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List of CFR Parts Affected

(Codification Guide)

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

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1965, and specifies how they are affected.

Rules and Regulations

Title 7—AGRICULTURE

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

SUBCHAPTER B—FARM ACREAGE ALLOTMENTS AND MARKETING QUOTAS

PART 724—BURLEY, FLUE-CURED, FIRE-CURED, DARK AIR-CURED, VIRGINIA SUN-CURED, CIGAR-BINDER (TYPES 51 AND 52), CIGAR-FILLER AND BINDER (TYPES 42, 43, 44, 53, 54 AND 55), AND MARYLAND TOBACCO

Determination of Result of Special Marketing Quota Referendum for Flue-Cured Tobacco on Acreage-Poundage Basis

Basis and purpose. The purpose of this determination is to add § 724.34x to announce the determination of the result of the special marketing quota referendum for flue-cured tobacco on an acreage-poundage basis, held on May 4, 1965, pursuant to the provisions of subsection (b) of section 317 of the Agricultural Adjustment Act of 1938, as amended (P.L. 89-12). The referendum was conducted pursuant to the regulations for the holding of referenda on marketing quotas (28 F.R. 13249; 29 F.R. 16184; 30 F.R. 2521; 30 F.R. 6144). In the referendum, 229,880 votes were cast and counted. This number included 1,212 votes which were challenged by the community referendum committee but were allowed by the county committees. Additionally 555 votes were challenged by the community referendum committees. These challenges were sustained by the county committees, and the votes not counted. Of the ballots counted, 169,204 were in favor of marketing quotas on an acreage-poundage basis for the marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967; and 60,676 were opposed to such quotas.

Since the marketing of flue-cured tobacco is about to begin it is determined that this determination should be effective upon filing with the Director, Office of the Federal Register.

§ 724.34x Determination of the result of the special referendum on flue-cured tobacco marketing quotas on an acreage-poundage basis for the three marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967.

With respect to the special referendum of farmers engaged in the production of flue-cured tobacco of the 1964 crop held on May 4, 1965, to determine whether they favored or opposed the establishment of marketing quotas on an acreage-poundage basis for the marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967, in lieu of quotas on an acreage basis in effect for those marketing years, I hereby determine that more than 66⅔ per centum of farmers voting in the special referendum approved marketing quotas on an acreage-poundage basis for such marketing years and, therefore, under the applicable provisions of law the national marketing quota of 1,126 million pounds for flue-cured tobacco proclaimed April 28, 1965 (30 F.R. 6144) for the 1965–66 marketing year will be in effect on an acreage-poundage basis for such year and marketing quotas on an acreage-poundage basis on flue-cured tobacco will be in effect for the three marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967, respectively, in lieu of marketing quotas on an acreage basis.

(Sec. 317; 52 Stat. 38, as amended; 79 Stat. 66; P.L. 89-12, approved April 16, 1965)

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

Signed at Washington, D.C., on July 23, 1965.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 65-7957; Filed, July 26, 1965; 9:02 a.m.]

SUBCHAPTER C—SPECIAL PROGRAMS

PART 777—PROCESSOR WHEAT MARKETING CERTIFICATE REGULATIONS

Miscellaneous Amendments; Correction

The following corrections are made to Amendment 5 of the Processor Wheat Marketing Certificate Regulations (30 F.R. 8385, July 1, 1965).

(1) Item 5 of the Basis and Purpose is corrected by deleting the words "sale or" in the first sentence and changing the second and third sentences to read as follows: "Certificates are required in connection with the wheat used in processing such distilled spirits, and the first report period covers the year July 1, 1964, to June 30, 1965. Aged whiskey which is marketed or removed from the warehouse on and after July 1, 1964, is not subject to certificates if it had been distilled prior to July 1, 1964."

(2) Section 777.11(e) is corrected by deleting the words "sale or" in the first sentence.

(3) Section 777.11(e)(1) is corrected