator, the Operations Evaluation Staff and an Executive Secretariat. The following staffs report to the Office of the Administrator:

a. *Information Staff.*—Develops public information policies and prepares and disseminates information to the public through available press media. Services inquiries and requests from the public for information and access to agency records.

b. *Congressional Liaison Staff.*—Maintains a general liaison between the Agency and Congress.

c. *Office of the General Counsel.*—Provides all legal advice, counsel, and services to Agency officials, both in the United States and abroad.

C. *Regional Bureaus.* There are five Regional Bureaus: Near East and South Asia; Africa; East Asia; Viet-Nam and Latin America.

The Regional Bureaus are the principal line offices of A.I.D. with responsibility for program planning and execution of U.S. economic development programs in their respective areas overseas. Each region's programs are administered in accordance with policies and standards established by the A.I.D. Administrator assisted by the Agency's headquarters staff, program, and management offices.

The head of each Regional Bureau, within Agency policies and delegated authorities: (a) plans, directs, and supervises the activities of the bureau, and the overseas U.S. A.I.D. missions within the region; (b) directs the formulation of U.S. assistance programs in the region, reviews and approves proposed regional and country programs and projects, and approves the negotiation and execution of development agreements with countries of the region; (c) approves and submits to the Administrator an annual budget covering all proposed Agency activities in the region, and assists in presenting and justifying the budget to the Congress; (d) approves and directs the allocation of available program and administrative resources among U.S. A.I.D. missions in the region and components of the Regional Bureau; (e) directs, coordinates, and supervises the implementation of programs and projects; (f) monitors, reviews, and reports to the Administrator on the conduct and performance of authorized programs and projects, and takes any required remedial action or recommends appropriate action to the Administrator; (g) assures the maintenance of necessary liaison with Department of State, other U.S. and multilateral agencies and organizations, public and private organizations, and officials of recipient countries; and (h) represents the Agency and the bureau as required before the press and the public.

In addition to the immediate office of the regional Assistant Administrator including his deputy and personal assistants, the organization of the Regional Bureaus typically includes offices, divisions or staffs at A.I.D. Washington for:

a. Development program planning and regional policy coordination;

b. Capital development financing;

c. Technical support and institutional development;

d. Geographic areas, countries, and regional programs;

e. Management operations, logistic support and contract operations.

D. *Program Offices.*—1. *The Office of Program and Policy Coordination* is the central staff office concerned with overall program policy, coordination, and evaluation. It develops economic assistance policies, provides guidance to the Regional Bureaus on program planning and economic analysis, and coordinates the formulation and revision of the Agency's program and budget, the Congressional presentation and related testimony. It coordinates the Agency's trade and aid policies and its policies for capital assistance; provides the Administrator with staff support in his function as coordinator of military and economic assistance, and prepares statistics and reports on A.I.D. and other development activities. It developes planning policy and techniques for integrating the various aid tools and disciplines, for evaluating progress toward program goals, for coordinating U.S. economic assistance with other bilateral and multilateral assistance programs, for assuring implementation of Title IX of the Foreign Assistance Act, and for providing leadership and assistance throughout the Agency in the areas of education and human resource development, science and technology, economic development planning, and development administration.

2. *The Office of Private Resources* is the central staff office concerned with assuring maximum involvement of U.S. non-Federal resources in overseas development, stimulating the growth of the private sector in the less-developed countries, and providing professional leadership to the Agency's development assistance efforts in industry and housing.

The Office of Private Resources is responsible for:

a. Establishing and maintaining general relationships with all non-Federal entities, except universities and registered voluntary agencies, currently or potentially interested in overseas development;

b. Formulating policies and program guidance as well as developing procedures and techniques for the maximum effective utilization of U.S. private resources in overseas development;

c. Through a private investment center, formulating and coordinating the private lending policies and procedures of the Agency, and advising the Administrator on private lending policy matters;

(1) Providing leadership, coordination, assistance, and technical guidance to the Regional Bureaus on dollar and local currency (Cooley) loans and extended risk (nonhousing) guaranties for private projects;

(2) Administering the extended risk (nonhousing) guaranty program and A.I.D.'s specific risk insurance, equity insurance, and investment survey insurance programs;

d. Providing staff leadership, coordination, technical guidance, and assistance on cooperatives development, industrial development and housing activities in the program, and assistance on the development of agri-business overseas; and

e. Administering the: (a) Development Resources Referral Service to identify and assist in harnessing non-A.I.D. resources available to developing countries, (b) the Catalog of Investment

Information and Opportunities, (c) the Industry Profiles, and (d) the Businessmen's Information Service.

3. *The Office of the War on Hunger* is the central staff office in A.I.D. responsible for implementing the President's War on Hunger program. It is the Agency's central focal point for dealing with the Department of Agriculture; the Department of Health, Education, and Welfare on health, population, and nutrition matters; and the non-Regional Bureaus and offices of the Department of State on War on Hunger matters. It also establishes and maintains professional liaison with other government, non-Federal, and international organizations concerned specifically with the War on Hunger.

The Office of the War on Hunger:

a. Administers the A.I.D. research program, and the programs under section 211(d) of the Foreign Assistance Act;

b. Serves as central point of contact for the U.S. registered private voluntary agencies;

c. Coordinates foreign disaster relief activities;

d. Provides leadership, coordination and assistance in and technical guidance on the conduct of development program activities in or concerning:

(1) Agricultural and rural development;

(2) Population/family planning;

(3) Nutrition and child feeding;

(4) Health and disease eradication;

(5) Food from the Sea.

e. Assures A.I.D.'s prompt and effective implementation of its responsibilities under the Food for Peace Act, P.L. 89-808 (80 Stat. 1526).

4. *The Office of Engineering* provides engineering policies, standards, and practices for capital projects and technical assistance programs under loans, grants, or guaranties; as requested by regional bureaus, reviews major projects for engineering feasibility; and monitors engineering operations under all agency programs.

5. *The Office of Public Safety* has primary responsibility for A.I.D. public safety programs. It develops policies, standards, and programs in public safety assistance; coordinates public safety programs and operations with other appropriate agencies and A.I.D. offices; administers participant training in public safety activities; and develops, recruits, and assigns A.I.D. public safety personnel.

6. *The Office of Labor Affairs* develops agencywide guidelines and policies to govern the labor aspects of country programs and projects and provides general agency liaison and coordination with the U.S. trade movement, the International Labor Organization, and the U.S. Department of Labor.

E. *Management offices and staffs.* The Assistant Administrator for Administration is responsible for organization and management within the Agency for International Development. He plans and directs the internal administrative management programs of the Agency, establishes general procurement and contract policies, directs the American Schools and Hospitals Abroad Program, establishes general management policies through the several management offices, and represents the Agency on management and administrative matters with the committees of Congress, the Bureau of the Budget, other regulatory agencies, and with the Department of State. The Assistant Administrator for Administration is assisted by the following:

1. *Office of the Controller.* As principal financial office of the Agency, provides advice and assistance to Agency management with respect to the financial implications of legislation, plans, programs, policies, procedures, operating activities, and audit and evaluation findings. The Office of the Controller administers and coordinates the Agency's principal financial and manpower management activities comprising:

(1) Preparation, review, and execution of budgets including the establishment of budgetary policies and participation in the presentation of proposed programs to the Congress.

(2) Establishment and maintenance throughout the Agency of a system of internal financial management control.

(3) Management of manpower programing, control, and reporting systems.

(4) Development, maintenance, and interpretation of financial reports.

(5) Recruitment, training, and development of qualified financial management personnel.

The Office of the Controller provides technical guidance on financial management to the overseas Missions and exercises administrative and technical supervision over Area Controllers established for the purpose of (1) conducting orderly phaseout and termination of financial activities in countries where liquidation activities are in process or (2) furnishing consolidated financial services for selected countries.

2. *Office of Personnel Administration.* Assigned central responsibility for personnel administration and develops policies, standards, and guidelines for operation of overseas and domestic personnel systems for the Agency. The office operates centralized recruitment, assignment, evaluation, and training programs, and conducts a full range of personnel operations for the departmental service of the Agency. Under a decentralization plan, pursuant to specific delegations of authority the Regional Bureaus, and the Office of Public Safety conduct most personnel operations for foreign service personnel assigned to their jurisdictions, with assistance of the Office of Personnel Administration in specialized situations.

3. *Office of Management Planning.* Provides assistance to all elements of A.I.D. in the area of management analysis, organization planning, systems analyses and planning, application of business machine and automatic data processing systems, directives issuance, management information systems, work measurement, work simplification methods, and management improvement services.

4. *Office of International Training.* Provides support and service to the regional bureaus and overseas missions by developing participant training policies and standards, develops and conducts training programs for participants and arranges for implementation of approved participant training projects.

5. *Office of Security.* Assigned responsibility for the personnel security program and for the physical and documentary security program of the Agency.

6. *Office of Administrative Services.* Directs activities to provide administrative support to operations of the agency and its overseas missions, including: administrative type procurement; real and personal property acquisition and management; space planning and acquisition; travel and transportation; printing, reproduction, distribution, graphic arts and visual aids services; and management of the A.I.D. worldwide motor vehicle fleet.

7. *Office of Procurement.* Develops policies, procedures, standards, and regulations governing the procurement of commodities and services by A.I.D.'s borrower-grantees and by A.I.D.-recipient countries, and monitors the implementation thereof; performs the contracting function for A.I.D./W staffs and offices, the negotiation of general agreements with participating agencies and provides Agency components with technical advice on industrial products.

The office also:

a. Plans, programs, and schedules the transportation of commodities for use in A.I.D. programs;

b. Administers the U.S. Government-owned Excess Property Program;

c. Provides advice and assistance to the Regional Bureaus and through them to the overseas Missions on all aspects of the supply management program;

d. Encourages the participation of U.S. small business in export supply activities of the Agency; and

e. Implements A.I.D. requirements pertaining to commodity marking and labeling.

8. *Inspection and Investigations Staff.* Investigates allegations of fraud, criminality, malfeasance, or nonfeasance on the part of A.I.D. personnel, contractors, and others engaged in A.I.D. financed programs.

IV. *Course and method of operation.*—A. *General.* In general A.I.D. conducts its programs on a decentralized basis through the five headquarters Regional Bureaus and the overseas missions in the aid-receiving countries. Each regional Assistant Administrator has authority to receive applications for and to process and approve dollar and foreign currency development loans and grants, enters into contracts and issues guaranties, in accordance with Agency policies and procedures and within limits specified in A.I.D. Delegations of Authority which are published in the FEDERAL REGISTER. See 27 F.R. 449 and 5914; 28 F.R. 563; 29 F.R. 5355, and 29 F.R. 5695, as amended from time to time. To the extent authority is not delegated to regional Assistant Administrators to take final ac-

tions, the A.I.D. Administrator or his deputy makes the decision.

The Assistant Administrator for Private Resources has authority to receive applications for and to process and approve Investment Survey Participation Grants, Specific Risk Investment Insurance, and Extended Risk (nonhousing) Investment Guaranties, pursuant to Delegations of Authority published in the FEDERAL REGISTER. See 29 F.R. 2430 and 5355. Under direction of the Assistant Administrator for Administration (1) pursuant to delegation of authority (29 F.R. 5353 and 32 F.R. 3781) the Office of Procurement negotiates and executes A.I.D.-direct nonregional service-type contracts and research grants and contracts for nonpersonal services with individuals, (2) the Office of Administrative Services enters into administrative type contracts; and (3) the Office of International Training enters into contracts for interpreter services and for other services related to the program for training foreign participants. See 30 F.R. 14567.

B. *Statements of general policy and procedures.* The statements of A.I.D. policy, and the nature and requirements of A.I.D.'s formal and informal procedures which are currently available to the public, are contained in the published regulations and other publications of A.I.D. listed below. To the extent applicable these also contain descriptions of forms available or specify the places at which forms may be obtained, and give instructions as to the scope and content of papers, reports or examinations involved in the transaction of business with A.I.D.

The following A.I.D regulations are codified in Chapter II of Title 22 of the Code of Federal Regulations.

SUBJECT

No. 1. Rules and Procedures Applicable to Commodity Transactions Financed by A.I.D.

No. 2. Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies.

No. 3. Registration of Agencies for Voluntary Foreign Aid.

No. 5. Per Diem Payments to Participants in Nonmilitary Mutual Security Training Programs.

No. 7. Service Contracting: Use of Third Country Nationals on A.I.D.-financed Construction.

No. 8. Suppliers of Commodities and Commodity Related Services Ineligible for A.I.D. Financing.

No. 9. Nondiscrimination in Federally Assisted Programs of A.I.D.—Effectuation of Title VI of the Civil Rights Act of 1964.

No. 10. Loyalty and Security Investigations for Persons Serving under Contracts Financed from U.S. Foreign Assistance Funds.

No. 11. Transfer of Food Commodities for Use in Disaster Relief and Economic Development, and other Assistance (P.L. 480, Title II).

The Procurement Regulations for the Agency for International Development (AIDPR) are codified in Chapter 7 of Title 41 of the Code of Federal Regulations.

In addition, the following other A.I.D. publications contain procedure available to the public:

a. Capital Projects Guidelines.

b. Specific Risk Investment Guaranty Handbook.

c. Policy Paper, Extended Risk Investment Guaranties.

d. A.I.D. Catalog of Investment Information.

e. Aids to Business (Overseas Investment).

f. Commercial Exports Under A.I.D. Programs.

g. A.I.D. Small Bussiness Circulars.

Copies of the above listed A.I.D. regulations and other publications are available for public inspection and copying at the A.I.D. Businessmens' Information Service, or the Office of the Director, Information Staff, A.I.D., State Department Building, Washington D.C. 20523. In addition A.I.D. Small Business Circulars and the A.I.D. Catalog of Investment Information are available at Department of Commerce Field Offices located in principal cities of the United States. A.I.D. Procurement Regulations are also for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

V. *Information, submittals and requests for decisions*—A. *Information.* A.I.D. Regulation No. 12 (22 CFR Ch. II) specifies A.I.D. policy and procedures for making information available to the public, and for obtaining access to its identifiable records for information or for historical research.

B. *Submittals, requests, or decisions.* Members of the public doing business, or wishing to do business, with A.I.D. may make their submittals or requests, or obtain decisions at the cognizant A.I.D. headquarters regional bureau, or at the program, management, or staff offices described in section III above, in accordance with the provisions of the published A.I.D. Regulation or other publication which govern the action or process.

In case of uncertainty by a member of the public as to the appropriate A.I.D. bureau or office, or as to the methods of applying for or obtaining A.I.D. action, application should be made to:

a. A.I.D. Businessmen's Information Service, Room 2926 NS, Department of State, 21st and Virginia Avenue NW., Washington, D.C. 20523; or

b. Director, Information Staff, A.I.D., Room 4898 NS, Department of State, 21st and Virginia Avenue NW., Washington, D.C. 20523.

Effective date: This notice shall be effective July 4, 1967.

Dated: June 30, 1967.

WILLIAM O. HALL,
Assistant Administrator for Administration.

[F.R. Doc. 67-7755; Filed, July 3, 1967; 12:35 p.m.]

DEPARTMENT OF DEFENSE

Department of the Navy

ORGANIZATION STATEMENT

Bonds and Similar Components

The Organization Statement of the Department of the Navy (32 F.R. 8305) is amended by inserting a new section to read as follows:

SEC. 7a. *Boards and similar components*—(a) *Physical Review Council.* The Physical Review Council is convened by the Secretary of the Navy pursuant to regulations prescribed by him for the administration of Title 10, United States Code, Chapter 61, Retirement or separation for physical disability (see 10 U.S.C. 1216 and 32 CFR 725, particularly §§ 725.501 to 725.511). The Council is composed of the Chief of Naval Personnel, the Director of Personnel, Marine Corps, the Chief of the Bureau of Medicine and Surgery and the Judge Advocate General, or their designated representatives acting for them as members, and a recorder. The Physical Review Council reviews the proceedings and recommended findings submitted by the Physical Evaluation Boards and advises the Secretary of the Navy of its concurrence or nonconcurrence therein, or in lieu thereof, presents substitute findings. The records of proceedings reviewed by the Physical Review Council are transmitted to the Secretary of the Navy for his action theron.

(Secs. 301, 552, 80 Stat 379, 383 (Public Law 90-23, 81 Stat. 54, effective July 4, 1967); 5 U.S.C. 301, 552)

By direction of the Secretary of the Navy.

Date: June 29, 1967

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

[F.R. Doc. 67-7758; Filed, July 5, 1967; 12:35 p.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[U-1384, U-1821]

UTAH

Notice of Proposed Classification

JUNE 27, 1967.

Notice is hereby given of a proposal to classify the lands described below for disposal through exchange under section 8 of the Taylor Grazing Act (43 U.S.C. 315g), for lands within the Bureau of Land Management Salt Lake District, Utah. This publication is made pursuant to the Act of September 19, 1964 (43 U.S.C. 1412).

This proposal has been discussed with the District Advisory Board, local government officials, and other interested parties. Information derived from dis-

cussions and other sources indicate that these lands meet the criterion of 43 CFR 2410.1-3(c)(4), which authorizes classification of lands "for exchange under appropriate authority where they are found to be chiefly valuable for public purposes because they have special values, arising from the interest of exchange proponents, for exchange for other lands which are needed for the support of a Federal program." Information concerning the lands, including the record of public discussions, is available for inspection and study at the Brigham City Office of the Bureau of Land Management, Box Elder County Courthouse, Brigham City, Utah, and the Salt Lake District Office, 1750 South Redwood Road, Salt Lake City, Utah. For a period of 60 days from the date of the publication, interested parties may submit comments to the District Manager of the Salt Lake District.

The lands affected by this proposal are located in Box Elder County and are described as follows:

SALT LAKE MERIDIAN

T. 8 N., R. 15 W.,
Sec. 6, all.
T. 8 N., R. 16 W.,
Sec. 4, all.
T. 8 N., R. 17 W.,
Sec. 6, N½;
Sec. 22, all;
Sec. 34, all.
T. 9 N., R. 15 W.,
Secs. 6, 8, 18, 20, 30, all.
T. 9 N., R. 16 W.,
Sec. 12, 14, 22, 24, 26, 28, 34, all.
T. 10 N., R. 15 W.,
Sec. 30, all.
T. 10 N., R. 16 W.,
Sec. 24, S½SE¼;
Sec. 26, S½SE¼;
Sec. 34, S½SE¼.

The areas described aggregate 11,431.93 acres.

R. D. NIELSON,
State Director.

[F.R. Doc. 67-7692; Filed, July 5, 1967; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

FLUE-CURED TOBACCO

Notice of Referendum

Notice is hereby given that on July 18, 1967; a referendum will be held of farmers engaged in the production of flue-cured tobacco of the 1967 crop, pursuant to the provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.) and as further amended by Public Law 89-12 (79 Stat. 66), approved April 16, 1965. Notice that consideration would be given to establishing a date (or period) for holding such referendum and whether the referendum would be conducted at polling places rather than by mail ballots was given and published in the FEDERAL REGISTER (32 F.R. 7287). The views and recommendations received pursuant to such notice have been considered within the limits permitted by the Act. It is hereby determined that the referendum will be held at polling places on the date specified above. The purpose of the referendum is to determine whether the farmers voting favor or oppose the establishment of marketing quotas for the 3 marketing years beginning July 1, 1968, July 1, 1969, and July 1, 1970. The referendum will be conducted in accordance with the provisions of the Act and the regulations governing the holding of referenda on marketing quotas (28 F.R. 13249; 29 F.R. 16184; 30 F.R. 2521, 2588, 6144, 14260; 14411, 31 F.R. 2413, 4193, 6533, 12011, 14673, 16401) including any amendments made prior to the referendum.

Signed at Washington, D.C., on July 3, 1967.

H. D. GODFREY,
Administrator, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 67-7811; Filed, July 5, 1967; 8:50 a.m.]

Consumer and Marketing Service

HUMANELY SLAUGHTERED LIVESTOCK

Identification of Carcasses; Changes in Lists of Establishments

Pursuant to section 4 of the Act of August 27, 1958 (7 U.S.C. 1904), and the statement of policy thereunder in 9 CFR 381.1, the lists (31 F.R. 16724, 32 F.R. 1059, 3715, 4582, 6585, and 7983) of establishments which are operated under Federal inspection pursuant to the Meat Inspection Act (21 U.S.C. 71 et seq.) and which use humane methods of slaughter and incidental handling of livestock are hereby amended as follows:

The reference to Johnson Meat Products Co., Inc., establishment 994, and the reference to swine with respect to such establishment are deleted. The reference to The Cudahy Co., establishment 19, and the reference to cattle with respect to such establishment are deleted.

The following table lists additional species at previously listed establishments that have been reported as being slaughtered and handled humanely.

Name of establishment	Establishment No.	Cattle	Calves	Sheep	Goats	Swine	Horses
Idaho Meat Packers	46		(*)	(*)			
Noble's Independent Meat Co.	335			(*)			
Species Added: 3.							

Done at Washington, D.C., this 29th day of June 1967.

R. K. SOMERS,
Deputy Administrator, Consumer Protectio

[F.R. Doc. 67-7685; Filed, July 5, 1967; 8:46 a.m.]

Farmer Cooperative Service

ORGANIZATION, FUNCTIONS, AND AVAILABILITY OF INFORMATION

Notice is hereby given for the guidance for the general public as to the organization, functions and availability of information of the Farmer Cooperative Service, pursuant to 5 U.S.C. 552, 559.

I. *Organization and functions.* The Farmer Cooperative Service is located in Washington, D.C. It is comprised of three divisions: Management Services—provides research services, advisory and educational assistance to cooperatives on management problems; Purchasing—provides research services, advisory and educational assistance in connection with farm supplies and other services to co-ops; Marketing—provides research service, advisory and educational assistance in connection with marketing services of co-ops.

The Agency conducts research studies and service activities and provides educational assistance to rural people in connection with cooperatives engaged in marketing farm products, purchasing supplies, and other business services and cooperative activities. The work of the agency relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

It publishes the results of such studies; confers and advises with officials of rural cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices. The Agency does not have a field organization.

II. *Availability of records.* All records of FCS are available for public inspection and copying except exempt records which include the following:

A. Intra-agency and interagency memorandums or letters which would not be available by law to a party other than an agency in litigation with the Agency. This includes but is not limited to: estimates and supporting material used in developing the President's budget; manuscripts and other current informational material being prepared for release.

B. Trade secrets and commercial or financial information obtained from a person privileged or confidential. This includes but is not limited to: questionnaires with individual data, special case studies, and service reports.

C. Personnel and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal

privacy. This includes but is not limited to: mailing lists of farm cooperatives.

D. Specifically required by Executive order to be kept secret.

E. Related solely to the internal personnel rules and practices of an agency.

F. Specifically exempted from disclosure by statute.

G. Investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency.

III. *Requests for information.—Records.* Requests for specifically identified records should be directed to the Executive Assistant to the Administrator, FCS, USDA, Washington, D.C. 20250. Copies of records may be obtained in person or by mail.

Records will be available for inspection and copying between the hours of 9:30 a.m. and 5 p.m.

Publications. Copies of FSC's publications may be obtained direct from the Division of Information, Office of Management Services, USDA, Washington, D.C. 20250.

IV. *Fees.* Fees for copying and searching will be in accordance with the Office of Plant and Operation's schedule of fees for such services.

V. *Appeal procedure.* A. Any person from whom FCS records are withheld may file an appeal with the Administrator, Farmer Cooperative Service. The appeal shall be filed within 15 days after being notified that the records are being withheld.

B. The appeal must be in writing, containing a statement of grounds upon which the appeal is based, and be signed by the applicant or his authorized representative.

C. The Administrator shall consider the appeal, determine availability of records and furnish the applicant written notice of his determination.

Effective date: This notice shall be effective July 4, 1967.

DAVID W. ANGEVINE,
Administrator,
Farmer Cooperative Service.

[F.R. Doc. 67-7814; Filed, July 3, 1967; 12:35 p.m.]

Office of the Inspector General

ORGANIZATION, FUNCTIONS, AND DELEGATIONS OF AUTHORITY

Pursuant to the authority delegated to the Inspector General in section 40 of the Statement of Organization and Delegations appearing in 29 F.R. 16212, dated December 3, 1964, section 5 of 32 F.R. 8822, dated June 21, 1967, which sets forth the Statement of Organization, Functions, and Delegations of Authority of the Office of the Inspector General (OIG), is hereby superseded and the following is substituted therefore:

AVAILABILITY OF SERVICE

SEC. 5. *Service.* Any person desiring to bring to the attention of OIG any audit or investigative matter which they consider warrants such attention, may address his communication to either:

(a) The Inspector General, U.S. Department of Agriculture, Washington, D.C. 20250.

(b) Assistant Inspector General, Operations, Office of the Inspector General, U.S. Department of Agriculture, Washington, D.C. 20250, or

(c) To the appropriate Regional Inspector General listed in section 3, 32 F.R. 8822.

AVAILABILITY OF INFORMATION

SEC. 6. *Information.* Any person desiring information, or to make submittals or request with respect to the operations and functions of OIG should address his request to: Assistant Inspector General, Analysis and Evaluation, Office of the Inspector General, U.S. Department of Agriculture, Washington, D.C. 20250, who is authorized to act on all such requests. Each record sought should be identified with reasonable specificity. Requests may be submitted in person or by mail.

(a) *Available Records.* The Assistant Inspector General, Analysis and Evaluation, shall make available any requested record, unless he determines that it is exempt, in which event he shall give written notice of such determination and the reasons therefor.

(b) *Exempt Records.* Exempt records of OIG include but are not limited to the following:

(1) Matters specifically required by Executive Order to be kept secret.

(2) Matters that are related solely to the internal personnel rules and practices of the Department. Among such records are reports relating to management operations to the extent that the proper performance of necessary agency functions would require such withholding; operating rules, guidelines, and manuals of procedure for investigators or auditors.

(3) Matters that are specifically exempted from disclosure by statute.

(4) Matters that are trade secrets and commercial or financial information obtained from a person and privileged or confidential. This exemption includes information given in confidence or as subject and similar to the doctor-patient, lawyer-client, or lender-borrower privileges.

(5) Matters that are intra-agency and interagency memoranda or letters which would not be available by law to a private party in litigation with the agency. Among OIG records in this class are those which consist of intra-agency or interagency memoranda or letters containing opinions, recommendations, or reports of internal deliberations.

(6) Matters that are personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(7) Investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency. For example, investigation reports, audit reports, work papers, notes, and related materials would be exempt.

(8) Matters contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of agency responsible for the regulation or supervision of financial institutions.

(c) *Appeals.* A denial by the Assistant Inspector General, Analysis and Evaluation, of any request for a record or records may be appealed to the Inspector General by the person who made the request. The appeal shall be made in writing within 15 days of the date of the Assistant Inspector General's notice of his action. The Inspector General will give written notice of his final determination.

(d) *Inspection and Copies.* Facilities for public inspection and copying of requested and available material will be provided by Analysis and Evaluation, OIG, during normal business hours. Copies of such material may be obtained in person or by mail. Applicable fees are prescribed by the Director, Office of Plant and Operations, USDA, for those available documents for which copies are requested and furnished. The availability of information and records of OIG, its Regions and offices is governed by the rules and regulations of the Department published in Title 7, Part 1, Subpart A, of the Code of Federal Regulations and the applicable provisions of 5 U.S.C. 552.

Issued at Washington, D.C., this 3d day of July 1967.

LESTER P. CONDON,
Inspector General.

[F.R. Doc. 67-7815; Filed, July 5, 1967; 12:35 p.m.]

Packers and Stockyards Administration

FLORENCE TRADING POST ET AL.

Deposting of Stockyards

It has been ascertained, and notice is hereby given, that the livestock markets named herein, originally posted on the respective dates specified below as being subject to the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), no longer come within the definition of a stockyard under said Act and are, therefore, no longer subject to the provisions of the Act.

Name, location of stockyard, and date of posting

Florence Trading Post, Florence, Ala., May 14, 1959.
Farmers and Stockholders Commission Company, Inc., Pocahontas, Ark., Feb. 20, 1959.
Producers Livestock Market, Marshall, Mo., Apr. 7, 1964.
Friend Sale Barn, Friend, Nebr., Apr. 21, 1959.
Clear Lake Livestock Market, Clear Lake, Wis., May 26, 1959.

Notice or other public procedure has not preceded promulgation of the foregoing rule since it is found that the giving of such notice would prevent the due and timely administration of the Packers and Stockyards Act and would, therefore, be impracticable and contrary to the public interest. There is no legal warrant or justification for not deposting promptly a stockyard which is no

longer within the definition of that term contained in the Act.

The foregoing is in the nature of a rule granting an exemption or relieving a restriction and, therefore, may be made effective in less than 30 days after publication in the FEDERAL REGISTER. This notice shall become effective upon publication in the FEDERAL REGISTER.

(42 Stat. 159, as amended and supplemented; 7 U.S.C. 181 et seq.)

Done at Washington, D.C., this 29th day of June, 1967.

JOHN R. BRANNIGAN,
Registrations, Bonds, and Reports Branch, Packers and Stockyards Administration.

[F.R. Doc. 67-7730; Filed, July 5, 1967; 8:49 a.m.]

DEPARTMENT OF COMMERCE

Business and Defense Services Administration

BONA FIDE MOTOR-VEHICLE MANUFACTURERS

Notice of Determination

Notice is hereby given that pursuant to authority contained in Chapter III, Part 301, of Title 19 of the Code of Federal Regulations, the Administrator, as of June 15, 1967, has determined the following to be bona fide motor-vehicle manufacturers:

Haywood Adams Brake Service, 116 Carroll Street, Thomasville, Ga. 31792, January 18, 1967.

American Body & Trailer, Inc., 1500 Exchange Avenue, Oklahoma City, Okla. 73101, January 18, 1967.

American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232, January 18, 1967.

American Trailer Service, Inc., 2814 North Cleveland Avenue, St. Paul, Minn. 55113, January 18, 1967.

Antietam Equipment Co., Post Office Box 91, Hagerstown, Md. 21740, January 18, 1967.

Automotive Safety, Inc., 725 Dowd Avenue, Elizabeth, N.J. 07201, January 18, 1967.

Avanti Motor Corp., 613 South Michigan Street, South Bend, Ind. 46601, January 18, 1967.

Big "T" Truck Parts, U.S. Route 22, Post Office Box 144, Phillipsburg, N.J. 08865, January 18, 1967.

Adam Black & Sons, 270-300 Tonnele Avenue, Jersey City, N.J. 07306, January 18, 1967.

Blue Bird Body Co., Fort Valley, Ga. 31030, January 18, 1967.

Boatel Co., Inc., Mora, Minn. 55051, January 1, 1967.

Brake & Equipment Co., Inc., 1801 North Mayfair Road, Milwaukee, Wis. 53226, January 24, 1967.

Brake Service, Inc., Post Office Box 774, 170 Washington Street, Bangor, Maine 04401, January 18, 1967.

Bristol-Donald Co., Inc., B-D Manufacturing Corp., 50 Roanoke Avenue, Newark, N.J. 07105, January 17, 1967.

Brown Trailer Division, Clark Equipment Co., Post Office Box 410, Michigan City, Ind. 46360, January 18, 1967.

Capitol Trailer & Body Co., 3420 East Broadway, No. Little Rock, Ark. 72117, January 18, 1967.

The Carnegie Body Co., 9500 Brookpark Road, Cleveland, Ohio 44129, January 18, 1967.

Checker Motors Corp., 2016 North Pitcher Street, Kalamazoo, Mich. 49004, January 18, 1967.

Chrysler Corp., 341 Massachusetts Avenue, Highland Park, Mich. 48203, January 18, 1967.

B. M. Clark Co., Route 17, Union, Maine 04862, January 14, 1967.

Cloverleaf Equipment & Sales, Inc., 7801 Old Granger Road, Cleveland, Ohio 44125, January 18, 1967.

Commercial Body Sales & Manufacturing Co., Inc., Post Office Box 3296, Fresno, Calif. 93766, January 18, 1967.

Connell Motor Truck Co. of Fresno, Post Office Box 3316, Fresno, Calif. 93766, January 18, 1967.

Crane Carrier Co., Division of CCI Corp., 1150 North Peoria, Post Office Box 5008, Tulsa, Okla. 74104, January 17, 1967.

Critzer Equipment Co., East 3804 Front Avenue, Spokane, Wash. 99210, January 18, 1967.

Dade Trailer Sales & Service Inc., 2960 Northwest 73d Street, Miami, Fla. 33147, January 18, 1967.

Daleiden Auto Body & Manufacturing Corp., 425 East Vine Street, Kalamazoo, Mich. 49001, January 17, 1967.

Dealers Truck Equipment Co., Inc., 2491 Texas Avenue, Shreveport, La. 71102, January 18, 1967.

Dealers Truckstell Sales, Inc., 653 Beale Street, Memphis, Tenn. 49423, January 18, 1967.

Decker Tank Co., 118 Route 17, Upper Saddle River, N.J. 07458, January 18, 1967.

Divco-Wayne Corp., 680 Fifth Avenue, New York, N.Y. 10019, January 18, 1967.

Drake-Scruggs Equipment, Inc., 600 South 31st Street, Springfield, Ill. 62703, January 10, 1967.

Eastern Tank Corp., 290 Pennsylvania Avenue, Paterson, N.J. 07503, January 1, 1967.

Eggiman Motor & Equipment Sales, Inc., 2959 West Beltline Highway, Post Office Box 1628, Madison, Wis. 53701, January 18, 1967.

Eight-Point Trailer Corp., 6100 East Washington Boulevard, Los Angeles, Calif. 90022, January 18, 1967.

Elliott Machine Works, Rensch Avenue, Galion, Ohio 44833, January 18, 1967.

Emmert Trailer Corp., 614-618 Mishawaka Street, Elkhart, Ind. 46514, January 18, 1967.

John Evans Manufacturing Co., Post Office Box 669, Sumter, S.C. 29150, January 18, 1967.

Fleet Equipment Co., 10605 Harry Hines, Dallas, Tex. 75220, January 17, 1967.

Fleet Supply Co., Ltd., Post Office Box 98, Salem Station, Winston-Salem, N.C. 27102, January 18, 1967.

The Flxible Co., 326-332 North Water Street, Loudonville, Ohio 44842, January 18, 1967.

FMC Corp., 3075 14th Street, Riverside, Calif. 92502, February 22, 1967.

Ford Motor Co., The American Road, Dearborn, Mich. 48120, January 18, 1967.

Fox Corp., 1111 West Racine Street, Janesville, Wis. 53545, January 18, 1967.

Freightliner Corp., 5400 North Basin Avenue, Portland, Oreg. 97217, January 18, 1967.

FWD Corp., 105 East 12th Street, Clintonville, Wis. 54929, January 1, 1967.

Garsite Products, Inc., 10 East Grand Boulevard, Deer Park, N.Y. 11729, January 18, 1967.

Gar-Wood—Albany Truck Equipment, Inc., Railroad and Maplewood Avenues, Albany, N.Y. 12205, January 18, 1967.

Gar-Wood—Detroit Truck Equipment, Inc., 21083 Mound Road, Warren, Mich. 48091, January 18, 1967.

Geoda Manufacturing Co., 428 West Market Street, Salinas, Calif. 93901, January 1, 1967.

General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202, January 18, 1967.

General Trailer Co., Inc., Post Office Box G, Springfield, Oreg. 97477, January 18, 1967.

Gibbes Machinery Co., Wheat and Assembly Streets, Columbia, S.C. 29202, January 18, 1967.

Gooch Brake & Equipment Co., 512 Grand Avenue, Kansas City, Mo. 64106, January 18, 1967.

Grand Rapids Brake Service, Inc., 1935 Century Avenue SW., Grand Rapids, Mich. 49509, January 18, 1967.

Ole Granning Trailer, Inc., 3040 Wyoming, Dearborn, Mich. 48120, January 18, 1967.

HarDee Manufacturing Co., Division of Harsco Corp., Post Office Drawer 699, Plant City, Fla. 33566, January 17, 1967.

Hawkeye Truck Equipment Co., 4101 East 14th Street, Des Moines, Iowa 50313, January 18, 1967.

Heislers, Inc., Willard Airport, Willard, Ohio 44905, January 4, 1967.

Hendrickson Manufacturing Co., 8001 West 47th Street, Lyons, Ill. 60534, January 18, 1967.

The Hess & Eisenhardt Co., 8959 Blue Ash Road, Cincinnati, Ohio 45242, November 1, 1966.

Hobbs Equipment Co., Inc., Keeler Avenue, Norwalk, Conn. 06856, January 18, 1967.

Hudsonville Truck & Trailer Service Co., 5210 36th Avenue, Hudsonville, Mich. 49426, January 17, 1967.

O. G. Hughes & Sons, Inc., 312 South Central Avenue, Knoxville, Tenn. 37902, January 18, 1967.

Humes Truck & Trailer Manufacturing Co., 907 Franklin Avenue, Steubenville, Ohio 43952, January 18, 1967.

International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611, January 18, 1967.

Kaiser-Jeep Corp., 940 North Cove Boulevard, Toledo, Ohio 43601, January 18, 1967.

Kay Wheel Sales Co., Tacony and Van Kirk Streets, Philadelphia, Pa. 19135, January 18, 1967.

Kenworth Motor Truck Co., 8801 East Marginal Way, Seattle, Wash. 98108, January 18, 1967.

Knapheide Equipment Co., Post Office Box 553, Quincy, Ill. 62301, January 18, 1967.

KW-Dart Truck Co., 1301 North Manchester Trafficway, Kansas City, Mo. 64120, January 18, 1967.

Leland Equipment Co., 408 North Main Street, Tulsa, Okla. 74101, January 18, 1967.

Mack Trucks, Inc., Executive Offices, Box M, Allentown, Pa. 18105, January 18, 1967.

Marion Metal Products Co., Post Office Box 406, 959 Cheney Avenue, Marion, Ohio 43302, January 18, 1967.

Massart Supply, Inc., Post Office Box 2758, Lafayette, La. 70501, January 18, 1967.

Merit Tank & Body, Inc., 707 Gilman Street, Berkeley, Calif. 94706, January 18, 1967.

Middlekauff, Inc., 1615 Ketcham Avenue, Toledo, Ohio 43608, January 18, 1967.

Midget Motors Corp., Campbell Street Extension, Athens, Ohio 45701, January 18, 1967.

Mid West Truck Equipment Sales Corp., 640 East Pershing Road, Decatur, Ill. 62526, January 31, 1967.

Moline Body Co., 222 52d Street, Moline, Ill. 61265, January 18, 1967.

Montone Manufacturing Co., Route 309 Hazle Village, Hazleton, Pa. 18201, January 18, 1967.

Moorhead Plastics, Inc., 2300 12th Avenue South, Moorhead, Minn. 56560, September 1, 1966.

Motor Coach Industries, Inc., Pembina, N. Dak. 58271, January 18, 1967.
Motor Truck Equipment Corp., 2950 Irving Boulevard, Dallas, Tex. 75207, January 18, 1967.
Murphy Body Works, Inc., Post Office Box 90, Wilson, N.C. 27893, January 18, 1967.
Neil's Automotive Service, Inc., 167 East Kalamazoo Avenue, Kalamazoo, Mich. 49006, January 18, 1967.
Nelson Manufacturing Co., U.S. 224 East, Ottawa, Ohio 45875, January 18, 1967.
New England Oil Burner Co. and Vermont Chemicals, Route 2-A, Main Street, Colchester, Vt. 05446, December 12, 1966.
Northwest Truckstell Sales, Inc., 835 Southeast Hawthorne Boulevard, Portland, Oreg. 97214, January 18, 1967.
Nye Implement Co., Inc., 250 East Fourth Street, Fostoria, Ohio 44830, January 18, 1967.
Ohio Body Manufacturing Co., New London, Ohio, 44851, January 18, 1967.
Oshkosh Motor Truck, Inc., 2307 Oregon Street, Oshkosh, Wis. 54901, January 18, 1967.
Ottawa Steel Products, Daybrook-Ottawa Corp., 1313 North Hickory Street, Ottawa, Kans. 66067, January 17, 1967.
Outboard Marine Corp., 100 Pershing Road, Waukegan, Ill. 60085, January 18, 1967.
Pacific Car & Foundry Co., 1400 Fourth Avenue North, Renton, Wash. 98055, January 18, 1967.
Page & Page Co., 1601 North Columbia Road, Portland, Oreg. 97217, January 18, 1967.
Palmer Spring Co., 355 Forest Avenue, Portland, Maine 04101, January 18, 1967.
Peerless Trailer & Truck Service, Inc., 18205 Southwest Boones Ferry Road, Tualatin, Oreg. 97062, January 18, 1967.
Perfection Equipment Co., 7 South Pennsylvania, Oklahoma City, Okla. 73107, February 21, 1967.
Perfection Truck Equipment Co., 2550 McGee Trafficway, Kansas City, Mo. 64108, January 18, 1967.
Peterbilt Motors Co., 38801 Cherry Street, Newark, Calif. 94560, January 18, 1967.
Power Brake Co., Inc., 1506 West Morehead Street, Box 838, Charlotte, N.C. 28208, January 17, 1967.
Power Brake Service & Equipment Co., Inc., 1307-17 Carnegie Avenue, Cleveland, Ohio 44115, January 18, 1967.
Reliable Spring Co., Inc., 10557 South Michigan Avenue, Chicago, Ill. 60628, January 11, 1967.
Reliance Trailer & Truck Co., Inc., 2765 16th Street, San Francisco, Calif. 94103, January 18, 1967.
S. S. Automobiles, Inc., 161 West Wisconsin Avenue, Milwaukee, Wis. 53203, May 22, 1967.
Safety Sales & Service Corp., Post Office Box 1439, Harrisburg, Pa. 17105, January 18, 1967.
Schweigers, Inc., Post Office Box 747, Watertown, S. Dak. 57201, January 18, 1967.
Scientific Brake & Equipment Co., 314 West Genesee Avenue, Saginaw, Mich. 48601, January 18, 1967.
Shasta Truck & Equipment, Inc., 3333 South Market, Redding, Calif. 96001, January 18, 1967.
Shelby American, Inc., 6501 West Imperial Highway, Los Angeles, Calif. 90009, December 1, 1966.
Paul Stutler, Inc., 3397 East Waterloo Road, Akron, Ohio 44312, January 18, 1967.
Superior Coach Corp., 1200 East Kibby Street, Lima, Ohio 45802, January 18, 1967.
Syracuse Auto Parts, Inc., 120 North Geddes Street, Syracuse, N.Y. 13204, January 18, 1967.
Thiokol Chemical Corp., Post Office Box 407, Logan, Utah 84321, January 18, 1967.
Truck Equipment Co., 260 Industrial Avenue, New Orleans, La. 70121, January 18, 1967.
Truck Equipment, Inc., Post Office Box 2345, Green Bay, Wis. 54306, January 18, 1967.
Truck Parts & Equipment Co., 295 Hegenburger Road, Oakland, Calif. 94621, January 18, 1967.
Truck Parts & Equipment Co., 2225 Folsom Street, San Francisco, Calif. 94110, January 18, 1967.
Truck & Trailer Equipment Co., 4214 West Mount Hope Road, Lansing, Mich. 48904, January 20, 1967.
Tuff Boy, Inc., Route 2, Box 129A, Manteca, Calif. 95336, January 18, 1967.
Urbana Truck Body Co., 501 East University Avenue, Urbana, Ill. 61801, January 18, 1967.
Utility Trailer & Equipment Co. Inc., 4771 Southeast 17th Avenue, Portland, Oreg. 97202, January 18, 1967.
Valley Truck Parts, 862 North 10th Street, San Jose, Calif. 95112, January 18, 1967.
Walter Motor Truck Co., School Road, Voorheesville, N.Y. 12186, January 17, 1967.
Ward LaFrance Truck Corp., Grand Central Avenue, Elmira Heights, N.Y. 14903, January 18, 1967.
The Treco Corp., doing business as Weaver Trailer & Body Co., 1355 West Mound Street, Columbus, Ohio 43223, January 18, 1967.
Weigand GMC Truck Sales, Inc., 1008 North Tuscarawas Avenue, Dover, Ohio 44622, January 18, 1967.
White Motor Corp., Post Office Box 6979, Cleveland, Ohio 44114, January 18, 1967.

The Administrator will publish from time to time such revisions of this list as may be appropriate to reflect additions, deletions, or other necessary changes in it.

RODNEY L. BORUM,
Administrator, Business and Defense Services Administration.

[F.R. Doc. 67-7651; Filed, July 5, 1967; 8:45 a.m.]

FRESNO STATE COLLEGE ET AL.

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Office of Scientific and Technical Equipment, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967 issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Office of Scientific and Technical Equipment, Department of Commerce, Room 5123, Washington, D.C.

A copy of each comment filed with the Director of the Office of Scientific and Technical Equipment must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket No. 67-00105-01-77030. Applicant: Fresno State College, Department of Chemistry, Cedar and Shaw, Fresno, Calif. 93720. Article: Nuclear Magnetic Resonance Spectrograph, Model R-20. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: Applicant states:

* * * the instrument will be used primarily as a teaching tool in such courses as instrumental methods of analysis, qualitative organic analysis and the undergraduate course called independent study which represents an introduction to chemical research. Basically, the research in the Chemistry Department is at the Master's level and the use of the instrument for research purposes will be incidental to its use for classroom instruction.

Application received by Commissioner of Customs: June 2, 1967.

Docket No. 67-00135-33-46040. Applicant: Florida State University, Tallahassee, Fla. 32306. Article: Electron Microscope, Model HU-11C. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: The article will be used in the following research programs currently in progress: (a) Interpretation of the arrangement of nucleoprotein fibrils of meiotic chromosomes in relation to the mechanisms of synapsis and division; (b) determination of nerve synaptic organization by interpretation of the membrane systems within a synaptic region; (c) visualization of the sequence of purine and pyrimidine bases in DNA, using the base analog, 5-iodouridine, to allow more precise localization of the thymidine analog without uranyl salt staining; (d) study in vitro protein synthesis through investigation of the role of template DMA, messenger RNA and DNA associated histones that have been negatively stained; (e) studies of smaller size nuclei on evaporated gold film. Application received by Commissioner of Customs: June 22, 1967.

Docket No. 67-00137-33-46500. Applicant: The Johns Hopkins University, School of Medicine, Department of Anatomy, 725 North Wolfe Street, Baltimore, Md. 21205. Article: Ultramicrotome "Om U2" Sidea. Manufacturer: C. Reichert Optishhe Werke A.G., Austria. Intended use of article: The article will be used in a research program to analyze patterns of interconnection amongst nerve cells in mammalian cerebral cortex. This instrument will provide serially cut sections for microscopic examination. Application received by Commissioner of Customs: June 22, 1967.

CHARLEY M. DENTON,
Director, Office of Scientific and Technical Equipment, Business and Defense Services Administration.

[F.R. Doc. 67-7656; Filed, July 5, 1967; 8:45 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

2,6-DICHLORO-4-NITROANILINE

Notice of Establishment of Temporary Tolerance

Notice is given that at the request of the Upjohn Co., Kalamazoo, Mich. 49001, a temporary tolerance of 20 parts per million is established for residues of the fungicide 2,6-dichloro-4-nitroaniline in or on nectarines from both preharvest and postharvest applications. The Commissioner of Food and Drugs has determined that this temporary tolerance will protect the public health.

A condition under which this temporary tolerance is established is that the fungicide will be used in accord with the temporary permit issued by the U.S. Department of Agriculture. Distribution will be under the Upjohn Co. name.

This temporary tolerance expires June 27, 1968.

This action is taken pursuant to the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(j), 68 Stat. 516; 21 U.S.C. 346a(j)) and delegated by him to the Commissioner of Food and Drugs (21 CFR 2.120).

Dated: June 27, 1967.

R. E. DUGGAN,
Acting Associate Commissioner for Compliance.

[F.R. Doc. 67-7688; Filed, July 5, 1967; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[PN-17]

STATEMENT OF ORGANIZATION AND DELEGATIONS OF FINAL AUTHORITY

Rescission

JUNE 30, 1967.

Notice is hereby given that, effective July 4, 1967, Civil Aeronautics Board Public Notice PN-15 (26 F.R. 7231) is rescinded.

Part 384 of the Board's Organization Regulations (14 CFR Part 384) published 32 F.R. 8797 and Part 385 of the Board's Organization Regulations (14 CFR Part 385) published 32 F.R. 8799 replace Public Notice PN-15.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 67-7699; Filed, July 5, 1967; 8:47 a.m.]

AIR STAR ROUTES

Certification Required by Postmaster General

In accordance with Public Law 277 of the 81st Congress (approved Aug. 30, 1949), notice is hereby given that the Civil Aeronautics Board has received a request from the Postmaster General (Docket 18746) for certification that the proposed air star routes, hereinafter described, do not conflict with the development of air transportation as contemplated under the Federal Aviation Act of 1958, as amended.

The routes proposed are as follows:

KANSAS

Scott City-Wichita.
Colby-Wichita.
Concordia-Wichita.

OKLAHOMA

Woodward-Oklahoma City.
Durant-Oklahoma City.
Altus-Oklahoma City.
Poteau-Oklahoma City.

Under the provisions of the said Public Law 277, the Postmaster General is required to obtain the certification of the Board prior to advertising for bids for the carriage of mail by aircraft on any star route. Any contract which may ultimately be awarded by the Postmaster General under such law will not confer authority to carry persons or property (other than mail) by air.

Prior to reaching its decision as to whether the requested certification should be issued, the Board desires to afford interested persons an opportunity to comment thereon through the submission of written data, views, or arguments, in triplicate, addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C. 20428. All relevant matter in communications bearing the above docket number received on or before July 31, 1967, will be considered by the Board before taking final action on the request of the Postmaster General.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

JUNE 30, 1967.

[F.R. Doc. 67-7701; Filed, July 5, 1967; 8:47 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 17537; FCC 67-748]

GEORGIA RADIO, INC. (WPLK)

Memorandum Opinion and Order Designating Application for Hearing on Stated Issues

In re application of Georgia Radio, Inc. (WPLK), Rockmart, Ga., Docket No. 17537, File No. BP-16698; has: 1220 kc., 500 w., day, class II; requests: 1060 kc., 5 kw., DA-day, class II; for construction permit.

1. The Commission has under consideration the above-captioned and described application.

2. Examination of the application of Georgia Radio, Inc., indicates that the proposed 1 v/m contour would encompass a population of 848 persons, a number greater than 300 and also greater than 1 percent of the total population included within the 25 mv/m contour (7,195 persons). Accordingly, the applicant is not in compliance with § 73.24(g) of the Commission's rules. The applicant has requested a waiver of the rule but the Commission is unable, on the basis of the data submitted, to conclude that a waiver would serve the public interest. Rather, it is of the opinion that the matter should be explored in an evidentiary hearing.

3. Except as indicated by the issues specified below, the applicant is qualified to construct and operate as proposed. However, for the reason set out in the preceding paragraph, the Commission is unable to make a statutory finding that a grant of the subject application would serve the public interest, convenience and necessity, and is of the opinion that the applicant must be designated for hearing on the issues set forth below:

Accordingly it is ordered, That, pursuant to section 309(e) of the Communications Act of 1934, as amended, the application is designated for hearing, at a time and place to be specified in a subsequent order, upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the proposed operation of Station WPLK and the availability of other primary service to such areas and populations.

2. To determine whether the proposal of Georgia Radio, Inc., is in compliance with § 73.24(g) of the Commission's rules concerning population within the 1000 mv/m contour, and, if not, whether circumstances exist which would warrant a waiver of said section.

3. To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether a grant of the application would serve the public interest, convenience and necessity.

It is further ordered, That, in the event of a grant of the application of Georgia Radio, Inc., the construction permit should contain the following condition:

Pending final decision in Docket No. 14419 with respect to presunrise operation with daytime facilities, the present provisions of § 73.87 of the Commission's rules are not extended to this authorization, and such operation is precluded.

It is further ordered, That, to avail itself of the opportunity to be heard, the applicant herein, pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall, within 20 days of the mailing of this order, file with the Commission in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

It is further ordered, That, the applicant herein shall, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.594 of the Communication's rules, give notice of the hearing, within the time and in the manner prescribed in such rule, and shall advise the Commission of the pub-

lication of such notice as required by § 1.594(g) of the rules.

Adopted: June 21, 1967.

Released: June 27, 1967.

FEDERAL COMMUNICATIONS COMMISSION,[1]
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7704; Filed, July 5, 1967; 8:47 a.m.]

[Docket No. 17504; FCC 67M-1092]

ARTHUR H. JONES, JR.

Order Regarding Place of Hearing

In the matter of Arthur H. Jones, Jr., 4017 Cold Spring Lane, Baltimore, Md. 21215, Docket No. 17504; suspension of radiotelephone first class operator license.

It is ordered, That the action of the Chief Hearing Examiner released June 19, 1967, in the above-entitled proceeding (FCC 67M-1006), is hereby amended by the substitution of Baltimore, Md., for Washington, D.C., as the place of hearing in the proceeding; and

It is further ordered, That the request made in behalf of the respondent for field hearing is dismissed as moot.

Issued: June 28, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7705; Filed, July 5, 1967; 8:47 a.m.]

[Docket No. 17509; FCC 67M-1091]

ARTHUR H. JONES, JR.

Order Regarding Place of Hearing

In the matter of Arthur H. Jones, Jr., Baltimore, Md., Docket No. 17509; suspension of amateur radio operator license (W31RL).

It is ordered, That the action of the Chief Hearing Examiner released June 19, 1967 in the above-entitled proceeding (FCC 67M-1007), is hereby amended by the substitution of Baltimore, Md., for Washington, D.C., as the place of hearing in the proceeding; and

It is further ordered, That the request made in behalf of the respondent for field hearing is dismissed as moot.

Issued: June 28, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7706; Filed, July 5, 1967; 8:47 a.m.]

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[1] Commissioner Cox absent.

[Docket Nos. 17454, 17455; FCC 67M-1085]

NEW YORK UNIVERSITY AND FAIRLEIGH DICKINSON UNIVERSITY

Order Scheduling Hearing

In re applications of New York University, New York, N.Y., Docket No. 17454, File No. BPED-742; Fairleigh Dickinson University, Teaneck, N.J., Docket No. 17455, File No. BPED-751; for construction permits.

On the basis of discussions held at the first prehearing conference in this proceeding on June 23, 1967, and a consequent agreement among the parties: *It is ordered*, That the presentation of evidence in this case will be by written exhibits, except to the extent that the respective applicants deem it appropriate to amplify, delete or otherwise modify the information in the written exhibits by the testimony of witnesses at the hearing;

It is further ordered, That the exchange of preliminary engineering exhibits relating to Issue 2, as modified, will occur on September 1, 1967; that the exchange of all other exhibits will occur on October 3, 1967; that notification of witnesses to be presented (together with a brief statement as to the scope of testimony of each), as well as those witnesses desired for cross-examination, will occur on October 10, 1967; and that the hearing will commence at 10 a.m., October 17, 1967, in the Commission's offices in Washington, D.C.

Issued: June 27, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7707; Filed, July 5, 1967; 8:47 a.m.]

[Docket Nos. 17541, 17542; FCC 67M-1083]

S R C, INC., AND SAN ANGELO INDEPENDENT SCHOOL DISTRICT NO. 226-903

Order Scheduling Hearing

In re applications of S R C, Inc., San Angelo, Tex., Docket No. 17541, File No. BPCT-3764; San Angelo Independent School District No. 226-903, San Angelo, Tex., Docket No. 17542, File No. BPCT-3783; for construction permit for new television broadcast station (Channel 6).

It is ordered, That Elizabeth C. Smith shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on September 13, 1967, at 10 a.m.; and that a prehearing conference shall be held on July 18, 1967, commencing at 9 a.m.: *And, it is further ordered*, That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: June 27, 1967.

Released: June 28, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7708; Filed, July 5, 1967; 8:47 a.m.]

[Docket No. 17143; FCC 67M-1090]

STOKES COUNTY BROADCASTING CO. (WKTE)

Order Continuing Prehearing Conference

In re application of Stokes County Broadcasting Co. (WKTE), King, N.C., Docket No. 17143, File No. BP-16610; for construction permit.

The applicant filed on March 6, 1967, a petition for reconsideration which interlocutory pleading is still pending before the Commission. In view of the foregoing, it is deemed feasible that the further hearing conference now scheduled for July 3, 1967, should be continued.

Accordingly, it is ordered, That the further hearing conference now scheduled herein for July 3 be and the same is hereby rescheduled for July 31, 1967, 9 a.m., in the Commission's offices, Washington, D.C.

Issued: June 28, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7709; Filed, July 5, 1967; 8:48 a.m.]

[Docket Nos. 16924-16925; FCC 67M-1094]

SUNSET BROADCASTING CORP. ET AL.

Order Continuing Prehearing Conference

In re applications of Sunset Broadcasting Corp., Yakima, Wash., Docket No. 16924, File No. BPCT-3478; Apple Valley Broadcasting, Inc., Yakima, Wash., Docket No. 16925, File No. BPCT-3648; Northwest Television & Broadcasting Co. (a joint venture), Yakima, Wash., Docket No. 16926, File No. BPCT-3672; for construction permit for new television broadcast station at Yakima, Wash.

The Hearing Examiner having been informally advised that the applicants contemplate the prompt filing of a new settlement agreement designed to eliminate the faults outlined in the Review Board's order released June 26, 1967;

It appearing, that further hearing procedures should be deferred pending the Board's consideration of the said agreement;

It is ordered, That the conference now scheduled for July 6, 1967, is continued pending further order.

Issued: June 29, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7710; Filed, July 5, 1967; 8:48 a.m.]

[Docket No. 17535; FCC 67M-1087]

TOP VISION CABLE CO.

Order Scheduling Hearing

In re cease and desist order to be directed against: Top Vision Cable Co., owner and operator of a CATV system at Owensboro, Ky., Docket No. 17535.

It is ordered, That James D. Cunningham shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on July 31, 1967, at 10 a.m.; and that a prehearing conference shall be held on July 21, 1967, commencing at 9 a.m.; *And, it is further ordered*, That all proceedings shall take place in the offices of the Commission, Washington, D.C.

Issued: June 27, 1967.

Released: June 29, 1967.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 67-7711; Filed, July 5, 1967; 8:48 a.m.]

FEDERAL MARITIME COMMISSION

INDO CHINA STEAM NAVIGATION CO., LTD., ET AL.

Application for Certificate of Financial Responsibility to Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages; Security for Protection of Public

Notice is hereby given that pursuant to the provisions of section 2, Public Law 89-777 (80 Stat. 1356, 1357) and Federal Maritime Commission General Order 20, (46 CFR Part 540) that a Certificate of Financial Responsibility to Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages has been issued to the following (all effective on August 7, 1967):

The Indo China Steam Navigation Co., Ltd. (Dominion Far East Line). Certificate No. C-1002.
Compania Trasatlantica Espanola, S.A. (Spanish Line). Certificate No. C-1003.
Themistocles Navegacion S.A. (Operators: National Hellenic American Line). Certificate No. C-1004.
The New Zealand Shipping Co., Ltd. (Certificate No. C-1005.
Jugoslavenska Linijska plovidba-Rijeka (Yugoslav Lines) (Jugolinija Yugoline). Certificate No. C-1006.
Dominion Navigation Co., Ltd. Certificate No. C1007.
Okeania S.A. (Chandris Lines). Certificate No. C-1008.
Compagnia Genovese Di Armamento SPA (Cogedar Line). Certificate No. C-1009.

Dated: June 30, 1967.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-7714; Filed, July 5, 1967; 8:48 a.m.]

COMPANHIA DE NAVEGACAO LLOYD BRASILEIRO AND CANADIAN PACIFIC RAILWAY CO.

Financial Responsibility To Meet Liability Incurred for Death or Injury to Passengers or Other Persons on Voyages; Security for Protection of Public

Notice is hereby given that pursuant to the provisions of section 2, Public Law 89-777 (80 Stat. 1357, 1358) and Federal Maritime Commission General Order 20, Amendment 2 (46 CFR Part 540) the following persons have applied to the Federal Maritime Commission for a Certificate of Financial Responsibility to Meet Liability Incurred for Death or Injury To Passengers or Other Persons on Voyages:

Companhia De Navegacao Lloyd Brasileiro (Lloyd Brasileiro).
Canadian Pacific Railway Co. (Canadian Pacific).

Dated: June 30, 1967.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-7715; Filed, July 5, 1967; 8:48 a.m.]

INDO CHINA STEAM NAVIGATION CO., LTD.

Indemnification of Passengers for Nonperformance of Transportation; Notice of Issuance of Certificate (Performance); Security for Protection of Public

Notice is hereby given that pursuant to the provisions of section 3, Public Law 89-777 (80 Stat. 1357, 1358) and Federal Maritime Commission General Order 20 (46 CFR 540) that a Certificate of Financial Responsibility for Indemnification of Passengers for Nonperformance of Transportation has been issued to the following:

The Indo China Steam Navigation Co., Ltd. (Dominion Far East Line), Certificate No. P-55. Effective date: June 27, 1967.

Dated: June 30, 1967.

THOMAS LISI,
Secretary.

[F.R. Doc. 67-7716; Filed, July 5, 1967; 8:48 a.m.]

[Docket No. 965]

PACIFIC COAST TERMINALS

Discontinuance of Proceeding Regarding Granting of Free Time and Collecting Wharf Demurrage and Storage Charges

In December 1961 the subject proceeding was instituted to investigate the practices of Pacific Coast terminals in granting free time and collecting wharf demurrage and storage. The proceeding included issues as to the reasonableness of practices of all terminals on the Pacific Coast and the establishment by rule of a maximum 10-day free time provision and other practices and regulations insuring equitable treatment of all users of terminal facilities.

Upon consideration of comments submitted by parties, further action was deferred pending an examination of terminal practices in other areas. The Commission has recently concluded proceedings covering the major ports on the Atlantic and Gulf coasts (Fact Finding Investigation No. 4—Terminal Practices at North Atlantic Ports—Hampton Roads, Va., Searsport, Maine; and Fact Finding Investigation No. 5—Terminal Practices at South Atlantic and Gulf Ports From, But Excluding Hampton Roads, Va. to Brownsville, Tex.).

Free time practices at San Diego were investigated in detail in Investigation of Free Time Practices—Port of San Diego, 9 F.M.C. 525 (1961), in which the Commission held that no more than 10 days free time on outbound cargo and 7 days free time on inbound cargo could be offered. These are the same free time periods allowed at all other California ports.

Ports in the Pacific Northwest area provide for a 20-day assembling time allowance in addition to 10 days free time. Such provision has been attacked by California ports as being unlawful because it has caused diversion of cargo. Certain Pacific Northwest ports contend that such additional assembling time is necessary to allow sufficient time to accumulate enough cargo to warrant ship calls at smaller ports and must be retained by larger northwest ports for competitive reasons. The Commission has no information to substantiate the California ports' claims of diversion, much less that the assembling time practice is responsible therefor. We therefore do not think that a 10-day maximum free time period should be imposed upon northwest ports at this time nor is there any other reason for continuing the present proceeding.

In view of the information secured from the above fact finding investigations, and in light of the decision in Docket No. 1217, the Commission is of the opinion that no regulatory purpose would be served in promulgating the proposed rules in Docket No. 965 at this time.

The discontinuance of this proceeding is, of course, without prejudice to the filing of a complaint under section 22 of the Shipping Act, 1916, or subsequent in-

vestigation upon the Commission's own motion at a later date.

Therefore, it is ordered, That this proceeding be, and hereby is, discontinued.

By the Commission.

[SEAL] THOMAS LISI, *Secretary*.

[F.R. Doc. 67-7717; Filed, July 5, 1967; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. CP67-379]

CITY OF HARDIN, KY., AND TEXAS GAS TRANSMISSION CORP.

Notice of Application

JUNE 28, 1967.

Take notice that on June 21, 1967, the city of Hardin, Ky. 42048 (Applicant), filed in Docket No. CP67-379 an application pursuant to section 7(a) of the Natural Gas Act for an order of the Commission directing Texas Gas Transmission Corp. (Respondent) to establish physical connection of its transportation facilities with the facilities proposed to be constructed by Applicant and to sell and deliver to Applicant volumes of natural gas for resale and distribution in the incorporated city of Hardin and its environs, in Marshall and Calloway Counties, all in the State of Kentucky, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate a municipal natural gas distribution system in the city of Hardin and environs and it plans to construct the necessary connecting laterals from a point of connection with the above-proposed municipal distribution system south to a point of connection with an intermediate main from Respondent's main transmission line near Murray, Ky.

Applicant estimates its third year daily and annual natural gas requirements at 500 Mcf and 43,052 Mcf, respectively.

Applicant estimates the total cost of the proposed facilities at approximately $280,000, said cost to be financed through the sale of natural gas revenue bonds.

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 July 24, 1967.

GORDON M. GRANT, *Secretary*.

[F.R. Doc. 67-7658; Filed, July 5, 1967; 8:45 a.m.]

[Docket No. CP67-376]

EL PASO NATURAL GAS CO.

Notice of Application

JUNE 27, 1967.

Take notice that on June 19, 1967, El Paso Natural Gas Co. (Applicant), Post Office Box 1492, El Paso, Tex. 79999, filed in Docket No. CP67-376 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and the sale and delivery of additional quantities of natural gas to an existing customer 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 the following natural gas facilities.

(1) A positive displacement sales meter station and necessary appurtenances to be located on its 20-inch Spokane Lateral in Adams County, Wash.; and

(2) A positive displacement sales meter station and necessary appurtenances to be located on its 16-inch Spokane Lateral in Lincoln County, Wash.

Applicant states that the purpose of the above-proposed natural gas facilities is to enable it to sell quantities of natural gas to the Washington Water Power Co. (Water), an existing resale customer of Applicant, for transportation to and resale and distribution in the communities of Lind, Adams County, and Sprague, Lincoln County, both in the State of Washington. Applicant further states that Water proposes to provide initial natural gas service to both the above-mentioned communities. Applicant also states that Water proposes to construct and operate all necessary facilities to transport the natural gas from the proposed sales meter stations to its proposed municipal distribution systems.

Applicant states that Water has estimated its daily and annual third year natural gas requirements for the two communities as follows:

City	Third year maximum daily requirement (Mcf)	Third year maximum annual requirement (Mcf)
Lind, Wash	232	23,543
Sprague, Wash	159	15,998

Applicant estimates the total cost of its facilities proposed herein at approximately $14,972, said cost to be financed through the use of working 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 July 21, 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 of 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. 67-7659; Filed, July 5, 1967; 8:45 a.m.]

[Docket No. CP67-378]

EL PASO NATURAL GAS CO.

Notice of Application

JUNE 28, 1967.

Take notice that on June 20, 1967, El Paso Natural Gas Co. (Applicant), Post Office Box 1492, El Paso, Tex. 79999, filed in Docket No. CP67-378 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, all as more fully set forth in the application which is on file with the Commision and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate one 4,000 horsepower compressor unit, together with necessary appurtenances, to be located at its compressor station No. 23 in the Big Piney Field, Sublette County, Wyo. The horsepower addition, together with the presently installed horsepower, will make a total of 8,620 horsepower at this station.

Applicant states that the facilities proposed above will enable it to reduce the line pressure in those facilities utilized to receive natural gas from the Frontier-Muddy Formation, permit an orderly depletion of reserves and provide additional quantities of natural gas from the Frontier-Muddy Formation which would not otherwise be available to satisfy the requirements of its Northwest Division customers.

Applicant estimates the total cost of the jurisdictional facilities proposed at approximately $1,852,000, said cost to be financed initially from working funds, supplemented as necessary by short-term bank loans.

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 July 24, 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. 67-7660; Filed, July 5, 1967; 8:45 a.m.]

[Docket No. CP67-377]

NORTHERN NATURAL GAS CO.

Notice of Application

JUNE 28, 1967.

Take notice that on June 20, 1967, Northern Natural Gas Co. (Applicant), 2223 Dodge Street, Omaha, Nebr. 68102, filed in Docket No. CP67-377 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, 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) Measurement facilities consisting of two 10-inch orifice meter runs; and

(2) Approximately 1.22 miles of 16-inch pipeline to and from a proposed products recovery plant.

Applicant states that the above-described natural gas facilities are to run to and from a proposed products recovery plant to be constructed adjacent to Applicant's Beaver Compressor Station, Beaver County, Okla., by Pan American Petroleum Corp. (Pan Am) and various other natural gas producers in the area from whom Applicant purchases natural gas. Applicant, under processing agreements with the producers, will deliver the natural gas purchased by it to the proposed recovery plant where it will be processed and the residue stream returned to Applicant.

Applicant estimates the total cost of the proposed facilities at approximately $188,330, said cost to be financed from internal sources such as reserve accruals, retained earnings and cash on hand. A contribution in aid of construction of up to $140,000 toward the 16-inch connecting lines will be made by Pan Am.

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 July 24, 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. 67-7661; Filed, July 5, 1967; 8:45 a.m.]

[Docket Nos. RI67-360 etc.]

PHILLIPS PETROLEUM CO., ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates

JUNE 15, 1967.

Phillips Petroleum Co. (Operator), Docket Nos. RI67-360 et al., Texaco, Inc., Docket No. RI67-369, Brooks Hall and Don D. Montgomery, Docket No. RI67-372.

In the order providing for hearings on and suspension of proposed changes in rates issued April 28, 1967 and published in the FEDERAL REGISTER May 9, 1967 (F.R. Doc. 67-5020, 32 F.R. 7033), in Appendix "A" make the following changes: After Docket No. RI67-369, Texaco, Inc., change effective date "6-22-67" to read "7-1-67" and "Date Suspended Until" should be changed to read "12-1-67" in lieu of "11-22-67."

After Docket No. RI67-372, Brooks Hall and Don D. Montgomery change "Respondent" to read "Brooks Hall and Don D. Montgomery" in lieu of "Brooks Hall (Operator), et al." Change "Supplement No. 6" to read "Supplement No. 2" to Rate Schedule No. 1.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 67-7662; Filed, July 5, 1967; 8:45 a.m.]

[Docket No. CP67-380]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Notice of Application

JUNE 28, 1967.

Take notice that on June 21, 1967, Transcontinental Gas Pipe Line Corp. (Applicant), Post Office Box 1396, Houston, Tex. 77001, filed in Docket No. CP67-380 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act, as implemented by § 157.7(b) of the regulations under the Act, for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, 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, during the 12-month period following the issuance of authority in this docket, and operate routine natural gas purchase facilities necessary to enable it to take into its certificated main pipeline system additional supplies of natural gas in new and existing fields which is or will become available in its general supply area. Applicant states that the above-proposed facilities will enable it to assure the maintenance of adequate and economical service to its customers. Applicant further states that no new sale or service is proposed by this application.

Applicant states that the total cost of its proposed construction is not to exceed $2 million with no single project expenditure to exceed $500,000, said cost to be financed initially from temporary bank loans and company funds, with permanent financing to be arranged as part of an overall financing program.

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 July 26, 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. 67-7663; Filed, July 5, 1967; 8:45 a.m.]

FEDERAL RESERVE SYSTEM

VIRGINIA COMMONWEALTH BANKSHARES, INC.

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Virginia Commonwealth Bankshares, Inc., Richmond, Va., for approval of acquisition of more than 50 percent of the vot-

ing shares of National Bank of Commerce of Fairfax County, Falls Church, Va.

There has come before the Board of Governors, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), and § 222.4(a) of Federal Reserve Regulation Y (12 CFR 222.4(a)), an application by Virginia Commonwealth Bankshares, Inc., Richmond, Va., for the Board's prior approval of the acquisition of more than 50 percent of the outstanding voting shares of National Bank of Commerce of Fairfax County, Falls Church, Va.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recommendation. The Comptroller recommended approval.

Notice of receipt of the application was published in the FEDERAL REGISTER on April 13, 1967 (32 F.R. 5967), which provided an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved, provided that the acquisition so approved shall not be consummated (a) before the 30th day following the date of this order or (b) later than 3 months after the date of the order.

Dated at Washington, D.C., this 27th day of June 1967.

By order of the Board of Governors.[2]

[SEAL] MERRITT SHERMAN, *Secretary*.

[F.R. Doc. 67-7693; Filed, July 5, 1967; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area 624]

SOUTH DAKOTA

Declaration of Disaster Loan Area

Whereas, it has been reported that during the month of June 1967, because of the effects of certain disasters, damage resulted to residences and business property located in Beadle, Hughes, and Stanley Counties, in the State of South Dakota;

Whereas, the Small Business Administration has investigated and received other reports of investigations of conditions in the areas affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, therefore, as Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Office below indicated from persons or firms whose property, situated in the aforesaid Counties and areas adjacent thereto, suffered damage or destruction resulting from floods and accompanying conditions occurring on or about June 18, 1967.

OFFICE

Small Business Administration Regional Office, Eighth and Main Avenue, Sioux Falls, S. Dak. 57102.

2. Applications for disaster loans under the authority of this declaration will not be accepted subsequent to December 31, 1967.

Dated: June 27, 1967.

BERNARD L. BOUTIN, *Administrator*.

[F.R. Doc. 67-7695; Filed, July 5, 1967; 8:46 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

CERTIFICATES AUTHORIZING EMPLOYMENT OF LEARNERS AT SPECIAL MINIMUM WAGES

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 29 U.S.C. 201 et seq.), and Administrative Order No. 595 (31 F.R. 12981) the firms listed in this notice have been issued special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the act. For each certificate, the effective and expiration dates, number or proportion of learners and the principal product manufactured by the establishment are as indicated. Conditions on occupations, wage rates, and learning periods which are provided in certificates issued under the supplemental industry regulations cited in the captions below are as established in those regulations; such conditions in certificates not issued under the supplemental industry regulations are as indicated.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.9, as amended and 29 CFR 522.20 to 522.25, as amended).

The following normal labor turnover certificates authorize ten percent of the total number of factory production workers except as otherwise indicated.

Ainsbrooke, division of Genesco, Inc., Olney, Ill.; 6-12-67 to 6-11-68 (men's and boys' woven pajamas).

Altamont Shirt Corp., Altamont, Tenn.; 6-12-67 to 6-11-68 (men's and boys' shirts).

Angelica Uniform Co., Summerville, Mo.; 6-12-67 to 6-11-68 (women's washable uniforms).

Angelica Uniform Co., Marquand, Mo.; 6-18-67 to 6-17-68 (men's pants).

Angelica Uniform Co., Eminence, Mo.; 6-20-67 to 6-19-68 (men's and women's washable service uniforms).

The Arrow Co., Gilbert, Minn.; 6-24-67 to 6-23-68 (collars and cuffs for men's dress shirts).

The Arrow Co., Virginia, Minn.; 6-24-67 to 6-23-68 (men's dress shirts).

Blackville Manufacturing Corp., Blackville, S.C.; 6-21-67 to 6-20-68 (ladies' dresses and blouses).

Blue Gem Manufacturing Co., Stoneville, N.C.; 6-12-67 to 6-11-68 (men's and boys' dungarees).

Bur-Mac Corp., Athens, Ga.; 6-16-67 to 6-15-68 (men's and boys' dress slacks).

Cal-Crest Outerwear, Inc., Murphysboro, Ill; 6-9-67 to 6-8-68 (men's outerwear jackets).

Carolina Girls Wear, Inc., St. George, S.C.; 6-18-67 to 6-17-68 (children's dresses).

Central Apparel Corp., Danville, Va.; 6-16-67 to 6-15-68 (children's pants).

Cookeville Shirt Co., d.b.a. Wilson County Garment Co., Watertown, Tenn.; 6-16-67 to 6-15-68 (ladies' blouses).

Devil Dog Manufacturing Co., Inc. & Superior Garment Contractors, Inc., Zebulon, N.C.; 6-25-67 to 6-24-68 (children's sportswear).

Forest Hills Sportswear Co., Lawrenceburg, Tenn.; 6-25-67 to 6-24-68 (men's dress trousers).

Freeland Manufacturing Co., Freeland, Pa.; 6-19-67 to 6-18-68 (men's and boys' outerwear jackets, work clothes and work uniforms).

Freeland Dress Co., Inc., Freeland, Pa.; 6-16-67 to 6-15-68; five learners (girls' dresses.

Hunter Bros. Co., Inc., Statesville, N.C.; 6-20-67 to 6-19-68 (men's sport shirts and ladies' blouses).

Hy-Grade Pants Co., Inc., Taylor, Pa.; 6-12-67 to 6-11-68 (men's and boys' pants).

Imperial Reading Corp., Lafayette, Tenn.; 6-25-67 to 6-24-68 (men's sport shirts).

Lake Butler Apparel Co., Lake Butler, Fla.; 6-24-67 to 6-23-68 (men's and boys' dress slacks).

Lakeland Mfg. Co., Sheboygan, Wis.; 6-29-67 to 6-28-68 (men's and boys' outerwear jackets).

Lillington Garment Co., Lillington, N.C.; 6-20-67 to 6-19-68 (men's sport shirts).

Louisiana Industrial Garment Manufacturing Corp., Gonzales, La.; 6-12-67 to 6-11-68 (men's dress pants and work pants).

Lyons Garment Co., Inc., Athens, Ga.; 6-8-67 to 6-7-68 (men's pants).

McCreary Manufacturing Co., Inc., Stearns, Ky.; 6-26-67 to 6-25-68 (men's shirts).

Monticello Manufacturing Co., Inc., Monticello, Ky.; 6-24-67 to 6-23-68 (men's sport shirts and ladies' blouses).

Mylcraft Manufacturing Co., Inc., Rich Square, N.C.; 6-27-67 to 6-26-68 (ladies' sleepwear).

New Castle Manufacturing Co., Inc., New Castle, Va.; 6-12-67 to 6-11-68 (ladies' and children's woven nightwear).

Paducah Shirt Co., Inc., Paducah, Ky.; 6-21-67 to 6-20-68 (boys' sport shirts).

Paula Lee, Inc., Carbondale, Pa.; 6-16-67 to 6-15-68 (women's and children's dresses).

Quality Manufacturing Co., Point Pleasant, W. Va.; 6-16-67 to 6-15-68; 10 learners (ladies' dresses).

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[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of Richmond.

[2] Voting for this action: Vice Chairman Robertson, and Governors Mitchell, Daane, Maisel, Brimmer, and Sherrill. Absent and not voting: Chairman Martin.

Reidbord Bros. Co., Philippi, W. Va.; 6-7-67 to 6-6-68 (men's work pants).

Rivera, Inc., Pontotoc, Miss.; 6-20-67 to 6-19-68 (men's shirts).

Henry I. Siegel Co., Inc., Gleason, Tenn.; 6-23-67 to 6-22-68 (men's and boys' pants).

Spencer California, Tehachapi, Calif.; 6-20-67 to 6-19-68; five learners (children's pajamas and jumpers).

Spring Hope Manufacturing Co., Inc., Spring Hope, N.C.; 6-25-67 to 6-24-68 (children's outerwear, sport shirts).

Summerville Dress Co., Inc., Summerville, S.C.; 6-6-67 to 6-5-68 (children's dresses).

Trimble Manufacturing Corp., Trimble, Tenn.; 6-16-67 to 6-15-68 (men's and boys' outerwear jackets).

Williamson-Dickie Manufacturing Co., Tyler, Tex.; 6-20-67 to 6-19-68 (men's and boys' pants).

The following plant expansion certificates were issued authorizing the number of learners indicated.

The Arrow Co., Albertville, Ala.; 6-15-67 to 12-14-67; 40 learners (men's dress shirts).

Edward Hyman Co., Jackson, Miss.; 6-15-67 to 12-14-67; 65 learners (coveralls).

Reidbord Bros. Co., Philippi, W. Va.; 6-7-67 to 12-6-67; 25 learners (men's work pants).

Tracy City Manufacturing Co., Tracy City, Tenn.; 6-16-67 to 12-15-67; 40 learners (men's and boys' sport shirts).

Glove Industry Learner Regulations (29 CFR 522.1 to 522.9, as amended and 29 CFR 522.60 to 522.65, as amended).

Ideal Glove Co., Maben, Miss.; 6-15-67 to 6-14-68; five learners for normal labor turnover purposes (work gloves).

Indianapolis Glove Co., Inc., Houlka, Miss.; 6-22-67 to 12-21-67; 20 learners for plant expansion purposes (work gloves).

Southern Glove Manufacturing Co., Inc., Conover, N.C.; 6-23-67 to 6-22-68; 10 percent of the total number of machine stitchers for normal labor turnover purposes (work gloves).

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.9, as amended and 29 CFR 522.40 to 522.43, as amended).

Lawler Hosiery Mills, Inc., Carrollton, Ga.; 6-18-67 to 6-17-68; 5 percent of the total number of factory production workers for normal labor turnover purposes (seamless).

Van Raalte Co., Inc., Blue Ridge, Ga.; 6-20-67 to 12-19-67; 15 learners for plant expansion purposes (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.9, as amended and 29 CFR 522.30 to 522.35, as amended).

The Arrow Co., Eveleth, Minn.; 6-24-67 to 6-23-68; 5 percent of the total number of factory production workers for normal labor turnover purposes (men's underwear).

Mullins Textile Mills, Inc., Chadbourn, N.C.; 6-9-67 to 12-8-67; 30 learners for plant expansion purposes (men's and boys' knit sport shirts).

Paul-Bruce Manufacturing Co., Inc., Scotland Neck, N.C.; 6-30-67 to 6-29-68; 5 learners for normal labor turnover purposes (ladies' sleepwear).

Paul-Bruce Manufacturing Co., Inc., Scotland Neck, N.C.; 6-9-67 to 12-8-67; 30 learners for plant expansion purposes (ladies' sleepwear).

Snowdon, Inc., Osceola, Iowa; 6-19-67 to 6-18-68; 5 percent of the total number of factory production workers for normal labor turnover purposes (women's underwear).

Sweetree Mills, Inc., Cherryville, N.C.; 6-30-67 to 6-29-68; 5 percent of the total number of factory production workers for normal labor turnover purposes (ladies' sweaters).

Tazewell Textiles, Inc., New Tazewell, Tenn.; 6-22-67 to 6-21-68; 5 percent of the total number of factory production workers for normal labor turnover purposes (men's and boys' knitted tee shirts and briefs).

The following learner certificates were issued in Puerto Rico to the companies hereinafter named. The effective and expiration dates, learner rates, occupations, learning periods and the number of learners authorized to be employed, are indicated.

Ana Manufacturing Corp., Aibonito, P.R.; 5-29-67 to 5-28-68; 27 learners for normal labor turnover purposes in the occupation of sewing machine operating, for a learning period of 320 hours at the rate of 84 cents an hour (women's underwear).

Ana Manufacturing Corp., Aibonito, P.R.; 6-12-67 to 12-11-67; 25 learners for plant expansion purposes in the occupation of sewing machine operating, for a learning period of 320 hours at the rate of 84 cents an hour (women's underwear).

Bayuk International, Inc., Ciales, P.R.; 6-12-67 to 6-11-68; 18 learners for normal labor turnover purposes in the occupations of: (1) Sorting, sizing, tying, and grading, each for a learning period of 240 hours at the rate of 90 cents an hour; and (2) inspecting, for a learning period of 160 hours at the rate of 90 cents an hour (wrapper type tobacco).

Carlin Manufacturing Corp., Luquillo, P.R.; 6-12-67 to 6-11-68; 10 learners for normal labor turnover purposes in the occupation of sewing machine operating, for a learning period of 320 hours at the rate of $1.03 an hour (brassieres).

Corozal Knitting Mills, Inc., Corozal, P.R.; 5-29-67 to 5-28-68; 15 learners for normal labor turnover purposes in the occupation of finger knitting, finger closing; each for a learning period of 320 hours at the rate of 95 cents an hour (knitted gloves and mittens).

Corozal Knitting Mills, Inc., Corozal, P.R.; 6-2-67 to 12-1-67; 75 learners for plant expansion purposes in the occupation of finger knitting, finger closing, each for a learning period of 320 hours at the rate of 95 cents an hour (knitted gloves and mittens).

Goodyale Corp., Rio Grande, P.R.; 6-6-67 to 12-5-67; 40 learners for plant expansion purposes in the occupation of sewing machine operating, for a learning period of 320 hours at the rate of 84 cents an hour (ladies' panties).

Each learner certificate has been issued upon the representations of the employer, which, among other things, were that employment of learners at special minimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of 29 CFR 522.9. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in 29 CFR Part 528.

Signed at Washington, D.C., this 23d day of June 1967.

ROBERT G. GRONEWALD,
Authorized Representative of the Administrator.

[F.R. Doc. 67-7694; Filed, July 5, 1967; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JUNE 30, 1967.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41064—*Sulphuric acid from Baton Rouge, La.* Filed by O. W. South, Jr., agent (No. A5041), for interested rail carriers. Rates on sulphuric acid, in tank carloads, also in multiple tank car shipments of not less than 5 cars, from Baton Rouge, La., to Cantonment and Gonzalez, Fla.

Grounds for relief—Market competition.

Tariff—Supplement 23 to Southern Freight Association, agent, tariff ICC S-671.

FSA No. 41065—*Sulphuric acid from Baton Rouge, La.* Filed by O. W. South, Jr., agent (No. A5042), for interested rail carriers. Rates on sulphuric acid, in tank carloads, also in multiple tank car shipments of not less than 5 cars, from Baton Rouge, La., to Demopolis and Green Tree, Ala.

Grounds for relief—Market competition.

Tariff—Supplement 23 to Southern Freight Association, agent, tariff ICC S-671.

By the Commission.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 67-7743; Filed, July 5, 1967; 8:50 a.m.]

[Notice 453]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

JUNE 30, 1967.

The following letter-notices of proposals to operate over deviation routes for operating convenience only have been filed with the Interstate Commerce Commission, under the Commission's Deviation Rules Revised, 1957 (49 CFR 211.1 (c)(8)) and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d)(4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time, but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Deviation Rules Revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC 67646 (Deviation No. 15), HALL'S MOTOR TRANSIT COMPANY, Fifth and Vine Streets, Sunbury, Pa. 17801, filed June 16, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Cleveland, Ohio, over Interstate Highway 90 to junction Interstate Highway 87 at or near Albany, N.Y., thence over Interstate Highway 87 to the boundary of the United States and Canada at or near Rouses Point, N.Y., and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Oil City, Pa., over U.S. Highway 62 via Franklin to Sandy Lake, Pa., thence over Pennsylvania Highway 358 to the Pennsylvania-Ohio State line, thence over Ohio Highway 88 to Parkman, Ohio, thence over U.S. Highway 422 to Chagrin Falls, Ohio, thence over unnumbered highway to Cleveland, Ohio, (2) from Harrisburg, Pa., over U.S. Highways 11-15 to Amity Hall, Pa., (3) from Amity Hall, Pa., over U.S. Highway 22 to junction U.S. Highway 322, thence over U.S. Highway 322 to Old Fort, Pa., (4) from Old Fort, Pa., over Pennsylvania Highway 53 to junction U.S. Highway 322, thence over U.S. Highway 322 to Franklin, Pa., thence over U.S. Highway 62 to Oil City, Pa., (5) from Lewistown, Pa., over U.S. Highway 22 to junction U.S. Highway 11, thence over U.S. Highway 11 to Duncannon, Pa., (6) from Harrisburg, Pa., over U.S. Highway 422 to Reading, Pa., (7) from Harrisburg, Pa., over U.S. Highway 22 to Allentown, Pa., (8) from Harrisburg, Pa., over U.S. Highway 422 to Reading, Pa., thence over U.S. Highway 222 to Allentown, Pa., thence over U.S. Highway 22 to New York, N.Y., (9) from Reading, Pa., over U.S. Highway 222 to Allentown, Pa., thence over unnumbered highway via Butztown and Farmersville, Pa., to Easton, Pa., thence over U.S. Highway 22 to Jersey City, N.J., thence through the Holland Tunnel to New York, N.Y., and (10) from Reading, Pa., over U.S. Highway 222 to junction U.S. Highway 611, thence over U.S. Highway 611 to junction U.S. Highway 209, thence over U.S. Highway 209 to Kingston, N.Y., thence over U.S. Highway 9W to Albany, N.Y., thence over U.S. Highway 9 via Glens Falls and Plattsburgh, N.Y., to the boundary of the United States and Canada near Rouses Point, and return over the same routes.

No. MC 77424 (Deviation No. 1), WENHAM TRANSPORTATION, INC., 3200 East 79th Street, Cleveland, Ohio 44104, filed June 23, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over deviation routes as follows: (1) From Rockford, Ill., over Interstate Highway 90 to Syracuse, N.Y., (2) from Cleveland, Ohio, over Interstate Highway 71 to Cincinnati, Ohio, (3) from Cincinnati, Ohio, over Interstate Highway 75 to Detroit, Mich., and (4) from Rock Island, Ill., over Interstate Highway 80 to junction Interstate Highway 76, thence over Interstate Highway 76 to Pittsburgh, Pa., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport the same commodities, over pertinent service routes as follows: (1) From Rockford, Ill., over U.S. Highway 20 to Auburn, N.Y., thence over New York Highway 5 to Syracuse, N.Y., (2) from Cleveland, Ohio, over U.S. Highway 42 to Cincinnati, Ohio, (3) from Cincinnati, Ohio, over U.S. Highway 25 to Detroit, Mich., and (4) from Rock Island, Ill., over U.S. Highway 6 to junction U.S. Highway 20, thence over U.S. Highway 20 to Cleveland, Ohio, thence over Ohio Highway 14 to Deerfield, Ohio, thence over Ohio Highway 14A to Salem, Ohio, thence over Ohio Highway 45 to Lisbon, Ohio, thence over U.S. Highway 30 to Pittsburgh, Pa., and return over the same routes.

MOTOR CARRIERS OF PASSENGERS

NO. MC 1515 (Deviation No. 388), GREYHOUND LINES, INC. (Southern Division), 219 East Short Street, Lexington, Ky. 40507, filed June 19, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over a deviation route as follows: From Orlando, Fla., over U.S. Highway 17 to junction with the Bee Line Expressway, thence over the Bee Line Expressway to junction Florida Highway 520, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over pertinent service routes as follows: (1) From Jacksonville, Fla., over U.S. Highway 17 to Lake Alfred, Fla., thence over U.S. Highway 92 via Plant City to Tampa, Fla., thence over Gandy Bridge to St. Petersburg, Fla., (2) from Belleview, Fla., over U.S. Highway 441 to Orlando, Fla., thence over Florida Highway 50 via Christmas, Fla., to Indian River City, Fla., and return over the same routes.

No. MC 1515 (Deviation No. 389) (Cancels Deviation Nos. 81 and 117), GREYHOUND LINES, INC. (Southern Division), 219 East Short Street, Lexington, Ky. 40507, filed June 19, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over a deviation route as follows: From Jacksonville, Fla., over Interstate Highway 10 to junction Interstate Highway 75 (northeast of Wellborn, Fla.), thence over Interstate Highway 75 to junction Florida Highway 6 (east of Jasper, Fla.), thence over Florida Highway 6 to Madison, Fla., with the following access route; from junction Interstate Highway 10 and U.S. Highway 441, over U.S. Highway 441 to Lake City, Fla., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over pertinent service routes as follows: From Dothan, Ala., over U.S. Highway 231 to junction Florida Highway 73, thence over Florida Highway 73 to Marianna, Fla., thence over U.S. Highway 90 to Lake City, Fla., and (2) from Chattanooga, Tenn., over U.S. Highway 41 via Macon, Ga., to Lake City, Fla., thence over U.S. Highway 90 to Jacksonville, Fla., and return over the same routes.

No. MC 1515 (Deviation No. 390) (Cancels Deviation No. 381), GREYHOUND LINES, INC. (Eastern Division), 1400 West Third Street, Cleveland, Ohio 44113, filed June 22, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over deviation routes as follows: (1) From the western terminus of the Erie section of the New York State Throughway at the New York-Pennsylvania State line near Ripley, N.Y., over the Erie section of the New York State Throughway to Interchange No. 50 of the New York State Throughway near Buffalo, N.Y., (2) from junction U.S. Highway 20 and Shortman Road west of Ripley, N.Y., and near the Pennsylvania-New York State line, over Shortman Road to the New York State Throughway, (3) from Westfield, N.Y., over New York Highway 17 to Interchange No. 60 (Westfield Interchange) of the New York State Throughway, (4) From Fredonia, N.Y., east over U.S. Highway 20 to junction Bennett Road, thence over Bennett Road to Interchange No. 59 of the New York State Throughway (Fredonia-Dunkirk Interchange), (5) from Dunkirk, N.Y., over Bennett Road to Interchange No. 59 of the New York State Throughway (Fredonia-Dunkirk Interchange), (6) from junction U.S. Highway 20, New York Highway 5 and Access Highway to Interchange No. 58, east of Silver Creek, N.Y., near Irving, N.Y., over Access Highway to Interchange No. 58 of the New York State Throughway (Silver Creek Interchange), (7) from junction U.S. Highway 20 and New York Highway 75, near Athol Springs, N.Y., over New York Highway 75 to Access Road to Interchange No. 57 of the New York State Throughway, (8) from junction New York Highway 5 and New York Highway 179, near Blasdell, N.Y., over New York Highway 179 to junction with South Park Avenue, thence over South Park Avenue to Mile Strip Road, thence over Mile Strip Road to Throughway Access Road, thence over Access Road to Interchange No. 56 of the New York State Throughway.

(9) From Buffalo, N.Y., over Interstate Highway 190 to Interchange No. 53 of the New York State Throughway, and (10) from Buffalo, N.Y., over the Kensington Expressway to Interchange No. 51 of the New York State Throughway, and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over pertinent service routes as follows: (1) From Rochester, N.Y., over New York Highway 33 to Batavia, N.Y.,

thence over New York Highway 5 via Buffalo to Athol Springs, N.Y., thence over New York Highway 75 to junction U.S. Highway 20, thence over U.S. Highway 20 to junction New York Highway 5 (Irving), thence over U.S. Highway 20 and New York Highway 5 to Silver Creek, N.Y. (also from Dunkirk over New York Highway 60 to Fredonia; also from Silver Creek, over U.S. Highway 20 to Fredonia), thence over U.S. Highway 20 via Harborcreek, Pa., to Erie, Pa., (2) from junction U.S. Highway 20 and New York Highway 75, over New York Highway 75 to the New York State Throughway (at Interchange No. 57), (3) from Avon, N.Y., over U.S. Highway 20 to junction New York Highway 75 (south of Woodlawn, N.Y.), (4) from Suffern, N.Y. (Interchange No. 15), over the New York State Throughway to Buffalo, N.Y. (Interchange No. 50), and (5) from Buffalo, N.Y., over access streets to Interchange No. 50, and return over the same routes.

No. MC 2890 (Deviation No. 66), AMERICAN BUSLINES, INC., 1805 Leavenworth Street, Omaha, Nebr. 68102, filed June 20, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over deviation routes as follows: (1) From Jean, Nev., over Interstate Highway 15 to Las Vegas, Nev., (2) from West Glendale Junction, Nev., over Interstate Highway 15 to East Glendale Junction, Nev., and (3) from junction old U.S. Highway 91 and Interstate Highway 15 west of Bunkerville, Nev., over Interstate Highway 15 to junction Interstate Highway 15 and old U.S. Highway 91 west of Mesquite, Nev., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Uintah Junction, Utah, over U.S. Highway 89 to junction U.S. Highway 91, thence over U.S. Highway 91 via Juab, Utah, to junction U.S. Highway 66, and return over the same route.

No. MC 3210 (Deviation No. 1), ROBERT F. HEMPERLEY, JR., doing business as ST. LOUIS-CAPE BUS LINE, 16 North Frederick Street, Cape Girardeau, Mo. 63701, filed June 16, 1967. Carrier's representative: Marvin Eldridge Wright, 325 Broadway, Cape Girardeau, Mo. 63701. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over deviation routes as follows: (1) From St. Louis, Mo., over Interstate Highway 55 to junction Missouri Highway 141 west of Arnold, Mo., with the following access routes (a) from junction Interstate Highway 55 and U.S. Highways Bypass 61 and Bypass 67 over U.S. Highways Bypass 61 and Bypass 67 to junction U.S. Highway 67, and (b) from junction Interstate Highway 55 and Missouri Highway 141 over Missouri Highway 141 to junction U.S. Highways 61-67, and (2) from junction U.S. Highway 61 and Interstate Highway 55 one mile south of Fruitland, Mo., over Interstate Highway 55 to junction Missouri Highway Route K, west of Cape Girardeau, Mo., thence over Missouri Highway Route K (an access road) to junction U.S. Highway 61, with the following access route: from junction Interstate Highway 55 and U.S. Highway 61, four miles north of Cape Girardeau, Mo., over U.S. Highway 61 to Cape Girardeau, Mo., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property over pertinent service routes as follows: From St. Louis, Mo., over U.S. Highway 67 to junction U.S. Highway 61, thence over U.S. Highway 61 via Jackson, Mo., to Cape Girardeau, Mo., and return over the same route.

No. MC 3210 (Deviation No. 2), ROBERT F. HEMPERLEY, JR., doing business as ST. LOUIS-CAPE BUS LINE, 16 North Frederick Street, Cape Girardeau, Mo. 63701, filed June 16, 1967. Carrier's representative: Marvin Eldridge Wright, 325 Broadway, Cape Girardeau, Mo. 63701. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over a deviation route as follows: From Sikeston, Mo., over Interstate Highway 57 to junction Missouri Highway 77, 1 mile south of Charleston, Mo., with the following access route: From junction Interstate Highway 57 and Missouri Highway 77 over Missouri Highway 77 to Charleston, Mo., and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Cape Girardeau, Mo., over U.S. Highway 61 to junction Missouri Highway 74, thence over Missouri Highway 74 to junction Missouri Highway 25 near Dutchtown, Mo., thence over Missouri Highway 25 to junction Missouri Highway 77 near Blomeyer, Mo., thence over Missouri Highway 77 to junction Scott County Road A, thence over Scott County Road A to Chaffee, Mo., thence return over Scott County Road A to Missouri Highway 77, thence over Missouri Highway 77 to junction U.S. Highway 61, thence over U.S. Highway 61 to junction Missouri Highway 91, thence over Missouri Highway 91 to Morley, Mo., and return over Missouri Highway 91 to junction U.S. Highway 61, thence over U.S. Highway 61 to Sikeston, Mo., thence over U.S. Highway 60 to Charleston, Mo., thence over Missouri Highway 77 to Anniston, Mo., thence return over Missouri Highway 77 to junction Missouri Highway 105, thence over Missouri Highway 105 to East Prairie, Mo., and return over the same route.

No. MC 3210 (Deviation No. 3), ROBERT F. HEMPERLEY, JR., doing business as ST. LOUIS-CAPE BUS LINE, 16 North Frederick Street, Cape Girardeau, Mo. 63701, filed June 16, 1967. Carrier's representative: Marvin Eldridge Wright, 325 Broadway, Cape Girardeau, Mo. 63701. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over a deviation route as follows: From Cape Girardeau, Mo., over Interstate Highway 55 to junction U.S. Highway 62 two miles east of Sikeston, Mo., with the following access routes: (1) From Cape Girardeau, Mo., over Missouri Highway Route K to junction Interstate Highway 55, and (2) from junction Interstate Highway 55 and U.S. Highway 62, over U.S. Highway 62 to Sikeston, Mo., and return over the same route for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: From Cape Girardeau, Mo., over U.S. Highway 61 to junction Missouri Highway 74, thence over Missouri Highway 74 to junction Missouri Highway 25 near Dutchtown, Mo., thence over Missouri Highway 25 to junction Missouri Highway 77 near Blomeyer, Mo., thence over Missouri Highway 77 to junction Scott County Road A, thence over Scott County Road A, to Chaffee, Mo., thence return over Scott County Road "A," to Missouri Highway 77, thence over Missouri Highway 77 to junction U.S. Highway 61, thence over U.S. Highway 61 to junction Missouri Highway 91, thence over Missouri Highway 91 to Morley, Mo., and return over Missouri Highway 91 to junction U.S. Highway 61, thence over U.S. Highway 61 to Sikeston, Mo., thence over U.S. Highway 60 to Charleston, Mo., thence over Missouri Highway 77 to Anniston, Mo., thence return over Missouri Highway 77 to junction Missouri Highway 105, thence over Missouri Highway 105 to East Prairie, Mo., and return over the same route.

No. MC 50026 (Deviation No. 9) ARKANSAS MOTOR COACHES LIMITED, INC., 100 East Markham, Little Rock, Ark., 72201, filed July 8, 1966. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers* in the same vehicle with passengers, over a deviation route as follows: From Dodson's Corner, Ark., over unnumbered St. Francis County Road to junction Interstate Highway 40, thence over Interstate Highway 40 to junction Arkansas Highway 38, thence over Arkansas Highway 38 to junction U.S. Highway 70, and return over the same route, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over a pertinent service route as follows: Between Memphis, Tenn., and Hot Springs National Park, Ark., over U.S. Highway 70.

No. MC 109780 (Deviation No. 20) (Cancels Deviation Nos. 7 and 10), TRANSCONTINENTAL BUS SYSTEM, INC., 315 Continental Avenue, Dallas, Tex. 75207, filed June 23, 1967. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *passengers and their baggage*, and *express* and *newspapers*, in the same vehicle with passengers, over a

deviation route as follows: From Salina, Kans., over Interstate Highway 70 to Denver, Colo., with the following access routes: (1) From Salina, Kans., over Interstate Highway 35W to junction Interstate Highway 70, and (2) from Salina, Kans., over U.S. Highway 81 to junction Interstate Highway 70, and return over the same routes, for operating convenience only. The notice indicates that the carrier is presently authorized to transport passengers and the same property, over pertinent service routes as follows: (1) From Salina, Kans., over U.S. Highway 81 to junction U.S. Highway 24, (2) from Manhattan, Kans., over U.S. Highway 24 to junction Kansas Highway 129, thence over Kansas Highway 129 to Beloit, Kans., thence over Kansas Highway 14 to junction U.S. Highway 24, thence over U.S. Highway 24 to junction U.S. Highway 281, thence over U.S. Highway 281 to Osborne, Kans., thence return over U.S. Highway 281 to junction U.S. Highway 24, thence over U.S. Highway 24 to Stockton, Kans., (3) from Phillipsburg, Kans., over U.S. Highway 183 via Stockton, Kans., to La Crosse, Kans., and (4) from Phillipsburg, Kans., over U.S. Highway 36 to Denver, Colo., and return over the same routes.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-7744; Filed, July 5, 1967; 8:50 a.m.]

NOTICE OF FILING OF MOTOR CARRIER INTRASTATE APPLICATIONS

JUNE 30, 1967.

The following applications for motor common carrier authority to operate in intrastate commerce seek concurrent motor carrier authorization in interstate or foreign commerce within the limits of the intrastate authority sought, pursuant to section 206(a)(6) of the Interstate Commerce Act, as amended October 15, 1962. These applications are governed by Special Rule 1.245 of the Commission's rules of practice, published in the FEDERAL REGISTER, issue of April 11, 1963, page 3533, which provides, among other things, that protests and requests for information concerning the time and place of State Commission hearings or other proceedings, any subsequent changes therein, and any other related matters shall be directed to the State Commission with which the application is filed and shall not be addressed to or filed with the Interstate Commerce Commission.

State Docket No. 8956-KC, filed June 21, 1967. Applicant: B & D TRANSFER COMPANY, INC., 3350 Northwest 60th Street, Miami, Fla. Applicant's representative: John T. Bond, 1955 Northwest 17th Avenue, Miami, Fla. Applicant seeks a certificate of public convenience and necessity to operate a motor transportation service, in contract carriage, for the accounts of Philco Distributors, Inc., and Kennedy & Cohen, Inc., and proposes to transport, service and install: *Freight* of its shippers, including, but not limited to, *refrigerators, freezers, ranges, air conditioners, stereos, televisions, washers, and dryers* over irregular routes and on irregular schedules, from applicant's warehouse located in Dade County, Fla., to points in Dade, Broward, and Palm Beach Counties, and *damaged or returned items* on return; all such items having an origin or a destination at applicant's storage warehouse located in Dade County, Fla. NOTE: Applicant likewise seeks a certificate of registration from the Interstate Commerce Commission to engage in transportation, in interstate and foreign commerce, within geographical limits which do not exceed the scope of intrastate operations for movements which may have a prior or subsequent movement in interstate or foreign commerce.

HEARING: Not yet assigned. Requests for procedural information, including the time for filing protests, concerning this application should be addressed to the Florida Public Service Commission, 700 South Adams Street, Tallahassee, Fla. 32304, and should not be directed to the Interstate Commerce Commission.

State Docket No. A 48327, filed March 17, 1966. Applicant: M AND M TRANSFER COMPANY, 1818 Oak Street, Torrance, Calif. Applicant's representative: Charlton A. Mewborn, 2211 Torrance Boulevard, Torrance, Calif. Certificate of public convenience and necessity sought to operate a freight service as follows: Transportation of *general commodities*, with the exceptions of (1) used household goods and personal effects not packed in accordance with the crated property requirements set forth in paragraph (d) of Item No. 10.C of Minimum Rate Tariff No. 4-A, (2) Automobiles, trucks and buses, viz: New and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses, and taxis, freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks, and trailers combined, buses and bus chassis, (3) livestock, viz: Bucks, bulls, calves, cattle, cows, dairy cattle, ewes, goats, hogs, horses, kids, lambs, oxen, pigs sheep, sheep camp outfits, sows, steers, stags, or swine, (4) commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerated shipment, (5) liquids, compressed gases, commodities in semiplastic form and commodities in suspension in liquids in bulk, in tank trucks, tank trailers, tank semitrailers or a combination of such highway vehicles, (6) commodities when transported in bulk in dump trucks or in hopper-type trucks, and

(7) Commodities when transported in motor vehicles equipped for mechanical mixing in transit. Applicant is seeking authority to transport said commodities from and between all points and places located in the Los Angeles Basin Territory, beginning at the point the Ventura County-Los Angeles County boundary line intersects the Pacific Ocean, thence northeasterly along said county line to the point it intersects State Highway No. 118, approximately 2 miles west of Chatsworth, easterly along State Highway No. 118 to Sepulveda Boulevard, northerly along Sepulveda Boulevard to Chatsworth Drive, northeasterly along Chatsworth Drive to the corporate boundary of the city of San Fernando, westerly and northerly along said corporate boundary to McClay Avenue, northeasterly along McClay Avenue and its prolongation to the Angeles National Forest boundary, southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest boundary to the county road known as Mill Creek Road, westerly along Mill Creek Road to the county road 3.8 miles north of Yucaipa, southerly along said county road to and including the unincorporated community of Yucaipa, westerly along Redlands Boulevard to U.S. Highway 99, northwesterly along U.S. Highway No. 99 to the corporate boundary of the city of Redland, westerly and northerly along said corporate boundary to Brookside Avenue, westerly along Brookside Avenue to Barton Avenue, westerly along Barton Avenue and its prolongation to Palm Avenue, westerly along Palm Avenue to La Cadena Drive, southwesterly along La Cadena Drive to Iowa Avenue, southerly along Iowa Avenue to U.S. Highway No. 60, southwesterly along U.S. Highways Nos. 60 and 395 to the county road approximately 1 mile north of Perris, easterly along said county road via Nuevo and Lakeview to the corporate boundary of the city of San Jacinto, easterly, southerly, and westerly along said corporate boundary to San Jacinto Avenue, southerly along San Jacinto Avenue to State Highway No. 74, westerly along State Highway No. 74 to the corporate boundary of the city of Hemet, southerly, westerly, and northerly along said corporate boundary to the right of way of The Atchison, Topeka & Santa Fe Railway Co., southwesterly along said right of way to Washington Avenue, southerly along Washington Avenue, through and including the unincorporated community of Winchester to Benton Road, westerly along Benton Road to the county road intersecting U.S. Highway No. 395, 2.1 miles north of the unincorporated community of Temecula, southerly along said county road to U.S. Highway No. 395, southeasterly along U.S. Highway No. 395 to the Riverside County-San Diego County boundary line, westerly along said boundary line to the Orange County-San Diego County boundary line, southerly along said boundary line to the Pacific Ocean, northwesterly along the shore line of the Pacific Ocean to point of beginning. Applicant proposes to use all available public highways between points proposed to be served as hereinabove mentioned, and within the cities hereinabove proposed to be served, and applicant proposes to use such streets and highways as may be necessary to serve consignors and consignees, located within said cities. Both intrastate and interstate authority sought.

HEARING: Wednesday, July 12, 1967, at Los Angeles, Calif. Requests for procedural information, including the time for filing protests, concerning this

application, should be addressed to California Public Utilities Commission, California State Building, Civic Center, 455 Golden Gate Avenue, San Francisco, Calif. 94102, and should not be directed to the Interstate Commerce Commission.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary*.

[F.R. Doc. 67-7745; Filed, July 5, 1967; 8:50 a.m.]

[Notice 414]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JUNE 30, 1967.

The following are notices of filing of applications for temporary authority under section 210a (a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC 67 (49 CFR 340) published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such 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 six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 42487 (Sub-No. 675 TA), filed June 28, 1967. Applicant: CONSOLIDATED FREIGHTWAYS CORPORATION OF DELAWARE, 175 Linfield Drive, Menlo Park, Calif. 94025. Applicant's representative: V. R. Odlenburg, Post Office Box 5138, Chicago, Ill. 60680. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those requiring armored vehicles or armed guards, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading), (1) between the plantsites and warehouses of Rockwell-Standard Corp. at or near Winchester, Ky., and Louisville, Ky.: From Winchester over U.S. Highway 60 to Lexington, thence over U.S. Highway 421 to Frankfort, and thence over U.S. Highway 60 to Louisville; and (2) between the plantsites and warehouses of Rockwell-Standard Corp. at or near Winchester, Ky., and Cincinnati, Ohio: From Winchester, over U.S. Highway 227 to Paris, and thence over U.S. Highway 27 to Cincinnati; and return over the same routes, serving no intermediate points, in (1) and (2) above; for 180 days. NOTE: Applicant states that it intends to tack with authority in MC 42487 Sub Nos. 500 and 578 at Cincinnati, Ohio, and Louisville, Ky. Supporting shipper: Rockwell-Standard Corp., Transmission and Axle Division, Winchester, Ky. 40391. Send protests to: William R. Murdoch, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 450 Golden Gate Avenue, Box 36004, San Francisco, Calif. 94102.

No. MC 6992 (Sub-No. 11 TA) (Correction), filed May 24, 1967, published in FEDERAL REGISTER, issue of June 2, 1967, corrected, and republished as corrected, this issue. Applicant: AMERICAN RED BALL TRANSIT COMPANY, INC., 200 Illinois Building, Indianapolis, Ind. 46209. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household* goods, as defined by the Commission, 17 M.C.C. 467, between points in Washington east of the summit of the Cascade Mountains, on the one hand, and, on the other, points in Oregon and that portion of Washington lying west of the summit of the Cascade Mountains; for 180 days. NOTE: Applicant states that it will tack with authority held in the States of North Dakota, Montana, Idaho, Utah, Nevada, and the eastern portion of Washington. The purpose of this republication is to set forth applicant's intention to tack, previously inadvertently omitted. Supporting shipper: Albina Transfer Co., 3710 North Mississippi Avenue, Portland, Oreg. 97227. Send protests to: R. M. Hagarty, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 802 Century Building, 36 South Pennsylvania Street, Indianapolis, Ind. 46204.

No. MC 115257 (Sub-No. 36 TA) (Correction), filed May 25, 1967, published in FEDERAL REGISTER issue of June 2, 1967, corrected, and republished as corrected, this issue. Applicant: SHAMROCK VAN LINES, INC., Post Office Box 5447, Dallas, Tex. 75222. Applicant's representative: R. C. Dawe (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New furniture*, in cartons, between points in Shelby County, Tenn., on the one hand, and, on the other, points in Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Massachusetts, Maine, Maryland, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia; for 180 days. NOTE: Applicant requests authority to tack with Subs 23, 25, 30, 33TA, and 34TA. The purpose of this republication is to set forth applicant's intention to tack, previously inadvertently omitted. Supporting shippers: National Bedding & Furniture Industries, 1700 Channel Avenue, Memphis, Tenn. 38102; L. & M. Associates, 3210 Carrington Avenue, Memphis, Tenn. 38111; and Memphis Furniture Manufacturing Co., 715 South Camilla Street, Post Office Box 358, Memphis, Tenn. 38101. Send protests to: E. K. Willis, Jr., District Supervisor, Bureau of Operations, Interstate Commerce Commission, 513 Thomas Building, 1314 Wood Street, Dallas, Tex. 75202.

No. MC 117200 (Sub-No. 9 TA), filed June 28, 1967. Applicant: TISCH & DREWS, INC., 212 Green Bay Avenue, Oconto Falls, Wis. 54154. Applicant's representative: Eugene E. Behling, Oconto Falls, Wis. 54154. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Lignin liquor*, in bulk, and in tank vehicles, from Oconto Falls, Wis., to points in Minnesota; for and as directed by Scott Paper Co., Oconto Falls, Wis., and Philadelphia, Pa.; for 180 days. Supporting shipper: Scott Paper Co., Oconto Falls, Wis. 54154 (P. E. Jones, assistant traffic manager). Send protests to: W. F. Sibbald, Jr., District Supervisor, Bureau of Operations, Interstate Commerce Commission, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

No. MC 118089 (Sub-No. 7 TA), filed June 28, 1967. Applicant: JACK H. DWENGER, INC., Route 1, Box 362, Weatherford, Tex. 76086. Applicant's representative: Mert Starnes, 904 Lavaca Building, Austin, Tex. 78701. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Bananas*, from Gulfport, Miss., to points in Texas; and *rejected shipments* on return; for 150 days. Supporting shippers: Panhandle Fruit Co., Amarillo, Tex.; and Ben E. Keith Co., Ninth and Jones Streets, Fort Worth, Tex. Send protests to: Billy R. Reid, District Supervisor, Bureau of Operations, Interstate Commerce Commission, Room 9A27 Federal Building, 819 Taylor Street, Fort Worth, Tex. 76102.

No. MC 119560 (Sub-No. 7 TA), filed June 28, 1967. Applicant: SOUTHERN BULK HAULERS, INC., Post Office Box 278, Harleyville, S.C. 29448. Applicant's representative: Frank A. Graham, Jr., 707 Security Federal Building, Columbia, S.C. 29201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Brick*, building, solid, hollow or perforated, from Cayce, S.C., to Charlotte, Concord, and Gastonia, N.C.; for 150 days. Supporting shipper: Miami Stone of the Southeast, Inc., Cayce, S.C. Send protests to: Arthur B. Abercrombie, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 303A Federal Building, 901 Sumter Street, Columbia, S.C.

No. MC 121533 (Sub-No. 1 TA), filed June 28, 1967. Applicant: WESTERN HAULING, INC., Post Office Box 3001, Seattle, Wash. 98114. Applicant's representative: George Kargianis, 609-11 Norton Building, Seattle, Wash. 98104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: In radial service, *general freight*, between Seattle and points in Washington; *agricultural commodities consisting of grain* only from points in eastern Washington to Seattle, Tacoma, and Everett; *feed*, from Seattle and Tacoma to Walla Walla, Spokane,

Moses Lake, Yakima, Quincy, and Ephrata; *fertilizer*, from Seattle and Tacoma to Spokane, Moses Lake, and Quincy, Wash., and points within a 5-mile radius of said cities; *scrap metal* from points in Grant, Okanogan, Chelan, Spokane, Pierce, Kitsap, Whatcom, Clerk, and Snohomish Counties, Wash., to Seattle, and from Seattle to Spokane, Wash.; irregular route nonradial service as a carrier of *heavy machinery; agricultural commodities consisting of hay, straw, grain, and seed* only; and *building materials* (excluding cement in bulk, in tank or bottom dump vehicles or similar specialized equipment) and *building hardware supplies* in the State of Washington; *agricultural commodities consisting of fruits and vegetables* only, between points in Yakima and Kittitas Counties, Wash., on the one hand, and, on the other, points in King, Pierce, Yakima, Spokane, and Chelan Counties, during the months of July, August, and September, and to and including October 15; *general freight* (local cartage) in the city of Seattle; *peat and/or peat moss* in bags, bales, and cartons and/or boxes, in western Washington and from points in western Washington to points in Eastern Washington; and *box shook*, between points in Yakima County, on the one hand, and, on the other, points in Benton County, and between Spokane and points in Benton County, Wash.; for 150 days. Supporting shippers: There are 27 shippers' supporting statements attached to application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or at the field office named below. Send protests to: E. J. Casey, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 6130 Arcade Building, Seattle, Wash. 98101.

No. MC 123011 (Sub-No. 1 TA), filed June 26, 1967. Applicant: GERALD SCHNEIDER, R.F.D. 1, Postville, Iowa 52162. Applicant's representative: James E. Thomson, Waukon, Iowa 52172. Authority sought to operate as a *contract carrier*, by motor vehicle, over regular routes, transporting: *Cheese*, from Gunder, Clayton County, Iowa, to Boscobel, Wis.: From Gunder, over county road to junction U.S. Highway 18, thence over U.S. Highway 18 to Prairie du Chien, Wis., thence over U.S. Highway 18 to Bridgeport, Wis., thence over U.S. Highway 18 to junction Wisconsin Highway 60, thence over Wisconsin Highway 60 to junction U.S. Highway 61, thence south over U.S. Highway 61 to Boscobel; and return over the same route, with *cheese factory supplies*; serving no intermediate points; for 180 days. NOTE: Applicant states that it intends to tack with authority in MC 123011. Supporting Shippers: Gunder Cooperative Cheese Factory, Gunder, Iowa; and Borden Co. Receiving Plant, Boscobel, Wis. Send protests to: Charles C. Biggers, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 332 Federal Building, Davenport, Iowa 52801.

No. MC 124174 (Sub-No. 61 TA), filed June 28, 1967. Applicant: MOMSEN TRUCKING CO., a corporation, Highways 18 and 71 North, Post Office Box 309, Spencer, Iowa 51301. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel castings*, from Lynchburg and Radford, Va., to Joplin, Mo.; and Omaha and Grand Island, Nebr.; for 180 days. Supporting Shipper: Vickers, Inc., Post Office Box 302, Troy, Mich. 48084 (L. J. Frederick, Traffic Manager). Send protests to: Carroll Russell, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 304 Post Office Building, Sioux City, Iowa 51101.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary*.

[F.R. Doc. 67-7746; Filed, July 5, 1967; 8:50 a.m.]

[No. MC-C-5689]

NOTICE OF FILING OF PETITION FOR A DECLARATORY ORDER RESPECTING EXEMPTIONS PROVIDED IN SECTION 203(b)(6) OF THE ACT

JUNE 30, 1967.

Petitioner: HENNINGSEN FOODS, INC., Norfolk, Nebr. Petitioner's representatives: Thomas W. Hill, Jr., and Martin R. Fine, 63 Wall Street, New York, N.Y. 10005. Petitioner states that it produces and ships in interstate commerce, by motor carrier, the following products: (1) Chunked-style dehydrated chicken and turkey; (2) powdered chicken and turkey; (3) dehydrated chicken and turkey broth; (4) rendered chicken and turkey fat; and (5) spray-dried chicken fat; and that all of the above-named products are the result of processing fresh and frozen poultry. It has for many years prepared and marketed powdered and dried eggs which are shipped by motor carriers partially exempt from the provisions of the Interstate Commerce Act pursuant to section 203(b)(6), 49 U.S.C. (1963). Petitioner states that it believes that the above-named products are "agricultural commodities." By the instant petition, petitioner requests that the Commission enter an order instituting an appropriate proceeding for the purpose of issuing a formal declaratory order that the above-named products are exempt agricultural commodities under section 203(b)(6), 49 U.S.C., and that the matter be assigned for oral hearing or oral argument, or that a date be fixed on which all parties interested in such question may file statements and briefs as the Commission may deem desirable. Any interested person desiring to participate, may file an original and six copies of his written representations, views, or argument in support of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary*.

[F.R. Doc. 67-7747; Filed, July 5, 1967; 8:50 a.m.]

[Rev. S. O. 562; ICC Order No. 228; Amdt. 1]

CHICAGO, BURLINGTON & QUINCY RAILROAD CO.

Rerouting Traffic or Diversion of Traffic

Upon further consideration of ICC Order No. 228 (Chicago, Burlington & Quincy Railroad Co.) and good cause appearing therefor:

It is ordered, That:

ICC Order No. 228 be, and it is hereby amended by substituting the following paragraph (g) for paragraph (g) thereof:

(g) Expiration date: This order shall expire at 11:59 p.m., July 31, 1967, unless otherwise modified, changed, or suspended.

It is further ordered, That this amendment shall become effective at 11:59 p.m., June 30, 1967, and that this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement, and that it be filed with the Director, Office of the Federal Register.

Issued at Washington, D.C., June 29, 1967.

INTERSTATE COMMERCE COMMISSION,
[SEAL] R. D. PFAHLER, *Agent*.

[F.R. Doc. 67-7748; Filed, July 5, 1967; 8:00 a.m.]

[Notice 3]

MOTOR CARRIER TRANSFER PROCEEDINGS

JUNE 30, 1967.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 279), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-69687. By order of June 27, 1967, the Transfer Board approved the transfer to Experienced Machinery Movers, Inc., Brooklyn, N.Y., of certificate No. MC-105673, issued October 21, 1955, to Alpine Moving & Storage Co., Inc., Brooklyn, N.Y., authorizing the transportation of household goods, over irregular routes, between New York, N.Y., on the one hand, and, on the other, points in New York, New Jersey, and Connecticut. Edward M. Alfano, 2 West 45th Street, New York, N.Y. 10036, attorney for applicants.

No. MC-FC-69704. By order of June 27, 1967, the Transfer Board approved

the transfer to Walter's Newark & New York Express, Inc., Newark, N.J., of the operating rights in certificate No. MC-33008, issued September 29, 1941, to Walter E. Asseng, doing business as Walter's Newark & New York Express, Newark, N.J., authorizing the transportation of general commodities, with exceptions, over irregular routes, between New York, N.Y., on the one hand, and, on the other, points in Essex, Union, Middlesex, and Bergen Counties, N.J., Morton E. Kiel, 140 Cedar Street, New York, N.Y., attorney for applicants.

No. MC-FC-69707. By order of June 27, 1967, the Transfer Board approved the transfer to Ford Truck Line, Inc., Southaven, Miss., of certificate No. MC-124606 (Sub-No. 1), issued December 11, 1964, to W. R. Ford and W. E. Ford, a partnership, doing business as Ford Truck Line, Southaven, Miss., authorizing the transportation of general commodities, with usual exceptions, between Memphis, Tenn., on the one hand, and, on the other, Curtis Station, Independence, Wyatte, Looxahoma, Arkabutla, Teasdale, Enid Shores, the site of the Tennessee Gas Transmission Plant about 8 miles west of Batesville, Scobey, and Hardy Station, Miss. James N. Clay III, 2700 Sterick Building, Memphis, Tenn. 38103, attorney for applicants.

No. MC-FC-69716. By order of June 27, 1967, the Transfer Board approved the transfer to Jarrett & Son Trucking Co., Inc., Spartanburg, S.C., the operating rights in certificate No. MC-125911 issued March 1, 1965, to W. A. Jarrett and James F. Jarrett, doing business as Jarrett & Son, Spartanburg, S.C., authorizing the transportation of: Textile waste materials and used bagging, and textile waste materials and cotton which are within the exemption of section 203 (b)(6) of the Interstate Commerce Act, when transported in the same vehicle with the commodities specified herein. Horace C. Smith, 118 Walnut Street, Spartanburg, S.C., attorney for applicants.

No. MC-FC-69719. By order of June 27, 1967, the Transfer Board approved the transfer to James E. Benner, doing business as James Benner, Rural Route No. 3, Tuscola, Ill. 61953, of the operating rights in certificate No. MC-80756 issued June 2, 1941, to Raymond Benner, Rural Route No. 3, Tuscola, Ill. 61953, authorizing the transportation of: Various commodities of a general commodity nature, including household goods, between points in Illinois and Indiana.

No. MC-FC-69729. By order of June 27, 1967, the Transfer Board approved the transfer to Skyline Motor Air Cargo, Inc., Beaver Falls, Pa., of the operating rights of George K. Hall, doing business as Skyline Motors, Beaver Falls, Pa., in certificate Nos. MC-126516 and MC-126516 (Sub-No. 3), issued July 12, 1965, and September 15, 1965, respectively, authorizing the transportation, over irregular routes, of general commodities, excluding household goods, commodities in bulk, and other specified commodities, between Greater Pittsburgh Airport, Allegheny County, Pa., on the one hand, and, on the other, points in Beaver, Butler, and Lawrence Counties, Pa., and between Greater Pittsburgh Airport, Allegheny County, Pa., on the one hand, and, on the other, points in Mercer County, Pa., both authorities restricted to the transportation of shipments having an immediately prior or immediately subsequent movement by air. James D. Morton, 1800 Oliver Building, Pittsburgh, Pa. 15222, attorney for applicants.

No. MC-FC-69730. By order of June 27, 1967, the Transfer Board approved the transfer to Batchelder's Express, Inc., Lynn, Mass., of the operating rights of Ralph W. E. Schencks, Plaistow, N.H., in certificate No. MC-73132, issued November 22, 1940, authorizing the transportation, over a regular route, of general commodities, excluding household goods, commodities in bulk, and other specified commodities, between Haverhill, Mass., and Boston, Mass. John F. Curley, 33 Broad Street, Boston, Mass. 02109, attorney for transferor. George C. O'Brien, 33 Broad Street, Boston, Mass. 02109, attorney for transferee.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 67-7749; Filed, July 5, 1967; 8:50 a.m.]

[Notice 1080]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

JUNE 30, 1967.

The following publications are governed by special rule 1.247 of the Commission's rules of practice, published in the FEDERAL REGISTER issue of April 20, 1966, which became effective May 20, 1966.

The publications hereinafter set forth reflect the scope of the applications as filed by applicant, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

APPLICATIONS ASSIGNED FOR ORAL HEARING

MOTOR CARRIERS OF PROPERTY

No. MC 117439 (Sub-No. 29), filed June 26, 1967. Applicant: BULK TRANSPORT, INC., U.S. Highway 190, Post Office Box 89, Port Allen, La. 70767. Applicant's representative: John Schwab, 617 North Boulevard, Post Office Box 1350, Baton Rouge, La. 70821. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cement*, in bulk and in bags, between points in Alabama (except Mobile as an origin point), Arkansas, Georgia, Iowa, Kansas, Louisiana, Minnesota, Missouri, Mississippi, Nebraska, Oklahoma, Tennessee, and Texas (except Houston as an origin point), restricted to shipments having prior rail or water movement from the plantsites and shipping origins of Dundee Cement Co.

HEARING: July 27, 1967, in Room 401, U.S. Courthouse and Customhouse, 1114 Market Street, St. Louis, Mo., before Examiner Harry M. Shooman.

No. MC 29566 (Sub-No. 124) (Republication), filed November 16, 1966, published FEDERAL REGISTER issue of December 8, 1966, and republished this issue. Applicant: SOUTHWEST FREIGHT LINES, INC., 1400 Kansas Avenue, Kansas City, Kans. 66105. Applicant's representative: Vernon M. Masters (same address as applicant). By application filed November 16, 1966, applicant seeks authority to operate as a common carrier, by motor vehicle, over irregular routes, of (1) grain flour, edible flour, with or without chemical, cereal or other ingredients, from Wichita, Kans., to Lohman, Mo.; (2) meats, meat products, and meat byproducts, and articles distributed by meat packinghouses, as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles), from Wichita, Kans., to Omaha, Nebr.; (3) glass, glass products, and glass container closures, from Alton, Ill., to Weston, Mo.; and (4) petroleum products in containers, from El Dorado, Kans., to those points in Missouri on and north of a line beginning at the Missouri-Kansas State line, thence east on U.S. Highway 54 through Nevada to the junction with Missouri Highway 13, thence south on Missouri Highway 13 to the junction with Missouri Highway 32, thence east on Missouri Highway 5 to its junction with U.S. Highway 60, thence east on U.S. Highway 60 to its junction with U.S. Highway 67, and thence south on U.S. Highway 67 to the Missouri-Arkansas State line and except points in Missouri on the regular routes specified in section (a) of said carrier's certificate No. MC-29566 issued November 27, 1959.

The application was referred to Examiner Henry C. Winters for hearing and the recommendation of an appropriate order thereon. Hearing was held on April 18, 1967, at Kansas City, Mo. A report and order of the Commission, division 1 served June 5, 1967, which became effective June 26, 1967, finds that the present and future public convenience and necessity require operation by applicant in interstate or foreign commerce, as a common carrier, by motor vehicle, over irregular routes, of (1) edible flour from Wichita, Kans., to Lohman, Mo.; (2) meats, meat products, and meat byproducts, and articles distributed by meat packinghouses, as defined in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles) from Wichita, Kans., to Omaha, Nebr., restricted to the transportation of shipments originating at Wichita, Kans., and destined to Omaha, Nebr.; (3) *glass containers, and glass container closures*, from Alton, Ill., to Weston, Mo.; and

(4) Petroleum products, in containers, from El Dorado, Kans., to points in Missouri on and north and east of a line beginning at the Kansas-Missouri State line, thence east on U.S. Highway 54 to junction Missouri Highway 13, thence south on Missouri Highway 13 to junction Missouri Highway 32, thence east on Missouri Highway 32 to junction Missouri Highway 5 to junction U.S. Highway 60, thence east on U.S. Highway 60 to junction U.S. Highway 67 and thence south on U.S. Highway 67 to the Missouri-Arkansas State line; except St. Joseph, Kansas City and St. Louis, Mo., and their respective commercial zones; restricted to the transportation of shipments destined to the described destination area of Missouri; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 36222 (Sub-No. 10) (Republication), filed July 19, 1966, published FEDERAL REGISTER issue of August 18, 1966, and republished this issue. Applicant: JOHN L. FANSHAW, JR., doing business as CREWE TRANSFER, Crewe, Va. Applicant's representative: John C. Goddin, Insurance Building, 10 South 10th Street, Richmond, Va. 23219. By application filed July 19, 1966, as amended, applicant seeks a certificate of public convenience and necessity authorizing operation in interstate or foreign commerce, as a common carrier by motor vehicle, over a described regular route, of (1) wearing apparel, on hangers, loose and on bundles, hangers, or cartons, and (2) cut and uncut goods, trimmings and articles used in the manufacture of wearing apparel between Crewe, Va., and Emporia, Va., serving the intermediate point of Lawrenceville. An order of the Commission, Operating Rights Board No. 1 dated May 19, 1967, and served June 21, 1967, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over *irregular routes*, of (1) *wearing apparel*, from Emporia and Lawrenceville, Va., to Crewe, Va., and (2) *materials and supplies* used in the manufacture of wearing apparel, from Crewe, Va., to Emporia and Lawrenceville, Va.; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 56553 (Sub-No. 16) (Republication), filed December 13, 1965, published FEDERAL REGISTER issue of January 13, 1966, and republished this issue. Applicant: PULASKI HIGHWAY EXPRESS, INC., 640 Hamilton Avenue, Nashville, Tenn. Applicant's representative: James C. Havron, Nashville Bank and Trust Building, Nashville, Tenn. 37201. By application filed December 13, 1965, as tendered in its amended form, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over regular routes, of general commodities (except those of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), (1) between Pulaski and Lawrenceburg, Tenn., over U.S. Highway 64, serving all intermediate points, (2) between Memphis, Tenn., and the Tennessee-Alabama State line; from Memphis over Tennessee Highway 15 to junction Tennessee Highway 13, and thence over Tennessee Highway 13 to the Tennessee-Alabama State line, and return over the same route, authorizing service from Nashville consigned to Selmer, Bolivar, Summerville, and Whiteville and deliver same in connection with service now performed by it, and serving Clifton, Tenn., as an off-route point, with closed doors between Summerville and Savannah, Tenn., (3) between Pulaski and Memphis, Tenn., over U.S. Highway 64, serving the intermediate point of Lawrenceburg, Tenn.

(4) Between Nashville and Bolivar, Tenn.; From Nashville over Tennessee Highway 100 to junction Tennessee Highway 18, thence over Tennessee Highway 18, to junction U.S. Highway 64 at Bolivar, and return over the same route, serving no intermediate points as an alternate route to be used solely in connection with the authority set out in (3) above and applicant's regular-route operations in MC-56553, (5) between the junction Tennessee Highways 100 and 18 and junction Tennessee Highway 100 and U.S. Highway 64, approximately 1 mile west of Whiteville, Tenn., over Tennessee Highway 100, serving no intermediate points, as an alternate route to be used in connection with routes (3) and (4) above, (6) between Nashville and Memphis, Tenn., over U.S. Highway 70 and Interstate Highway 40, serving no intermediate points, and (7) between junction U.S. Highway 43 at the Tennessee-Alabama State line and Tuscumbia, Ala.; from the Tennessee-Alabama State line over U.S. Highway 43 to junction U.S. Highway 72, and thence over U.S. Highway 72 to Tuscumbia, and return over the same route, serving all intermediate points. Route (7) is subject to restrictions against (a) the transportation of classes A and B explosives, (b) the handling of any traffic originating at or destined to Lister Hill, Ala., (c) against the handling of any traffic originating at, destined to or interchanged at Tuscumbia, Florence, and Sheffield, Ala., on the one hand, and, on the other, any traffic originating at, destined to or interchanged at points on U.S. Highway 64 in Tennessee west of Lawrenceburg, Tenn. (not including Lawrenceburg but including Memphis, Tenn., and Memphis, Tenn., commercial zone), and

(d) The handling of traffic originating at or destined to the plantsite or plantsites of Reynolds Aluminum Co. located in Tuscumbia, Florence, or Sheffield, Ala. An order of the Commission, Operating Rights Board No. 1, dated June 21, 1967, and served June 28, 1967, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over regular routes, of *general commodities* (except those of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), (1) between Pulaski and Lawrenceburg, Tenn., over U.S. Highway 64 (Tennessee Highway 15), serving all intermediate points, (2) between Lawrenceburg and Memphis, Tenn., over U.S. Highway 64 (Tennessee Highway 15), serving the intermediate points of Somerville, Whiteville, Bolivar, and Selmer, Tenn., only in connection with traffic moving from Nashville, Tenn., and destined to said intermediate points, and serving Clifton, Tenn., as an off-route point, (3) between junction U.S. Highway 64 (Tennessee Highway 15) and Tennessee Highway 13, and the Tennessee-Alabama State line, over Tennessee Highway 13, serving no intermediate points, and serving the junction of U.S. Highway 64 (Tennessee Highway 15) and Tennessee Highway 13 for purpose of joinder only.

(4) Between Nashville and Bolivar, Tenn.: From Nashville over Tennessee Highway 100 to junction Tennessee Highway 18, thence over Tennessee Highway 18 to Bolivar, and return over the same route, serving no intermediate points, as an alternate route for operating convenience only, (5) between junction Tennessee Highways 100 and 18 and junction Tennessee Highway 100 and U.S. Highway 64 (Tennessee Highway 15), over Tennessee Highway 100, serving no intermediate points, and serving the termini for purposes of joinder only, as an alternate route for operating convenience only, (6) between Nashville and Memphis, Tenn., over Interstate Highway 40, serving no intermediate points, and (7) between the Tennessee-Alabama State line and Tuscumbia, Ala.: From the Tennessee-Alabama State line over U.S. Highway 43 to junction U.S. Highway 72, thence over U.S. Highway 72 to Tuscumbia, and return over the same route, serving all

intermediate points, except that the operations over route (7) are restricted (a) against the transportation of classes A and B explosives, (b) against service at the plant sites of Reynolds Aluminum Co., at Florence, Sheffield, and Tuscumbia, Ala., and

(c) Against the transportation of traffic moving between Florence, Sheffield, or Tuscumbia, Ala., on the one hand, and, on the other, points in Tennessee on U.S. Highway 64 west of Lawrenceburg, Tenn.; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder and that an appropriate certificate should be issued, subject to the condition that it shall be limited in point of time to a period expiring 5 years from the effective date hereof; and that the grant of authority herein will be conditioned upon the coincidental cancellation at applicant's written request of its certificates of registration Nos. MC 56553 (Sub-No. 12), dated July 23, 1965, and (Sub-No. 14), dated November 4, 1964. Because it is possible that other parties who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

No. MC 128758 (Republication), filed December 13, 1966, published FEDERAL REGISTER issue of January 12, 1967 and republished this issue. Applicant: BLUE LINES, INC., 2001 New York Avenue NE., Washington, D.C. 20002. Applicant's representative: Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. By application filed December 13, 1966, applicant seeks a certificate of public convenience and necessity authorizing operation, in interstate or foreign commerce, as a common carrier by motor vehicle, over regular routes, of passengers and their baggage, and express and newspapers, in the same vehicle with passengers, between Brunswick, Md., and Washington, D.C.: From Brunswick over Maryland Highway 464 to junction Maryland Highway 78, thence over Maryland Highway 78 to junction U.S. Highway 15, thence over U.S. Highway 15 to junction Maryland Highway 28, thence over Maryland Highway 28 to junction Interstate Highway 70S, thence over Interstate Highway 70S and U.S. Highway 240 to Washington, D.C., and return over the same route, serving all intermediate points between Brunswick and junction Maryland Highway 28 and Interstate Highway 70S; restricted to discharge only between Rockville and the District of Columbia, on southbound, and restricted to pickup only between the District of Columbia and Rockville on northbound. An order of the Commission, Operating Rights Board No. 1, dated June 16, 1967 and served June 23, 1967, finds that the present and future public convenience and necessity require operation by applicant, in interstate or foreign commerce, as a common carrier by motor vehicle, over regular routes, of *passengers and their baggage, and express and newspapers,* in the same vehicle with passengers, between Brunswick Md., and Washington, D.C.:

From Brunswick over Maryland Highway 464 to junction Maryland Highway 78, thence over Maryland Highway 78 to junction U.S. Highway 15, thence over U.S. Highway 15 to junction Maryland Highway 28, thence over Maryland Highway 28 to junction Interstate Highway 70S, thence over Interstate Highway 70S and U.S. Highway 240 to Washington, D.C., and return over the same route, serving all intermediate points between Brunswick and the District of Columbia, restricted to the transportation of passengers who are picked up or discharged on that portion of the described route between Brunswick and the junction of Maryland Highway 28 and Interstate Highway 70S; that applicant is fit, willing, and able properly to perform such service and to conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations thereunder. Because it is possible that other persons, who have relied upon the notice of the application as published, may have an interest in and would be prejudiced by the lack of proper notice of the authority described in the findings in this order, a notice of the authority actually granted will be published in the FEDERAL REGISTER and issuance of a certificate in this proceeding will be withheld for a period of 30 days from the date of such publication, during which period any proper party in interest may file a petition to reopen or for other appropriate relief setting forth in detail the precise manner in which it has been so prejudiced.

NOTICE OF FILING OF PETITIONS

No. MC 116816 (Notice of filing of petition to modify permit by adding an additional shipper), filed June 15, 1967. Petitioner: MERIT TRUCKING CORP., Building 261, Port Newark, N.J. Petitioner's representative: Edward M. Alfano, 2 West 45th Street, New York, N.Y. Petitioner is authorized in No. MC 116816, in part, to conduct operations as a motor contract carrier, over irregular routes, to transport: *Household gas and electrical appliances and parts and equipment therefor,* from Port Newark, N.J., to New York, N.Y., and points in Nassau, Suffolk, Westchester, and Rockland Counties, N.Y.; and *returned shipments* of the above-specified commodities, from New York, N.Y., and points in Nassau, Suffolk, Westchester, and Rockland Counties, N.Y., to Port Newark, N.J., limited to a continuing contract, or contracts, with Igoe Appliance Corp., of Newark, N.J. By the instant petition, petitioner seeks to add Appollo Distributing Co., of Newark, N.J., as an additional shipper. Any interested person desiring to participate, may file an original and six copies of his written representations, views or argument in support of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

No. MC 124705 (Sub-No. 2) (Notice of filing of petition for waiver of rule 1.101(e) and modification of certificate), filed June 14, 1967. Petitioner: JOSEPH SWAN, doing business as SWAN MESSENGER SERVICE, East Brunswick, N.J. Petitioner's representative: William J. Augello, Jr., 2 West 45th Street, New York, N.Y. Petitioner holds authority in No. MC 124705 (Sub-No. 2), to transport *documents, advertising material, books, machine, and electrical parts, and interoffice correspondence,* in packages not exceeding 50 pounds, in shipments not exceeding 200 pounds, between points in Middlesex and Somerset Counties, N.J., on the one hand, and, on the other, Philadelphia, Pa., Wilmington, Del., Baltimore, Md., and New York, N.Y., and points in Nassau, Suffolk, and Westchester Counties, N.Y., and Fairfield, New Haven, and Hartford Counties, Conn. By the instant petition, petitioner prays that rule 1.101(e) of the general rules of practice be waived, that this petition for modification of petitioner's certificate be accepted for filing, and that the aforementioned certificate be modified by amending the present restriction on package and weight restrictions to read: "* * * in packages not exceeding 250 pounds, in shipments not exceeding 5,000 pounds. * * *" Any interested person desiring to participate, may file an original and six copies of his written representations, views or argument in support, of, or against the petition within 30 days from the date of publication in the FEDERAL REGISTER.

APPLICATIONS FOR CERTIFICATES OR PERMITS WHICH ARE TO BE PROCESSED CONCURRENTLY WITH APPLICATIONS UNDER SECTION 5 GOVERNED BY SPECIAL RULE 1.240 TO THE EXTENT APPLICABLE

No. MC 27817 (Sub-No. 71), filed June 26, 1967. Applicant: H. C. GABLER, INC., Rural Delivery No. 3, Chambersburg, Pa. 17101. Applicant's representative: Christian V. Graf, 407 North Front Street, Harrisburg, Pa. 17101. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Glass containers,* from Fairmont, W. Va., to points in New Jersey and those in that part of Pennsylvania on and east of U.S. Highway 15. NOTE: This application is a matter directly related to MC-F-9796 also published in this issue of the FEDERAL REGISTER. The present application seeks conversion of the contract carrier authority from Jay T. Logan under MC 118950 to common carrier certificate. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Harrisburg, Pa.

No. MC 106051 (Sub-No. 38), filed June 19, 1967. Applicant: OLD COLONY

TRANSPORTATION CO., INC., 676 Dartmouth Street, South Dartmouth, Mass. Applicant's representative: Francis E. Barrett, Jr., 536 Granite Street, Braintree, Mass. 02184. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (A) *Household goods*, (1) between points in Albany County, N.Y.; (2) from points in Albany County, N.Y., to points in Broome, Chemung, Clinton, Columbia, Delaware, Nassau, Niagara, Oneida, Onondaga, Orange, Dutchess, Erie, Essex, Franklin, Fulton, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Greene, Herkimer, Jefferson, Monroe, Montgomery, Schoharie, Ulster, Warren, Washington, and Westchester Counties, N.Y., and New York, N.Y.; (3) from points in Clinton, Columbia, Erie, Fulton, Greene, Montgomery, Monroe, Otsego, Rensselaer, Schenectady, Schoharie, Ulster, Warren, Washington Counties, and New York, N.Y.; (4) from points in Rensselaer County, N.Y., to points in Chautauqua, Dutchess, Genesee, Greene, Fulton, Ontario, Otsego, Seneca, Suffolk, and Tompkins Counties, N.Y.; (5) from points in Jefferson County, N.Y., to points in Rensselaer County, N.Y.; (6) from points in Schenectady County, N.Y., to points in Columbia and Washington Counties, N.Y.; (B) *general commodities*, (1) between points in Albany County, N.Y.; (2) from points in Albany County, N.Y., to points in Columbia, Dutchess, Fulton, Greene, Herkimer, Montgomery, Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, Ulster, Warren, Washington, and Westchester Counties, N.Y.; (3) from points in Columbia, Dutchess, Fulton, Greene, Herkimer, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, Ulster, Warren, Washington, and Westchester Counties, N.Y. NOTE: Applicant states that the principal tacking point would be Albany, N.Y., and other points in the Albany, N.Y. area. This application is a matter directly related to Docket No. MC-F-9789, published FEDERAL REGISTER issue of June 28, 1967. If a hearing is deemed necessary, applicant requests it be held at Albany, N.Y.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carriers of property or passengers under sections 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto (49 CFR 1.240).

MOTOR CARRIERS OF PROPERTY

No. MC-F-9796. Authority sought for purchase by H. C. GABLER, INC., Rural Delivery No. 3, Chambersburg, Pa. 17201, of the operating rights of JAY T. LOGAN, 1230 Country Club Drive, Lancaster, Pa. 17601, and for acquisition by HAROLD C. GABLER, Montgomery Avenue extended, Chambersburg, Pa. 17201, of control of such rights through the purchase. Applicants' attorney: Christian V. Graf, 407 North Front Street, Harrisburg, Pa. 17101. Operating rights sought to be transferred: *Glass containers*, as a *contract carrier*, over irregular routes, from Fairmont, W. Va., to points in New Jersey and those in that part of Pennsylvania on and east of U.S. Highway 15. Vendee is authorized to operate as a *common carrier* in Pennsylvania, Maryland, Virginia, West Virginia, New York, New Jersey, Iowa, Kentucky, Massachusetts, Michigan, Missouri, New Hampshire, Rhode Island, Vermont, Maine, Connecticut, Delaware, Illinois, Indiana, Ohio, North Carolina, Alabama, Mississippi, Louisiana, Tennessee, Wisconsin, South Carolina, Georgia, Florida, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b). NOTE: No. MC-27817 Sub-71 is a matter directly related.

No. MC-F-9797. Authority sought for purchase by H. J. JEFFRIES TRUCK LINE, INC., Post Office Box 94850, Oklahoma City, Okla. 73109, of the operating rights of NEFF TRUCKING COMPANY, INC., Post Office Box 511, Sterling, Colo., and for acquisition by H. J. JEFFRIES, also of Oklahoma City, Okla., of control of such rights through the purchase. Applicants' attorneys: James W. Hightower, 136 Wynnewood Professional Building, Dallas, Tex. 75224 and Leslie R. Kehl, 420 Denver Club Building, Denver, Colo. 80202. Operating rights sought to be transferred: *Machinery, equipment, materials, and supplies* used in, or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and byproducts, and *machinery, equipment, materials, and supplies* used in, or in connection with, the construction, operation, repair, servicing, maintenance and dismantling of pipelines, except in connection with main or trunk pipelines, as a *common carrier* over irregular routes between certain specified points in Colorado, and between points in the Colorado territory as above, on the one hand, and, on the other, certain specified points in Nebraska; *machinery, equipment, materials, and supplies* used in, or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and byproducts, except in connection with main or trunk pipelines, and *machinery, equipment, materials, and supplies* used in, or in connection with, the construction, operation, repair, servicing, maintenance, and dismantling of pipelines, except in connection with main or trunk pipelines, between points in Nebraska, between certain specified points in Nebraska, Colorado, and Wyoming, on the one hand, and, on the other, certain specified points in North Dakota, South Dakota, and Montana, between points in Nebraska on and west of U.S. Highway 83, on the one hand, and, on the other, certain specified points in Colorado, and Wyoming; and *heavy machinery*, and *road contractor's equipment and supplies*, between points in Colorado and Wyoming, with restriction. Vendee is authorized to operate as a *common carrier* in Oklahoma, Illinois, Kansas, Texas, Arkansas, New Mexico, Indiana, Iowa, Kentucky, Missouri, Louisiana, Colorado, Wyoming, Montana, North Dakota, South Dakota, Utah, Nevada, Tennessee, Ohio, Alaska, Wisconsin, and Michigan. Application has been filed for temporary authority under section 210a(b).

No. MC-F-9798. Authority sought for control and merger by WRIGHT MOTOR LINES, INC., 1401 North Little Street, Cushing, Okla. 74023, of the operating rights and property of RAYE & COMPANY TRANSPORTS, INC., 2043 South Grand Street, Carthage, Mo. 64836, and for acquisition by EARL BRAY, INC., and, in turn by SAM E. CARPENTER, FRANK E. COCHRAN, and MARY BRAY COCHRAN, all also of Cushing, Okla., of control of such rights and property through the transaction. Applicants' attorneys: Marion F. Jones, 420 Denver Club Building, Denver, Colo. 80202, and Harry Ross, 848 Warner Building, Washington, D.C. 20004. Operating rights sought to be controlled and merged: *Dairy products*, and numerous other specified commodities, as a *common carrier*, over irregular routes, from and to specified points in the States of Oregon, California, Missouri, Kansas, Oklahoma, Washington, Nebraska, Arkansas, Idaho, Montana, Nevada, Utah, Wyoming, Missouri, Iowa, Texas, Louisiana, Mississippi, Tennessee, Alabama, Colorado, Florida, Georgia, Kentucky, Minnesota, South Dakota, North Dakota, Wisconsin, Arizona, and New Mexico, with certain restrictions, as more specifically described in Docket No. MC-118196 and subnumbers thereunder. This notice does not purport to be a complete description of all of the operating rights of the carrier involved. The foregoing summary is believed to be sufficient for the purposes of public notice regarding the nature and extent of this carrier's operating rights, without stating in full, the entirety, thereof. WRIGHT MOTOR LINES, INC., is authorized to operate as a *common carrier* in Kansas, Colorado, Oklahoma, Nebraska, Utah, Idaho, South Dakota, Wyoming, Texas, Arkansas, Missouri, New Mexico, Oregon, Washington, Nevada, Montana, Arizona, Tennessee, Iowa, Louisiana, North Dakota, and California. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9799. Authority sought for purchase by FOGARTY BROS. TRANSFER, INC., 1103 Cumberland Avenue, Tampa, Fla. 33601, of a portion of the operating rights of TRANSPORT VAN LINES, INC., 501 West Sixth Street, Papillion, Nebr., and for acquisition by J. E. FOGARTY and JERRY E. FOGARTY, both also of Tampa, Fla., of control of such rights through the purchase. Applicants' attorney: Robert J. Gallagher, 66 Central Street, Wellesley, Mass. Operating rights sought to be transferred: *Household goods*, as a *common carrier*, over irregular routes, between Nelson, Nebr., and points in Nebraska, within 15 miles of Nelson, on the one hand, and,

on the other, points in Colorado. Vendee is authorized to operate as a *common carrier* in Florida, Georgia, Alabama, Iowa, Tennessee, Kentucky, Ohio, Indiana, Wisconsin, Illinois, South Carolina, North Carolina, Virginia, West Virginia, Maryland, Pennsylvania, Delaware, Arkansas, New Jersey, New York, Connecticut, Kansas, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Vermont, New Hampshire, Oklahoma, Rhode Island, Texas, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9800. Authority sought for purchase by MICHIGAN REFRIGERATED TRUCKING SERVICE, INC., 713 North Junction Street, Detroit, Mich. 48209, of a portion of the operating rights of DARLING FREIGHT, INC., 15 Andre Street SE., Grand Rapids, Mich. 49507, and for acquisition by JOHN M. JOHNSON, 10404 Kingston, Huntington Woods, Mich., of control of such rights through the purchase. Applicants' attorneys: William B. Elmer, 22644 Gratiot, East Detroit, Mich. 48021, and Robert A. Sullivan, 1800 Buhl Building, Detroit, Mich. 48226. Operating rights sought to be transferred: *Frozen foods*, and *anhydrated foods*, in mixed loads with frozen foods, as a *common carrier*, over irregular routes, from the plant and storage sites of Ore-Ida Foods, Inc., at or near Greenville, Mich., to points in Ohio, those in Indiana south of U.S. Highway 40, and certain specified points in Illinois; and *frozen foods* and *anhydrated foods*, from the plant site and storage facilities of Ore-Ida Foods, Inc., at or near Greenville, Mich., to points in Kentucky and West Virginia, with restriction. Vendee is authorized to operate as a *common carrier* in Michigan, Indiana, and Ohio. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9801. Authority sought for control by LEONARD BROS. TRUCKING CO., INC., 2595 Northwest 20th Street, Miami, Fla. 33152, of SOUTHWESTERN TRANSFER COMPANY, INC., 3033 Federal Avenue, El Paso, Tex. 79930, and for acquisition by ARMLON LEONARD, also of Miami, Fla., of control of SOUTHWESTERN TRANSFER COMPANY, INC., through the acquisition by LEONARD BROS. TRUCKING CO., INC. Applicant's attorney and representative: William O. Turney, 2001 Massachusetts Avenue NW., Washington, D.C. 20036, and Francis S. Ainsa, Sixth Floor, Bassett Tower, El Paso, Tex. 79901. Operating rights sought to be controlled: *Mine machinery, ranch and farm equipment*, and *contractors' equipment, machinery, materials, and supplies*, as a *common carrier*, over irregular routes, between El Paso, Tex., and points within 50 miles thereof, on the one hand, and, on the other, points in New Mexico; *commodities*, the transportation of which because of size or weight requires the use of special equipment, and *related machinery parts* and *related contractors' materials and supplies* when their transportation is incidental to the transportation by carrier of commodities which by reason of size or weight require special equipment, and *road construction machinery and equipment*, between points in Arizona and New Mexico, and those in Texas west of the eastern boundary lines of Lipscomb, Hemphill, Wheeler, Collingsworth, Hall, Motley, Dickens, Kent, Scurry, Howard, Glasscock, Reagan, Crockett, and Val Verde Counties, Tex.; and *machinery, equipment, materials, and supplies* used in, or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and byproducts, and *machinery, equipment, materials, and supplies* used in, or in connection with, the construction, operation, repair, servicing, maintenance, and dismantling of pipelines including the stringing and picking up thereof, and *such other commodities* as require specialized handling or rigging because of size or weight, between points in Texas. LEONARD BROS. TRUCKING CO., INC., is authorized to operate as a *common carrier* in Texas, Alabama, Georgia, Kentucky, Kansas, Nebraska, New Mexico, Maryland, New Jersey, North Carolina, South Carolina, Tennessee, Virginia, West Virginia, Oklahoma, Wisconsin, Iowa, Arkansas, Louisiana, California, Connecticut, Delaware, Florida, Maine, Massachusetts, Mississippi, Missouri, New Hampshire, New York, Ohio, Rhode Island, Pennsylvania, Vermont, Indiana, Michigan, and the District of Columbia. Application has not been filed for temporary authority under section 210a(b).

No. MC-F-9802. Authority sought for purchase by MID CONTINENT FREIGHT LINES, INC., 2711 North Fairview Avenue, St. Paul, Minn. 56113, of the operating rights of MAIN LINE TRUCKING, INC. (NATHAN YORKE, assignee for the benefit of creditors), 2424 West Cermak Road, Chicago, Ill. 60608, and for acquisition by COMMERCIAL SUPPLIERS, INC., and, in turn by R. J. BABCOCK, both also of St. Paul, Minn., of control of such rights through the purchase. Applicants' attorneys: Axelrod, Goodman & Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Operating rights sought to be transferred: Under a certificate of registration, in Docket No. MC-121500 Sub 1, covering the transportation of property, as a common carrier, in intrastate commerce, within the State of Illinois. Vendee is authorized to operate as a *common carrier* in Oklahoma, Missouri, Kansas, Illinois, Texas, Minnesota, Wisconsin, and Indiana. Application has been filed for temporary authority under section 210a(b).

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary*.

[F.R. Doc. 67-7750; Filed, July 5, 1967; 8:50 a.m.]

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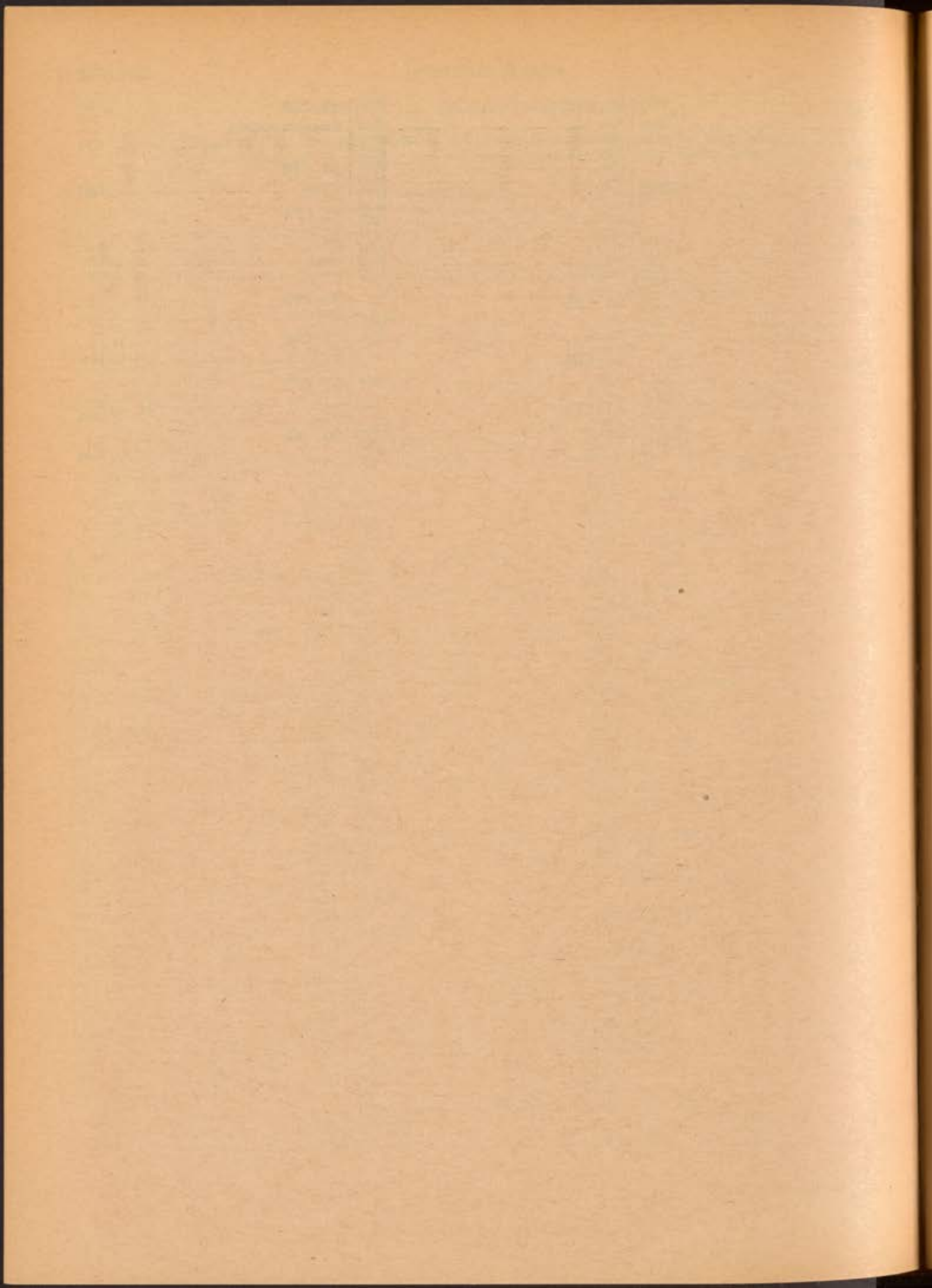

FEDERAL REGISTER

VOLUME 32 • NUMBER 129

Thursday, July 6, 1967 • Washington, D.C.

PART II

Department of Agriculture

Consumer and Marketing Service

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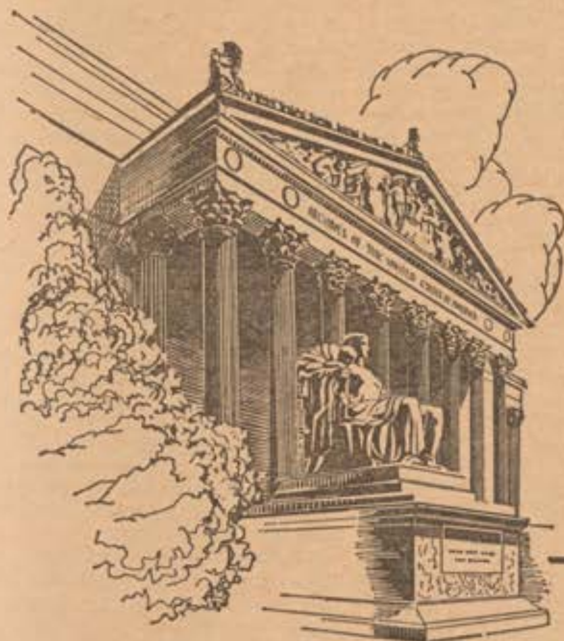
Milk in Massachusetts-Rhode Island and Connecticut Marketing Areas

Notice of Recommended Decision



DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Parts 1001, 1015]

[Docket Nos. AO-14-A38, AO-305-A12]

MILK IN MASSACHUSETTS-RHODE ISLAND AND CONNECTICUT MARKETING AREAS

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

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), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the Massachusetts-Rhode Island and Connecticut marketing areas.

Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 20th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreements and to the orders as amended, were formulated, was conducted at Concord, N.H., Framingham, Mass., Greenfield, Mass., and Hartford, Conn., on June 20–July 1, 1966, pursuant to a notice thereof which was issued May 19, 1966 (31 F.R. 7520) and a supplemental notice which was issued June 9, 1966 (31 F.R. 8242).

With respect to the Massachusetts-Rhode Island order the hearing was reopened on February 15–16, 1967 in conjunction with a joint emergency hearing involving the Massachusetts-Rhode Island, Connecticut and New York-New Jersey markets for consideration of the elimination of seasonal pricing and adoption of a "take-out-pay-back (Louisville)" plan for payment of producers. The hearing was again reopened on April 14–15, 1967, in conjunction with regional hearings on Federal orders generally to consider emergency Class I price increases. Decisions have been issued on the matters involved at each of these hearings and the amending orders became effective April 1 and May 1, 1967, respectively. A further reopening of the hearing is scheduled for June 19, 1967, as a part of a joint hearing for the six northeastern markets at which the appropriate level of surplus milk pricing will be considered.

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

1. Extension of the Massachusetts-Rhode Island marketing area.
2. Modification of the pooling provisions in one or both orders with respect to:
   (a) Exempt distributing plants.
   (b) Supply plants.
   (c) Diversions.
   (d) Certified milk.
   (e) Exempt government agency.
   (f) Dairy farmer for other markets.
   (g) Pool milk definition.
3. Cooperative as a handler on farm bulk tank milk.
4. Definition and treatment of producer handlers.
5. Classification and assignment provisions.
6. Modification of pricing provisions with respect to:
   (a) Class I.
   (b) Class II.
7. Zoning and zone differentials.
8. Farm location differentials.
9. Payment provisions.
10. Miscellaneous and administrative provisions.

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

1. *Extension of the Massachusetts-Rhode Island marketing area.* The Massachusetts-Rhode Island marketing area should be expanded by adding the New Hampshire counties of Belknap, Hillsboro, Merrimack, Rockingham, and Strafford, the towns of Ashland, Bridgewater, Bristol, Holderness and Plymouth in Grafton County, the towns of Dublin, Jaffery, Harrisville, Nelson, Marlboro, Roxbury, Sullivan, and Keene City in Cheshire County; and in addition, that portion of Essex County, Mass., not included in the present marketing area. Such expanded marketing area should be designated the Massachusetts-Rhode Island-New Hampshire marketing area.

The maximum area of extension as set forth in the proposals contained in the hearing notice included, in addition to the area herein proposed, the remainder of Cheshire County, Sullivan County, the towns of Enfield, Lebanon, Canaan, Hanover, Lyme, and Oxford in Grafton County, all in New Hampshire, the counties of Windham and Windsor and the towns of Thetford, Fairlee, and Bradford in Orange County, all in Vermont and all of the remaining nonfederally regulated area of Massachusetts except Berkshire and Nantucket Counties.

The area of extension as herein proposed is a relatively densely populated area. The principal cities and towns include Concord, Manchester, Nashua, Portsmouth, Dover, Rochester, Laconia, and Keene, New Hampshire; Amesbury, Newburyport, Gloucester, Ipswich, and Danvers, Massachusetts. The population of the New Hampshire portion of this territory is about 460,000 or 75 percent of the total population within the State. The population of the Essex County, Mass., portion of this territory is about 135,000. The total population in this additional area to be included in the marketing area equals about 11 percent of the population within the present marketing area.

This area of extension as herein recommended is served almost exclusively by presently regulated handlers and/or by handlers who would be fully regulated by virtue of their sales in the expanded marketing area. It insures a minimum involvement of outside unregulated handlers based on their existing sales patterns and at the same time encompasses the preponderance of the normal sales area of all handlers who would be regulated under the expanded order.

Regulation of fluid milk handlers who distribute within the area of extension herein proposed is necessary to assure orderly marketing conditions and effectuate the declared policy of the Act. There is presently a wide variation in prices paid by handlers for fluid milk which is distributed within this area.

Interstate milk procurement practices are common among handlers selling fluid milk in the area.

State regulatory agencies for many years have administered classified pricing programs applicable to handlers within the area. In recent years, however, such programs have been applicable to less than one-half of the milk distributed there due to the interstate procurement and sales practices which handlers are employing and over which such agencies have no pricing authority. Several of the larger handlers in the area now procure milk supplies almost exclusively from Vermont and Maine at prices substantially below the prices which they are required to pay for milk procured from producers within the States (New Hampshire and Massachusetts) in which their plants are located. Such out-of-State procurements have substantially displaced milk supplies from local producers. These displaced supplies have attached themselves to the Massachusetts-Rhode Island order pool.

During 1962 one handler, who also operates regulated plants under the Massachusetts-Rhode Island and Connecticut orders, constructed a fluid milk bottling plant at Portsmouth, N.H. The milk supply for this plant is obtained from Vermont sources at a price which is about the level of the Federal order blend price. The milk bottled in this plant is distributed through a chain of dairy stores which the handler opened in New Hampshire and the nonfederally regulated areas of Massachusetts. Some of such stores are located in Rockingham, Hillsboro, Merrimack, Strafford, and Belknap Counties of New Hampshire as well as Essex County, Mass.

Another of the larger handlers in the area proposed for expansion, who also operates a number of regulated plants under the Massachusetts-Rhode Island and Connecticut orders, receives about

3 million pounds of milk each month from out-of-State sources at his Manchester, N.H., plant from which milk is distributed in the New Hampshire counties of Hillsboro, Merrimack, Rockingham, Strafford, and in Essex County, Mass. Most of the milk supply for this plant is procured in the State of Maine at a cost significantly below the Federal order blend price. This low cost supply of milk is made possible by procuring the milk in conjunction with a supply of fluid milk for local distributing plants in the State of Maine.

The Maine Milk Control Commission establishes minimum classified milk prices for milk distributors in the State. The Class I price is the same as the Federal order city plant Class I price while the Class II (surplus) price is set 26 cents below the Federal order city plant Class II price. Under the Maine milk control law, milk sold in bulk outside of the State is classified and priced as Class II milk irrespective of its ultimate use. Thus the milk shipped to the Manchester plant is accounted for as Class II milk while the milk distributed as fluid milk in the local Maine markets is accounted for as Class I milk.

As a practical matter, to maintain a supply of milk the handler must return to his Maine producers an average price which is competitive with the Federal order blend price. However, this arrangement enables him to procure a substantial portion of his supply for fluid use at his New Hampshire plant at a cost even below the Federal order blend price.

This Manchester handler also procures some supplies in the State of Vermont for sale in New Hampshire and in Essex County, Mass. This milk is obtained at a price slightly above the blend price under the order. Prior to obtaining milk from these out-of-State sources this handler received milk from some 66 local New Hampshire producers who have subsequently been shifted to the Federal order market.

Another handler located in Portsmouth, N.H., dropped the last of his New Hampshire producers in 1964 and is now receiving his entire supply from some 25 producers located in southern Maine at a price slighlty over the Federal order blend price applicable in that area. This milk is in turn distributed in Essex County, Mass., and the New Hampshire counties of Rockingham and Strafford.

Several other handlers operating bottling plants in the proposed additional area purchase bulk supplies of milk from Vermont sources at prices slightly over the order blend price. Such plants are located at Ipswich, Mass.; and Laconia, Milford, Manchester, West Franklin, Plymouth, and Nashua, N.H.

Handlers who purchase out-of-State milk supplies at prices approximating the Federal order blend price handle about one-half of all the milk distributed in the proposed area of extension in New Hampshire. About 10 percent is distributed by handlers presently regulated under the Massachusetts-Rhode Island order and the remainder is distributed by relatively small local dealers and producer handlers.

The procurement practices of the larger handlers in this proposed area of extension have resulted in a very unstable market. Local producers have no assurance of a continuing market for their milk with local handlers. To the extent that such a market exists, producers whose milk has been priced under State regulation, and who have historically received a price equivalent to the Federal order Class I price for milk disposed of for Class I use, now receive a substantially lesser price. To the extent that regulated handlers sell regulated milk in the area they are at a substantial disadvantage in competition with unregulated handlers whose procurement cost is as much as $1 a hundredweight less. It is apparent that it is this situation which has motivated regulated handlers to purchase or construct plants to serve the area herein proposed to be added to the marketing area.

There are very few local Massachusetts producers (approximately 15) delivering to local handlers who would be brought under regulation with the addition of the remainder of Essex County to the marketing area.

Essex County is a heavily populated area. The population of the county not now included but herein proposed for inclusion in the marketing area is approximately 135,000. Because of this heavy concentration of population milk handlers have found it a highly desirable area in which to sell milk and competition for milk sales is strong. Largely as a result of this strong competition handlers have sought milk supplies from out-of-State unpriced sources. Such milk is purchased at essentially the same prices at which presently unregulated New Hampshire dealers pay for out-of-State milk. As a result of the competitive situation only about 13 percent of the milk distribution in this area is by local State regulated handlers purchasing local supplies while almost 50 percent of the distribution is by unregulated handlers purchasing milk supplies from out-of-State unpriced sources. Of the remainder, 30 percent is by presently federally regulated handlers and 7 percent by producer-handlers.

Procurement practices performed primarily by the larger unregulated handlers have resulted in a very unstable market in this proposed area of extension. Producers under the order have experienced an ever increasing loss of Class I sales to unregulated milk in Essex County. While the regulated market carries the necessary balancing supplies it no longer substantially shares in the Class I sales. The few remaining local producers, although they opposed Federal regulation of this area, in fact have no assurance of a continuing market for their milk with local handlers. To the extent that such a market still exists, these producers whose milk is priced under State regulation receive a price equivalent to the Federal order Class I price for milk disposed of for Class I use. This represents a substantially better price than the blended price received by producers delivering to handlers regulated by the Federal order.

However, it must be recognized that one of the primary reasons that these local producers can consider opposing regulation in the face of continuing possible loss of their local market is the existence of the stable marketing conditions in the adjacent federally regulated marketing area. These producers and the local handlers are generally able to dispose of any surplus milk through regulated plants and to rely on the regulated milk supplies for balancing needs. In addition, these producers have reasonable assurance of an outlet for their milk in the framework of the Federal order upon loss of their local markets.

Handlers who would be brought under regulation generally took no position at the hearing. However, one handler, who operates a plant in Manchester and who has attempted to pay his producers on the basis of the established New Hampshire Milk Board prices, stated that he was in an untenable position in competing with handlers using out-of-State milk. He had lost substantial sales which resulted in lower returns to his producers. He urged that action be taken which would insure that no handlers distributing milk in his local market (Hillsboro County) could obtain a milk supply at less than the established price.

The need for expansion of the marketing area into New Hampshire has been accentuated by the decision of the New Hampshire Milk Control Board to terminate its price control on both the retail and producer levels. This circumstance provides an even greater threat to the already unstable market conditions. Local New Hampshire producers who sell milk directly to New Hampshire handlers are faced with a substantial reduction in their returns in the absence of regulation.

Federal regulation of this additional territory will assure uniform minimum prices to all handlers doing business in the area. This will assist local producers in maintaining their traditional markets and insure producer returns sufficient to maintain a continuing adequate supply of milk for the market. In addition, it will assist handlers by removing pressures for making uneconomic shortrun procurement and operating decisions in an effort to maintain their market position.

Extension of the Massachusetts-Rhode Island marketing area to include the aforementioned territory is the most appropriate means of effectuating the policy of the Act therein. In the context of existing operations in the proposed area of extension such area might be distinguishable as a separate marketing area. However, this situation in large measure reflects the adjustments many handlers have made to avail themselves of the opportunity to serve such area with unpriced milk.

As has been previously indicated a number of regulated handlers have built or purchased unregulated plants to serve this area. In fact, however, the location of this proposed area of extension with respect to the current regulated area, the location of regulated plants, the interrelationship of producers and the volume of Class I sales demonstrates the

need for a single regulation. It appears likely that with the extension of regulation there will be a number of plant consolidations and a reorganization of routes to the end that, in fact, the entire area will be a single integrated market. The principal proponent for a single regulation represents the majority of dairy farmers delivering milk to dealers in the area of extension and in addition is one of the major cooperatives representing producers serving the present marketing area. With such close interrelationship of plant ownership, distribution patterns, milk supply, and producer representation orderly marketing in the area will best be served by adding such territory to the present marketing area.

The additional territory in New Hampshire consisting of Belknap, Hillsboro, Merrimack, Rockingham, and Strafford Counties plus parts of Cheshire and Grafton Counties represents about 40 percent of the area of the State. About 75 percent of the population of the State is within this area. The addition of New Hampshire to the name of the marketing area will provide a more descriptive characterization of the area under regulation. Accordingly, the marketing area should be designated the Massachusetts-Rhode Island-New Hampshire marketing area.

Although certain adjacent New Hampshire and Vermont counties and towns bordering the Connecticut River and the remaining nonfederally regulated area in Massachusetts, except Berkshire and Nantucket Counties were proposed for inclusion in the marketing area, it cannot be concluded on the basis of this record that such territory appropriately should be included.

Proponents' informing their proposals attempted, insofar as possible, to cover all of the territory in which New Hampshire handlers who would be brought under regulation do any business. With this objective it was necessary to propose the inclusion of all of Cheshire and Sullivan Counties and the Grafton County towns of Lebanon and Hanover, all in New Hampshire. Recognizing that Vermont dealers had substantial distribution in this particular area they extended their proposal to include certain adjacent counties and towns in Vermont which might be expected to be the primary sales area of such Vermont based dealers.

While the record is not sufficiently detailed to determine a precise quantitative breakdown of distribution patterns of Vermont and New Hampshire dealers in the New Hampshire area here excluded, it is clear that by far the preponderance of such distribution is by Vermont handlers and/or local New Hampshire dealers who would not be regulated if this territory were excluded from the marketing area.

There are no milk processing plants located in either Cheshire or Sullivan Counties. The area is sparsely populated and by location is more accessible to Vermont dealers than to New Hampshire dealers who will become fully regulated.

The western boundary of the area of extension herein adopted was proposed and supported by Vermont handlers. Recognizing their competition with New Hampshire dealers in distribution in the city of Keene and adjacent towns to the east in Cheshire County they conceded the need for including such area in the marketing area. They pointed out that this area involved only a small part of their business and this was insufficient to bring them under full regulation. They further contended that, with the marketing area boundary as herein proposed, sales by regulated handlers in the unregulated New Hampshire area in Sullivan and Cheshire Counties would not exceed 5 percent of any such handler's total sales. They estimated that Vermont dealers, on the other hand, did 85 percent of the total business in this area. Their estimates in this regard were uncontested.

There is no showing of any market disorder in the Vermont area of proposed extension. Milk purchased in Vermont by local Vermont dealers is regulated by the Vermont Milk Control Board. The price established by the Board applies to all milk purchased without regard to use. This price ranges from 40 cents over the Federal order blend price in the 201–210-mile zone in northern Vermont to 85 cents over such price in the southern part of the State. Hence, while local dealers obtain milk for Class I use at a price below the Federal order price this need be a matter of concern only to the extent that it contributes to disorderly marketing conditions in areas of competition with regulated handlers. There was no such showing on the record.

Excepting Essex County, hereinbefore discussed, no additional territory in Massachusetts should be added to the marketing area on the basis of this record. The presently unregulated area in Massachusetts (other than Essex County) included in proponent's proposed area of extension is served almost exclusively by local dealers or by presently regulated handlers. The local dealers serving this territory purchase their milk almost exclusively from Massachusetts dairy farmers. Such milk is purchased at prices established by the Massachusetts Milk Control Commission virtually identical with the Federal order prices. In total only about 2.5 percent of the total milk distributed in this large area is derived from unpriced sources. While the record is not specific with respect to the source of this milk it appears that a significant proportion of such milk will become regulated under the area extension herein adopted.

Proponents contended that failure to include the additional Massachusetts territory will encourage handlers presently dealing in unpriced milk to make arrangements by which they could circumvent the effect of State Milk Control pricing in essentially the same manner in which this was accomplished in southern New Hampshire and in Essex County.

While this is, of course, a possibility it is significant that such action has not been taken. In general the nonfederally regulated handlers serving the area are small and their distribution is local in character. In total their milk supply originates from approximately 75 scattered dairy farmers. Under present circumstances there appears to be an insufficient concentration of population to encourage local dealers to jeopardize the stability of their local markets with the use of unpriced milk.

The marketing area proposed herein is the basic sales area of the handlers to be regulated and handlers presently regulated under the order. In addition, as hereinbefore indicated all milk to be regulated in the proposed marketing area is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce in milk and its products.

All producer milk received at regulated plants must be made subject to classified pricing under the order regardless of whether it is disposed of within or outside the marketing area. Otherwise, the effect of the order would be nullified and the orderly marketing process would be jeopardized.

If only a pool handler's "in-area" sales were subject to classification, pricing and pooling, a regulated handler with Class I sales both inside and outside the marketing area could assign any value he chose to his outside sales. He thereby could reduce the average cost of all his Class I milk below that of other regulated handlers having all, or substantially all, of their Class I sales within the marketing area. Unless all milk of such a handler were fully regulated under the order, he would not be subject to effective price regulation. The absence of effective classification, pricing and pooling of such milk would disrupt orderly marketing conditions within the regulated marketing area and could lead to a complete breakdown of the order. If a pool handler was free to value a portion of his milk at any price he chooses, it would be impossible to enforce uniform prices to all fully regulated handlers or a uniform basis of payment to the producers who supply the market.

It is essential, therefore, that the order price all the milk received at a pool plant regardless of the point of disposition. Further, the level of price should be identical on Class I sales inside and outside the marketing area.

2. Modification of the pooling provisions.

(a) *Exempt distributing plants.* The "exempt distributing plant" definition in the New England orders should not be amended to increase the exemption level on route disposition in the marketing area. Currently the orders exempt from regulation a plant which meets all of the requirements for status as a pool distributing plant except that its route disposition in the marketing area during the month does not exceed 700 quarts on any day or a daily average of 300 quarts.

A cooperative association which operates no distributing plants proposed that the 300-quart daily average exemption be raised to 500 quarts and that the 700-quart maximum volume on any day as an exemption measurement be removed under each of the respective orders. The spokesman for the proponent coopera-

tive indicated, however, that the proposal was intended only with respect to the Massachusetts-Rhode Island order. He contended that because of the numerous small New Hampshire towns being considered for inclusion in the marketing area it was likely that a number of small distributors could be involved and that it might be well to allow them to be left unregulated. He further contended that the present 300-quart exemption limit is too small for the operation of even one efficient route.

The existing exemption has generally accommodated the small handlers in both the Connecticut and Massachusetts-Rhode Island markets. No one other than the proponent supported the proposal or testified as to any present or prospective hardship as a result of the present exemption figure. Proponent had no specific knowledge of the situation in the proposed area of extension nor did he substantiate that it was in fact any different from that in the present marketing area. In addition, there was no showing of the possible impact of the adoption of a higher exemption on presently regulated handlers. Accordingly the proposal is denied.

(b) *Supply plants.* Both the Massachusetts-Rhode Island and Connecticut orders should be amended to increase the shipping requirements for the pooling of supply plants during the months of July through November from 15 percent to 25 percent. In addition, pooling status for any plant (supply or distributing) under the Massachusetts-Rhode Island order should be conditioned on the plant's handling no milk subject to a commitment limiting its availability for use as Class I milk. No change should be made in the supply plant definition which would result in a bulk reload point, which otherwise met the supply plant definition, not qualifying as a plant if facilities are there maintained and used for washing and sanitizing cans or tank trucks. Also no further exemption should be provided to remove the possibility of "exempt distributing plants" and "distributing plants for unregulated markets" being pooled as supply plants.

The present plant definition under the Massachusetts-Rhode Island order specifically excepts a bulk reload point at which facilities for washing and sanitizing cans or tank trucks are not maintained and used. This provision was adopted under the Greater Boston, Merrimack Valley, Springfield, and Worcester, Mass., orders in 1959 to retain insofar as possible, as points of pricing, the then existing plant locations. This amendment was intended to make clear that a reload facility to qualify as a point of pricing must consist of land and buildings with facilities and equipment for handling or processing milk, operated by an individual or individuals engaged in receiving milk for resale or manufacture into milk products and that the washing and sanitizing of trucks must be done on the premises.

Proponents argued on the one hand that their milk is in reality associated with city plants and that a reload point should not be a pricing point simply because tank trucks were washed and sanitized there. On the other hand, they argued that it was very easy to accommodate to the requirements of the order and hence each handler essentially was in a position to determine the point of pricing on his bulk farm tank milk. It was proposed that a handler be allowed to designate whether his reload point should be considered a plant or in the alternative, that a stationary holding tank or some other substantial facility be required for plant status.

While there can be no question but that the present requirement for washing and sanitizing of trucks in large measure places the handler in a position of himself determining the point of pricing on his farm bulk tank milk, it is equally apparent that the alternatives proposed would have the same result. There is no indication on the record that the present provisions have in any substantial way impeded the normal operations of regulated handlers or resulted in inappropriate pricing of producer milk. It is not clear why a handler would desire that his milk be priced at city plants rather than at transfer points, particularly in view of later findings that the differential between the 201-210 zone (basic price) and the nearby zone has been 7 cents more than the cost of transporting the milk plus the additional cost of receiving milk through a country plant. Under any circumstances the evidence on this record does not provide an adequate basis for changing the plant definition.

Under the existing provisions of the Massachusetts-Rhode Island and Connecticut orders a supply plant is required to ship 15 percent of its total receipts of producer milk to pool distributing plants under these orders and is pooled under the order under which the greater quantity of such shipments is made. Provision is further made for system pooling of supply plants, under which individual plants in a system need meet the 15 percent shipping requirements in only one month of July through November to qualify for pooling in each month of that period. A plant which was pooled under one of the New England orders in at least 2 of the months of July through November and which would have been pooled in the remaining months except that it was a pool plant under the New York-New Jersey order has automatic pooling status in the months of December through June under that New England order to which it made the greater qualifying shipments in the July-November period.

Various proposals were made which ranged from increasing the shipping requirements for pool supply plants in the months of July through November only to increasing the requirements to as much as 40 percent in all months. Another proposal, abandoned at the hearing, would have provided more flexible pooling requirements in the months of July through November for a supply plant which otherwise would not be a pool plant under any Federal order but which held automatic pooling status under one of the New England orders in the immediately preceding months of December through June.

Essentially all of the milk in the milkshed is pooled under one or the other of the New England orders except that which has a preferential Class I market in a local unregulated market. The present pooling provisions were constructed to bring about this result.

To supply the fluid market it is essential that supply plants as a whole ship far in excess of the minimum requirements for pooling. During the period May 1965 through April 1966 the total Class I usage of the Massachusetts-Rhode Island market varied from a low of 50.7 percent (May) to 70 percent (November). Only a very limited quantity of country plant milk is disposed of for Class I use upcountry. For all practical purposes it must be moved to city distributing plants if it is to be disposed of for Class I use. During the May 1965-April 1966 period Class I usage of country plant milk under the Massachusetts-Rhode Island order varied from a low of 38.1 percent (April) to a high of 61.8 percent (November). During this period the total Class I usage of the Connecticut market varied from a low of 71.1 percent (May) to 88.1 percent (November). Hence there can be no question but that supply plants generally would have no difficulty in meeting more substantial shipping requirements.

The basic problem is that the operators of some supply plants under the Massachusetts-Rhode Island order which are primarily manufacturing plants have been reluctant to ship more milk than that necessary to insure pooling status, with the result that in some months of short supply city plant handlers have had considerable difficulty in obtaining necessary milk supplies for fluid use.

While it is desirable that milk not needed for fluid use be processed into manufactured products at country plants, it is essential that such milk be shipped to the city when needed for fluid use. To better insure this result it is concluded that the required shipping percentages during the months of July through November should be increased from 15 percent to 25 percent under both orders. While proponents suggested even higher shipping requirements (as much as 40 percent) it must be recognized that the need for country plant milk varies from month to month and from year to year. Too high a requirement might well result in uneconomic milk shipments solely for the purpose of maintaining pooling status. On the other hand, it must be recognized, in view of the past market utilization and the necessarily flexible pooling provisions which have been provided, that an increase in the shipping requirements from 15 to 25 percent during the months of July through November may not fully implement the desired result. This is particularly true in recognition of the fact that during the May 1965-April 1966 period a minimum of 38.1 percent of the country plant milk was used in Class I.

To fully accomplish the end sought by proponents; i.e., insure the availability of milk when needed, more forceful provisions are needed under the Massachusetts-Rhode Island order. "Call" provisions could be provided which would permit the market administrator to increase the required shipping percentages to conform with the current needs of the market. However, the industry generally opposed the adoption of such provisions. It was argued that the application of a "call" provision would place cooperatives in an unfavorable bargaining position in the sale of their milk, and additionally, that the intended result likely would not be accomplished since any required shipments could be made to one or two of the larger handlers, leaving smaller handlers still inadequately supplied.

A proposal considered at the hearing would preclude the pooling of any plant unless all milk there received was available as needed for Class I use. It is concluded that the problem can best be met by including a provision in the Massachusetts-Rhode Island order providing that should the market administrator determine that the operator of any plant has entered into an unconditional contract which provides for the delivery of any specified quantity or proportion of such plant's receipts from dairy farmers and of pool milk from other sources for Class II use, the plant shall not be pooled during the month of such ascertainment nor for any subsequent month in which the contract is in force for any part of the month. It is the intent of the order to insure an adequate supply of milk for the fluid market. To assure an adequate supply a reserve, over and above actual Class I disposition, is needed and should appropriately share in the pool even though it may be used as Class II. However, it would be inequitable to pool milk which, in fact, is not available for Class I use and is thereby not a part of the reserve supply. Such a provision can readily be complied with by conditioning contracts for other than Class I disposition on the milk not being needed for Class I use. Clearly, handlers who acquire pool status for their plants should reasonably expect to supply milk for Class I use as the need arises up to the total amount of producer receipts at such plants.

Some cooperatives contended that an increase in the supply plant shipping requirements would weaken their ability to bargain with handlers for handling charges over the minimum order prices. It is not clear why this should result, particularly since the increase in shipping requirements herein provided is well below the percentage of total country plant milk which has in the past been shipped for Class I use. It is recognized that to the extent any cooperative has attempted to maintain a premium structure above the competitive market price in bargaining with handlers for a fluid outlet for its supply plant milk the increase in the shipping requirements may exert some pressure for lower handling charges. However, cooperatives operating manufacturing facilities and who have chosen to associate such facilities with the pool for the purpose of drawing the uniform price must make their milk supply available to the fluid market. They should not presume the right to recover from fluid sales the further profit which they might otherwise gain from the use of the milk in their own manufacturing operation.

Under another proposal an "exempt distributing plant" or a "distributing plant for unregulated markets" would not be pooled as a supply plant under the Massachusetts-Rhode Island order even though it made sufficient qualifying shipments to pool plants. Proponents argued that it was inconceivable that the operator of such a plant would intentionally conduct his business to qualify as a supply plant and hence such a plant should not be jeopardized by the possibility of acquiring pool status in the disposition of its surplus.

Exemption from regulation as a distributing plant is not a basis for exemption as a supply plant. The exemption as a distributing plant is predicated on the fact that the plant either has insufficient distribution in the marketing area to be a competitive factor; i.e., less than 300 quarts per day or that it does not meet the basic pooling requirements of having at least 40 percent of its total receipts of fluid milk products in Class I and at least 10 percent of such total receipts in route disposition within the marketing area. However, when an otherwise unregulated distributing plant makes sufficient shipments to pool distributing plants to qualify as a pool supply plant it may not appropriately be distinguished from any other pool supply plant. Obviously, the intent of the proposal was to provide greater flexibility in the operation of nonpool distributing plants. These plants compete with fully regulated plants both with respect to route sales and in procurement. While exemption from regulation is provided on the basis of the nature of their route distribution such exemption cannot appropriately be construed as a basis for immunity under all circumstances.

The order provides a reasonable basis whereby certain distributing plants can maintain nonpool status. If such status is desired the plants must be operated in conformity with the existing rules. While greater flexibility of operation might better accommodate the interest of certain nonpool handlers it cannot be concluded that it would tend to further promote and maintain orderly marketing. Accordingly, the request for further exemption is denied.

(c) *Diversions*. The diversion provisions of the Massachusetts-Rhode Island order should be modified to allow a handler who closes a pool plant and begins to receive the milk of producers associated with that plant at another of his pool plants to retain the diversion rights associated with such milk. In addition, milk diverted from a pool plant located in zones 1–14 to a plant located beyond zone 14 should be priced at the zone location of the plant of physical receipt.

Currently the order provides, with minor variations, that a handler can only divert milk if he caused milk from the dairy farmer's farm to be moved to the diverting pool plant on the majority of delivery days on which he caused milk to be moved from the farm as producer milk during the 12 months ending with the current month. The order also provides that diverted milk is priced at the zone location of the plant from which it is diverted.

Multiple plant handler proposed that diversion rights associated with producers be transferred along with the producers when one plant operation is discontinued and the producers are moved to another of the handler's pool plants. The sole concern of proponent was to allow a handler to shift producers to another of his pool plants after closing the pool plant to which they normally delivered without having to wait 6 months before any diversion rights could be reacquired on such milk.

The existing provisions, requiring delivery to the diverting plant on majority of delivery days during the most recent 12-month period, were formulated to assure a bona fide association of milk with the market and yet permit a handler necessary flexibility to insure efficient handling of the market's reserve supply. For a handler who consolidates the operations of several plants, the present provisions do not accomplish their intended purposes. In many cases they may well impede the efficient handling of milk even though the producers whose milk is involved have already established their association with the market.

The change to allow transfer of diversion rights would be applicable only when a plant operation is discontinued and the producers are transferred to another pool plant of the same handler. Therefore, such a change will in no way circumvent the intent of the present diversion provision and at the same time will remove an unnecessary deterrent to greater operating efficiency. It is concluded therefore that it should be adopted.

Proponent of the proposal to price milk, diverted from a plant in the nearby zone to a plant in a distant zone, at the zone location of the plant of actual receipt contended that such a change was needed to prevent the possibility of a transportation subsidy being paid by the pool and to eliminate any possible gains to handlers operating their own hauling systems. At the hearing proponent's representative modified his proposal so that milk produced on farms within 200 miles of Boston and back-hauled more than 50 miles would be priced at the zone location of the plant from which the milk was diverted. This modification was intended to accommodate situations where milk might be diverted substantial distances to manufacturing facilities.

Under the present order provisions milk produced in distant zones and normally delivered to a city plant may be diverted to local country plants in the area of production and still be priced as if it had been transported to the city plant.

The Class I and blend price zone differentials applicable at any plant location are identical, but the Class II differential is much lower. As a result, the nearer the diverting plant is to Boston

the greater is the difference between the applicable blend and Class II differentials. Therefore, when milk is diverted for Class II use, which is normally the case, the pricing of such milk at the diverting plant rather than the more distant plant of physical receipt causes the handler's cost of milk under the order to be increased only slightly. On the other hand, the handler's pool credit and the blend price payable to the producers involved are substantially greater than would be the case if the milk were in fact priced at the plant of physical receipt. Hence the pool absorbs transportation costs which in many circumstances are actually not incurred when producer milk is diverted to a plant more distant from the market but nearer to the producers' farms.

Milk that is diverted will, in most cases, be transported much shorter distances than would otherwise be the case if it were moved to the diverting pool plant. Therefore, it is possible that producers save in transportation costs and yet are paid as if the milk had moved the full distance to the diverting plant. However, in many cases the savings in transportation costs accrue directly to the hauler instead of the producer since he may continue to collect the full hauling charge that was applicable to the longer movement of the milk. Further, if the handler is the hauler he may be the sole beneficiary of the cost savings.

Several examples of handlers being the ultimate recipient of the cost savings were cited by the proponent's representative. In one case the handler diverted milk from his plant located in the nearby plant zone to a plant located in the 21st zone and near the farms of the producers involved. Since the handler continued to deduct the same hauling charge he apparently was able to retain the transportation savings on that diverted milk hauled in his tank trucks.

Although proponent wanted to correct a situation where producers or handlers were profiting at the expense of the pool on savings in hauling costs he did not want to make any change where diverted milk from farms within 200 miles of Boston had to be back-hauled more than 50 miles. He contended that in such cases there may be little or no savings in transportation and that the producers involved should not have to accept the lower blend price without the compensating reduction in costs. The record does not establish the need for milk to be back-hauled great distances. If it is merely to accommodate an existing arrangement of manufacturing facilities operated by the diverting handler or the producer group, as seems likely, it would be no more fair to the other producers to subsidize such operations from the pool than in other situations to which proponents objected. This modification is therefore denied.

When there is more milk available in the market than is needed for fluid use the total costs associated with handling the excess milk would be lowered substantially by retaining the most distant milk upcountry for manufacturing. That is, the cost of transporting the milk great distances to the city for manufacturing would be avoided. The diversion provisions were designed to encourage this more efficient handling of milk as well as to allow the handler as much flexibility as possible in adjusting producer receipts at his plant to meet his needs. This flexibility permits handlers to divert milk for extended periods of time as long as such diversions do not exceed the majority of days limitation previously referred to. In certain cases the handler could continuously divert milk from the same producers for almost 6 months without exceeding the limitation.

In circumstances where diversions are on a more or less regular basis there is little reason to believe that the hauling rate would not be adjusted downward to reflect the shorter haul or that handlers with their own transportation systems would not realize a savings in hauling costs even though they may not be passed on to producers. However, any gain to individual producers or handlers is financed by all producers if the milk continues to be priced as though received at city plants. It is desirable therefore to deter individual gains at the expense of the pool on diversion operations.

Pricing at the plant of physical receipt of milk diverted from within the 14th zone to more distant plants will tend to implement the efficient handling of reserve milk without undue cost to the pool. Essentially all of the plants located beyond the 14th zone to which diversions likely would be made are manufacturing plants. Hence essentially all of such diversions will be for Class II use and this revision in point of pricing of diverted milk will eliminate much of the transportation subsidy which the pool has borne when milk associated with city plants is diverted to country plants.

It is not necessary to change the point of pricing with respect to milk normally received at country plants or at city plants and which is diverted to plants within the 14th zone. Milk associated with country plants is priced below the price of milk received at nearby plants by the amount of the transportation and extra plant handling required to move such milk to nearby plants. Hence a handler normally experiences no out-of-pocket transportation costs if he elects to divert country plant milk to nearby plants for Class I use. Milk which is associated with nearby plants and which is diverted to other nearby plants is normally utilized for Class I purposes. Since the Class I and blend price differentials are identical there is no element of cost to the pool when milk normally received at nearby plants is diverted to other nearby plants for Class I use, even though the plant of physical receipt may be more distant from the central market than the diverting plant.

(d) *Certified milk.* The special exemption for certified milk should be removed from the Massachusetts-Rhode Island order.

Presently the order exempts from pooling any milk produced and processed in accordance with the standards established by the American Association of Medical Milk Commissions and disposed of as packaged certified milk or packaged certified skimmed milk.

A group of cooperatives in the market proposed that the special exemption for certified milk be removed from the Massachusetts-Rhode Island order. A spokesman for the group stated that there should be no exemption for Class I milk differing only as to special quality or characteristics since market demand for such a differentiated product should compensate handlers for the added expense of it. He further pointed out that there were no longer any certified milk operations in the market.

In the past certified milk and certified skimmed milk have been exempted on the basis of being noncompetitive with other milk, both on the basis of cost and sales conditions. The exemption was restricted to these two products which were, at the time the exemption was adopted, the only products eligible to carry a certified label and which were permitted to be packaged and marketed without pasteurization.

For reasons not shown on the record the restrictions on the processing and sale of certified milk have been relaxed on certain points since the exemption was granted. The current publication "Methods and Standards for the Production of Certified Milk" contains the regulations pertaining to "certified milk" and was introduced as an exhibit in the hearing record.

Under these regulations there is a wide range of products which may carry the certified label. These included the basic product "certified milk," "certified milk-pasteurized," "certified cream," "certified half and half," "certified fat-free milk," and "special certified milks" among others.

In addition, current standards permit the utilization of new processing technology by allowing milk from certified farms to be processed and/or bottled at another certified farm or at a processing plant that is not a "certified farm." Of course, the specifications for transporting the milk, labeling, and control by the supervising milk commission must be met in these cases. However, from an economic standpoint the ability to make such arrangements greatly reduces any difference between certified milk and producer milk which is aggregated, processed, and distributed in a conventional manner.

The proposal to remove the exemption with respect to certified milk was opposed by a Vermont based handler producing certified milk who argued that he was exploring the possibility of extending his distribution into the marketing area. In this regard, he recognized that the traditional method of distribution could not accommodate his situation and contemplated testing the potential of direct distribution of his line of certified products through supermarkets in the marketing area.

There can be no question but that such distribution of certified products would be in direct competition with the distribution of similar noncertified products by regulated handlers. While

opponent contended that he would necessarily sell his products at a premium of 3 cents per quart over competing milk, this can no longer be presumed nor can it be considered as a prime deterrent against a loss of Class I sales when the product is mass-distributed.

In reality the distribution of certified milk in this market such as opponent contemplates is essentially no different than that of the distribution of a "special" breed milk under a trademark controlled by a producer organization. The possibilities of such schemes to evade pooling under the order are almost unlimited. In many markets there are producer associations which distribute milk under their own brand name, which brand names are registered and are controlled by producer associations. The fact that such milk may be claimed to have superior qualities entailing higher production costs which entitle producers to higher prices is not a compelling argument. The required pooling of such milk cannot be construed as a penalty to the producers thereof. If, in fact, the milk has superior qualities in the eyes of the consumer it can command a premium over competing milk which would tend to offset, to the extent that they exist, higher production or processing costs.

The marketwide pooling arrangement provided under the order contemplates the equitable sharing by all producers of the total proceeds from the sale of their milk computed at the established order prices. The situation which prompted the exemption with respect to certified milk is no longer present in this market. The exemption therefore should be removed to deter its exploitation at some future time.

(e) *Exempt government agency.* The Connecticut order should be amended to exempt from regulation the plants of government agencies distributing fluid milk products in the marketing area. Fluid milk products received by such a plant from a pool plant or a cooperative association in its capacity as a handler should be classified as Class I except for specified cases with respect to Class II uses by the University of Connecticut. Fluid milk products received at a pool plant from such a plant should be Class II.

Limited exemption for State-owned and operated institutions is presently contained in the "exempt milk" provisions of the order. Such exemption applies only with respect to milk which is processed and packaged at a plant operated by a similar institution to the extent that such milk is used only to serve residents of either institution on the premises thereof. In addition the University of Connecticut, as well as certain other State-owned institutions have been exempted from regulation by virtue of the fact that they have operated in conformity with the producer-handler definition.

The University has from time to time purchased pool milk for use in experimental production of manufactured dairy products. Such milk, however, under the terms of the order was classified and priced as Class I milk.

To provide greater flexibility in the operation of its farm and plant in the research and teaching field the University proposed an "exempt government agency provision" under which it and other State-owned and operated institutions would be exempted from regulation. Under their proposal any sale by such an agency to a pool plant would be considered a Class II receipt at such plant and any purchase from a pool plant or cooperative association would be a purchase of Class I milk, except that with respect to the University purchase could be as Class II if both the purchaser and seller so reported to the market administrator.

The University spokesman pointed out that in both classroom and research work they needed milk for manufacture into ice cream, cottage cheese, and Cheddar cheese and for flavor and other research and that it greatly added to the cost of education and research to be required to pay the Class I price for such milk. He further indicated that they would have great difficulty as a pool plant in meeting pool payments under the rules and regulations of the State with respect to fiscal matters; i.e., all checks are issued by the Comptroller.

Information with respect to the specific operations of the University and of other State-owned institutions was not presented on the hearing record. However, it is apparent that the operation of the University's farm and plant are for the purpose of advancing the recognized functions of the State in the public interest. These operations are not in the nature of the operations of proprietary handlers whose regulation is necessary to effectuate the intent of the Act. Accordingly, the requested exemption is appropriate, not only with respect to the University but also for other State-owned and operated institutions and for the same reasons.

If these government agencies should develop a production in excess of their requirements it would normally be a temporary situation or one that was a by-product of other functions. To the extent that such surplus might develop it could not be depended upon by handlers in the market as either a regular supply of milk or a supplemental supply during periods when the market might be in short supply. It would clearly be surplus to the government agency and hence if disposed of to a pool plant appropriately should be allocated first to Class II. Under the terms of the order on any such milk allocated to Class I the pool plant operator would be obligated to the pool for the difference between the Class I and Class II price.

If any such exempt agency receives milk from pool sources (except as specified below) it should be classified as a Class I since such milk will be needed and used for Class I purposes. Special exception, however, is desirable in this regard with respect to pool purchases by the University in recognition of the Class II milk requirements for teaching and research. It is provided therefore, that the University may purchase milk from pool plants or from a cooperative association in its capacity as a handler and have such milk classified as Class II on the basis of a claim by the selling handler, supported by a certification signed by an authorized agent of the University that such milk was used to produce milk products other than fluid milk products or cream.

Under this revised treatment of State-owned and operated institutions there is no longer any need for the limited exemption now contained in the "exempt milk" definition and it is therefore deleted.

(f) *Dairy farmer for other markets.* The Massachusetts-Rhode Island order should be amended to provide that receipts from a "dairy farmer for other markets" shall be considered as a receipt from the plant to which his milk was delivered on the majority of the delivery days in the most recent month.

Under the present order provisions the plant of original receipt of such milk is considered to be the plant to which the milk was delivered on the majority of delivery days in the most recent 12 months. Under normal circumstances a handler causes a dairy farmer to assume producer or nonproducer status by the manner in which such dairy farmer's milk is handled. Handlers operating both pool and nonpool plants often find that when they have excess milk associated with their nonpool operation the excess milk can be most efficiently disposed of by moving it directly from the farm to their pool plant. Milk so received comes within the definition of "dairy farmer for other markets" and under the prescribed allocation procedure is allocated first to Class II. On any of such milk allocated to Class I the handler accounts to the pool at the Class I price and is credited at the Class II price, at the zone prices applicable at the plant of normal receipt.

The plant of majority of days of delivery in the most recent 12 months is designated as the plant of original receipt to insure insofar as possible that any pool obligation on the part of the pool handler would be computed at the location of the nonpool plant. This procedure has entailed considerable administrative work on the part of the market administrator, particularly in situations where the milk has been received at several nonpool plants. In addition, situations have arisen where a handler has discontinued receiving milk of certain dairy farmers as producer milk and begun receiving it as unregulated milk at a nonpool plant. Under the present order provisions it is possible, in the event that any of such milk is received at a pool plant and allocated to Class I, that the pricing point for determining the handler's pool obligation would in fact be the pool plant. Appropriately, however, the obligation should be determined at the location of his nonpool plant. This can best be accommodated by providing that the milk will be considered as a receipt from the unregulated plant at which the greatest quantity of such milk was received in the most recent month.

Another proposal considered would further amend the "dairy farmer for other markets" definition to include a dairy farmer when more than half of the milk marketed from his farm during the month is not producer milk under any Federal order. This amendment was proposed to deny producer status to dairy farmers whose regular markets are with handlers in unregulated markets but who deliver any milk in excess of their handlers' needs to pool plants of other handlers as producer milk. During the period April 1964–March 1965 an average of 52 producers shipping the majority of their milk to unregulated markets delivered 15,886,000 pounds of milk to pool plants as producer milk.

Under Federal orders generally milk which is received at a pool plant directly from a dairy farmer's farm is accorded producer milk status. Exceptions are made in certain circumstances to deter handlers from pooling the necessary reserve of their unregulated operations. For this reason "dairy farmer for other markets" status is conditioned on the fact that the handler caused milk to be nonpool milk. Continuation of pooling status for the milk which proponent seeks to exclude gives essentially no different result than the effect of pooling milk now excluded under the present definition; i.e., pooling of the reserve supply of an unregulated fluid milk operation. However, in this instance neither the unregulated handler nor the producer is subject to regulation and it is not the unregulated handler who causes the milk to be pooled. Neither can it be presumed that the regulated handler receiving the milk has specific knowledge that he is receiving only a part of a producer's total milk supply. There would be great administrative difficulty under the circumstances in administering a provision which would deny pooling status for such milk since the market administrator could not have the necessary specific knowledge with respect to every producer on the market to insure equitable administration of the provision. Accordingly, the proposal is denied.

(g) *Pool milk definition*. The "pool milk" provision of the Massachusetts-Rhode Island order should be amended to include as "pool milk" any route distribution in the marketing area from a plant regulated under another Federal order to the extent that such milk is not classified and priced under the other order and is in excess of the present exemption for unregulated distributing plants of 700 quarts on any day or a daily average of 300 quarts, whichever is greater.

The "pool milk" definition designates that milk for which a blended price credit is applied in the computation of each handler's pool obligation. This includes, in certain circumstances, receipts at a pool plant from regulated plants under other Federal orders which are not classified and priced under such other orders. The definition, however, does not include milk distributed directly on routes in the marketing area from a regulated plant under an other Federal order which is not classified and priced under such other order. It is possible therefore under the present order for such milk to be distributed in the market without being subject to pricing under any Federal order.

Under the terms of the New York-New Jersey order (Order 2) it is possible for a regulated plant to receive unregulated milk and dispose of such milk as route disposition outside the Order 2 marketing area (in the Massachusetts-Rhode Island marketing area for example) with no monetary obligation to the pool, regardless of the price at which such milk might have been procured. There is presently no route disposition of this nature in the marketing area; nevertheless, its location with respect to New York-New Jersey regulated distributing plants does not preclude such possibility. In such event the milk should appropriately be treated in the identical manner as similar receipts at a pool plant and for the identical reasons set forth by the Assistant Secretary in his decision of October 31, 1963 (28 F.R. 12006) on this matter, official notice of which is taken. Accordingly, the "pool milk" definition is revised to insure this result when the amount of such distribution exceeds the allowable volume of an exempt distributing plant; i.e., 700 quarts in any day or a daily average of 300 quarts, whichever is greater.

3. *Cooperative as a handler on farm bulk tank milk*. The handler definition under the Massachusetts-Rhode Island order should be broadened to include a cooperative association with respect to its operations in delivering the farm bulk tank milk of its producer members directly from the farm to a pool plant or in diverting such milk to a nonpool plant for the account of the association.

The impact of regulation under an order is on handlers. The handler definition identifies those persons from whom the market administrator must receive reports, or who have financial responsibility for payment for milk in accordance with its classified use value. The handler who receives milk from producers is held responsible under the terms of the order for reporting receipts and utilization of such milk and for proper payment to producers and to the pool.

Essentially all of the milk produced for this market is handled through farm bulk tanks and moved to the market in tank trucks. After the milk has been pumped from the farm tank into the tank truck and commingled with the milk of other producers there is no opportunity to measure, sample, or reject the milk of an individual producer. Thus, the amount of milk delivered by producers using farm bulk tanks and the butterfat content thereof, can be determined only by measurement at the farm and from milk samples taken at the farm.

In the past in this market hauling has generally been done by the plant operator either in his own trucks or through contract haulers or by independent haulers under contracts negotiated by individual producers. Accordingly, the operator of the pool plant where the milk was initially received directly from the farm, or deemed to have been so received in the case of a diversion, has appropriately been held the responsible handler for accounting purposes and for payments to producers.

Recently one of the larger cooperatives on the market has taken over the hauling of its members' milk. When the pickup is performed by a cooperative association or by a person under contract to or control of such association it is the association which controls the operation with respect to individual producer weights and tests. Accordingly, the association must be the responsible handler unless through agreement between the association and the operator of the pool plant at which the milk is received, filed with the market administrator, the plant operator assumes the role of responsible handler and agrees to purchase the milk on the basis of farm weights and tests. When the cooperative association is the responsible handler the milk is treated as a receipt of producer milk by the cooperative association at a pool plant in the same location as the pool plant at which the milk was physically received. The milk is then treated as a transfer by the cooperative association to the plant operator.

The order should specify, however, that handlers shall pay a cooperative association which is a handler pursuant to § 1001.9(d) at the blended price for the milk received directly from producers' farms. It will simplify order accounting if such milk is paid for by the plant operator at the blended price. This method of payment will facilitate any adjustments required when audit by the market administrator discloses an error such as an error in classification.

Payments into and out of the producer settlement fund will be made directly between the regulated handler and the market administrator. This will establish directly the responsibility for accounting for milk and for its payment on the part of the handler. When settlement is made through a cooperative association; i.e., when a handler settles with the cooperative at class prices and the cooperative pays into or out of the producer settlement fund, an unnecessary third party is intruded into the transaction. By eliminating the cooperative as an intermediary between the regulated handler and the market administrator, with respect to transactions with the producer settlement fund, problems of financial responsibility, enforcement, and subsequent audit adjustments will be greatly reduced.

The cooperative, of course, must be held accountable to the pool for the volume of milk which it picks up, or causes to be picked up at the farm and which it diverts to nonpool plants or which it does not deliver to any plant during the month; i.e., overage, shrinkage and accidental loss, and inventory of milk en route to plants at the end of the month. To simplify accounting procedure insofar as practical such milk should be priced at the zone location of the plant, or plants within the same zone,

to which the greatest aggregate quantity of such milk of the cooperative association was moved during the month.

The order currently provides a Class II classification for shrinkage not in excess of 2 percent of the respective quantities of butterfat and skim milk contained in receipts of fluid milk products and cream, exclusive of diverted milk and inventory at the beginning of the month. Hence pool plant operators have had a maximum shrinkage allowance of 2 percent for receiving and processing farm bulk tank milk. The fact that a cooperative association becomes the responsible handler with respect to farm bulk tank milk which it picks up or causes to be picked up at the farm and delivered to a pool plant provides no basis for changing the maximum shrinkage allowed in Class II on such milk. Appropriately, therefore some means must be provided for a division of the shrinkage allowance when hauling is performed by or on behalf of a cooperative association. The principal proponent supporting handler status for a cooperative association in such capacity proposed a one-half of 1 percent allowance to the cooperative and a one and one-half percent allowance to the pool plant operator. Such a division of shrinkage reflects the experience under Federal orders generally that in a reasonably efficient receiving operation shrinkage should not exceed one-half of 1 percent and in a reasonably efficient processing operation shrinkage experienced should not exceed 1½ percent. Accordingly, the proposal is adopted.

Previously in this market milk has been associated with specific plants and the plant operator controlled the movement of the milk. Diversion privileges were given only the plant operator as a pool handler and were generally conditioned on the receipt of the milk at the diverting plant on the majority of delivery days, during the 12 months ending with the current month, or in the period in which such handler caused milk to be moved from the farms as producer milk. This procedure was adopted to deter the arbitrary shifting of producers between plants of a multiple plant handler for financial gains at the expense of producers.

When a cooperative association controls the pickup of producer milk and acts as the responsible handler on such milk it is necessary for maintaining pooling status on that milk in excess of a proprietary handler's requirements or which he chooses not to receive that the cooperative be given diversion privileges so it may maintain the pool status of the milk when it is moved into manufacturing uses. Under the terms of the current order all milk which has established a bona fide association with the local market is included in the equalization pool. To insure appropriate implementation of this principle under the revised order the handler definition should be sufficiently broad so as to include a cooperative association with respect to producer milk diverted to a nonpool plant for the account of such association. Milk not needed by local handlers can generally be most economically handled by movement directly from the farm to its ultimate destination. Unless the cooperative is permitted to be the handler and divert such milk it is likely that cooperative members would bear the primary burden of carrying the market's reserve supplies, since handlers could accept only that volume of milk needed to meet their immediate requirements and cooperatives would be forced to handle the remaining milk as other than pool milk.

Providing handler status to a cooperative association with respect to milk which it diverts will not only better insure orderly marketing but also will promote efficient utilization of producer milk in the highest available use class since this arrangement will permit a cooperative to divert milk for Class I use to a nonpool plant which milk might otherwise be used or disposed of by proprietary handlers in Class II.

In consideration of the equitable treatment of all producers the limitation on cooperative diversions should, insofar as possible, parallel those accorded proprietary handlers; i.e., the milk must have been delivered to pool plants on the majority of delivery days during the past 12 months during which the cooperative was the responsible handler. To implement orderly administration, milk which a cooperative diverts is considered a receipt in the zone of the pool plant or plants to which the greatest aggregate quantity of the milk of the producers involved was moved during the month. However, when diversion is made from a plant in zones 1–14 to nonpool plants in the 15th zone and beyond, the milk for pricing purpose is, as heretofore discussed, considered a receipt at the plant where physically delivered.

The Connecticut order currently contains provisions intended to implement the administration of the regulation when a cooperative association is performing or directing the pickup and delivery of farm bulk tank milk to pool plants. However, the cooperative may avoid handler responsibility on such milk by simply not electing handler status. Because there is always the probability that farm weights and the tests of farm drawn samples will not agree with the weights and tests of milk delivered to plants there is always the threat of an administrative problem in the application of regulation if the plant operator refuses to accept the farm weights and tests.

As previously stated, when the pickup is conducted by a cooperative association or by a person under contract to or control of such association it is the association which controls the operation with respect to individual producer weights and tests. Accordingly, the association appropriately must be held as the responsible handler unless the plant operator assumes the role of responsible handler and purchases the milk on the basis of farm weights and tests.

The provisions hereinbefore concluded to be appropriate for the Massachusetts-Rhode Island market ostensibly are equally appropriate for the Connecticut order. However, while both producers and most handlers recognized the existing accounting problems under the present order they were equally insistent that proprietary handlers continue to be the responsible handler for farm bulk tank milk in essentially the same manner as in the past since the cooperatives have not generally elected handler status. To minimize the change in order application they argued that the order should specify that the plant operator be held the responsible handler unless he notifies in writing both the market administrator and the cooperative association that he is not accepting that responsibility, in which case the cooperative would necessarily be the responsible handler.

It is not clear why the requested application of the provision could influence handlers' decisions with respect to becoming the responsible handler on farm bulk tank milk picked up and delivered by the cooperative association. Nevertheless, such application does, in fact, provide a clear line of responsibility and will remove the existing problems encountered under the current order in the accountability for milk because the cooperative association has not elected handler status on milk which it causes to be picked up and delivered to pool plants. Accordingly, it is adopted.

Local cooperative interests objected to any change in the handler status of cooperatives with respect to member bulk tank milk hauled in tank trucks owned or controlled by the cooperative. They contended that affixing the final responsibility on the cooperative for such milk if the receiving plant did not accept the responsibility would force them to bargain with the receiving handler to obtain a charge above minimum prices for services performed with regard to this milk. They further contended that if the final responsibility were fixed upon the cooperative, the order should specify a sufficiently higher price for this milk to assure the cooperative of being reimbursed for services performed, such as milk sampling and testing, and quality control.

In the presence of Federal regulation producers are guaranteed the minimum order prices for their milk. Therefore, it must be presumed that a cooperative's decision to haul its members' milk is made in the interest of operating efficiency, to retain effective control of the milk in the interest of maintaining or improving the cooperative's bargaining position with its buying handlers and/or to provide the flexibility of operation necessary to insure disposition of the milk in the highest available use. Prior to the advent of farm bulk tank handling each producer was generally associated with a specific handler or plant and normally his milk moved to that outlet regardless of the use (either fluid or manufacturing) by such handler. Farm bulk tank handling greatly increased the flexibility of marketing. For this reason many cooperatives have considered it essential that they control the hauling of their members' milk. As previously stated, under such circumstance it is the cooperative which controls the operation

with respect to individual producer weights and tests. Accordingly, the cooperative must assume the role of responsible handler unless the operator of the receiving plant accepts responsibility of accounting for the milk on the basis of farm weights and butterfat tests of farm drawn samples.

When the cooperative acts as the responsible handler it is probable that it also performs some related services which otherwise the handler would necessarily perform at some cost over and above the order class price. Under usual circumstances it is to be expected that a cooperative controlling its milk supply would be able to bargain effectively with handlers for the cost of such services. Its ability in this regard is obviously dependent on the competitive market situation.

Because milk can move freely between regulated markets it is to be expected that as among the northeastern Federal order markets, producers, either individually or through their cooperative associations, will actively seek an outlet for their milk in that market where returns are greatest. Proprietary handlers, on the other hand, can be expected to seek out the most economical sources of milk supply. Hence any attempt to structure the cost of services rendered by local cooperatives into the pricing scheme of the Connecticut order could seriously hamper such cooperatives in the sale of their members' milk. When handlers purchase milk from each other they must reach a common understanding on the sale price if such sale is consummated. There is no apparent reason why cooperatives cannot be equally effective in their dealings with handlers. Notwithstanding the position of cooperatives in this matter, it is concluded that the best interest of producers will be served by continuation of the present pricing structure. Accordingly, the request to establish a premium over the Class I price to be paid by handlers on farm bulk tank milk for which a cooperative is the handler is denied.

4. *Definition and treatment of producer-handlers.* The definition and treatment of producer-handlers under the Massachusetts-Rhode Island order should not be modified on the basis of this record. The provisions of the Connecticut order should be modified only to the extent of permitting a producer-handler to purchase from outside sources, either pool or nonpool, nonfat dry milk solids for use in fortification of fluid milk products.

The Massachusetts-Rhode Island order provides, among other conditions, that a producer-handler may receive no fluid milk products except from his own production and pool plants under any New England Federal order. If his receipts from own production and total route sales each exceed 2,150 pounds per day during the month his receipts from New England order pool plants may not exceed 2 percent of his receipts from own production.

While the Connecticut order, with certain exceptions with respect to State-owned and operated institutions, limits a producer-handler's sources of milk supply to own production and fluid milk products transferred from pool plants, such a person is not limited with respect to the extent of his receipts from pool plants.

A number of proposals were made to change the producer-handler provisions in one or both of the orders. Certain of the proposals would provide that there be no separate treatment under the orders of producer-handlers in their capacity as handlers, but would provide instead an exemption from pooling of a handler's own farm production within prescribed volume limitations. Another proposal would permit producer-handlers to buy unlimited quantities of milk during the months of September through November.

Other proposals would amend the Massachusetts-Rhode Island order to (1) fully regulate producer-handlers above a specified size, (2) permit producer-distributors below a specified size to buy and sell milk to each other, and (3) exempt own farm production and permit unrestricted purchases from regulated sources. Still other proposals would amend the Connecticut order to (1) set a volume limitation of 75,000 pounds in any month which a producer-handler could buy from pool sources and retain his status, and (2) permit a producer-handler to purchase nonfat dry milk and cream for fortification and standardization purposes.

The status and treatment of producer-handlers under the Massachusetts Federal orders have been a consideration at numerous past hearings. The producer-handler provisions of the existing order, adopted on the basis of the record of the merger hearing held in January and February 1963, are substantially those previously contained in the separate Boston, Southeastern New England, Springfield and Worcester orders. The exemption of producer-handlers from the pooling and pricing provisions of the order is predicated on the self-sufficiency of the combined production, processing and distribution operation of such person. When such an individual ceases to be self-sufficient and relies on sources other than own production for any significant portion of his Class I needs his operation is, in fact, indistinguishable from that of handlers whose operations are fully regulated under the order. Appropriately, his treatment as a producer and as a handler then should be no different than that of other producers and of other regulated handlers.

When producer-handlers produce, process, and distribute their own farm production other producers do not share in their Class I sales. To the extent that producer-handlers acquire pool milk to supplement their own production producers under the order bear the full burden of carrying the necessary reserve supplies associated with such milk. To permit a producer-handler to purchase substantial, or unlimited quantities of supplemental milk would substantially eliminate the normal risks which are associated with a combined own production-distribution business. A producer-handler could aggressively seek additional Class I outlets without risking production expansion until the new outlets were assured. Under such an arrangement a producer-handler would be a continuing threat to orderly marketing and regular producers could experience a continuing loss of their Class I market to such individuals.

Certain producer-handlers complained of production costs and labor difficulties which they argued should be recognized through liberalization of the present order provisions to permit greater purchases of supplemental milk. They presented billings to substantiate their contention that supplemental pool purchases cost approximately $1 per hundredweight over the established order prices. It was their position that cost alone was an effective deterrent on purchases of such supplemental milk. They argued that the need for any significant purchases results from unusual and costly production problems, and that such a situation in conjunction with the cost of the supplemental milk would insure that a producer-handler would have no competitive advantage over pool handlers. They further argued that producer-handlers are severely penalized if they exceed allowable purchases by being required to pool their own production.

The production problems of producer-handlers are no different from those of producers who are equally beset with higher costs and labor problems. As previously stated producer-handler status is conditioned on the concept of self-sufficiency. It is not unusual that small lot, spot purchases command a substantial premium. However, there is no reason to conclude that purchases of significant quantities of milk on a regular basis would be any more costly to a producer-handler than to any other handler. Under any circumstance, premiums paid by a producer-handler for pool purchases do not accrue to producers as a whole, and hence such producers receive no compensation to offset the costs of carrying the necessary reserves associated with such milk.

Loss of producer-handler status in any particular month, or months, cannot be viewed as unreasonable since the individual's separate treatment as a producer and as a handler is identical to that of other producers and of other handlers. Further, status as a producer-handler is reestablished in the first month in which the operation returns to self-sufficiency.

The removal of the present basis for producer-handler exemption and the substitution therefor of a pool exemption of a limited quantity of a handler's own farm production was proposed as the most appropriate means by which regulatory treatment should be applied to operations of producer-handlers. However, there was no evidence that producer-handlers in the Massachusetts-Rhode Island market are adversely affecting the competitive position of either pool handlers or producers under

the existing regulation or that the proposed exemption of specific quantities of own farm production would in any way implement administration of the order, enhance overall producer returns or insure more orderly marketing.

The definition and treatment of producer-handlers under the Connecticut order differs from that under the Massachusetts-Rhode Island order in that the concept of self-sufficiency is not employed. Connecticut producer-handlers have had the opportunity to purchase unlimited quantities of fluid milk products from pool plants. However, they are restricted in that supplemental purchases for fluid use must be in the form of fluid milk products.

The basic difference in treatment of producer-handlers under the Connecticut order as compared to Massachusetts-Rhode Island primarily reflects the unique position which such individuals have historically held in the Connecticut market and the fact that they have not engaged in practices which would undermine or disrupt the local market.

The general tranquillity which has existed in the market between producer-handlers, handlers and producers has been disturbed with the recent change in status of a very substantial handler from that of a pool handler buying all of his milk from producers and other pool handlers to that of a producer-handler. Connecticut producer interests made several attempts during the hearing to frame a proposal which would deny producer-handler status to this individual without affecting the status of any other producer-handler presently in the market. Their final suggestion in this regard was a proposed 75,000-pound limitation on the volume of fluid milk products which a producer-handler could purchase from pool plants during the month.

The record reveals no market instability or threat of market instability resulting from the change in status of this handler. While the precise size of his operation was not revealed it is apparent that he is one of the larger handlers in the market. It is also apparent that his own farm production is a relatively minor portion of his total fluid requirements. Based on information contained in the record it is estimated that his total Class I sales exceed 4 million pounds monthly and own farm production is about 700,000 pounds.

Since all pool purchases by a producer-handler are mandatorily classified as Class I under the terms of the order, own farm production must absorb any necessary reserve and Class II usage in his plant. Under the existing situation it is unlikely that the handler realizes any significantly greater return on his own farm production as a producer-handler than would be returned to him as a producer under the order since the average utilization of producer milk approximates 79 percent. There is, therefore, no apparent need at this time for the type of action proposed.

If such handler should in the future change his operation through substantial expansion of his production facilities while using pool purchases for the purpose of removing risks which otherwise would be involved in expanding production and distribution or for the purpose of balancing day-to-day and seasonal variations in supplies and sales, amendment of the producer-handler definition to embrace a self-sufficiency concept such as contained in the Massachusetts-Rhode Island order might appropriately be considered.

The University of Connecticut proposed that the order be amended to permit producer-handlers to purchase nonfat milk solids for use in fortification of fluid milk products and to purchase cream for use in standardization of fluid milk products. This proposal was based upon their own special need as a research and teaching institution as well as upon the need of producer-handlers in general.

The special need of the University is dealt with through special exemption elsewhere in this decision, and therefore, is not discussed further in this section.

At the present time a producer-handler's milk supply is restricted to own farm production and purchases of fluid milk products from pool plants. Hence, any fortification or standardization of fluid milk products on the part of producer-handlers must be done with products produced in their own plants.

The University spokesman pointed out that fortification of several of the fluid milk products is necessary from a competitive standpoint and that it is too costly for a producer-handler to maintain drying or condensing equipment for this purpose. However, he did not identify like problems with cream for standardization nor did he show any need in the market for allowing such a change.

It is concluded on the basis of this record that there is no need for any change in the order to allow for the purchase of cream for use in standardization of fluid milk products. On the other hand, it is recognized that fortification of certain of the fluid milk products may be essential for competitive survival and that current restrictions on the purchase of nonfat dry milk for fortification by producer-handlers may be unnecessarily burdensome. It is unreasonable to expect that a producer-handler could maintain drying equipment solely for the purpose of processing nonfat dry milk for fortification.

Since fortification, in fact, adds only slightly to the volume of product there can be no significant loss to the pool in permitting producer-handlers to purchase powder for this purpose. It would, of course, be inappropriate to permit producer-handlers to purchase powder for reconstitution purposes. Should such situation occur it is intended that loss of producer-handler status should result. As a pool handler such individual would then be required to pool his own farm production and make appropriate equalization payment on the volume of reconstituted fluid milk products.

5. *Classification and assignment provisions*. The proposal to change the fluid milk products definition in the Massachusetts-Rhode Island order to exclude any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 16 percent butterfat from the definition should be denied.

Currently, the order provides that 50 percent of the quantity of any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 16 percent butterfat is classified as Class II milk while the remaining 50 percent is treated as a fluid milk product classified as Class I. Under the proposal the 50 percent of any such mixture now classified as Class I milk would be placed in the Class II category.

A representative of New England Milk Dealers, Inc., testified that such a change was necessary to lower the cost of the product to handlers who would then be able to lower the selling price and thereby make the mixture more competitive with similar products using vegetable fats.

No specific evidence was presented at the hearing concerning the encroachment of competing products on the sales of the mixtures nor was any evidence presented concerning the competitive nature of the products other than a pricing advantage. In this regard, the representative testified that the raw product cost of the vegetable fat product was about 12 cents per quart while the raw product cost of a 12 percent butterfat product was about 25 cents per quart. He also stated that a change in the classification of the 50 percent quantity of the mixture remaining in Class I to Class II would reduce the raw product cost by about three cents.

Producers opposed any change in the classification of half and half on the grounds that a Class II classification is not compatible with the concept of the classified pricing scheme in that "half and half" is required by the appropriate health authorities to be made from milk and milk products received from approved sources of supply and that the product is sold in direct competition with other fluid milk products in Class I.

Market competition from a vegetable base (or any nondairy substitute) product is not an appropriate basis for determining the classification of a fluid milk product. Under the classification scheme employed under Federal orders the fluid milk products classified as Class I are those which are required by the appropriate health authorities in the marketing area to be made of milk products from approved sources. The extra cost incurred by producers in producing quality milk and in delivering it to market in the condition and in the quantity needed by the market necessitates a price for milk used for fluid uses somewhat above the price of milk used for manufacturing products. The higher price must be at a level which will provide sufficient incentive to producers through the uniform price to encourage the production of those quantities of milk needed for Class I plus the necessary reserve to cover daily fluctuations in market demand.

The existing split classification of half and half was adopted in recognition of the fact that consumers and commercial

customers (restaurants, etc.) could readily purchase fluid skim milk (Class I) and cream (Class II) and combine them to make half and half if there was an economic incentive to do so. The present pricing structure therefore was adopted in recognition of this competitive market situation. This record provides no basis for any change in the classification of "half and half" and the request to do so is denied.

The proposal to amend the Massachusetts-Rhode Island and Connecticut orders to include consumer packaged milk shake mixes as a fluid milk product should be denied.

Several producer associations proposed to substitute for the wording in the fluid milk products definition which excludes "ice cream mix, ice milk mix, and milk shake base mix" the words "frozen dairy product mixes." As brought out at the hearing the intended effect of such a word substitution was to include as a fluid milk product any milk shake mix that was packaged in a consumer container for consumption without any additional additives being used.

At the present time there are products on the market sold in consumer type packages the ingredients of which are essentially the same as milk shake base mixes sold to dairy stores, soda fountains and similar establishments and for which the orders specify a Class II classification. These products are considered the same as a milk shake base mix and therefore have not been considered a fluid milk product under the terms of the respective orders.

Although proponents contended that such products were in direct competition with chocolate milk, chocolate drink, and conventional milk shakes the record evidence does not indicate that this is the case. Rather, the empirical evidence cited by a handler's representative would indicate that there is little, if any, problem in this area. In addition, there was no evidence presented to show what the volume of sales of this product are nor how fast the sales are increasing.

Milk shake mix is a product that is quite comparable to ice cream mix. Apparently, because of this similarity the local health authorities in both Massachusetts and Connecticut have placed it in the same health category as ice cream. Since there is no requirement that the product be made from approved milk supplies it could be made in plants anywhere in the country and sold in the marketing area either directly on routes, through jobbers or grocery chains or through presently regulated handlers. Under such circumstances there would be insurmountable problems in order administration if such products were included within the fluid milk definition and classified as Class I milk. Accordingly, the request for the inclusion of such products in the fluid milk definition is denied.

The Massachusetts-Rhode Island order should be amended to clarify the assignment provisions as they apply to milk unfit for human consumption which is received from dairy farmers for salvage purposes only.

The assignment provisions provide that skim milk and butterfat in milk products other than fluid milk products received from dairy farmers shall be assigned to Class II. This wording was adopted to permit handlers to accept for manufacturing uses milk unfit for human consumption without including such milk in the pool.

It is recognized that a dairy farmer necessarily is confronted with a disposal problem when for some quality reason the handler cannot accept his milk in his normal operations. However, in Federal orders generally, milk which a handler receives directly from the farm at a pool plant is considered a receipt of producer milk. This presumes that if the applicable health department permits the milk to be received in the regular plant operation it does, in fact, have the necessary health approval. Nevertheless, it is possible that handlers operating separate manufacturing facilities which facilities may carry health approval to supply milk to the fluid market, can under certain circumstances utilize milk in such facilities which cannot be disposed of for fluid use. Under such circumstances there is no reason why a handler and a dairy farmer in the unfortunate circumstance of having milk unfit for human consumption should not be permitted to cooperate in the disposition of such milk for salvage purposes. However, appropriate safeguards must be provided both for the producer and the pool so that a handler cannot arbitrarily initially refuse to accept a producer's milk solely for the purpose of acquiring such milk outside the framework of the order for Class II use.

This can be appropriately accomplished by requiring that the milk must have been rejected at the farm in the course of normal pickup operations, segregated therefrom, and accepted by the handler only as salvage product rather than as milk. Further, the producer definition should be modified to specifically exclude a dairy farmer with respect to such salvage milk. These clarifications reflect no change from the present treatment of such milk under the existing order. Nevertheless, it is desirable that the provisions with respect to the treatment of salvage milk be stated in more explicit language to prevent any misunderstanding as to their application.

The Massachusetts-Rhode Island and Connecticut orders should be amended to provide a new basis of assignment with respect to receipts of bulk milk at pool distributing plants from plants fully regulated under another Federal order. To the extent that such receipts from other Federal order plants are not offset by similar shipments to such other Federal order plants or are not assigned to Class II by agreement, the orders should provide that such milk shall be assigned pro rata to classes of use. Such pro rata assignment should be made according to the lower of either the market average utilization as estimated by the market administrator or the utilization of the milk remaining in each class at all of the handler's pool plants but in no case should the quantities of butterfat and skim milk assigned to Class II milk exceed the respective quantities remaining in Class II at all of his plants.

The orders presently provide only for assigning such receipts in proportion to the respective remaining pounds in each class at all of the handler's pool plants. As pointed out by the cooperative proponents this procedure under certain circumstances allows producers associated with other Federal markets to share in the New England order Class I sales to a greater extent than do local producers. That is, local producers must bear an unduly large portion of the reserve supply burden because they share in the market sales at the market average utilization while other Federal order producers can share at a higher rate of Class I sales and thus bear a lower share of the reserves, depending upon the receiving handler's utilization.

The only situations that this amendment will affect are those in which a handler who operates a distributing plant has both Class I and Class II sales and receives part of his milk from producers under the order and part in bulk from other Federal orders. For these plants the reserve supply is included, in part, in the receiving market and in part in the shipping market. The present order provisions do not fully recognize this sharing of the reserve between local producers and other order producers since these provisions provide only for prorating bulk milk shipments from other Federal orders over the classes of utilization of the receiving handler. By assigning such Federal order receipts on the basis of either the marketwide or the handler's utilization, whichever results in the greater Class II assignment, the local producers will not be required to bear a disproportionate share of the reserve.

If the milk imported by a multiple plant handler is assigned only to the receiving plant's utilization, such assignment could reduce the handler's percentage of producer milk in Class I in his system to a greater extent than if assignment were applied over the whole system. Therefore, to prevent a multiple plant handler from discriminating against local producers by importing milk into his high utilization plant, assignments of interorder bulk milk should continue to be made over all utilization of milk at all the handler's regulated plants in the receiving market.

By limiting the quantity assigned to Class II to the actual quantity utilized as Class II by the receiving handler the order will not assess an additional cost on milk assigned to Class II in excess of a handler's own utilization in that class. It assures also that producers in the shipping market will have their milk classified as Class II in no greater quantity than that actually used by the handler to whom the milk was transferred.

In any month in which bulk milk is received in the market from another order market (without Class II agreement on the part of the handlers involved in the transfer) it will be necessary that the administrator in the shipping market know the classification of such milk on or about the date when handler reports

are due under that order. Because the reporting dates under orders are very similar, the administrator of the receiving market will generally not have complete information to compute his exact marketwide utilization of producer milk by the time the classification of a transfer is needed by the administrator in the shipping market. In fact, classification of the receiving market's producer milk will be dependent on the assignment of the other order milk. Since the administrator of the receiving market will have adequate information to assure an estimate very close to the actual marketwide utilization, it is provided that such estimate will be made, when necessary, and publicly announced to the nearest whole percentage and, for this purpose will be final.

In a situation where the local receiving plant and the other order shipping plant have moved bulk milk back and forth during the same month only transfers of milk between the two handlers which are not offset by an equal quantity of milk moved from the local handler to the other order handler need be considered. Such a provision is now provided in the order and should continue to apply.

6. *Class prices*—(a) *Class I price*. No change should be made with respect to the basic point of pricing under the respective orders; i.e., 201–210-mile zone under the Massachusetts-Rhode Island order and nearby zone under the Connecticut order. The factor 0.04041 used in the calculation of the New England dairy ration index component of the pricing formula should be revised to conform with revisions in the dairy ration price series for New England as reported by the Department of Agriculture. The contraseasonal pricing provisions should be removed from the orders and the scheme of adjusting the Class I price level in increments of 22 cents should be abandoned. The snubbing provision in the Class I pricing formula which holds the New England economic index price within a 5-cent range of the New York-New Jersey (Order 2) Class I price (before supply-demand adjustment) should be modified to permit a 13-cent variance between such prices, and the economic index should be floored at 115.89 through April 1968. Finally, the additional supplies and sales of the plants associated with the proposed area of extension should be excluded from the computation of the supply-demand adjustment factor and the supply-demand adjustment factor should be fixed at 0.99 through December 1967.

Various proposals which would revise the Class I pricing provisions under one or both orders were considered at the June 20–July 1, 1966, hearing. Such proposals would: (1) Provide for f.o.b. market pricing under the Massachusetts-Rhode Island market; (2) continue the present 21st zone pricing but raise the basic (21st zone) price by 7 cents; (3) provide for farm pricing of farm bulk tank milk with no plant hauling allowance; (4) provide a transition provision in the supply-demand adjustment mechanism to eliminate possible skew because of additional receipts and sales associated with the marketing area extension; and (5) adjust the base period factor used in the computation of the dairy ration index to conform with the Department's revision of the dairy ration price series.

Four regional hearings were held during the week of April 10, 1967, to consider Class I price levels under all but three Federal orders. The regional hearing held at Washington, D.C., during April 14–15, 1967, covered, among others, both the Connecticut and Massachusetts-Rhode Island markets. For the Massachusetts-Rhode Island market this was a limited reopening of the June 20–July 1, 1966, hearing.

On April 25, 1967, a decision based on the April hearing, set the prices in Massachusetts-Rhode Island and Connecticut at $6.35 and $6.82, respectively. In establishing such prices the Assistant Secretary recognized that several of the issues considered at the June–July 1966 hearing involved modifications of the Class I pricing formula and that a decision on these matters was still pending.

Proposals to amend the Massachusetts-Rhode Island order to provide for (1) f.o.b. market pricing and (2) continuation of the 21st zone as the basic point of pricing with a 7-cent upward adjustment in the basic price level were both directed to the same end; i.e., integration into the pricing scheme of a 7-cent reduction in differential pricing between the 21st zone and the nearby zone without affecting the price in the nearby zone. Proponents for nearby zone pricing contended that a substantial and continuously increasing proportion of producer milk was moving directly from the farm to city plants and hence prices appropriately should be announced f.o.b. market to reflect this situation and to facilitate price comparisons with prices under the Connecticut order.

Traditionally, the 21st zone has been the basic point of pricing in the Massachusetts-Rhode Island market and both producers and handlers customarily use the announced prices for the 21st zone in making price comparisons with the adjacent New York-New Jersey market. Also, about half the producer milk is still being received at country plants. Since the actions herein recommended will provide the identical pricing at each zone which would prevail under nearby zone pricing it is concluded that no change need be made in the basic point of pricing on the basis of this record. Nevertheless, to facilitate price comparisons between Federal orders generally, consideration should be given to the possible announcement of prices f.o.b. market under both the Massachusetts-Rhode Island and New York-New Jersey orders at any hearing called to review interorder price alignment as between these markets.

Proposals to price milk at the farm or milk house, to zone such milk house according to individual or town location based upon Boston or other suitable central points, and to provide that no deduction from the producer price be permitted for hauling or other related services by the handler were supported by a number of producers and by a cooperative primarily associated with the New York market. Little evidence was introduced relative to a need for such changes in the Massachusetts-Rhode Island or Connecticut markets.

The individual producers supported the proposals generally on the basis that such amendments would provide free hauling from farm to plant and, thus, would relieve to some extent the effects of rising production costs. This in itself is not a valid consideration for a change in the point of pricing. The prices established under the order are those concluded to be necessary to insure an adequate milk supply for the market. Should it develop at any time that a higher return to producers is required to achieve this end the matter of appropriate price level should be promptly considered at a public hearing. In this regard, on the basis of the reopened hearing held in Washington, D.C., on April 14–15, 1967, in conjunction with emergency hearings called to consider the Class I price level under Federal orders generally, the Class I price level was increased 20 cents effective May 1, 1967, and extending through April 1968.

The proponent cooperative contended that the proposal should be adopted on the more general grounds that it would solve many of the problems being considered at the hearing. The contentions, however, were based primarily on experience in the New York market with little consideration given to the actual effects of such provisions. On cross examination a representative of the cooperative admitted that they had not surveyed the markets involved to determine the need or the effects of adoption of their proposal on the local market. The request for such pricing is therefore denied.

One of the components of the economic index used in the computation of the Class I price under the New England orders is a New England dairy ration index. This is computed by dividing the monthly average price reported by the Department of Agriculture to have been paid by farmers in the New England region for 100 pounds of mixed dairy feed containing less than 29 percent protein by the factor 0.04041, which factor reflects the average price for such feed as reported by the Department of Agriculture during the years 1957–59.

The Statistical Reporting Service of the Department of Agriculture has now determined that the prices reported in recent years have not appropriately reflected the actual price paid by farmers purchasing bulk (unbagged) feed in quantity lots which is now the customary practice. They have, effective June 29, 1966, revised the basis for reporting such price and in addition revised the prices previously reported for the period January 1954 through May 1966.

Under the revised price series the average price per hundredweight during the period 1957–59 was $3.884 as compared to a price of $4.041 previously reported. It is necessary that the order be amended to

reflect this adjustment to provide comparability between the base period price and the price as currently reported. Unless this is done the New England dairy ration index would have an unwarranted depressing influence on the Class I price level. In this regard, official notice is taken of the action of the Assistant Secretary effective July 22, 1966. (Determination of Equivalent Factor To Be Used in Computation of Price for Class I Milk.) (31 F.R. 10414.)

Official notice is taken of the amendments effective April 1, 1967, for the Massachusetts-Rhode Island, Connecticut, and New York-New Jersey orders which removed the seasonal Class I pricing provisions and provided in lieu thereof a take-out-pay-back (Louisville) plan for paying producers. Previously in these markets the seasonal price adjustments contained in the Class I pricing formulas provided the highest level of price for the months of October, November, and December, normally the shortest months of supply. To insure that the intent of the seasonal price adjustments could not be negated during these months by a downward movement in any of the Class I pricing components the New England orders contained a contraseasonal price provision which provided that the Class I price in November and December, respectively, could not be lower than the price in the preceding month.

Since the orders no longer provide for seasonality of Class I pricing and because, as hereinafter recommended, the bracketing scheme providing for Class I price adjustments in 22-cent increments is being removed from the orders, month-to-month Class I price adjustments in response to changes in the economic index factors or the supply-demand adjustment will not be substantial. Accordingly, the contraseasonal provisions of the orders will no longer serve any substantial purpose and appropriately should be removed to permit free action of the pricing formula.

Price alignment between the New England orders and the New York-New Jersey order must be given careful consideration in any modification of the New England Class I price formulas.

At the present time the New England Class I price formula employs a snubbing provision to keep the economic index price (price prior to supply-demand adjustments and bracketing) aligned with the New York-New Jersey price prior to supply-demand adjustments. This snubber allows a maximum 5-cent variation in the prices at that point. However, the final prices can vary by considerably more than 5 cents. For example, the average 1966 Class I price (21st zone) for the New England orders exceeded the similar price for New York-New Jersey by 31 cents. As these price differences increase there is increasing incentive for milk to move from the lower priced New York-New Jersey market to the higher priced New England markets.

Official notice is taken of the monthly statistical reports of the market administrators for the two markets for the months of June 1966 through February 1967. During the 12 months ending with February 1967, over 31.5 million pounds of New York-New Jersey pool milk were disposed to pool plants associated with the Massachusetts-Rhode Island marketing area. The monthly amounts have followed a general upward trend during this period, starting at 1.2 million pounds in March 1966 and ranging up to 4.5 million pounds in February 1967. It is apparent that this continuing upward trend in receipts of New York-New Jersey pool milk in the New England Federal order markets is the direct result of the pricing advantage New England handlers gain through the use of such milk.

Part of the problem of price alignment stems from the use of the bracketing system in the New England orders. Under this system if prices are in close alignment prior to bracketing they can, after bracketing, be out of alignment by as much as 11 cents, depending upon where the unbracketed price falls within the bracket system. In addition, a small movement of the unbracketed price can cause a movement of 22 cents in the final price.

Removal of the bracketing system would reduce the sharp increases or decreases in the final price and reduce the tendency for price misalignment. Therefore, the bracket system should be removed from the orders.

To implement the 7-cent adjustment in differential pricing hereinafter concluded to be necessary, appropriate adjustments must be made in the pricing formula. If no adjustment is made in the basic price, the Class I price level at city plants and returns to producers delivering to such plants would be decreased 7 cents. On the other hand, if no change is to be made in returns to producers delivering to city plants, the basic price level and returns to producers delivering to country plants would necessarily have to be increased by 7 cents.

In light of the Assistant Secretary's recent decision increasing the Class I price level by 20 cents on the basis of evidence presented at the reopened hearing there can be no further basis on the record for any change which would significantly affect total producer returns. Ideally, the 7-cent adjustment in differential pricing should therefore be integrated into the pricing scheme in a manner which would not change total producer returns. Currently, almost 50 percent of producer milk in the Massachusetts-Rhode Island order is priced at city plants. Accordingly, a 4-cent upward adjustment in the basic price level in combination with the 7-cent adjustment in differential pricing will result in a 3-cent reduction in the nearby zone Class I price. Total producer returns for the market, however, will remain virtually unchanged. This is concluded to be the most appropriate means of integrating the 7-cent adjustment in differential pricing into the pricing structure.

It is recognized that this procedure will necessarily effect a 3-cent reduction in the Class I price applicable at city plants under the Connecticut order and that 90 percent of the producer milk under that order is priced at city plants. However, because of the close interrelationship of the Connecticut and Massachusetts-Rhode Island markets it is not possible to maintain a higher city plant price under the Connecticut order than is applicable at Massachusetts-Rhode Island city plants. The Connecticut market is only 40 percent the size of the Massachusetts-Rhode Island market and milk from the latter market is equally available to the Connecticut market. Accordingly, there simply is no practical means by which this slight reduction in price can be prevented.

It is a coincidence that except for action of the present snubbing provision and the effect of bracketing, the Class I pricing formula would have provided an April Class I price of $6.35 which is the identical Class I price level established by the May 1, 1967 amendment. The New England economic index price, however, was 9 cents above the New York-New Jersey Class I price (prior to application of the supply-demand adjustor) established by such amendments.

To insure a Class I price of $6.39 it is necessary that the New England economic index be floored at 115.89 or 0.71 points above its April level. In addition, the snubber must be extended from the present 5 cents to 13 cents. This will insure an economic index price of not less than $6.455 which after supply-demand adjustment will provide a Class I price of not less than $6.39. The 115.89 floor on the economic index should run through April 1968. At that time the floor in the U.S. Wholesale Price Index in the New York-New Jersey Class I pricing formula as well as the price adjustment effected in June 1967, will expire and the pricing formulas of the respective orders could continue to operate. At this time it is not possible to appraise the interorder price relationship which would result. However, in this connection the principal cooperatives in the New England and New York-New Jersey markets have indicated their intent to review their respective pricing formulas with the expectation of an amendment hearing to provide a more integrated pricing scheme among these markets.

The supply-demand adjustment mechanism which is a component of the pricing formulas reflects the combined producer receipts and Class I sales of the two markets. Briefly, the experience for each of the second, third, and fourth preceding months, is compared with a base Class I percentage reflecting a 37-month market experience (determined annually at the beginning of each calendar year) adjusted by the weighted average utilization in the base year 1958. The result is expressed as a "percentage of base supply" and the economic index price is adjusted one percent for each 1.5 points deviation of the percentage of base supply from 100.

Without some adjustment in the supply-demand provision the current supply and sales data for plants being brought under regulation as a result of the decision could, unless the pattern is identical to the existing market, affect

the supply-demand factor of the formula and further adjust the Class I price. Since information with respect to such plants will not be available for any month prior to the effective date of the amending order; it is not possible at this time to reconstruct the supply-demand mechanism to accommodate the extended market.

It would be possible to specifically provide that supply-sales experience of plants being brought under regulation by this amendment be excluded from the computation of the supply-demand adjustment. However, it is recognized that the area extension may well prompt regulated handlers, who have also operated unregulated plants to serve the previously unregulated area, to change their operations by closing plants and consolidating routes.

The spokesman for the principal cooperative proponent for the area extension proposed that the effect of the supply-sales relationship change be minimized by compensation in the supply-demand adjustment mechanism. Under his proposal this would be accomplished by providing for statistical reporting for plants serving the area of extension 1 month prior to effective date of the full order. The supply-sales data for the two markets and the area of extension then would be used to calculate a current percentage of base supply identical with that resulting from the existing orders for such month by adjusting the "norm" (which reflects the average Class I utilization in the base year) to the extent necessary to accomplish this end. The "norm" thus computed would be used in all subsequent months in the computation of supply-demand adjustment.

The major problem with this suggestion is that the data for the trial month will not be available until after the month for statistical reporting is over and the Class I price for the next month is announced and in use. In addition, the compensating adjustment would have to be based on 1 month's experience which may or may not be representative. For example, if the seasonality of the production and/or sales differ from the seasonality used in adjusting the base percentages, the new "norm" would not be representative. Or, if the handlers make changes in their operations to include or exclude sales and/or production from the area after the expansion has taken place, the new "norm" would not be representative.

On the basis of this record there is no way to predict the adjustments that handlers may make in their operations after the area extension. Thus, the possible effect of the additional supplies and Class I sales associated with the area of extension on the supply-demand adjustor cannot be predicted. It is concluded therefore, that pending consideration of the matter at a subsequent hearing, when more adequate data are available, the supply-sales data of the plants brought under regulation as a result of the area expansion should not be reflected in the supply-demand adjustment. To insure against possible inappropriate action of the adjustor as a result of plant closings and/or route changes as a direct result of the area expansion the factor should be held at its present level (0.99) through December 1967. During this period data will be accumulated and can be used to properly appraise the possible impact of the overall effect of the area extension on supplies and sales. To this end the market administrator should separately announce the receipt and sales experience of plants presently regulated and, in addition, that for the expanded market as a whole.

(b) *Class II prices*. No change should be made with respect to the Class II price level under the respective orders on the basis of this record.

All of the northeastern Federal orders price surplus (reserve) milk on the basis of the average price for milk for manufacturing purposes, f.o.b. plants United States as reported by the U.S. Department of Agriculture adjusted to a 3.5 percent butterfat content basis. The resulting price is then adjusted seasonally in specified amounts under each of the respective orders. These seasonal adjustments increase the Class II price level in the New England markets on an average annual basis by 5.4 cents.

Proposals were made to increase the Class II price level, (1) by 5 cents during July through November, (2) by 4.2 cents in each month but only in the nearby plant zones, and (3) on an increasing scale from zero in the 21st zone to 9.2 cents in the nearby zone.

In support of their proposals proponents contended that a higher Class II price level was needed to provide price alignment with the Class III price under the New York-New Jersey market as it applies with respect to farm bulk tank milk. In addition, proponents for a higher Class II price in the nearby zones contended that a higher price in these zones would tend to deter handlers from the continuing practice of associating Class II milk with plants in the nearby zone. They pointed out that this practice is fostered under the present orders since much of the transportation associated with such movement of milk is subsidized from pool proceeds. Finally, proponents for a higher Class II price in the July–November period only, also argued that such price increases would moderately increase the blend price during such period and hence encourage more even seasonal production without affecting the marketability of the milk.

The appropriate level of pricing for reserve milk and the need for interorder price alignment under the northeastern Federal orders was considered at a hearing held in New York City during the period June 19–30 and July 10–August 2, 1961. The present Class II pricing provisions of the New England orders were promulgated on the basis of testimony presented at that hearing. In this regard, official notice is taken of the findings and conclusions of the Under Secretary as set forth in his decision of April 25, 1962 (27 F.R. 4115).

The conclusions of the Under Secretary in this 1962 decision with respect to price alignment were not contested in the hearing now under consideration except to the extent that it was argued that the desired price alignment was not, in fact, achieved between the New England markets and the bulk tank milk priced as Class III under the New York-New Jersey order.

A similar argument was advanced in the exceptions to the 1962 recommended decision and was answered by the Under Secretary in the final decision in which he stated "* * * a similar situation exists within the terms of New York-New Jersey order. Some handlers currently purchase their milk for Class III use f.o.b. the plant, while others purchase such milk in bulk tanks and pay the haul from the farm. The level of Class III prices adopted herein is related to Class II prices in the other northeastern markets for location of plants since this is the customary basis for pricing milk in all the markets, and even in the New York-New Jersey market the major portion of supplies are so priced. Any cost adjustment which may be appropriate in the New York-New Jersey market relative to bulk tank milk received at the farm may be considered in terms of proposed changes to the bulk tank provisions of the order."

The situation in this regard is unchanged and the conclusions of the Under Secretary in denying exceptions are equally appropriate to the current situation. Hence the request for recognition in Class II pricing under the New England orders of the costs to handlers under the New York-New Jersey order of bulk farm tank milk for Class III use, is denied.

A primary concern of proponents of a higher Class II price level is the volume of producer milk received at plants in the nearby zones which is disposed of for Class II use, and on which the transportation from farm to plant is substantially subsidized from pool funds. This subsidization results from the fact that the location differential on Class II milk received directly at nearby plants is +5.8 cents whereas the blend price differential is +47 cents.

Under usual circumstances there is no reason why milk should be transported substantial distances for Class II use. Milk not needed for Class I use can most economically be disposed of to manufacturing plants in the production area. If handlers demand producer milk for Class II uses at city plants they appropriately should pay the transportation cost involved to move such milk from the production area to their plants.

The situation in the New England markets is somewhat unusual, however, in that cooperative associations operate several manufacturing plants in the nearby zones. These plants were initially constructed to act as balancing plants for local markets when separate Federal regulation was provided in the Boston, Merrimack Valley, Springfield, and Worcester, Mass., markets. Under the combined order these plants continue to serve the combined market in essentially the same manner as under separate regulation. That is, milk which cannot be disposed of for Class I uses by the handlers who usually receive such milk is moved to these plants and principally is processed

into nonfat dry milk and cream, the value of which is appropriately reflected in the present Class II price level.

It is not apparent from the record that cooperatives operating nearby manufacturing plants are seeking or have sought milk for manufacturing. Rather, such plants have functioned to promote orderly marketing by contributing to the orderly disposition of reserve milk in the market. A higher Class II price would probably place on the cooperatives operating such plants the additional burden of handling the reserve milk supply now manufactured by proprietary handlers since there is no evidence that milk disposed of for nonfat dry milk and cream could yield a higher return than the existing Class II price.

Under any circumstances, the proposed price adjustments considered at the hearing would do little to ameliorate the situation which proponents seek to correct. If proprietary handlers with city plants are demanding producer milk for specialized Class II uses, consideration might more appropriately be given to establishing a higher price for milk disposed of in such specified uses. The record of this hearing, however, provides no basis for such action. To the extent that handlers have associated milk with nearby plants and are diverting to country manufacturing plants, milk not needed for Class I use, the amendments adopted elsewhere in this decision which would price such milk at the plant of physical receipt, will eliminate any advantage which handlers have enjoyed through transportation savings on such milk.

7. *Zoning and zone differentials.* The Massachusetts-Rhode Island and Connecticut orders should be amended to provide that the Class I and blended prices applicable at nearby (city) plants shall be 40 cents per hundredweight above comparable prices for the 21st (201-210 miles) zone. The nearby plant zone under the Massachusetts-Rhode Island order (at which the plus 40-cent zone differential would apply) should encompass only the area within the States of Connecticut and Rhode Island and that part of Massachusetts which is within the farm location differential areas.

The zone differential schedule set forth in § 1001.62(d) should be revised to conform with the revision in the nearby plant zone and incorporate the receiving station allowance and fixed transportation costs into the rate schedule at the 15th (141-150 miles) zone.

Under the existing Massachusetts-Rhode Island order the nearby plant zone takes in the entire marketing area. It also includes the farm location differential areas which extend to a number of Vermont, New Hampshire, and Maine towns. Class I and blended prices within the nearby plant zone are at the city plant price; i.e., 47 cents above the announced 21st zone price. The receiving station allowance and fixed transportation costs are incorporated in the rate schedule at the nearby zone and the zone differentials from that point through the 21st zone vary at the rate of 1.2 cents per zone. Beyond the 21st zone the increment is at the rate of 1.0 cent per zone.

Prices under the Connecticut order are announced f.o.b. market and the nearby zone to which such prices are applicable extends to within 50 miles of Hartford. The receiving station allowance and fixed transportation charges are incorporated into the zone differential schedule at the 6th zone and the price for more distant zones is adjusted at the rate of 1.4 cents per zone.

Proposals were made to reduce the differential between zone 21 and the nearby plant zone from 47 cents to 40 cents in both orders. Also proposals, or modifications thereof, were made for the Massachusetts-Rhode Island order to establish more than one basing point for the purpose of applying location differentials; also to change the existing differentials between zones, the nearby plant zone definition, the point at which supply plant allowances are effective, and the point at which the variable transportation rate becomes effective. One proposal to modify the nearby plant zone definition in the Massachusetts-Rhode Island order to include all plants located within the 46-cent farm location differential area was conditioned upon the addition of Cheshire and Sullivan Counties to the marketing area. Since the inclusion of these counties is not being recommended, this proposal is not here considered.

The present zone differentials under the Massachusetts-Rhode Island order have been effective since October 1, 1964. The differential of 47 cents between the 21st zone and nearby zone price reflects a fixed transportation cost of 13 cents regardless of distance plus variable transportation costs of 1.2 cents per 10 miles distance; and plus additional costs of handling milk through country plants, as compared to direct receipt at the city, of 10 cents.

At the hearing both producer and handler interests concurred that the differential between city plant and country plant pricing was excessive in terms of present transportation and country plant operating costs. Since the application of zone differentials is intended to achieve a high degree of uniformity in prices to all handlers f.o.b. the market, it is necessary that such differentials reflect insofar as possible only the additional costs incurred in receiving milk first at country plants and moving it to the central market.

Handler and cooperative representatives both testified that with the essentially complete transition from can to farm bulk tank handling, the additional cost of receiving milk through country plants has been significantly reduced. The principal handler spokesman, whose company operates a number of country plants, testified that their actual costs in operating country plants were about 4.5 cents per hundredweight of milk as compared to the current allowance of 10 cents included in the present differentials. A reduction in the cost of operating country plants was further attested to by a representative of a cooperative association who stated that the average additional cost of operating eight of their receiving stations was 6 cents per hundredweight.

Information was placed on the record on actual transportation charges by independent haulers for over 186 million pounds of milk moved from 29 country plants to plants within 40 miles of Boston during the period July through November 1965. The weighted average cost varied from 24.53 cents for milk originating at plants in the 15th zone to 35.53 cents for milk originating at plants in the 25th zone. While there are some unusual variations in hauling costs as between zones of origin (for example, the charge from the 25th zone only slightly exceeded that from the 21st zone) the data generally substantiate a transportation cost of 34 cents from the 21st zone with an average 1.2-cent increment in cost from one zone to the next. Thus it must be concluded that the present 47-cent differential between the 21st zone and the central market appropriately should be reduced to 40 cents.

The 7-cent reduction reflects a 4-cent reduction in country plant costs from 10 cents to 6 cents and a 3-cent reduction in transportation costs. Since the evidence on hauling rates substantiates retention of the current variable rate of 1.2 cents per 10-mile zone, the 3-cent reduction in transportation costs must be associated with the fixed costs of transportation.

Under the present order the country plant charges and fixed transportation costs are added at the nearby zone. This scheme of applying location differentials has accommodated the past market structure since essentially all of the regulated distributing plants were located south of the Massachusetts-New Hampshire line, while the supply plants were generally located beyond the 14th zone. However, the extension of regulation into southern New Hampshire requires reappraisal of the point at which fixed transportation and country plant charges should be introduced into the schedule of differentials.

Various proposals were made relative to the construction of a location differential schedule reflecting a seven-cent reduction in differential pricing between the 21st zone and the central market. Proponents generally recognized that extension of regulation to southern New Hampshire presented a delicate pricing problem. If the presently defined nearby zone was left unchanged and the present scheme of applying location differentials was retained, essentially all of the New Hampshire handlers being brought under regulation would be required to account to the pool for their milk and pay their producers at the identical prices required of Boston based handlers. Because their plants are much closer to the primary milk supply of the market, however, there would be opportunity for these New Hampshire handlers to undercut the order prices by charging exces-

sive transportation in moving milk directly from farms to plants.

Handlers would be under considerable pressure to cut order prices in this manner since their alternative supply source would be upcountry supply plants and to the extent that the established differentials might exceed transportation and plant costs associated with procurement of country plant milk, the incentive would exist to drop producers in favor of supply plant milk. Producers, on the other hand, would be under strong pressure to accept excessive hauling charges in order to hold their local market as long as they received net returns at least equivalent to that which they would get if their milk were delivered to Boston. As a result, New Hampshire handlers would be able to obtain their milk at prices below the established order prices.

To insure appropriate pricing as between pool distributing plants located south of the Massachusetts-New Hampshire line and distributing plants north of this line which will become regulated as a result of the area extension hereinbefore proposed, the nearby plant zone should be reduced to encompass only the States of Connecticut and Rhode Island and the territory within the farm location differential areas within the State of Massachusetts.

This adjustment alone, however, will not fully accommodate the market structure under the expanded area. If the country plant and fixed transportation cost are incorporated into the zone differential schedule at the nearby zone, as at present, local New Hampshire handlers would be forced to rely on country plants for a milk supply since southern New Hampshire producers would receive higher returns shipping to plants in the nearby zone than they could obtain shipping to local New Hampshire dealers.

To avoid such a result the country plant and fixed transportation cost appropriately should be incorporated in the zone differential schedule at some point outside the area of local pool distributing plants but where they will be applicable for all country supply plants. This may be accomplished by adding such costs into the differential schedule so as to be applicable to plants located in the 15th zone and beyond.

Under this procedure all plants located south of the Massachusetts-New Hampshire line and within the farm location differential zones will have identical pricing. Plants located outside of this area but within 31 to 40 miles (4th zone) of Boston will have a location differential of 3.6 cents. For each successive 10-mile zone through the 14th zone the differential will increase 1.2 cents. At the 15th zone the revised country plant and fixed transportation costs of 6 cents and 10 cents, respectively, should be added making the total differential between the 14th and 15th zones 17.2 cents. The zone increments beyond the 15th zone should remain as at present; i.e., 1.2 cents through the 21st zone and 1 cent beyond. The total Class I price and blended price differential between the 21st and nearby zone would be 40 cents rather than 47 cents as at present.

This revision in the zone differential schedule will achieve a high degree of uniformity in prices to all handlers and appropriately reflect the costs of moving milk through supply plants to distributing plants throughout the market. Accordingly, producers and handlers, respectively, will be free to choose their market and source of supply without substantial influence from the variations in zone prices under the order.

Producers under the Connecticut order opposed any change in the zone differential structure. They argued that the continuing increase in the proportion of milk which is received directly at city plants under the Massachusetts-Rhode Island order supports an increase in the location differential, rather than a decrease. It was their position that excessive location differentials would cause handlers to make economic decisions to retain country plant operations. Since the opposite of this has resulted they contended that the present differentials must be considered inadequate.

These arguments fail to recognize that producers generally have a choice of markets. To the extent that city markets are available and provide greater net returns, producers can be expected to seek out such markets. Country plant operators, therefore, have a problem in holding producers unless they pay prices which result in equivalent returns to producers. With the flexibility in milk handling which resulted from the transition to farm bulk tanks, producer milk can be readily moved directly to the market when the producers receive a price advantage. For this reason there has been a continuing trend toward direct receipt at city plants.

In order to retain the interorder price alignment which has been found necessary in the past, the zone differential schedule in the Connecticut order must also be revised to reflect a 7-cent reduction in differential pricing as between the city and the 21st zone. This can be accomplished by reducing the differential for each zone beyond the nearby plant zone by 7 cents. This will result in a 19-cent differential for the 6th zone with an additional 1.4 cents being added for each successive zone beyond.

In order to accommodate to the change in the nearby plant zone in the Massachusetts-Rhode Island order which now will encompass zones 1 through 3 rather than 1 through 8, it is desirable that the Class II zone differential table be extended to include a variable rate for zones 4 through 8. No specific evidence was introduced in this regard but there was general testimony stating that the increment in zone differentials should reflect the variation in transportation costs.

Official notice is taken of the zone differential schedule set forth in § 904.7(c) of the Greater Boston order effective May 1, 1949, and of all subsequent amendments thereto. The nearby zone at that time included the area within 40 miles of Boston as compared to the area herein recommended of within 30 miles. The differentials for zones 9 through 40 were identical to those contained in the current order and it is therefore concluded that the differentials therein set forth for zones 5 through 8 may be adopted as appropriate differentials in the revised zone differential schedule. This leaves only the problem of an appropriate differential for zone 4. In this regard it is noted for zones 5 through 10 the differentials vary alternately by two-tenths and three-tenths of a cent. It is concluded therefore, continuing this sequence, that the differential for the 5th zone should exceed that of the 4th zone by three-tenths of a cent. This results in a 4.5-cent differential for the 4th zone.

8. *Farm location differentials*. The farm location differential provisions under the Massachusetts-Rhode Island order should be continued.

A proposal by an individual producer, supported by a number of other individual producers all of whose farms are located outside either of the specified farm location differential areas, would eliminate the farm location differentials under the Massachusetts-Rhode Island order. Proponent argued that he saw no reason why nearby producers should continue to receive "preferential" price adjustments under the order. A representative of a number of cooperatives having membership primarily, if not exclusively, among producers outside the farm location differential areas, indicated support of the proposal but offered no evidence to substantiate his position. He merely reaffirmed a position taken at previous hearings and indicated it would be repetitious to burden the record with the rationale of his position.

Farm location differentials represent plus adjustments of 46 cents and 23 cents per hundredweight to producers whose farms are located in specified "nearby" and "intermediate" areas, respectively. These adjustments which the nearby producers receive in their blend price are derived by making certain deductions from pool funds in the course of computing the announced "uniform" or "blend" price.[1] The additional returns to the nearby producers who are eligible for these differentials, thus, are monies which, in the absence of such differentials, would accrue through the blend price computation to all producers including more distant producers.

These relatively higher returns for milk customarily had been received by producers in the nearby areas prior to

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[1] The basic blended price as announced by the market administrator is applicable for milk of 3.5 percent butterfat content received at plants in the 201–210-mile zone under the Massachusetts-Rhode Island order and in the nearby plant zone under the Connecticut order. It is subject to adjustments for variation in butterfat content of milk received, location of plant of receipt and farm location differentials. Because of these various adjustments the basic announced blended price is not in fact received by most producers under the order terms, but is instead, the starting point from which the blended price payable to each individual producer is computed.

the advent of Federal regulation. They were preserved in the original Boston license issued in 1933 and in the first marketing order issued in 1936 for the area by means of a form of preferential base plan which insured the retention of the relatively higher returns to producers in the nearby area which they customarily had received. The original license accompanied and was issued simultaneously with the marketing agreement voluntarily entered into between the Secretary and handlers under the original Agricultural Adjustment Act of 1933. The present structure of the farm location differential provisions, accomplishing the same purpose as the earlier base plan; i.e., to preserve these marketing differentials which had customarily been applied by the handlers in paying nearby producers, was adopted in the Boston order in 1937.

The farm location differential provisions were adopted to retain for nearby producers in the pricing structure of a marketwide pool under the order a relative position vis-a-vis upcountry producers comparable to that which they had held in the Boston market prior to the advent of Federal regulation and which had been continued under the base plan. Official notice is taken of the promulgation record and findings leading to the provisions adopted in the amendment to the Boston order effective August 1, 1937. The record showed that historically, "without any Government regulation producers on farms located within these distances (0-40- and 41-80-mile zones) over a period of years have been able to receive much more for their milk (than distant producers). This is due to the fact that their production is relatively even, and their milk is accessible to small dealers." It also showed that "if we should take away from these producers a differential that they have been able to get without Government regulation, they would have a legitimate objection that we are placing them at a comparative disadvantage as compared with producers more distant from the market."

At that time, the cost of operating an upcountry receiving and cooling station was 20 cents per hundredweight as compared with a cost of 5 cents for receiving milk from producers directly at a city plant, and the cost of furnishing cans for shipment of milk from country plants to the city was 3 cents per hundredweight. The cost of rail transportation from a plant in the 191-200-mile zone to Boston was 36 cents. Based on these transportation and country receiving station costs the Class I price charged under the order to a handler receiving milk directly at a plant in Boston was fixed at 54 cents per hundredweight more than the Class I price charged to a handler receiving milk at a plant in the 191-200-mile zone.

Based solely on these transportation and receiving station cost advantages, nearby producers presumably would have received a price of only about 54 cents more prior to regulation than the price received by upcountry producers in the 191-200-mile zone. In fact, however, the differential customarily and actually received by the nearby producers from handlers prior to regulation exceeded this 54 cents by at least 46 cents. For example, for the years 1927-30, nearby producers marketing milk to Deerfoot Farms of Southboro, Mass., received an average price $1.16 per hundredweight above that received by producers in the 191-200-mile zone. For the years 1923-32, local producers marketing their milk to the J. B. Prescott Co., of Bedford, Mass., received an average price $1.04 above that received by producers in the 191-200-mile zone. For the years 1920-30, nearby producers marketing their milk to H. P. Hood, Salem, Mass., received an average price $1.20-$1.30 above the price received by producers in the 191-200-mile zone.

Producers in the intermediate zone (41-80 miles) marketing their milk to Manchester Dairies, Manchester, N.H., in the intermediate zone during the 8-year period of 1929-36 received an average price of $2.482, 59 cents above that received by producers in the 191-200-mile zone. With similar receiving station costs and can charges in the intermediate and distant zones, only 24 cents of this differential can be accounted for in transportation savings.

Clearly, in the context of section 608c (5)(B)(ii)(a) of the Marketing Agreement Act of 1937, these greater returns for their milk, over and above just the transportation and receiving station costs, which nearby producers delivering to the Boston market had historically received prior to Federal regulation were, in the language of the statute, "market differentials customarily applied by the handlers." As a method of providing for them in the order they were translated into a 46-cent differential applicable to milk produced on farms located in the 0-40-mile zone and a 23-cent differential applicable to milk produced on farms in the 41-80-mile zone. Inasmuch as these greater returns for milk were directly related to geographical source, it was considered that these differentials were also adjustments based on "location" and within the meaning and context of section 608c(5)(B)(ii)(c) of the Act.

For whatever reasons the nearby producers historically had received preferential price treatment in the Boston market, it was found necessary to preserve for nearby producers a relative position comparable to that they had historically held in the market so as to provide "a fair and reasonable method of distributing to producers the proceeds of sales of milk to handlers,"[2] promote orderly marketing of milk in the Boston area, and prevent disruption in the normal supplies of milk for the Boston area and thus tend to effectuate the declared purposes and policy of the Act.

When each of the secondary New England markets and the Connecticut market were subsequently brought under Federal regulation these same customary higher returns for milk produced near the centers of concentrated population were found to exist and were preserved for nearby producers in these orders also in a manner identical with the Boston order provisions. In this connection, official notice is taken of decisions of the Secretary with respect to the promulgation of the Connecticut order (24 F.R. 1049) the former Springfield, Mass., and Worcester, Mass., orders (14 F.R. 7085 and 7097), and the Southeastern New England order (23 F.R. 8225). Upon the merger of these three New England orders, and the Boston order, into the Massachusetts-Rhode Island order in 1964, the historic differentials which had been provided in each of the individual orders were continued, insofar as possible, in the consolidated order.

The farm location differentials in the Massachusetts-Rhode Island order thus represent the additional returns for milk which were customarily received by nearby producers prior to regulation. These order provisions preserve, insofar as possible, the long-established status quo in relative returns of nearby producers, vis-a-vis upcountry producers. They are "adjustments" in the uniform pricing provisions. Clearly, the business decisions of nearby producers have been influenced over the years by the higher returns provided by the application of these nearby differential provisions.

The proponents' contention that the farm location differentials should be removed from the Massachusetts-Rhode Island order was not supported by facts showing that these provisions contributed to, or resulted in, disorderly marketing conditions, that they impeded or impaired the supply of milk in the marketing area or were otherwise not in the public interest. In this connection, it should perhaps be noted that the adjustments in transportation rates, hereinbefore recommended, would in fact reduce somewhat the relative returns to the nearby producers. Also it should be noted that over the years the relative importance, or impact, of the nearby differentials has been diminished in that absolute price levels have increased substantially, whereas these differentials have remained unchanged.

In view of these considerations, the present record does not provide an adequate justification or substantial basis for deletion of the farm location differential provisions from the order. Therefore, this proposal is denied.

Official notice is taken of the fact that, subsequent to the closing of the record of this hearing, several Vermont producers on December 27, 1966, filed an action in the U.S. District Court for the District of Columbia, on behalf of themselves and allegedly all other producers similarly situated, challenging the legality of the farm location differential provisions (Section 1001.72) of the order. This action styled as Russell Allen, et al. v. Orville Freeman (Civil Action No. 3379-66) sought to enjoin the enforcement of these provisions, together with a declaratory judgment holding such provisions to be illegal and not within

[2] Finding No. 2, order dated July 27, 1937, approved by the President July 27, 1937 (2 F.R. 1588).

the authority of the Agricultural Marketing Agreement Act of 1937, as amended.

Plaintiffs in this action are producers who are not eligible by virtue of the location of their farms to receive the differentials. Following a hearing, the Court issued a preliminary injunction on January 16, 1967, enjoining the payment of farm location differentials in accordance with the provisions of the order and requiring that the amounts of such differentials be held in a special escrow fund pending final resolution of the case on the merits.

Thereafter, upon motion by the Government, consented to by plaintiffs, the Court modified the terms of the preliminary injunction on March 17, 1967, to allow payment to the "nearby" producers of that portion of the differentials which was and would be attributable to the marketing of their milk regardless of the final disposition of the case. The remainder of the amounts of the differentials, together with monthly accruals, are being held in escrow.

On May 24, 1967, after a hearing, the Court granted plaintiffs' motion for summary judgment on the authority of Blair, et al. v. Freeman, 370 F. 2d 229 (CCA. DC., 1966). A final order was entered in the action on June 15, and the time for taking an appeal has not been exhausted. In its memorandum of May 24, 1967, the Court stated simply that the Blair decision was authority for the ruling on the plaintiffs' motion.

In the Blair case, several Pennsylvania producers who did not receive the differentials successfully challenged provisions of the New York-New Jersey Milk Marketing Order which provided for location differential payments on milk produced at specified locations near the markets.

Plaintiffs in the Allen case relied primarily upon the decision in the Blair case to support their allegations. The Government's position presented to the district court was, inter alia, that the Blair decision was confined in its application to the provisions of the New York-New Jersey order and was not applicable to the Massachusetts-Rhode Island Marketing Order. Additionally, the Government argued that the prior decision in Green Valley Creamery, Inc., v. United States, et al. (108 F. 2d 342), decided by the Court of Appeals for the First Circuit on December 15, 1939, was dispositive of the issues presented.

In the Green Valley case the Court of Appeals for the First Circuit upheld the legality and propriety of identical farm location differential provisions in the then Boston order. It was subsequent to, and substantially in reliance upon, this decision that farm location differential provisions were considered to be legal and proper for inclusion in other New England orders. Three of these orders containing identical provisions were merged with the Boston order on August 1, 1964, to become the Massachusetts-Rhode Island order.

As previously stated herein, farm location differential payments have been effective in New England milk orders for over 30 years. They have been and are an integral part of the pricing and market relationships in these areas. Further, and as hereinbefore stated, upon consideration of the facts presented in this and previous hearings no substantial justification for deleting these provisions from the Massachusetts-Rhode Island order has been demonstrated. It is our considered judgment that the facts presented to the Court in the Blair case as they related to the New York-New Jersey Marketing Order are distinguishable from the facts in issue in the Allen case as they related to the Massachusetts-Rhode Island Marketing Order, and further, that the legal issues presented by the two actions are equally distinguishable.

In this connection, we continue to hold the view that the validity of the farm location differential provisions of the expanded Boston order was affirmatively adjudicated in the Green Valley decision supra. It is our interpretation of the decision of the Court of Appeals for the District of Columbia Circuit in the Blair case that it was limited to the validity of the provisions of the New York-New Jersey order. This interpretation is confirmed by reasons stated in the Court's decision itself.

We do not, of course, by our present findings in the matter intend to ignore or circumvent in any way the recent decision of the District Court in the Allen case. In the present circumstances and pending final disposition of the Allen case in such appellate proceedings as may be taken, in furtherance of our authority and responsibility under the Act we are constrained to state our full views in this matter.

It was proposed and generally supported that the town of Arundel, Maine, be included in the 23-cent farm location differential area under the Massachusetts-Rhode Island order since it had been inadvertently omitted at the time that these differential areas were defined in the order.

In conjunction with the consolidation of the Boston order with three other New England orders to form the Massachusetts-Rhode Island order the method for determining boundaries for the nearby farm location differential areas was changed to facilitate administration of the order. Prior to consolidation the nearby differential areas were defined by the use of "40-mile" and "80-mile" airline arcs measured from specified locations. Upon consolidation it was concluded that the use of long-established, well-known, and readily ascertainable political boundaries would provide a less burdensome procedure for determining a producer's eligibility to receive farm location differentials than would the use of airline arcs.

In determining the cities and towns to be included in the two areas, the "40-mile" and "80-mile" airline arcs previously defined were used as a starting point. All of the cities and towns falling wholly within either of the arcs were included in the proper zone. In addition, certain cities and towns which were intersected by the arcs were included in their respective zones. However, cities and towns intersected by the "80-mile" arc were included only if the arc encompassed one or more farms that had recently delivered milk to the Boston market.

In determining the additional towns and cities to be included in the 23-cent differential area the town of Arundel, Maine, was inadvertently overlooked although it would have qualified for inclusion. The name of the town of North Kennebunkport had been changed to Arundel at some time prior to the determination but this change was not reflected on the maps used by the determining authorities. As a result, North Kennebunkport was shown as one of the intersected towns rather than Arundel. At the time of this determination there appeared to be no Boston market producers located in North Kennebunkport but this was only because the producer locations in the town were listed as being in Arundel.

There was at least one producer in the town of Arundel who was located within the prescribed "80-mile" arc and who was associated with the Boston market at the time of the consolidation. Since this would have qualified the entire town of Arundel at that time this oversight should now be corrected and Arundel should be added to the list of towns and cities included in the 23-cent farm location differential area.

The 46-cent farm location differential area defined in the Connecticut order should not be extended to include that portion of Columbia County, N.Y., now included in the 23-cent defferential area.

The present 46-cent nearby location differential area includes all the territory in the States of Connecticut and Rhode Island, that portion of New York State lying east of the Hudson River and south of the Berkshire section of the New York State Thruway, and that portion of Massachusetts lying south of the Massachusetts Turnpike. The 23-cent nearby location differential area includes that portion of New York State east of the Hudson River, north of the Berkshire extension of the New York State Thruway and south of the northern boundaries of North Greenbush, Sand Lake, and Stephentown townships in Renesselaer County, and that portion of Berkshire County, Mass., north of the Massachusetts Turnpike.

The proposal to extend the 46-cent farm location differential to include the remaining portion of Columbia County, N.Y., was made by a group of producers whose farms are located in that area. Of the 21 farmers located in this area, 19 are producers for the Connecticut market and supported this proposal.

The farm differential areas in Connecticut are delineated by a use of both political boundaries and natural topographical features. The boundaries were drawn in a manner thought to best integrate the pricing of milk in this market with that of adjacent Federal order markets; i.e., to minimize incentives for shifting of supplies among markets except in

response to differences in market demand as reflected in the respective basic blended prices.

The northeast corner of Columbia County, N.Y., was excluded from the 46-cent differential area on the understanding that the New York Thruway was a natural boundary which deterred ready access to the Connecticut market. When such natural boundaries are used producers whose farms are adjacent but are located on different sides of the line receive different returns, even though mileages are identical from the central market.

On the basis of the record it is clear that milk in this small area is produced almost exclusively for the Connecticut market. Further, several of the producers' farms are traversed by the thruway so that part of a farm is in the nearby 46-cent farm location differential area and part in the intermediate 23-cent area. In addition, the milk of all of these producers is picked up at the same time and in the same loads as other producers south of the thruway. This is accomplished by numerous crossings of the thruway during the course of loading a truck, to the end that the milk of producers north of the thruway is regularly delivered to the same handlers in the market, at the same time, and in the same trucks as producers located in the present 46-cent zone.

There are 19 producers for the Connecticut market whose farms are located in Columbia County north of the thruway. One of these producers began shipping milk to the Connecticut market in June of 1957 and another in May of 1959. (The order became effective Apr. 1, 1959.) The record does not indicate when the remaining 17 first became associated with the Connecticut market. While the record of this hearing clearly establishes that the thruway does not impede the delivery of milk from this area of Columbia County to the Connecticut market, it cannot be concluded that the thruway is an inappropriate boundary between the 46-cent and 23-cent farm location differential areas.

The purpose of these differentials was to maintain returns to nearby producers in the same relative position with respect to returns of more distant producers which had historically prevailed prior to Federal regulation. There was no showing that the existing boundaries have not accomplished the objective.

9. *Payments to producers and cooperative associations.* The Massachusetts-Rhode Island order should be amended to provide that handlers shall pay a cooperative, in its capacity as a handler pursuant to § 1001.9(d) or as the operator of a pool plant, at the same time and at the same rate as such handlers are required to pay producers. The proposal to increase the rate of advance partial payment to producers to 50 cents below the administrator's announced estimated blend price should be denied.

The Connecticut order should be amended to provide that producer-handlers shall pay for milk received from a cooperative association, in its capacity as the operator of a pool plant, at the same time and at the same rate as other handlers are required to pay such an association for milk so received.

Proposals were made by the New England Milk Dealers Association, Inc., and by a cooperative association that would require handlers under the Massachusetts-Rhode Island order to pay cooperative associations in the same manner as they are required to pay individual producers. The cooperative association also proposed that the advance partial payment to producers or cooperative associations for milk received from them during the first 15 days of the month be at a rate not less than 50 cents below the market administrator's announced estimated blend price.

When cooperative associations act as handlers and assume the responsibility for the producer's milk at the farm as is recommended under specified circumstances elsewhere in this decision they also assume a unique role under the order. That is, they are responsible for payments to producers for milk received from them during the month even though they do not operate a plant. The producers, of course, expect to receive payment within the dates specified in the order, but presently the associations have no means other than bargaining power to collect the money owed for this milk by those dates from the handler who actually used it. As a result, when circumstances prevail that weaken its bargaining position the cooperative association can be put in the position of involuntarily financing a handler's purchases through its producer-members. In such a situation the very purpose of the order of assuring proper and timely payments to producers is defeated and disorderly marketing could result.

It is possible that certain arrangements may be made between the handler and the cooperative which might circumvent the provision proposed to be adopted, and yet be legal. However, such a provision would still be an aid to effective administration in that any arrangement made between the cooperative and the handler for payment at less than the appropriate order prices or in some unusual manner or at dates later than those specified in the order would have to be in the open, and have been agreed to by both parties. Under the present arrangement there need be no formal agreement but only the unilateral action by the handler in failing to make proper payment on time. It is concluded that adoption of the proposal requiring timely payment by handlers at not less than order prices will promote orderly marketing and will provide for more effective order administration.

At the present time handlers are required to pay each producer on or before the 5th day after the end of each month for the approximate value of milk received from him during the first 15 days of the month. This payment may not be at less than the applicable zone Class II price for the month.

A producer receiving only the Class II price as a partial payment is in fact extending to the handler a certain amount of credit until the final payment is made by the handler, which is not required until the 20th day of the month following the month in which the milk is delivered. The amount of credit in such cases is equal to the difference between the advance payment and the applicable blend price. Under normal circumstances the amount of credit extended is relatively small and probably unavoidable since the actual blend prices are not available by the fifth of the month following delivery.

The record evidence does not reveal any substantial problems resulting from the current level of partial payments. Moreover, the lack of widespread support by producer representatives of this proposal indicates that there is no great need for specifying higher required rates of partial payments at this time. Therefore, the proposal is denied.

A proposal was made by local Connecticut cooperatives which would require producer-handlers to pay for milk received from a cooperative association, in its capacity as the operator of a pool plant, at the same time and rate as is required of other handlers. At the hearing a representative of the Connecticut Milk Producer Dealers Association testified that his association was agreeable to such a proposal.

Presently handlers and buyer-handlers under the Connecticut order are required to make payments for milk received from a cooperative association, in its capacity as the operator of a pool plant, by specified dates and at the applicable class prices adjusted by the zone price and butterfat differentials while producer-handlers are exempt from such requirements. In the interest of assuring orderly marketing through the equitable treatment of handlers and assurance of payments for producers' milk supplies from a cooperative's pool plant, producer-handlers should be required to make the same payments and by the same dates as other handlers are required to pay in similar circumstances.

10. *Miscellaneous and administrative provisions—Reclassification of ending inventory.* The Massachusetts-Rhode Island order should be amended to provide that the reclassification charge on fluid milk products included in a plant's ending inventories which were classified and priced as Class II milk in the previous month but which are reclassified as Class I in the current month shall be computed at the zone prices for the same zone location as would have been used had such milk been originally classified and priced as Class I.

When ending inventory is classified as Class II and subsequently reclassified as Class I a charge at the difference between the previous month's Class II price and the current month's Class I price is made on the amount of opening inventory which is assigned to Class I in the current month. This procedure is designed to assure equal product cost among handlers for milk disposed of in Class I.

At the present time the order provides that the prices used in computing the pool payment on beginning inventory that has been reclassified as Class I shall be the prices for the zone location of the

plant for which the value is being computed. Under this provision when milk received at a nearby plant from a country plant is held in inventory as Class II and is reclassified as Class I milk in the current month, the value attached to such reclassified milk is higher than would have been attached to it had the plant involved claimed all the preceding month's ending inventory as Class I, or if only one plant were involved.

Under the order the operator of the shipping plant is held responsible for the milk at the price applicable at its zone location. While the operator of the receiving plant has no pool obligation on the milk, he must, of necessity, incur the cost of moving the milk to his plant. However, when part of this milk so shipped is included as ending inventory at the transferee plant and classified as Class II, but is subsequently assigned to Class I milk in the current month, the order requires a reclassification charge which provides the same total Class I obligation on such milk as though it had been initially received from producers directly at the transferee plant. In other words, the milk is normally priced at the location of the shipping plant when originally classified as Class I or Class II, but, when it is reclassified as Class I milk as part of the current month's beginning inventory it is priced at the location of the receiving plant. Therefore, the receiving handler is responsible to the pool for such reclassified milk at the same rate as would have been applicable had the milk been delivered directly by producers to his plant. In such case the handler incurs an added cost for which he receives no return. The result of this is to create unequal costs to handlers for this volume of reclassified inventory milk, depending upon the manner in which different handlers treat their ending inventories.

In order to avoid any unequal pricing to handlers on inventory milk that is reclassified and priced as Class I and to provide that the producers, through the pool, do not receive additional money through inequitable pricing of such milk, the point of pricing for opening inventory milk reclassified as Class I should be changed to the point at which such milk would have been priced as Class I milk in the preceding month.

Statements to producers. The Massachusetts-Rhode Island order should be amended to make clear that the butterfat differential value is part of the required information to be shown by handlers on their statements to producers.

In making required payments to producers, handlers currently are required to furnish each producer with a supporting statement which must show, among other things, the minimum rate or rates at which payment to the producer is required by the order. It is desirable that the producer have this information readily available to him in order that he be able to check his payment for accuracy as well as to make valid price comparisons with other potential outlets for his milk. The butterfat differential by which the rate of payment is adjusted to the butterfat content of the producer's milk is a necessary part of these computations and should be shown on his supporting statement.

Monthly reports of receipts and utilization. The Massachusetts-Rhode Island order should be amended to provide that the handlers' monthly reports of receipts and utilization be filed on or before the 8th day after the end of the month or not later than the 10th day if the report is delivered in person to the office of the market administrator. In conjunction with this change the order should also be amended to allow the market administrator until the 13th day of each month to announce the zone blended prices.

Currently the order provides that all such reports must be filed on or before the 8th day after the end of the month, without any special provision for reports delivered in person. It also provides that the market administrator shall announce the zone blended prices by the 12th day of each month.

Proponent of the proposal to allow personal delivery of the report by the 10th contended that its adoption was necessary to allow handlers with large operations sufficient time to prepare these reports when weekends and holidays intervened. He also proposed that the market administrator be allowed until the 14th day of each month to announce the zone blended prices. This was to allow for the later date of receipt of some reports as a result of the change to the 10th day for personally delivered reports.

For handlers with substantial operations the deadline of the eighth as now set does require extensive extra work when holidays or weekends fall toward the end of this 8-day period. It is possible to decrease this burden without adversely affecting the interest of producers or handlers generally by extension of the deadline for hand delivered reports to the 10th day.

Major opposition to the change came from one handler who contended that such a change resulting in a blend price announcement on the 14th, would not allow him sufficient time to prepare his producer payroll and make producer payments by the required date. In this regard, the market administrator stated that since mailed reports were many times not received before the ninth, setting the final date as the 10th for personally delivered reports would require only 1 additional day for him to make the necessary pool computations. Therefore, allowing him until the 13th to announce the zone blended prices would provide adequate time.

It is concluded that provision should be made for personal delivery of the handler's report on or before the 10th day after the end of the month and for announcement of zone blended prices by the market administrator by the 13th day of each month.

Reports of dumping. The Connecticut order should be amended to allow the exclusion of Sundays and legal holidays applicable at the location of the reporting plant from the time limit for the filing of reports pertaining to dumping not witnessed by the market administrator. Also, the 48-hour limit now in the order should be changed to the more general term of 2 days.

The Connecticut Milk Dealers Association asked that the exclusion of Sundays and legal holidays be allowed on the grounds that getting the report prepared and signed on these normally nonworking days was nearly impossible within the 48-hour limit and it therefore created a hardship on affected handlers. In discussion of this proposal it was also determined that making the exclusion of legal holidays applicable at the plant location would avoid any confusion on what holidays were excluded since the plants could be located in different States. It was also determined that changing the 48-hour limit to the more general term of 2 days would be a more reasonable time limit to meet.

No opposition was voiced with respect to these proposals and since they would reduce the problems encountered by affected parties without reducing the effectiveness of the order they should be adopted.

Marketing service. No change should be made in the marketing service provision of the Connecticut order.

Currently, the order requires that the market administrator provide certain marketing services for producers, such as verifying the weights and tests of producer milk and dissemination of market information. The cost of these services is borne by the producers. Where a cooperative association is determined by the Secretary to be performing these services for its member producers, such producers are not subject to the marketing service deduction.

A proposal was made to exempt from the marketing service deduction a producer who is not a member of a cooperative association but who during the past 12-month period had total milk production in excess of 5 million pounds, is currently producing at that rate, and delivers all of his production to one handler. It was proponent's contention that a producer meeting these standards normally provides such services on his own and that the marketing service program is merely a duplication of the producer's own services.

A marketing service program cannot be efficiently operated and maintained if the scope of the service is made subject to the consent or withdrawal on the direction of each nonmember producer involved. Nor would such a condition contribute to the fulfillment of the statutory requirement of uniformity in price to regulated handlers if the important functions of accurate butterfat testing and verification of weights were, in effect, left to the choice, by negotiation or otherwise, of either the producer or the handler. Such a provision, when included in an order, must be such as will accomplish the full range of objectives both as to producers (members and nonmembers alike) and as to the maintenance of uniform minimum

prices among handlers. Therefore, the proposal is denied.

Miscellaneous and conforming changes. Proposals to delete the obsolete transition language currently contained in the Massachusetts-Rhode Island order should be adopted.

At the time of the merger of the four New England markets in 1964 certain language was contained in the resulting Massachusetts-Rhode Island order to provide an orderly transition from the individual orders to the single order. Such language has now served its purpose and is no longer affecting any of the order operations, therefore, it should be removed.

Other changes in the orders which are not specifically discussed are conforming changes necessary to implement the conclusions previously set forth herein.

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

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

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

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing areas, and the minimum prices specified in the proposed marketing agreements and the orders, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreements and the orders, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, marketing agreements upon which a hearing has been held.

Recommended marketing agreements and orders amending the orders. The following order amending the orders as amended regulating the handling of milk in the Massachusetts-Rhode Island and Connecticut marketing areas is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreements are not included in this decision because the regulatory provisions thereof would be the same as those contained in the orders, as hereby proposed to be amended:

Amendments to Massachusetts-Rhode Island order provisions.

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GENERAL DEFINITIONS

§ 1001.1 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.).

§ 1001.2 Massachusetts-Rhode Island-New Hampshire marketing area.

"Massachusetts-Rhode Island-New Hampshire marketing area," referred to in this part as the "marketing area," means all territory within the places listed below, all waterfront facilities connected therewith and craft moored thereat, and all territory therein occupied by any governmental installation, institution, or other establishment:

MASSACHUSETTS

COUNTIES

Barnstable.	Norfolk.
Bristol.	Plymouth.
Dukes.	Suffolk.
Essex.	

CITIES AND TOWNS

Agawam.	Milford.
Arlington.	Millbury.
Ashland.	Millville.
Auburn.	Natick.
Ayer.	Newton.
Bedford.	Northampton.
Belmont.	Northborough.
Billerica.	North Reading.
Blackstone.	Oxford.
Boylston.	Paxton.
Burlington.	Princeton.
Cambridge.	Reading.
Charlton.	Rutland.
Chelmsford.	Sherborn.
Chicopee.	Shrewsbury.
Clinton.	Somerville.
Dracut.	Southborough.
Dudley.	Southbridge.
Easthampton.	South Hadley.
East Longmeadow.	Spencer.
Everett.	Springfield.
Fitchburg.	Sterling.
Framingham.	Stoneham.
Gardner.	Sutton.
Grafton.	Tewksbury.
Holden.	Tyngsborough.
Holliston.	Upton.
Holyoke.	Wakefield.
Hopedale.	Waltham.
Hopkinton.	Watertown.
Lancaster.	Wayland.
Leicester.	Webster.
Leominster.	Westborough.
Lexington.	West Boylston.
Littleton.	Westfield.
Longmeadow.	Westford.
Lowell.	Westminster.
Ludlow.	Weston.
Lunenburg.	West Springfield.
Malden.	Wilbraham.
Marlborough.	Wilmington.
Medford.	Winchester.
Melrose.	Woburn.
Mendon.	Worcester.

NEW HAMPSHIRE

COUNTIES

Belknap.	Rockingham.
Hillsboro.	Strafford.
Merrimack.	

CITIES AND TOWNS

Ashland.	Keene.
Bridgewater.	Marlborough.
Bristol.	Nelson.
Dublin.	Plymouth.
Harrisville.	Roxbury.
Holderness.	Sullivan.
Jaffrey.	

RHODE ISLAND

All cities and towns except New Shoreham (Block Island).

§ 1001.3 Route disposition.

"Route disposition" means distribution of Class I milk by a handler to retail or wholesale outlets, which include vending machines but do not include plants or distribution points. The route disposition of a handler shall be attributed to the processing and packaging plant from which the Class I milk is moved to retail or wholesale outlets without intermediate movement to another processing and packaging plant.

DEFINITIONS OF PERSONS

§ 1001.5 Person.

"Person" means any individual, partnership, corporation, association, or any other business unit.

§ 1001.6 Secretary.

"Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

§ 1001.7 Producer.

"Producer" means a dairy farmer who produces milk which is moved, other than in packaged form, from his farm to a pool plant, or to any other plant as diverted milk. The term shall not include:

(a) A producer-handler under any Federal order;

(b) A dairy farmer with respect to milk which is considered as a receipt from a producer under the provisions of another Federal order;

(c) A dairy farmer for other markets;

(d) A dairy farmer who is a local or state government and has nonproducer status for the month under § 1001.26(c); or

(e) A dairy farmer with respect to salvage product assigned under § 1001.-55(e).

§ 1001.8 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines:

(a) To be qualified under the provisions of the Act of Congress of February 18, 1922, known as the "Capper-Volstead Act";

(b) To have full authority in the sale of milk of its members; and

(c) To be engaged in making collective sales of, or marketing, milk or its products for its members.

§ 1001.9 Handler.

"Handler" means:

(a) Any person who operates a pool plant;

(b) Any person who operates any other plant, or a pool bulk tank unit as defined under another Federal order, from which fluid milk products are disposed of, directly or indirectly, in the marketing area;

(c) Any person who does not operate a plant but who engages in the business of receiving fluid milk products for resale and distributes to retail or wholesale outlets packaged fluid milk products received from any plant described in paragraph (a) or (b) of this section; or

(d) Any cooperative association with respect to the milk which is moved from farms of its members in tank trucks operated by or under contract to the association, and which is moved to pool plants, or as diverted milk to nonpool plants other than producer-handlers' plants, for the account of and at the direction of the association. The association shall be considered as the handler who received the milk from the dairy farmers. However, the cooperative association shall not be the handler with respect to the milk moved from any farm if the association and the operator of the pool plant to which milk from such farm is moved both submit a request in writing, on or before the due date for filing the monthly reports of receipts and utilization, that the operator of the pool plant be considered as the handler who received the milk from the dairy farmer, and the pool plant operator's request states that he is purchasing the milk from such farm on the basis of the farm bulk tank measurement readings and of the butterfat tests of samples of the milk taken from the farm bulk tank.

§ 1001.10 Producer-handler.

"Producer-handler" means any person who, during the month, is both a dairy farmer and a handler and who meets the conditions specified in each of the paragraphs of this section.

(a) He provides as his own enterprise and at his own risk the maintenance, care, and management of the dairy herd and other resources and facilities which he uses to produce milk, to process and package such milk at his own plant, and to distribute it as route disposition.

(b) His own route disposition constitutes the majority of the route disposition from his plant.

(c) The quantity of route disposition in the marketing area from his plant is greater than in any other Federal marketing area.

(d) He receives no fluid milk products except from his own production and pool plants under any New England Federal order. If his receipts from own production and the total route disposition from his plant each exceed 2,150 pounds per day for the month, his receipts from New England Federal order pool plants are not in excess of 2 percent of his receipts from own production. For the purposes of this paragraph, his receipts of fluid milk products shall include receipts from plants of other persons at all retail and wholesale outlets which are located in New England Federal marketing areas and which are operated by him, an affiliate, or any person who controls or is controlled by him.

§ 1001.11 Dairy farmer for other markets.

"Dairy farmer for other markets" means any dairy farmer described in this section. For the purposes of this section, the acts of any person who is an affiliate of, or who controls or is controlled by, a handler or dealer shall be considered as having been performed by the handler or dealer. Receipts from a "dairy farmer for other markets" shall be considered as receipts from the unregulated plant at which the greatest quantity of his milk was received in the most recent month.

(a) The term includes a dairy farmer with respect to milk which is purchased from him during the month by a dealer who operates a plant but does not operate a pool plant, if the milk is moved to a pool plant directly from the dairy farmer's farm. The term shall not apply to the dairy farmer, however, if all the nonpool milk purchased from him during the month by the same dealer is a re-

ceipt of producer milk under the provisions of another Federal order or will be such if the dairy farmer is a producer under this part.

(b) The term includes a dairy farmer with respect to milk which is purchased from him by a handler and moved to a pool plant or which is purchased from him by a cooperative association it its capacity as a handler under § 1001.9(d), if that handler caused milk from the same farm to be moved as nonpool milk to any plant during the same month. The term shall not apply to the dairy farmer, however, if all the nonpool milk is a receipt of producer milk under the provisions of another Federal order or will be such if the dairy farmer is a producer under this part.

(c) The term includes a dairy farmer with respect to milk which is received from him by a handler at a pool plant or which is purchased from him by a cooperative association in its capacity as a handler under § 1001.9(d) during any of the months of December through June, if the handler caused nonpool milk from the same farm to be received during any of the preceding months of July through November at a plant which is not a pool plant under any Federal order in the current month. The term shall not apply to the dairy farmer, however, if all the nonpool milk was a receipt of producer milk under the provisions of another Federal order or represented receipts from own production by a producer-handler under any Federal order.

DEFINITIONS OF PLANTS

§ 1001.15 Plant.

"Plant" means the land and buildings, together with their surroundings, facilities, and equipment, constituting a single operating unit or establishment which is operated exclusively by one or more persons engaged in the business of handling fluid milk products for resale or manufacture into milk products, and which is used for the handling or processing of milk or milk products. The term "plant" does not include:

(a) Distribution points (separate premises used primarily for the transfer to vehicles of packaged fluid milk products moved there from processing and packaging plants); or

(b) Bulk reload points (separate premises used for the transfer of milk en route from dairy farmers' farms to a plant, at which premises facilities for washing and sanitizing cans or tank trucks are not maintained and used).

§ 1001.16 Pool plant.

"Pool plant" means any plant which meets the applicable conditions for pool plant status as a pool distributing plant, under § 1001.35; a cooperative association plant located in the marketing area, under § 1001.36; or a pool supply plant, under § 1001.37. However, if the market administrator determines that a specified proportion or quantity of the receipts from dairy farmers and of pool milk from other sources handled at a plant is not available for Class I use because there is in force an unconditional contract for the plant to supply fluid milk products for Class II use, the plant shall not be a pool plant for the month in which the market administrator notifies the handler of the determination and for any subsequent month in which the contract is in force for any part of the month.

§ 1001.17 Exempt distributing plant.

"Exempt distributing plant" means a plant, other than a pool supply plant or a regulated plant under another Federal order, which meets all the requirements for status as a pool distributing plant except that its route disposition in the marketing area in the month does not exceed 700 quarts on any day or a daily average of 300 quarts.

§ 1001.18 Distributing plant for unregulated markets.

"Distributing plant for unregulated markets" means a processing and packaging plant from which the route disposition outside any Federal marketing area amounts to more than 50 percent of its total receipts of fluid milk products during the month. The term shall not apply to a pool plant, an exempt distributing plant under any New England Federal order, a producer-handler's plant under any Federal order, or a regulated plant under another Federal order.

§ 1001.19 Regulated plant under another Federal order.

"Regulated plant under another Federal order" means a pool plant or any other plant at which all fluid milk products handled become subject to the classification and pricing provisions of another Federal order. The term shall also include a pool bulk tank unit as defined under another Federal order.

DEFINITIONS OF MILK AND MILK PRODUCTS

§ 1001.22 Fluid milk products.

"Fluid milk products" means milk, skimmed milk, flavored milk or skimmed milk, cultured skimmed milk, buttermilk, concentrated milk, any mixture of milk or skimmed milk and cream containing less than 10 percent butterfat, and 50 percent of the quantity by weight of any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 16 percent butterfat. The term includes these products in fluid, frozen, fortified, or reconstituted form but does not include sterilized products in hermetically sealed containers and such products as eggnog, yogurt, whey, ice cream mix, ice milk mix, milk shake base mix, and evaporated or condensed milk or skimmed milk, in either plain or sweetened form. Fluid milk products which have been placed in containers for disposition to retail or wholesale outlets are referred to in this part as packaged fluid milk products.

§ 1001.23 Cream.

"Cream" means that portion of milk, containing not less than 16 percent butterfat, which rises to the surface of milk on standing, or is separated from it by centrifugal force. The term also includes soured cream, frozen cream, fortified cream, reconstituted cream, any mixture of milk or skimmed milk and cream containing 16 percent or more of butterfat, and 50 percent of the quantity by weight of any mixture of milk or skimmed milk and cream containing at least 10 percent but less than 16 percent butterfat.

§ 1001.24 Producer milk.

"Producer milk" means milk which the handler has received from producers. The quantity of milk received by a handler from producers shall include any milk of a producer which was not received at any plant but which the handler or an agent of the handler has accepted, measured, sampled, and transferred from the producer's farm tank into a tank truck during the month. Such milk shall be considered as having been received at the pool plant at which other milk from the same farm of that producer is received by the handler during the month, except that in the case of a cooperative association in its capacity as a handler under § 1001.9(d), the milk shall be considered as having been received at a plant in the zone location of the pool plant, or pool plants within the same zone, to which the greatest aggregate quantity of the milk of the cooperative association in such capacity was moved during the current month or the most recent month.

§ 1001.25 Pool milk.

"Pool milk" means fluid milk products (other than exempt milk) received or disposed of as specified in this section:

(a) Receipts of producer milk;

(b) The following receipts of fluid milk products at pool plants (exclusive of receipts from other pool plants, producer-handlers under any Federal order, exempt distributing plants under any New England Federal order, and receipts from regulated plants under other Federal orders which are classified and priced under the other orders):

(1) Receipts at pool distributing plants from plants located outside the New England States and beyond zone 40;

(2) Receipts at pool plants, other than pool distributing plants, to the extent assigned to Class I milk under § 1001.55 (g), from plants located outside the New England States and beyond zone 40; and

(3) Receipts at pool plants, to the extent assigned to Class I milk under § 1001.55(h), from plants located within one of the New England States or in zone 40 or a nearer zone, exclusive of bulk fluid milk products from distributing plants for unregulated markets;

(c) Receipts of bulk fluid milk products at pool distributing plants, to the extent assigned to classes under § 1001.56 (b), from regulated plants under other Federal orders with individual-handler pools;

(d) Receipts of bulk fluid milk products at pool plants, other than pool distributing plants, to the extent assigned to Class I milk under § 1001.57(g), from regulated plants under other Federal orders with individual-handler pools;

(e) Route disposition in the marketing area from any processing and packaging plant (except a pool plant, a producer-handler's plant under any Federal order, an exempt distributing plant under any New England Federal order, or a regulated plant under another Federal order) to the extent of all such disposition in the month which is in excess of a daily average of 300 quarts or of 700 quarts on any day, whichever is greater. In determining the quantity of pool milk under this paragraph, the total quantity of route disposition in the marketing area from the plant first shall be reduced by the quantity of fluid milk products received at the plant during the month which is classified and priced as Class I milk or the equivalent thereof under any marketwide pool Federal order and which is not used to offset route disposition in any other Federal marketing area. The reduction shall be made first in any route disposition which is in excess of 700 quarts on any day; and

(f) Route disposition in the marketing area from a regulated plant under another Federal order of fluid milk products which are not both classified and priced under the other order, to the extent of all such disposition in the month which is in excess of 700 quarts on any day or of a daily average of 300 quarts, whichever is greater.

§ 1001.26 Exempt milk.

"Exempt milk" means:

(a) Milk received at a pool plant in bulk from a nonpool plant to be processed and packaged, for which an equivalent quantity of packaged fluid milk products is returned to the operator of the nonpool plant during the same month, if the receipts of bulk milk and return of packaged fluid milk products occur during an interval in which the facilities of the nonpool plant at which the milk is usually processed and packaged are temporarily unusable because of fire, flood, storm, or similar extraordinary circumstances completely beyond the dealer's control;

(b) Packaged fluid milk products received at a pool plant from a nonpool plant in return for an equivalent quantity of bulk milk moved from a pool plant for processing and packaging during the same month, if the movement of bulk milk and receipt of packaged fluid milk products occur during an interval in which the facilities of the pool plant at which the milk is usually processed and packaged are temporarily unusable because of fire, flood, storm, or similar extraordinary circumstances completely beyond the handler's control; and

(c) Milk received at a pool plant in bulk from the dairy farmer who produced it, to the extent of the quantity of any packaged fluid milk products returned to the dairy farmer, if:

(1) The dairy farmer is a State or local government which is not engaged in the route disposition of any of the returned products; and

(2) The dairy farmer has, by written notice to the market administrator and the receiving handler, elected nonproducer status for a period of not less than 12 months beginning with the month in which the election was made and continuing for each subsequent month until canceled in writing, and the election is in effect for the current month.

§ 1001.27 Diverted milk.

"Diverted milk" means:

(a) Milk which a handler in his capacity as the operator of a pool plant reports as having been moved from a dairy farmer's farm to the pool plant, but which he caused to be moved from the farm to another plant, if the handler specifically reports such movement to the other plant as a movement of diverted milk, and the conditions of subparagraph (1) or (2) of this paragraph have been met. Milk which is diverted milk under this paragraph shall be considered to have been received at the pool plant from which it was diverted, but for pricing purposes the differentials for the zone location specified in § 1001.63 shall be used.

(1) The handler caused milk from the farm to be moved to such pool plant, or to another of his pool plants which is no longer operated as a plant, on a majority of the delivery days, during the 12 months ending with the current month, on which the handler either caused milk to be moved from the farm as producer milk, or caused milk to be moved as producer milk from the farm in a tank truck.

(2) The handler caused the milk to be moved from the farm in a tank truck in which it was intermingled with milk from other farms, the milk from a majority of which farms was diverted from the same pool plant during the month in accordance with the preceding provisions of this paragraph.

(b) Milk which a cooperative association in its capacity as a handler under § 1001.9(d) caused to be moved from a farm to a nonpool plant, if the cooperative association specifically reports the movement to such plant as a movement of diverted milk, and the conditions of subparagraph (1) or (2) of this paragraph have been met.

(1) The cooperative association caused milk from the farm to be moved to pool plants on a majority of the delivery days, during the 12 months ending with the current month, on which the cooperative association caused milk to be moved from the farm as producer milk.

(2) The cooperative association caused the milk to be moved from the farm in a tank truck in which it was intermingled with milk from other farms, the milk from a majority of which farms was diverted by the cooperative association during the month in accordance with the preceding provisions of this paragraph.

MARKET ADMINISTRATOR

§ 1001.30 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.

§ 1001.31 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To make rules and regulations to effectuate its terms and provisions;

(c) To receive, investigate, and report to the Secretary complaints of violations; and

(d) To recommend amendments to the Secretary.

§ 1001.32 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part. His duties shall include but not be limited to those specified in this section.

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, he shall execute and deliver to the Secretary a bond effective as of the date on which he enters upon his duties. The bond shall be conditioned upon the faithful performance of those duties and shall be in an amount and with surety thereon satisfactory to the Secretary.

(b) He shall employ and fix the compensation of any persons necessary to enable him to administer the terms and provisions of this part.

(c) He shall obtain a bond in a reasonable amount, and with reasonable surety thereon, covering each employee who handles funds entrusted to the market administrator.

(d) He shall pay from the funds provided by § 1001.87 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties except those expenses incurred under § 1001.75.

(e) He shall keep books and records to reflect clearly the transactions provided for in this part and, upon request by the Secretary, surrender them to any other person the Secretary may designate.

(f) He shall submit his books and records to examination by the Secretary and furnish any information and reports requested by the Secretary.

(g) He shall prepare and make available for the benefit of producers, handlers, and consumers, statistics and information concerning the operation of this part.

(h) He shall verify handlers' reports and payments to the extent necessary, by any appropriate means including audit of the handlers' records and, if made available, of the records of any other persons upon whose utilization the classification of butterfat and skim milk depends. If verification discloses that the original classification was incorrect, the market administrator shall make appropriate reclassification of the butterfat and skim milk.

(i) At his discretion and unless otherwise directed by the Secretary, he shall publicly announce (by posting in a conspicuous place in his office and by such

other means as he deems appropriate) the name of any handler the value of whose fluid milk products is not included in the computation of the basic blended price because of failure to file reports under § 1001.40 or make payments under § 1001.82.

(j) He shall publicly announce (by posting in a conspicuous place in his office and by such other means as he deems appropriate):

(1) By the 25th day of the month, the Class I price for the following month, as computed under § 1001.60;

(2) By the 5th day of the month, the Class II price and the butterfat differential for the preceding month, as computed under §§ 1001.61 and 1001.71(b), respectively.

(3) By the 13th day of each month, the zone blended prices resulting from the adjustment of the basic blended price for the preceding month, as computed under § 1001.65, by the zone differentials contained in § 1001.62(d);

(4) Whenever required for purpose of assigning receipts from other Federal order plants under § 1001.56(b), his estimate of the utilization (to the nearest whole percentage) in each class during the month of butterfat and skim milk, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose; and

(5) By the 25th day of each January, the monthly base Class I percentage factors computed under § 1001.66(a).

(k) He shall place the sums deducted under § 1001.65(c) and retained under § 1001.80 in an interest-bearing bank account or accounts in a bank or banks duly approved as a Federal depository for such sums, or invest them in short-term U.S. Government securities.

POOL PLANT REQUIREMENTS

§ 1001.35 Distributing plants.

Each processing and packaging plant (other than a producer-handler's plant under any Federal order or a regulated plant under another Federal order) shall be a pool distributing plant in any month in which it meets the conditions specified in this section.

(a) Its total Class I disposition in the month, or in either of the 2 preceding months, is not less than 40 percent of its total receipts of fluid milk products in the corresponding month.

(b) Its route disposition in the marketing area in the month:

(1) Is not less than 10 percent of its total receipts of fluid milk products;

(2) Exceeds its route disposition in any other Federal marketing area; and

(3) Exceeds 700 quarts on any day or a daily average of 300 quarts.

§ 1001.36 Cooperative association plants located in the marketing area.

Each plant which is located in the marketing area and which is operated by a cooperative association shall be a pool plant in any month in which its route disposition does not exceed 2 percent of its total receipts of fluid milk products.

§ 1001.37 Supply plants.

Each plant (other than a plant described in paragraph (e) of this section) shall be a pool supply plant in any month in which it meets the conditions specified in paragraph (a), and in paragraph (b), (c), or (d), of this section. For the purposes of this section, milk received at a plant from a cooperative association in its capacity as a handler under § 1001.9(d) shall be considered as received at that plant from dairy farmers' farms.

(a) It is a plant at which facilities are maintained and used for washing and sanitizing cans or tank trucks and to which milk is moved from dairy farmers' farms in cans and is there accepted, weighed or measured, sampled, and cooled, or to which milk is moved from dairy farmers' farms in tank trucks and is there transferred to stationary equipment or to other vehicles.

(b) For any month of July through November, it is a plant from which at least 25 percent of its total receipts of milk from dairy farmers' farms is shipped as fluid milk products, other than as diverted milk:

(1) To pool distributing plants; or

(2) To plants to which qualifying shipments may be made under any New England Federal order and a greater quantity of fluid milk products is shipped to pool distributing plants under this order than to the other plants.

(c) For any month of July through November, it is one of a group of plants which meets the conditions specified in this paragraph.

(1) The handler's written request for continuation of pool supply plant status, which the plant held under his operation in the preceding month, is received by the market administrator on or before the 16th day of the month.

(2) The plant does not qualify for pool plant status under another New England Federal order on the basis of shipments of fluid milk products which exceed those made to pool distributing plants under this order, and the group of plants, considered as a unit, meets the shipping requirements specified in paragraph (b) of this section.

(3) To qualify as a pool supply plant under this paragraph in November of any year, the plant, considered individually, shall have met the shipping requirements specified in paragraph (b) of this section in one of the months of July through October of that year.

(d) For any month of December through June, it is a plant from which at least 15 percent of its total receipts of milk from dairy farmers' farms is shipped as fluid milk products, other than as diverted milk, to plants in accordance with paragraph (b) (1) or (2) of this section, or it is a plant which meets the requirements for automatic pool plant status specified in this paragraph. The automatic pool plant status of a plant shall be revoked for any month for which the market administrator has received the handler's written request for revocation on or before the 16th day of that month. In that event the plant shall not have automatic pool plant status in any subsequent month of the current December through June period.

(1) The plant was a pool supply plant in each of the preceding months of July through November; or

(2) The plant was a pool supply plant under one or another of the New England Federal orders in at least two of the preceding months of July through November and would have been such a plant in all other months in that period had it not been a pool plant under the New York-New Jersey Federal order, and a greater quantity of its receipts from dairy farmers' farms during the July through November period was pooled under this order than under any other New England Federal order.

(e) No plant shall be a pool supply plant in any month in which it is operated as:

(1) A pool distributing plant;

(2) The plant of a producer-handler under any Federal order;

(3) A regulated plant under another Federal order with a marketwide pool, including any plant which meets the requirements for pool supply plant status specified in § 1015.16(b) (3) or (5) of the Connecticut order;

(4) A plant qualifying for pooling under a Federal order with individual-handler pools on the basis of its route disposition or on the basis of shipments of fluid milk products which exceed the shipments of fluid milk products qualifying the plant for pooling under this order.

REPORTS, RECORDS, AND FACILITIES

§ 1001.40 Monthly reports of receipts and utilization.

On or before the 8th day after the end of the month, or not later than the 10th day if the report is delivered in person to the office of the market administrator, each handler who operates a pool plant or any other plant from which there is route disposition in the marketing area, and each cooperative association in its capacity as a handler under § 1001.9(d), shall file a report for the month with the market administrator. The report for each such plant and for each such cooperative association in its capacity as a handler under § 1001.9(d) shall be in the detail and on forms prescribed by the market administrator and shall show the quantities of butterfat and of skim milk contained in:

(a) Receipts of milk and milk products in the form of:

(1) Producer milk (including the specific quantities of diverted milk and of receipts from the handler's own production);

(2) Pool milk other than producer milk;

(3) Fluid milk products and cream from all other plants; and

(4) Fluid milk products and cream from all other sources (including the quantities of fluid milk products or cream reconstituted from other milk products and the quantities of other milk products used to fortify fluid milk products or cream);

(b) Inventories of fluid milk products and cream at the beginning and at the end of the month; and

(c) The respective quantities of fluid milk products and cream sold, distributed, used, or otherwise disposed of, classified in accordance with the provisions of §§ 1001.47 through 1001.51.

§ 1001.41 Other reports of receipts and utilization.

(a) Within 5 days after the first receipt at his pool plant of fluid milk products during the month from each plant which is neither a pool plant nor a producer-handler's plant under any New England Federal order, each handler shall file with the market administrator a report showing the identity of the operator of the shipping plant, the plant location, the quantities of bulk and packaged fluid milk products received, and such other information respecting the receipt as the market administrator may prescribe.

(b) For any month in which it is claimed that the farm of any dairy farmer from whom he received milk is located in a farm location differential area described in § 1001.72, each handler from whose plant pool milk other than producer milk is moved to a pool plant and each handler with route disposition of pool milk in the marketing area from a nonpool plant shall file with the market administrator a report showing the name, post office address, and farm location of each dairy farmer from whom he received milk at the plant during the month, and the total pounds of milk received from each farm. The report shall be submitted within 10 days after the market administrator's request, made not earlier than the 20th day after the end of the month.

(c) Each handler who is not required to file monthly reports of receipts and utilization under § 1001.40 shall file with the market administrator reports relating to his receipts and utilization of milk and milk products at the time and in the manner prescribed by the market administrator.

§ 1001.42 Reports regarding individual producers and dairy farmers.

(a) Within 20 days after a handler begins or resumes receiving milk at his pool plant from a producer's farm or begins receiving milk by tank truck at his pool plant from a producer's farm, or a cooperative association in its capacity as a handler under § 1001.9(d) begins receiving milk from a producer's farm, the handler shall file with the market administrator a report showing the applicable date and the producer's name, post office address, and farm location. The report shall indicate, if known, the plant at which, or the cooperative association in its capacity as a handler under § 1001.9 (d) by which, the producer's milk was being received prior to the beginning or resumption of receipts from the farm by the handler.

(b) Within 15 days after the 5th consecutive day on which a handler fails to receive milk at his pool plant from a producer's farm or a cooperative association in its capacity as a handler under § 1001.9(d) fails to receive milk from a producer's farm, the handler shall file with the market administrator a report showing the last date on which he received milk from the farm and the producer's name, post office address, and farm location. The report shall indicate, if known, the reason why the handler is no longer receiving milk from the farm.

(c) With respect to a producer who moves from one farm to another the handler shall file reports as required under paragraphs (a) and (b) of this section, respectively, relative to the farm to which the producer moves and the farm from which he moves.

(d) Each handler who is not a cooperative association, upon request from any such association, shall furnish it with information with respect to each of its producer members from whose farm the handler begins, resumes, or stops receiving milk at his pool plant. Such information shall include the applicable date, the producer member's post office address and farm location, and, if known, the plant at which his milk was previously received, or the reason for the handler's failure to continue receiving milk from his farm. In lieu of providing the information directly to the association, the handler may authorize the market administrator to furnish the association with such information, derived from the handler's reports and records.

§ 1001.43 Notices to producers.

Each handler shall furnish each producer from whom he receives milk with information regarding the daily weight and composite butterfat test of the producer's milk, as follows:

(a) Within 3 days after each day on which he received milk from the producer, the handler shall give the producer written notice of the daily quantity so received; and

(b) Within 7 days after the end of any sampling period for which the composite butterfat test of the producer's milk was determined, the handler shall give the producer written notice of such composite test.

§ 1001.44 Records and facilities.

(a) Each handler shall maintain detailed and summary records showing the quantities of butterfat and of skim milk and the total thereof contained in all receipts, movements, and disposition of milk and milk products during each month, and inventories of milk and milk products at the beginning and end of the month.

(b) For the purpose of ascertaining the correctness of any report made to the market administrator as required by this part, or for the purpose of obtaining the information required in any such report where it has been requested and has not been furnished, each handler shall permit the market administrator or his agent, during the usual hours of business to:

(1) Verify the information contained in the reports submitted in accordance with this part;

(2) Verify the payments to producers, including any deductions, and the disbursement of money so deducted;

(3) Weigh, sample, and test milk and milk products; and

(4) Make whatever examination of records, operations, equipment, and facilities as the market administrator deems necessary for the purpose specified in this section.

(c) Each handler shall submit to the market administrator, within 10 days after his request made not earlier than 20 days after the end of the month, his producer payroll for the month, which shall show for each producer:

(1) The daily and total pounds of milk delivered and its average butterfat test; and

(2) The net amount of the handler's payments to the producer, with the prices, deductions, and charges involved.

§ 1001.45 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 the books and records pertain. If, within the 3-year period, the market administrator notifies the handler in writing that the retention of the books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain the books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1001.47 Classification of milk and milk products—in general.

All butterfat and skim milk in milk and milk products required to be reported under § 1001.40 shall be classified as Class I milk or Class II milk under §§ 1001.48 through 1001.51.

§ 1001.48 Class I milk.

Subject to the provisions of §§ 1001.50 and 1001.51, Class I milk shall be all butterfat and skim milk (including that used to produce concentrated milk):

(a) Disposed of in the form of fluid milk products other than as specified in § 1001.49; or

(b) Not established as Class II milk under § 1001.49.

§ 1001.49 Class II milk.

Subject to the provisions of §§ 1001.50 and 1001.51, Class II milk shall be all butterfat and skim milk for which the handler who first receives the butterfat and skim milk proves that the butterfat and skim milk were:

(a) Disposed of, or in inventory at the end of the month, in the form of cream;

(b) Used to produce milk products other than fluid milk products or cream;

(c) Disposed of in fluid milk products for livestock feed, or disposed of in bulk fluid milk products to manufacturing establishments such as bakeries, candy factories, soup factories, and similar establishments at which the fluid milk products were used in the manufacture of food products other than milk products;

(d) Contained in fluid milk products in inventory at the end of the month to the extent not classified as Class I milk under § 1001.51;

(e) Contained in fluid milk products dumped or discarded;

(f) Contained in fluid milk products destroyed or lost under extraordinary circumstances; and

(g) In shrinkage not in excess of 2 percent of the respective quantities of butterfat and of skim milk contained in receipts of fluid milk products and cream, exclusive of diverted milk and inventory at the beginning of the month. The shrinkage on the milk of a cooperative association in its capacity as a handler under § 1001.9(d) which is received at a pool plant shall be classified as Class II milk up to the entire 2 percent maximum rate if the operator of the pool plant notifies the market administrator in writing, on or before the date on which its receipt is required to be reported under § 1001.40, that he has agreed to purchase the milk on the basis of farm bulk tank measurement readings and of the butterfat tests of samples of the milk taken from the farm bulk tank; otherwise the shrinkage on such receipts at a pool plant shall be classified as Class II milk only up to 1½ percent thereof and shrinkage of up to one-half of 1 percent on the milk so moved shall be classified as Class II milk to the cooperative association in its capacity as a handler under § 1001.9(d).

§ 1001.50 Classification of fluid milk products moved to plants.

Butterfat and skim milk in fluid milk products moved from a pool plant to any other plant, or by a cooperative association in its capacity as a handler under § 1001.9(d) to any plant, shall be classified as follows:

(a) As Class I milk if moved as packaged fluid milk products to any other plant;

(b) As Class I milk if moved from a pool plant to the plant of a producer-handler under any Federal order;

(c) In the class to which assigned under § 1001.57 if moved as bulk fluid milk products to any pool plant;

(d) In the class to which assigned under the other order if moved as bulk fluid milk products to a regulated plant under another Federal order;

(e) As Class I milk, to the extent of the total quantity of the same form of fluid milk products so moved which is utilized as Class I milk at the plant to which transferred, if moved as bulk fluid milk products to any plant other than a plant to which movements of bulk fluid milk products are subject to classification under the preceding paragraphs of this section, and as Class II milk to the extent of any remainder; and

(f) As Class I milk if moved as bulk fluid milk products to any plant other than a pool plant or a regulated plant under another Federal order and thence to another plant, not regulated under a Federal order, located outside the New England States and New York State.

§ 1001.51 Classification of inventories.

All butterfat and skim milk contained in inventories of fluid milk products at the end of each month shall be classified as Class I milk pending final disposition of the fluid milk products, if the handler requests such classification and either receives no milk from producers or does not claim classification as Class II milk of any fluid milk products.

ASSIGNMENT OF RECEIPTS

§ 1001.53 Assignment of receipts to classes—in general.

(a) The total quantities of butterfat and of skim milk received during the month at each pool plant and by each cooperative association in its capacity as a handler under § 1001.9(d) (including those quantities in inventory at the beginning of the month) shall be assigned separately, in the manner and sequence provided in §§ 1001.54 through 1001.58, to the respective quantities of butterfat and of skim milk classified as Class I milk and Class II milk under §§ 1001.47 through 1001.51.

(b) Except as provided in § 1001.56, whenever receipts have been assigned under §§ 1001.54 through 1001.58 to the remaining pounds in a class, all remaining receipts shall be assigned to the other class.

(c) If receipts from more than one plant are to be assigned under a paragraph in § 1001.55 or § 1001.57, or under § 1001.58, the receipts shall be assigned in sequence according to the zone locations of the plants, beginning with the plant in the nearest zone to Boston for assignments to Class I milk and beginning with the plant in the most distant zone from Boston for assignments to Class II milk.

§ 1001.54 Initial assignments to Class I milk.

(a) Assign to Class I milk the quantities received in exempt milk.

(b) Assign to Class I milk the quantities in packaged fluid milk products received from regulated plants under other Federal orders, if the fluid milk products received are classified and priced under the other orders as Class I milk or the equivalent thereof or in accordance with their assignment under this part.

(c) Assign to Class I milk the quantities in packaged fluid milk products received from other pool plants.

(d) Assign to Class I milk the quantities in fluid milk products in inventory at the beginning of the month which were classified as Class I milk in the preceding month.

§ 1001.55 Initial assignments to Class II milk.

(a) Assign to Class II milk the quantities in fluid milk products or cream reconstituted from other milk products, and the quantities in other milk products used to fortify fluid milk products or cream. If the quantity of any reconstituted product is not known, the quantities assigned shall be the quantity of butterfat used in the reconstitution and the quantity of skim milk required to produce the milk products so used. Any unaccounted-for plain condensed milk or skimmed milk, dry whole milk, or nonfat dry milk shall be considered to have been used in the reconstitution of fluid milk products.

(b) Assign to Class II milk the quantities in cream in inventory at the beginning of the month and received during the month.

(c) Assign to Class II milk the quantities in fluid milk products (other than exempt milk) received from a local or State government which has elected nonproducer status for the month under § 1001.26(c).

(d) Assign to Class II milk the quantities in fluid milk products in inventory at the beginning of the month not assigned under § 1001.54(d).

(e) Assign to Class II milk the quantities in fluid milk products received from producer-handlers under any Federal order and from exempt distributing plants under any New England Federal order; and in receipts from dairy farmers which are rejected and segregated in the handler's normal operation for receiving milk, and are accepted and disposed of by the handler as salvage product rather than as milk.

(f) Assign to Class II milk the quantities in bulk fluid milk products received from distributing plants for unregulated markets located within one of the New England States or in zone 40 or a nearer zone.

(g) At pool plants other than pool distributing plants, assign to Class II milk the quantities in fluid milk products received from plants located outside the New England States and beyond zone 40, if the fluid milk products received are not classified and priced under any Federal order.

(h) Assign to Class II milk the quantities in fluid milk products received from plants located within one of the New England States or in zone 40 or a nearer zone, except receipts assigned under paragraph (f) of this section and receipts which are classified and priced under any Federal order.

§ 1001.56 Special assignments to classes.

(a) At pool distributing plants, assign to Class II milk, to the extent of the respective remaining pounds in that class, the quantities in bulk fluid milk products received from each regulated plant under another Federal order, if the operators of the shipping plant and of the receiving plant have both requested such Class II classification and assignment.

(b) At pool distributing plants, assign in the manner provided in subparagraphs (1) and (2) of this paragraph any remaining receipts of bulk fluid milk products from each regulated plant under another Federal order, if such receipts are classified and priced under the other order as Class I milk or the

equivalent thereof or in accordance with their assignment under this part.

(1) Assign the quantities in such receipts to Class I milk and Class II milk in proportion to the estimated percentages of butterfat and skim milk, respectively, in each class in producer milk of all handlers for the month as announced under § 1001.32(j)(4), or in proportion to the respective remaining pounds in each class at all of the handler's pool plants, whichever procedure results in the greater combined quantity of butterfat and of skim milk in such receipts being assigned to Class II milk.

(2) The quantities assigned to Class II milk under this paragraph shall not exceed the respective quantities of butterfat and of skim milk in Class II milk remaining at all of the handler's pool plants. Any remaining receipts shall be assigned to Class I milk.

(c) If the quantity to be assigned to a class under paragraph (b) of this section exceeds the respective quantity remaining in that class at the pool distributing plant, the remaining quantity shall be increased to the quantity to be assigned to that class and the respective remaining quantity in that class at the handler's other pool plants shall be decreased to the same extent, in sequence beginning with the plant in the zone nearest to Boston. The respective quantity remaining in the other class thereupon shall be decreased correspondingly at the pool distributing plant and shall be increased correspondingly at those other pool plants involved in the adjustment.

(d) The quantities assigned under this section shall be limited to the excess of the receipts from a plant over the respective quantities in bulk fluid milk products moved to that plant from the pool distributing plant.

§ 1001.57 Additional assignments to Class I milk.

(a) At pool distributing plants, assign to Class I milk the quantities in bulk fluid milk products received from the handler's pool plants located in the nearby plant zone.

(b) Assign to Class I milk the quantities received from other handlers' pool plants in bulk fluid milk products for which classification as Class II milk has not been requested by both handlers.

(c) Assign to Class I milk the quantities received in milk from producers and from cooperative associations in their capacity as handlers under § 1001.9(d).

(d) Assign to Class I milk the quantities received from the handler's pool plants in bulk fluid milk products not assigned under paragraph (a) of this section.

(e) At pool distributing plants, assign to Class I milk the quantities received from plants located outside the New England States and beyond zone 40 in pool milk other than producer milk, if the fluid milk products received are not classified and priced under any Federal order.

(f) Assign to Class I milk the quantities received from other handlers' pool plants in bulk fluid milk products for which classification as Class II milk has been requested by both handlers.

(g) At pool plants other than pool distributing plants, assign to Class I milk the quantities in bulk fluid milk products received from regulated plants under other Federal orders, if such receipts are classified and priced under the other order as Class I milk or the equivalent thereof or in accordance with their assignment under this part.

§ 1001.58 Additional assignment to Class II milk.

Assign to Class II milk the quantities received from regulated plants under other Federal orders in fluid milk products not previously assigned to classes under §§ 1001.54 through 1001.57.

MINIMUM PRICES

§ 1001.60 Class I price.

The Class I price per hundredweight of milk containing 3.5 percent butterfat, at plants located in zone 21, shall be computed for each month as specified in this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding workday shall be used.

(a) Compute an economic index, with the year 1958 as the base period, as follows:

(1) Calculate a U.S. wholesale commodity price index by dividing the monthly wholesale price index for all commodities (as reported by the Bureau of Labor Statistics, U.S. Department of Labor, with the years 1957-59 as the base period) by 1.0025.

(2) Calculate a New England consumer income index by multiplying the current annual rate of per capita disposable personal income in the United States (based upon the quarterly figure released by the U.S. Department of Commerce or the Council of Economic Advisers to the President) by the New England adjustment percentage and dividing the result by 20.50. The New England adjustment percentage shall be the current percentage relationship of per capita personal income in the United States (using data on per capita personal income by States and regions as published by the U.S. Department of Commerce).

(3) Calculate a New England dairy ration index by dividing the monthly average price paid by farmers in the New England region for 100 pounds of mixed dairy feed containing less than 29 percent protein (as reported by the U.S. Department of Agriculture) by 0.03884.

(4) Calculate a New England farm wage rate index by dividing the weighted average farm wage rate for the New England region by 1.9833. The weighted average farm wage rate for the New England region shall be the average of the farm wage rates for the New England region (as reported by the U.S. Department of Agriculture) weighted by the factors indicated in the following table.

	Weighting factor
Per month with board and room	1.00
Per month with house	1.00
Per week with board and room	4.33
Per week without board or room	4.33
Per day without board or room	26.00

(5) Calculate a New England grain-labor cost index by multiplying the New England dairy ration index by 0.6 and the New England farm wage rate index by 0.4, and combining the two results.

(6) The economic index shall be the result of dividing by seven the sum of three times the U.S. wholesale commodity price index, the New England consumer income index, and three times the New England grain-labor cost index, except that for the purpose of computing the Class I price for each of the months through April 1968 such economic index shall not be less than 115.89.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $0.0557, expressing the result to the nearest mill.

(2) Divide the Class I-A price for the month computed under the New York-New Jersey Federal order, applicable to milk containing 3.5 percent butterfat received at plants located in the 201-210-mile freight zone, by the utilization adjustment percentage which entered into the computation of that price, expressing the result to the nearest mill.

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, except that its deviation from the result obtained in subparagraph (2) of this paragraph shall be limited to $0.13.

(c) Compute a supply-demand adjustment factor (using quantities announced in the statistical reports of the respective market administrators for the New England Federal orders for the second, third, and fourth months preceding the month for which the price is being computed but excluding receipts and sales of plants which become regulated on the basis of their sales in the area of extension) as follows:

(1) For each of the 3 months, determine the total Class I producer milk and the total producer milk for the New England Federal order markets by combining the respective totals for the individual markets.

(2) For each of the 3 months, divide the total Class I producer milk for the New England Federal order markets by the base Class I percentage factor for the same month as determined under § 1001.65(a). The result shall be the New England base supply for that month.

(3) For each of the 3 months, express the total producer milk for the New England Federal order markets as a percentage of the New England base supply for the same month. The simple average of the three resulting percentages shall be the percentage of base supply.

(4) The supply-demand adjustment factor shall be the figure in the follow-

ing table opposite the bracket within which the percentage of base supply falls, except that for the purposes of computing Class I prices through December 1967 such factor shall be 0.99. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply: [1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to subparagraph (3) of this paragraph falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The Class I price shall be the result, rounded to the nearest full cent, of the economic index price determined under paragraph (b) of this section, multiplied by the supply-demand adjustment factor determined under paragraph (c) of this section.

§ 1001.61 Class II price.

The Class II price per hundredweight of milk containing 3.5 percent butterfat, at plants located in zone 21, shall be computed for each month as specified in this section.

(a) Adjust the average price for milk for manufacturing purposes, f.o.b. plants United States, as reported by the U.S. Department of Agriculture on a preliminary basis for the month, by subtracting for each one-tenth of 1 percent of average butterfat content above 3.5 percent, or adding for each one-tenth of 1 percent of average butterfat content below 3.5 percent, an amount per hundredweight which shall be calculated by multiplying by 0.125 the average of the daily prices, using the midpoint of any range as one price, for Grade A (92-score) butter at wholesale in the New York market as reported by the U.S. Department of Agriculture for the period beginning with the 16th day of the preceding month and ending with the 15th day of the current month.

(b) Adjust the result obtained in paragraph (a) of this section by the amount shown below for the applicable month:

Month:	*Amount*
January	+$0.08
February	+.07
March	.00
April	−.04
May	−.07
June	−.06
July	+.08
August	+.15
September	+.11
October	+.11
November	+.11
December	+.11

§ 1001.62 Zone differentials.

The class prices and blended prices computed under §§ 1001.60, 1001.61, and 1001.65 shall be subject to zone differentials based upon the zone locations of plants. The zone location of any plant and the differentials applicable to each zone location shall be determined as specified in this section.

(a) Each plant which is located in any of the places specified in this paragraph shall be in the "nearby plant" zone.

CONNECTICUT

All of the State of Connecticut.

MASSACHUSETTS

COUNTIES

Barnstable.	Middlesex.
Bristol.	Nantucket.
Dukes.	Norfolk.
Essex.	Plymouth.
Franklin.	Suffolk.
Hampden.	Worcester.
Hampshire.	

TOWNS

Sandisfield.	Becket.
Savoy.	Florida.
Washington.	Hinsdale.
Windsor.	Otis.
Peru.	

RHODE ISLAND

All of the State of Rhode Island.

(b) The zone location of each plant which is outside the "nearby plant" zone shall be based upon its highway mileage distance to Boston, as determined by use of Mileage Guide No. 8, and supplements to an revisions thereof, issued by Household Goods Carriers' Bureau, Agent, Washington, D.C. The mileages used shall be those shown between designated key points in the mileage charts, and between named points on the appropriate State road maps, as published in the mileage guide. In any instance in which the map does not clearly show the mileage between points on a road, the mileage used shall be the mileage as determined by the highway authority for the State in which the road is located.

(c) The distance for each plant shall be the mileage between Boston and the named point nearest to the plant, as shown in the mileage charts. If that named point is not listed in the mileage charts, the distance for the plant shall be the lowest mileage distance between Boston and that named point, computed as follows:

(1) Determine from the charts the mileage between Boston and each of the three key points nearest to the named point which are nearer to Boston than the named point.

(2) For each of these key points, add to the result in subparagraph (1) of this paragraph the mileage between the key point and the named point, measured to the greatest possible extent over roads designated as paved, all-weather roads.

(d) The zone differentials for each plant shall be those applicable to its zone location as shown in the following table.

DIFFERENTIALS FOR DETERMINATION OF ZONE PRICES

Distance to Boston (miles)	Plant location zone	Class I and blended price differentials (cents per hundredweight)	Class II price differentials (cents per hundredweight)
Various	Nearby plant	+40.0	+5.8
31 to 40	4	+36.4	+4.5
41 to 50	5	+35.2	+4.2
51 to 60	6	+34.0	+4.0
61 to 70	7	+32.8	+3.7
71 to 80	8	+31.6	+3.5
81 to 90	9	+30.4	+3.2
91 to 100	10	+29.2	+3.0
101 to 110	11	+28.0	+2.9
111 to 120	12	+26.8	+2.6
121 to 130	13	+25.6	+2.4
131 to 140	14	+24.4	+2.1
141 to 150	15	+7.2	+1.6
151 to 160	16	+6.0	+1.3
161 to 170	17	+4.8	+1.2
171 to 180	18	+3.6	+.6
181 to 190	19	+2.4	+.4
191 to 200	20	+1.2	+.1
201 to 210	21	0	0
211 to 220	22	−1.0	−.6
221 to 230	23	−2.0	−.7
231 to 240	24	−3.0	−.9
241 to 250	25	−4.0	−.9
251 to 260	26	−5.0	−1.2
261 to 270	27	−6.0	−1.3
271 to 280	28	−7.0	−1.5
281 to 290	29	−8.0	−1.6
291 to 300	30	−9.0	−1.8
301 to 310	31	−10.0	−2.3
311 to 320	32	−11.0	−2.4
321 to 330	33	−12.0	−2.5
331 to 340	34	−13.0	−2.8
341 to 350	35	−14.0	−2.8
351 to 360	36	−15.0	−3.0
361 to 370	37	−16.0	−3.1
371 to 380	38	−17.0	−3.3
381 to 390	39	−18.0	−3.4
391 to 400	40	−19.0	−3.5
401 and over	41 and over	[1]	−3.5

[1] Class I and blended price differentials applicable to plants located more than 400 miles from Boston shall be obtained by extending the table at the rate of 1 cent for each additional 10 miles except that in no event shall the Class I or blended price at any zone be less than the Class II price for the month for plants in the same zone

(e) Notwithstanding the provisions of paragraphs (b) and (c) of this section, for any named point located in New England and New York State, determine the highway mileage distance between Boston and the named point by use of the appropriate State maps contained in Mileage Guide No. 7, issued by Household Goods Carriers' Bureau, Agent, Washington, D.C. Such distance shall be the lowest highway mileage between Boston and the named point on the map, over roads designated thereon as paved, all-weather roads. In the event that the named point is not located on a through, paved, all-weather road, such other roads shall be used to reach a through, paved, all-weather road as will result in the lowest highway mileage to Boston, except that such other roads shall not be used for a distance of more than 15 miles if it is otherwise possible to connect with a through, paved, all-weather road. In any instance in which the map does not

clearly show the mileage between points on a road, the mileage used shall be the mileage as determined by the highway authority for the State in which the road is located. The mileage so determined, or the mileage determined under paragraphs (b) and (c) of this section, whichever is less, shall be considered to be the lowest highway mileage distance between Boston and the named point.

§ 1001.63 Determination of applicable zone locations for pricing purposes.

In computing the value of fluid milk products at class prices under § 1001.64, the minimum amounts payable to producers under § 1001.70, the minimum amounts payable to cooperative associations under § 1001.76, and the handlers' producer settlement fund debits and credits under § 1001.81, the differentials specified in § 1001.62 for the zone location of the plant for which the computation is being made shall be used except that for the following items the differentials for the zone locations specified shall be used:

(a) For producer milk diverted by any handler, including a cooperative association in its capacity as a handler under § 1001.9(d), from a pool plant in zone 14 or a nearer zone to a plant located in any zone more distant than zone 14, the zone location of the plant to which the milk was diverted;

(b) For producer milk of a cooperative association in its capacity as a handler under § 1001.9(d) moved to a pool plant, the zone location of the plant to which the milk was moved;

(c) For milk of a cooperative association in its capacity as a handler under § 1001.9(d) in diversions to nonpool plants other than diversions described in paragraph (a) of this section, the zone location of the pool plant, or pool plants within the same zone, to which, during the current month or the most recent month, the association moved the greatest aggregate quantity of milk from the farms of the producers whose milk was diverted;

(d) For milk of a cooperative association in its capacity as a handler under § 1001.9(d) in shrinkage, overage, extraordinary loss, and ending inventory, the zone location of the pool plant, or pool plants within the same zone, to which the greatest aggregate quantity of such milk of the cooperative association was moved during the current month or the most recent month;

(e) For beginning inventory of a cooperative association in its capacity as a handler under § 1001.9(d), the zone location at which the milk was priced as ending inventory during the previous month;

(f) For receipts of pool milk other than producer milk from plants, the zone location of the plant from which it was received;

(g) For receipts assigned to Class I milk under §§ 1001.55 (e) and (f), and 1001.58, the zone location of the plant from which the product was received; and

(h) For any excess of beginning inventory assigned to Class I milk under § 1001.55(d) over the quantities of producer milk and of milk from cooperative associations in their capacity as handlers under § 1001.9(d) assigned to Class II milk in the preceding month, the zone location of the pool plants from which an equivalent quantity of receipts of fluid milk products were assigned to Class II milk in the preceding month in sequence beginning with the plant in the zone nearest to Boston.

§ 1001.64 Computation of value of fluid milk products at class prices.

For each month, the market administrator shall compute, as specified in this section, the value of fluid milk products at class prices, at each plant other than the plant of a producer-handler under any Federal order, and of the fluid milk products of each cooperative association in its capacity as a handler under § 1001.9(d) which were not moved to a pool plant. The prices used shall be those for the applicable zone locations as determined under § 1001.63.

(a) Multiply by the applicable class prices the quantities of:

(1) Producer milk assigned under § 1001.57(c), except that for any cooperative association in its capacity as a handler under § 1001.9(d), the quantity of producer milk shall be reduced by the total quantity of milk moved to pool plants during the month, to the limit of the quantity of producer milk;

(2) Pool milk other than producer milk assigned under §§ 1001.55 (g) and (h), 1001.56, and 1001.57 (e) and (g); and

(3) Milk received at a pool plant from a cooperative association in its capacity as a handler under § 1001.9(d) and assigned under § 1001.57(c).

(b) Multiply by the applicable Class I prices the quantities of:

(1) Product assigned to Class I milk under §§ 1001.54(d) and 1001.55 (a) through (c);

(2) Product assigned to Class I milk under § 1001.55(d), except that for any cooperative association in its capacity as a handler under § 1001.9(d), the quantity shall be reduced by the quantity of any excess of milk moved to pool plants during the month over the quantity of producer milk, to the limit of the quantity assigned to Class I milk under § 1001.55(d); and

(3) Product assigned to Class I milk under §§ 1001.55(e) and (f), and 1001.58.

(c) If the total quantity of butterfat or of skim milk classified as Class I milk or Class II milk under §§ 1001.47 through 1001.51 exceeds the respective total quantity assigned to that class under §§ 1001.53 through 1001.58, multiply the excess (overage) by the applicable class price, adjusted by the butterfat differential.

(d) Multiply by the applicable Class I price the quantity of pool milk distributed as route disposition in the marketing area from the handler's nonpool plant.

(e) Multiply by the applicable Class II prices the quantities of:

(1) Product assigned to Class I milk under § 1001.55 (a) through (c); and

(2) Product assigned to Class I milk under §§ 1001.55 (e) and (f), and 1001.58.

(f) Multiply by the applicable Class I price for the preceding month the product assigned to Class I milk under § 1001.54(d).

(g) Multiply by the applicable Class II price for the preceding month the quantity of product for which a value is determined under subparagraph (b)(2) of this section.

(h) For any cooperative association in its capacity as a handler under § 1001.9(d), multiply by the applicable Class II price for the preceding month the quantity of any excess of milk moved to pool plants during the month over the quantity of producer milk, to the limit of the quantity of milk in its inventory at the beginning of the month.

(i) Add together the amounts obtained under paragraphs (a) through (d) of this section and subtract therefrom the sum of the amounts obtained under paragraphs (e) through (h) of this section.

§ 1001.65 Basic blended price.

The basic blended price per hundredweight of pool milk containing 3.5 percent butterfat, applicable to plants located in zone 21, shall be computed for each month as specified in this section.

(a) Combine into one total the respective values of fluid milk products at class prices computed under § 1001.64 for each handler from whom the market administrator has received at his office, prior to the 11th day after the end of the month, the reports for the month prescribed in § 1001.40 and the payment for the preceding month required under § 1001.82(a).

(b) Deduct the amount of the plus differentials, and add the amount of the minus differentials, which are applicable under §§ 1001.62, 1001.63, 1001.72, and 1001.81(a)(3).

(c) Subtract for each of the months of March, April, May, and June an amount computed by multiplying the total hundredweight of pool milk included in these computations by 10 cents in March, 20 cents in April, and 30 cents in May and June. For 1967 only the rate of deduction shall be 23 cents in April and 33 cents in May and June.

(d) Add for the months of August, September, and October, respectively, an amount representing 25 percent, 30 percent, and 30 percent of the aggregate amount subtracted under paragraph (c) of this section for the prior period of March–June, and for November add the remainder of the amount subtracted under paragraph (c) and the interest earned on the aggregate fund.

(e) Add the amount of the unobligated balance of the producer-settlement fund as at the close of business on the 10th day after the end of the month.

(f) Divide the resulting amount by the total hundredweight of pool milk for which a value is included under paragraph (a) of this section.

(g) Subtract not less than 4 cents nor more than 5 cents for the purpose

of retaining a cash balance in the producer-settlement fund.

§ 1001.66 Factors used in formulas.

(a) The base Class I percentage factors to be used in the computation of the Class I price under § 1001.60 for each of the 12 months beginning with February of each year shall be computed on or before January 25 of that year as specified in this paragraph.

(1) For each month of the 3 preceding years and for December of the fourth preceding year (using the most recent statistical reports of the market administrators for the New England Federal orders) compute the daily average of the total Class I producer milk under all the New England Federal orders and the daily average of the total receipts from producers under all the New England Federal orders.

(2) For each of the two series of daily averages, using the median link-relative method, compute a seasonal index for each month, rounded to two decimal places.

(3) For each month, multiply the seasonal index of Class I producer milk by 0.6812 and divide the product by the seasonal index of receipts from producers for the same month. The result, rounded to one decimal place, shall be the base Class I percentage factor for the month.

(b) If for any reason a price, index, or wage rate specified in this part for use in computing class prices or for other purposes is not reported or published in the manner described in this part, the market administrator shall use one determined by the Secretary to be equivalent to the factor which is specified.

PAYMENTS—GENERAL

§ 1001.70 Payments to producers.

(a) On or before the 5th day after the end of the month, each handler shall pay each producer for the approximate value of milk received from him during the first 15 days of the month. This payment shall be at a rate not less than the applicable zone Class II price for the month.

(b) On or before the 20th day after the end of the month, each handler shall make final payment to each producer for the total value of milk received from him during the month at not less than the basic blended price per hundredweight computed under § 1001.65, adjusted by the zone, butterfat, and farm location differentials applicable under §§ 1001.62, 1001.63, 1001.71, and 1001.72, minus the amount of the payment made to the producer under paragraph (a) of this section.

(c) If the handler's net payment to a producer is for an amount less than the total amount due the producer under this section, the burden shall rest upon the handler to prove to the market administrator that each deduction from the total amount due is properly authorized, and properly chargeable to the producer.

(d) In making payments to producers under paragraph (b) of this section, the handler may use the simple average of the butterfat tests of semimonthly composite samples of the milk unless the difference between the semimonthly tests is more than two points (0.2 percent) or the quantity of milk received from the producer in either semimonthly period is as much as three times as large as the quantity received from him in the other semimonthly period.

§ 1001.71 Butterfat differential.

(a) In making the payments to producers required under § 1001.70 and the payments to cooperative associations required under § 1001.76(d), each handler shall add for each one-tenth of 1 percent of average butterfat content above 3.5 percent, or may deduct for each one-tenth of 1 percent of average butterfat content below 3.5 percent, as a butterfat differential, an amount per hundredweight which shall be computed by the market administrator under paragraph (b) of this section.

(b) Multiply by 1.20 the average of the daily prices, using the midpoint of any range as one price, for Grade A (92-score) butter at wholesale in the New York market as reported by the U.S. Department of Agriculture for the period beginning with the 16th day of the preceding month and ending with the 15th day of the current month, and divide the result by 10.

§ 1001.72 Farm location differentials.

In making the payments to producers required under § 1001.70, each handler shall add any applicable farm location differential specified in this section.

(a) With respect to milk received from a producer whose farm is located within any of the places specified in this paragraph, the differential shall be 46 cents per hundredweight, unless the addition of 46 cents gives a result greater than the Class I price determined under §§ 1001.60, 1001.62, and 1001.63 which is effective at the plant at which the milk is received. In that event there shall be added a rate which will produce that price.

CONNECTICUT

All of the State of Connecticut east of the Connecticut River and the towns of:

Granby. Suffield.

MAINE

The towns of:

Eliot. Kittery.

MASSACHUSETTS

All counties other than Berkshire County.

NEW HAMPSHIRE

Rockingham County, and the following cities and towns:

Allenstown.
Amherst.
Barrington.
Bedford.
Bow.
Brookline.
Chichester.
Deering.
Dover.
Durham.
Epsom.
Francestown.
Goffstown.
Greenfield.
Greenville.
Hinsdale.
Hollis.
Hooksett.
Hudson.
Lee.
Litchfield.
Lyndeborough.
Madbury.
Manchester.
Mason.
Merrimack.
Milford.
Mount Vernon.
Nashua.
New Boston.
New Ipswich.
Pelham.
Pembroke.
Pittsfield.
Rochester.
Rollinsford.
Strafford.
Temple.
Weare.
Wilton.
Winchester.

RHODE ISLAND

All of the State of Rhode Island.

VERMONT

The towns of:

Guilford.
Halifax.
Readsboro.
Vernon.
Whitingham.

(b) With respect to milk received from a producer whose farm is located within any of the following cities and towns, the differential shall be 23 cents per hundredweight, unless the addition of 23 cents gives a result greater than the Class I price determined under §§ 1001.60, 1001.62, and 1001.63 which is effective at the plant at which the milk is received. In that event there shall be added a rate which will produce that price.

MAINE

Arundel.
Berwick.
Kennebunk.
Kennebunkport.
Lebanon.
Lyman.
North Berwick.
Sanford.
South Berwick.
Wells.
York.

MASSACHUSETTS

Becket.
Florida.
Hinsdale.
Otis.
Peru.
Sandisfield.
Savoy.
Washington.
Windsor.

NEW HAMPSHIRE

Antrim.
Barnstead.
Bennington.
Boscawen.
Bradford.
Canterbury.
Chesterfield.
Concord.
Dublin.
Dunbarton.
Farmington.
Fitzwilliam.
Gilmanton.
Gilsum.
Hancock.
Harrisville.
Henniker.
Hillsborough.
Hopkinton.
Jaffrey.
Keene.
Loudon.
Marlborough.
Middleton.
Milton.
Nelson.
Northfield.
Peterborough.
Richmond.
Rindge.
Roxbury.
Sharon.
Somersworth.
Stoddard.
Sullivan.
Surry.
Swanzey.
Troy.
Webster.
Westmoreland.
Windsor.

VERMONT

Brattleboro.
Brookline.
Dover.
Dummerston.
Marlboro.
Newfane.
Putney.
Wilmington.

§ 1001.73 Statements to producers.

In making the payments to producers required under § 1001.70, each handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer, which shall show:

(a) The month and the identity of the handler and of the producers;

(b) The pounds and butterfat test of milk which is received from the producer, or if more than one minimum rate of payment is applicable to the producer's milk under § 1001.70, the respective pounds and test to which each minimum rate of payment applies;

(c) The minimum rate or rates, including the butterfat differential, at which payment to the producer is required under § 1001.70;

(d) The rate which is used in making the payment, if such rate is other than the applicable minimum rate;

(e) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deductions claimed under §§ 1001.75 and 1001.76, together with a description of the respective deductions; and

(f) The net amount of payment to the producer.

§ 1001.74 Adjustment of payments to producers.

Whenever the market administrator's verification of a handler's payments to producers discloses payment to a producer of an amount less than is required by § 1001.70, the handler shall make payment of the balance due the producer not later than the 20th day after the end of the month in which the handler is notified of the deficiency.

§ 1001.75 Marketing service deductions.

(a) In making the payments required by § 1001.70 to producers, other than himself and any producer who is a member of a cooperative association which the Secretary determines is performing the services specified in this section, each handler shall deduct 3 cents per hundredweight, or such lesser rate as the Secretary shall determine to be sufficient, for marketing services. The handler shall pay the amount deducted to the market administrator on or before the 18th day after the end of the month.

(b) The market administrator shall expend amounts received under paragraph (a) of this section only in providing for market information to such producers and for verification of weights, samples, and tests of milk received from them. The market administrator may contract with a cooperative association for the furnishing of the whole or any part of these services.

§ 1001.76 Payments to cooperative associations.

(a) Each cooperative association may file with a handler who is not a cooperative association a claim either for the payments which the handler is required to make to the association's producer members under § 1001.70 or for authorized deductions from such payments. The claim shall contain a list of the producers to whom the payments are due or to whom the deductions apply, an agreement to indemnify the handler in the making of such payments or deductions, and a certification that the association has, with each producer listed, an unterminated membership contract authorizing the payment or deduction.

(b) The handler shall withhold from the association's producer members the payments or the deductions specified in paragraph (a) of this section in accordance with the association's claim. He shall pay the amounts withheld to the association on or before the dates on which such amounts otherwise would have been due to the producer members under § 1001.70.

(c) For each producer member from whom payment was withheld, the handler shall furnish the association a supporting statement showing the information required to be furnished to the producer under § 1001.73. For each producer member from whom a deduction is made under this section, the handler shall furnish the association a statement showing the pounds of milk received.

(d) Each handler who receives fluid milk products from a cooperative association in its capacity as the operator of a pool plant or in its capacity as a handler under § 1001.9(d) shall make payment to the association for such receipts as follows:

(1) On or before the 5th day after the end of the month, for the approximate value of the fluid milk products received from the association during the first 15 days of the month. This payment shall be at a rate not less than the applicable zone Class II price for the month. The payment made to the association under this subparagraph shall constitute partial payment of the total amount required to be paid under this paragraph.

(2) On or before the 20th day after the end of the month, for not less than the total value of fluid milk products received from the association's pool plants, as determined by multiplying the respective quantities assigned to each class under §§ 1001.54 and 1001.57 by the class prices for the month, adjusted by the zone and butterfat differentials applicable under §§ 1001.62, 1001.63, and 1001.71.

(3) On or before the 20th day after the end of the month, for not less than the total value of milk received from the cooperative association in its capacity as a handler under § 1001.9(d), at the basic blended price per hundredweight for the month computed under § 1001.65, adjusted by the zone and butterfat differentials applicable under §§ 1001.62, 1001.63, and 1001.71.

(4) Whenever the market administrator's verification of a handler's payments under this paragraph discloses an underpayment, the handler shall make payment of the balance due the cooperative association not later than the 20th day after the end of the month in which the handler is notified of the deficiency.

PAYMENTS—PRODUCER SETTLEMENT FUND

§ 1001.80 Producer settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer settlement fund." He shall deposit into the fund all amounts received from handlers under §§ 1001.82, 1001.83, and 1001.84. He shall pay from the fund all amounts due handlers under §§ 1001.82, 1001.83, and 1001.84, subject to his right to offset any amounts due from the handler under these sections. All amounts subtracted under § 1001.65 (c), inclusive of interest earned thereon, shall remain therein as an obligated balance until it is withdrawn for the purpose of effectuating § 1001.65(d).

§ 1001.81 Handlers' producer settlement fund debits and credits.

On or before the 15th day after the end of the month, the market administrator shall render a statement to each handler showing the amount of the handler's producer settlement fund debit or credit, as calculated in this section.

(a) The producer settlement fund debit or credit for each plant and each cooperative association in its capacity as a handler under § 1001.9(d) shall be computed as specified in this paragraph.

(1) Multiply the quantities of pool milk and the quantities of fluid milk products received at the pool plant from cooperative associations in their capacity as handlers under § 1001.9(d) by the basic blended price computed under § 1001.65 adjusted by any zone differential applicable under §§ 1001.62 and 1001.63.

(2) Multiply the quantities of producer milk which are subject to farm location differentials under § 1001.72 (a) and (b) by the respective rates applicable under those paragraphs.

(3) With respect to any nonpool plant from which pool milk other than producer milk was received or distributed, divide the respective quantities of milk received at the plant directly from dairy farmers' farms located in the farm location differential areas described in § 1001.72 (a) and (b) by the total receipts of fluid milk products at the plant, multiply by 100, and apply the resulting percentages to the total quantity of pool milk received or distributed from the plant. Multiply each resulting quantity by the respective farm location differential rate specified in § 1001.72(a) or (b). Until such time as full information relative to all receipts at the plant, including the respective quantities of milk received directly from dairy farmers' farms in each farm location differential area, is submitted to the market administrator, it shall be considered that none of the farms from which milk was received at the plant is located in a farm location differential area.

(4) Combine the values obtained under subparagraphs (1) through (3) of this paragraph.

(5) For any cooperative association in its capacity as a handler under § 1001.9 (d), multiply the quantities of milk moved to each pool plant by the basic blended price computed under § 1001.65 adjusted by any zone differentials applicable under §§ 1001.62 and 1001.63; and to the result add the value determined under § 1001.64.

(6) If the value of fluid milk products, as determined under § 1001.64 for any plant, or as determined under subparagraph (5) of this paragraph for any cooperative association in its capacity as a handler under § 1001.9(d), is greater than the credit as determined under subparagraph (4) of this paragraph, the difference shall be the producer settlement fund debit for the plant or the cooperative association in its capacity as a handler under § 1001.9(d).

(7) If the value of fluid milk products, as determined under § 1001.64 for

any plant, or as determined under subparagraph (5) of this paragraph for any cooperative association in its capacity as a handler under § 1001.9(d), is less than the credit as determined under subparagraph (4) of this paragraph, the difference shall be the producer settlement fund credit for the plant or the cooperative association in its capacity as a handler under § 1001.9(d).

(b) The producer settlement fund debit or credit of any handler shall be the net of the producer settlement fund debits and credits as computed for all of its operations under paragraph (a) of this section.

§ 1001.82 **Payments to and from the producer settlement fund.**

(a) On or before the 18th day after the end of the month, each handler shall make payment to the market administrator of the amount of the handler's producer settlement fund debit for the month as determined under § 1001.81.

(b) On or before the 20th day after the end of the month, the market administrator shall make payment to each handler of the amount of the handler's producer settlement fund credit for the month as determined under § 1001.81.

§ 1001.83 **Adjustment of errors in producer settlement fund payments.**

Whenever the market administrator's verification of reports or payments of any handler discloses an error in producer settlement fund payments made under § 1001.82, the market administrator shall promptly issue to the handler a charge bill or a credit, as the case may be, for the amount of the error. Adjustment charge bills issued during the period beginning with the 11th day of the prior month and ending with the 10th day of the current month shall be payable by the handler to the market administrator on or before the 18th day of the current month. Adjustment credits issued during that period shall be payable by the market administrator to the handler on or before the 20th day of the current month.

§ 1001.84 **Adjustment of overdue producer settlement fund accounts.**

Any producer settlement fund account balance due from or to a handler under §§ 1001.82, 1001.83, or 1001.84, for which remittance has not been received in or paid from the market administrator's office by the close of business on the 20th day of any month, shall be increased one-half of 1 percent effective the following day. Any remittance received by the market administrator after the 20th day of any month in an envelope which is postmarked not later than the 18th day of the month shall be considered to have been received by the 20th day of that month.

ADMINISTRATION EXPENSE

§ 1001.87 **Payment of administration expense.**

On or before the 18th day after the end of the month, each handler shall make payment to the market administrator of his pro rata share of the expense of administration of this part. The payment shall be at the rate of 4 cents per hundredweight, or such lesser rate as the Secretary may prescribe. The payment shall apply to:

(a) All of a handler's receipts at pool plants during the month of fluid milk products from all sources, except receipts from pool plants, receipts from regulated plants under other Federal orders if such receipts were subject to an administration expense assessment under the other order, and receipts of exempt milk processed at plants other than pool plants;

(b) All receipts and beginning inventory of a cooperative association in its capacity as a handler under § 1001.9(d) for the month less its disposition to pool plants and ending inventory for the month; and

(c) The quantity of pool milk distributed as route disposition in the marketing area from a handler's nonpool plant.

MISCELLANEOUS PROVISIONS

§ 1001.90 **Effective time.**

The provisions of this part, or any amendments to its provisions, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated under § 1001.91.

§ 1001.91 **Suspension or termination.**

The Secretary may suspend or terminate this part or any provision thereof whenever he finds that it obstructs or does not tend to effectuate the declared policy of the Act. This part, in any event, shall terminate whenever the provisions of the Act authorizing it cease to be in effect.

§ 1001.92 **Continuing obligations.**

If, upon the suspension or termination of any or all provisions of this part, there are any obligations arising under it, the final accrual or ascertainment of which requires further acts by any person, such further acts shall be performed notwithstanding such suspension or termination.

§ 1001.93 **Liquidation.**

Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate, if so directed by the Secretary, shall liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected under the provisions of this part, over and above the amount necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 1001.94 **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, except as provided in paragraphs (b) and (c) of this section, shall terminate 2 years after the last day of the month during which the market administrator received the handler's utilization report on the milk involved in the obligation, unless within the 2-year period the market administrator notifies the handler in writing that the money is due and payable. Service of the notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to a cooperative association, the name of the producer or cooperative association, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator, within the 2-year period provided for in paragraph (a) of this section, may notify the handler in writing of the failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to the obligation shall not begin to run until the first day of the month following the month during which all the books and records pertaining to the obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated 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.

(d) Any obligation on the part of the market administrator to pay a handler any money which the handler claims to be due him under the terms of this part shall terminate 2 years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on the payment is claimed, unless the handler, within the applicable period of time, files a petition under section 8c(15)(A) of the Act, claiming the money.

§ 1001.95 Agents.

The Secretary, by designation in writing, may 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.

§ 1001.96 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.

Amendments to the Connecticut Order Provisions. In § 1015.9, paragraph (c) (4) is revoked and paragraph (d) is revised to read as follows:

§ 1015.9 Handler.

* * * * *

(c) * * *

(4) [Revoked]

(d) Any cooperative association with respect to producer milk transferred from the producer's farm tank to a tank truck owned and operated by or under contract to such association for delivery to a pool plant if prior to delivery the operator of the pool plant gives notice in writing to both the market administrator and the association of its intention to purchase such milk on a basis of weights and butterfat tests other than as determined from farm tank measurements and farm tank samples.

* * * * *

In § 1015.10 the introductory paragraph and paragraph (a) are revised to read as follows:

§ 1015.10 Producer-handler.

"Producer-handler" means any person who is both a dairy farmer and a handler during the month and who meets all the conditions specified in this section. Sections 1015.63, 1015.64, 1015.72, 1015.73, 1015.75, 1015.80, through 1015.82, and 1015.87 through 1015.89 shall not apply to a producer-handler as defined under this or any other Federal order.

(a) His only sources of milk supply (except that prerepresented by nonfat solids used in fortification) are his own production and fluid milk products transferred from pool plants. For the purpose of this paragraph, any fluid milk products which were acquired or purchased from a nonpool plant by him, his agent, partner or other associate and which he or such other person caused to be delivered at retail or wholesale outlets (including vending machines) in any Federal marketing area without being first received at his plant shall be included in such person's nonpool source of fluid milk products.

* * * * *

In § 1015.16(b), subparagraph (1) is revised to read as follows:

§ 1015.16 Pool plants.

* * * * *

(b) * * *

(1) Any plant, other than as provided in subparagraphs (2) through (5) of this paragraph, from which is shipped during any month of July through November at least 25 percent, and during any month of December through June at least 15 percent, of its total receipts of milk from dairy farmers as fluid milk products, other than as diverted milk, to pool distributing plants, producer-handlers and plants to which qualifying shipments may be made under another New England Federal order, if a greater quantity of qualifying shipments are made to pool distributing plants and producer-handlers under this order than to the other plants. In the case of any plant which is eligible for qualification under subparagraph (5) of this paragraph and for which such qualification is requested the receipts at the plant from dairy farmers and the shipments therefrom to pool distributing plants for the purpose described in this subparagraph, shall include all direct deliveries of milk to pool distributing plants by producer-members of the cooperative association.

* * * * *

In § 1015.26, paragraph (c) is revoked.

§ 1015.26 Exempt milk.

* * * * *

(c) [Revoked]

In § 1015.32(g), a new subparagraph (5) is added to read as follows:

§ 1015.32 Duties.

* * * * *

(g) * * *

(5) Whenever required for purpose of allocating receipts from other order plants pursuant to § 1015.55(c) (2), his estimate of 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.

* * * * *

A new § 1015.35 together with a center heading is provided to read as follows:

APPLICATION OF PROVISIONS

§ 1015.35 Exempt governmental agency.

None of the provisions of this part shall apply to a governmental agency. Receipts of fluid milk products at a pool plant from such an agency shall be Class II. The disposition of fluid milk products by a pool handler to such an agency shall be Class I except that the disposition of fluid milk products in bulk to a plant operated by the University of Connecticut shall be Class II if claimed by the selling handler and supported by a certification, signed by an authorized agent of the University, that such milk was used to produce milk products other than fluid milk products or cream.

In § 1015.41, paragraphs (c) and (e) (1) are revised to read as follows:

* * * * *

§ 1015.41 Other reports of receipts and utilization.

* * * * *

(c) Each handler under § 1015.9(d) shall report to the market administrator in detail and on forms prescribed by the market administrator by the date on which reports are due under § 1015.40 after the end of each month, the quantities of skim milk and butterfat in producer milk delivered to each pool plant in such month and in the milk transferred into the tank truck at each producer's farm, and the classification of the quantities of skim milk and butterfat which are considered producer milk pursuant to § 1015.24(a) (4).

* * * * *

(e) * * *

(1) Mail or deliver to the market administrator on or before the second day (exclusive of Sundays and of legal holidays applicable at the location of the plant) following the day of each dumping not witnessed by the market administrator or his agent, a report in writing, as prescribed by the market administrator, showing the date on which the dumping was performed and the quantity dumped, such report to be signed by both the person who performed the dumping operation and the person authorized to sign reports for the handler under § 1015.40 (if the latter person is not available to sign the report within the 2-day period, the signature of the plant manager or plant superintendent shall be substituted on the report); and

* * * * *

Section 1015.50 is revised to read as follows:

§ 1015.50 Skim milk and butterfat to be classified.

All skim milk and butterfat which is required to be reported pursuant to § 1015.40, or is producer milk pursuant to § 1015.24(a) (4) and required to be reported pursuant to § 1015.41(c), shall be classified pursuant to the provisions of §§ 1015.51 to 1015.53. Bulk milk which a cooperative association causes to be delivered under § 1015.9(c) (3) to the pool plant of another cooperative association shall be considered as if it were transferred between two pool plants located in the same zone location. When nonfat milk solids derived from nonfat dry milk, condensed skim milk or any other product condensed from milk or skim milk are utilized or unaccounted for by the handler, the total pounds of skim milk classified shall reflect a volume equivalent to the skim milk used to produce such nonfat milk solids, except that if the solids are utilized to fortify fluid milk products or cream, the actual weight of any such products shall be included in classifying the total product weight.

In § 1015.52, paragraphs (g) (2), (g) (3) and, (i) are revised, paragraph (i) is redesignated as paragraph (j), and a new paragraph (i) is added. Paragraphs (g) (2), (g) (3), (i), and (j) are to read as follows:

§ 1015.52 Class II milk.

* * * * *

(g) * * *

(2) Plus 1.5 percent of:

(i) Producer milk received from a handler under § 1015.9(d);

(ii) Milk received at the pool plant of a cooperative association from another cooperative association as specified in § 1015.9(c)(3) unless the association that received the milk at its pool plant notifies the market administrator in writing by the date reports are due under § 1015.40 that it is purchasing the milk on the basis of farm tank measurements and butterfat tests determined from farm tank samples in which case the applicable percentage shall be 2 percent;

(3) Plus 0.5 percent of:

(i) Producer milk received by a handler under § 1015.9(c)(3) if the association operating the pool plant where the milk is delivered has not notified the market administrator in writing by the date reports are due under § 1015.40 that it is purchasing the milk on the basis of farm tank measurements and butterfat tests determined from farm tank samples;

(ii) Milk transferred by a cooperative association in its capacity as a handler pursuant to § 1015.9(d) from a producer's farm tank into a tank truck.

* * * * *

(i) Contained in bulk fluid milk products transferred or diverted to the plant of an exempt governmental agency if the conditions of § 1015.35 are met.

(j) Contained in fluid milk products transferred or diverted from a pool plant to another plant other than the plant of a producer-handler under any Federal order or the plant of an exempt governmental agency if the conditions of § 1015.53 are met.

In § 1015.55, the introductory paragraph, and paragraphs (b)(3) and and (c)(2) are revised to read as follows:

§ 1015.55 Assignment to classes of skim milk and butterfat received.

The total quantity of skim milk and butterfat received during the month at each pool plant and by handlers specified in § 1015.9(c) and required to be reported under § 1015.40 (including those quantities in inventory at the beginning of the month) and in producer milk pursuant to § 1015.24(a)(4) required to be reported pursuant to § 1015.41(c), shall be assigned separately, in the manner and sequence provided below, to the respective quantities of skim milk and butterfat classified in each class under §§ 1015.50 through 1015.53.

* * * * *

(b) * * *

(3) Fluid milk products from producer-handlers under any Federal order, from exempt governmental agencies or exempt distributing plants under any New England Federal order in sequence beginning with the source most distant from Hartford according to its zone location;

* * * * *

(c) * * *

(2) To the remaining pounds in each class, assign in the manner provided in subdivisions (i) and (ii) of this subparagraph any remaining receipts of bulk fluid milk products from each regulated plant under another Federal order, to the extent that such receipts are not offset by transfers of bulk fluid milk products to the same plants, if such receipts are classified and priced under the other order as Class I milk or are subject to such classification and pricing or the equivalent thereof, if assigned to Class I milk under this order. Should the quantity to be assigned to either class exceed the respective quantity remaining in that class at the plant of receipt, the respective quantity remaining in that class shall be increased to the quantity to be assigned and the respective quantity remaining in the other class shall be decreased by an identical quantity. If such an adjustment is required at the receiving plant, an offsetting adjustment shall be made to the respective remaining quantities in each class at the handler's other pool plants, in sequence beginning with the plant nearest Hartford.

(i) Assign the quantities in such receipts to Class I milk and Class II milk in proportion to the estimated percentages of skim milk and butterfat, respectively, in each class in producer milk of all handlers for the month as announced under § 1015.32(g)(5), or in proportion to the respective remaining pounds in each class at all of the handler's pool plants, whichever procedure results in the greater combined quantity of skim milk and of butterfat in such receipts being assigned to Class II milk.

(ii) The quantities assigned to Class II milk under this paragraph shall not exceed the respective quantities of skim milk and of butterfat in Class II milk remaining at all of the handler's pool plants. Any remaining receipts shall be assigned to Class I milk.

* * * * *

Section 1015.60 is revised to read as follows:

§ 1015.60 Class I price.

The Class I price per hundredweight of milk containing 3.5 percent butterfat, at plants in the nearby plant zone under § 1015.62 shall be the amount computed for each month as specified in this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday the latest figures available on the next succeeding workday shall be used.

(a) Compute an economic index, with the year 1958 as the base period, as follows:

(1) Calculate a U.S. wholesale commodity price index by dividing the monthly wholesale price index for all commodities (as reported by the Bureau of Labor Statistics, U.S. Department of Labor, with the years 1957–59 as the base period) by 1.0025.

(2) Calculate a New England consumer income index by multiplying the current annual rate of per capita disposable income in the United States (based upon the quarterly figure released by the U.S. Department of Commerce or the Council of Economic Advisers to the President) by the New England adjustment percentage and dividing the result by 20.50. The New England adjustment percentage shall be the current percentage relationship of per capita personal income in the United States (using data on per capita personal income by States and regions as published by the United States Department of Commerce).

(3) Calculate a New England dairy ration index by dividing the monthly average price paid by farmers in the New England region for 100 pounds of mixed dairy feed containing less than 29 percent protein (as reported by the U.S. Department of Agriculture) by 0.03884.

(4) Calculate a New England farm wage rate index by dividing the weighted average farm wage rate for the New England region by 1.9833. The weighted average farm wage rate for the New England region shall be the average of the farm wage rates for the New England region (as reported by the U.S. Department of Agriculture) weighted by the factors indicated in the following table.

Rate	*Weighting factor*
Per month with board and room	1.00
Per month with house	1.00
Per week with board and room	4.33
Per week without board or room	4.33
Per day without board or room	26.00

(5) Calculate a New England grain-labor cost index by multiplying the New England dairy ration index by 0.6 and the New England farm wage rate index by 0.4, and combining the two results.

(6) The economic index shall be the result of dividing by 7 the sum of three times the U.S. wholesale commodity price index, the New England consumer income index, and three times the New England grain-labor cost index, except that for the purpose of computing the Class I price for each of the months through April 1968 such economic index shall not be less than 115.89.

(b) Compute an economic index price as follows:

(1) Multiply the economic index by $0.0557, expressing the result to the nearest mill.

(2) Divide the Class I-A price for the month computed under the New York-New Jersey Federal order, applicable to milk containing 3.5 percent butterfat received at plants located in the 201–210-mile freight zone, by the utilization adjustment percentage which entered into the computation of that price, expressing the result to the nearest mill.

(3) The economic index price shall be the price computed in subparagraph (1) of this paragraph, except that its deviation from the result obtained in subparagraph (2) of this paragraph shall be limited to $0.13.

(c) Compute a supply-demand adjustment factor (using quantities announced in the statistical reports of the respective market administrators for the New England Federal orders for the second, third, and fourth months preceding the month for which the price is being computed but excluding receipts and sales of plants which become regulated on the basis of their sales in the Massachusetts-Rhode Island area extension) as follows:

(1) For each of the 3 months, determine the total Class I producer milk and the total producer milk for the New England Federal order markets by combining the respective totals for the individual markets.

(2) For each of the 3 months, divide the total Class I producer milk for the New England Federal order markets by the base Class I percentage factor for the same months as determined under § 1015.65(a). The result shall be the New England base supply for that month.

(3) For each of the 3 months, express the total producer milk for the New England Federal order markets as a percentage of the New England base supply for the same month. The simple average of the three resulting percentages shall be the percentage of base supply.

(4) The supply-demand adjustment factor shall be the figure in the following table opposite the bracket within which the percentage of base supply falls, except that for the purposes of computing Class I prices through December 1967 such factor shall be 0.99. When the percentage of base supply falls in an interval between brackets, the supply-demand adjustment factor shall be the figure shown for the next higher bracket if the factor for the previous month was based on a bracket higher than such interval, and shall be the figure for the next lower bracket if the factor for the previous month was based on a bracket lower than such interval.

Percentage of base supply:[1]	*Supply-demand adjustment factor*
90.5–91.5	1.06
92.0–93.0	1.05
93.5–94.5	1.04
95.0–96.0	1.03
96.5–97.5	1.02
98.0–99.0	1.01
99.5–100.5	1.00
101.0–102.0	.99
102.5–103.5	.98
104.0–105.0	.97
105.5–106.5	.96
107.0–108.0	.95
108.5–109.5	.94

[1] If the percentage of base supply calculated according to subparagraph (3) of this paragraph falls outside the extremes shown in this column, the supply-demand adjustment factor shall be determined by extending the table at the indicated rate of extension.

(d) The Class I price shall be the result, rounded to the nearest full cent, of the economic index price determined under paragraph (b) of this section, multiplied by the supply-demand adjustment factor determined under paragraph (c) of this section, plus 40 cents.

In § 1015.62, paragraph (d) is revised to read as follows:

§ 1015.62 Plant zone price differentials.

* * * * *

(d) The zone price differentials for each plant shall be those applicable to its zone location as shown in the following table:

PLANT ZONE PRICE DIFFERENTIALS

Distance to Hartford (miles)	Plant location zone	Class I and uniform price differentials (cents per hundredweight)	Class II price differentials (cents per hundredweight)
Various	Nearby plant	0.0	0.0
51 to 60	6	−19.0	−1.4
61 to 70	7	−20.4	−1.7
71 to 80	8	−21.8	−2.0
81 to 90	9	−23.2	−2.6
91 to 100	10	−24.6	−2.8
101 to 110	11	−26.0	−2.9
111 to 120	12	−27.4	−3.2
121 to 130	13	−28.8	−3.4
131 to 140	14	−30.2	−3.7
141 to 150	15	−31.6	−4.2
151 to 160	16	−33.0	−4.5
161 to 170	17	−34.4	−4.6
171 to 180	18	−35.8	−5.2
181 to 190	19	−37.2	−5.4
191 to 200	20	−38.6	−5.7
201 to 210	21	−40.0	−5.8
211 to 220	22	−41.4	−6.4
221 to 230	23	−42.8	−6.5
231 to 240	24	−44.2	−6.7
241 to 250	25	−45.6	−6.7
251 to 260	26	−47.0	−7.0
261 to 270	27	−48.4	−7.1
271 to 280	28	−49.8	−7.3
281 to 290	29	−51.2	−7.4
291 to 300	30	−52.6	−7.6
301 to 310	31	−54.0	−8.1
311 to 320	32	−55.4	−8.2
321 to 330	33	−56.8	−8.3
331 to 340	34	−58.2	−8.6
341 to 350	35	−59.6	−8.6
351 to 360	36	−61.0	−8.8
361 to 370	37	−62.4	−8.9
371 to 380	38	−63.8	−9.1
381 to 390	39	−65.2	−9.2
391 to 400	40	−66.6	−9.3
401 and over	41 and over	(1)	−9.3

[1] Class I and uniform price differentials applicable to plants located more than 400 miles from Hartford shall be obtained by extending the table at the rate of 1.4 cents for each additional 10 miles, except that in no event shall the Class I or uniform price at any zone be less than the Class II price for the month for plants in such zone.

* * * * *

In § 1015.63, the introductory paragraph and paragraph (c) are revised to read as follows:

§ 1015.63 Value of each handler's fluid milk products.

For each month, the market administrator shall compute the value of fluid milk products for each handler under § 1015.9(a), (b), (c), and (d) except a producer-handler under any Federal order. The prices used shall be those for the zone location of the plant for which the value is being computed or at which it has been considered that a handler under § 1015.9(c) or (d) received producer milk, except that under paragraphs (a)(2), (b)(2), and (f)(2) of this section the prices used shall be those applicable at the zone locations of the plants from which the fluid milk products were received, and under paragraph (c) of this section, the prices which are specified therein shall be used.

* * * * *

(c) Compute a charge on the handler's beginning inventory as follows:

(1) Multiply the difference between the Class II price for the preceding month and the Class I price for the current month applicable at the nearest plant location from which an equivalent quantity of skim milk and butterfat, respectively, was allocated to Class II milk in the preceding month, by the hundredweight of skim milk and butterfat, respectively, assigned to Class I milk under § 1015.55(b)(7) for the month which is in excess of the hundredweight of skim milk and butterfat, respectively, allocated to Class II milk under § 1015.55 (e) and (i) during the preceding month and classified and priced as Class I milk or the equivalent thereof under the provisions of any Federal order; and

(2) Multiply the hundredweight of skim milk and butterfat in milk which is in transit to a pool plant at the beginning of the month from a cooperative association in its capacity as a handler under § 1015.9(d), by the difference between the Class II price for the preceding month and the uniform price for the current month applicable at the location at which such milk was priced during the preceding month.

* * * * *

In § 1015.64, paragraph (a) is revised to read as follows:

§ 1015.64 Basic uniform price.

(a) Combine into one total the value of fluid milk products computed under § 1015.63, excluding any charge under § 1015.63(c)(2), for each handler who made the reports prescribed in §§ 1015.40 and 1015.41(c) for the month and who was not in default of payments under § 1015.81 for the preceding month.

* * * * *

In § 1015.73, paragraph (b) is revised to read as follows:

§ 1015.73 Statements to producers.

* * * * *

(b) The total pounds and average butterfat test of milk received from the producer or from the cooperative association in its capacity as a handler under § 1015.9(d) except that the butterfat test shall not be required on statements accompanying payment for the first 15 days of the month;

* * * * *

Section 1015.74 is revised to read as follows:

§ 1015.74 Adjustment of payments to producers and cooperative associations.

Whenever the market administrator's verification of a handler's payments to producers or cooperative associations discloses payment of an amount less than is required by § 1015.70 the handler shall make payment of the balance due the producer or cooperative association not later than the date for making payment under § 1015.70 for the month in which the handler is notified by the market administrator of the deficiency.

Section 1015.80 is revised to read as follows:

§ 1015.80 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund." He shall deposit all amounts received from handlers under §§ 1015.81, 1015.88, and 1015.89 into the fund. He

shall pay all amounts due handlers under §§ 1015.82 and 1015.88 from the fund, subject to his right to offset a payment due to a handler from the producer-settlement fund against any payment due from the handler to the fund. All amounts subtracted under § 1015.64 (c) inclusive of interest earned thereon, shall remain therein as an obligated balance until it is withdrawn for the purpose of effectuating § 1015.64(d). The market administrator shall render a statement to each handler who made the reports prescribed in § 1015.40 or § 1015.41(c), by the 16th day of the month showing the amount due to or from the producer-settlement fund computed in accordance with §§ 1015.63, 1015.81, and 1015.82.

In § 1015.87, paragraph (b) is revised to read as follows:

§ 1015.87 Payment of administration expense.

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(b) The payment shall also apply to the quantity of pool milk distributed as route disposition in the marketing area from a handler's nonpool plant, to the quantity of producer milk for which a cooperative association is the handler under § 1015.9(c), and to the quantity of producer milk for which the cooperative association is the handler under § 1015.9 (d), except that disposed of to pool plants or in ending inventory for the month.

Signed at Washington, D.C., on June 27, 1967.

CLARENCE H. GIRARD,
Deputy Administrator, Regulatory Programs.

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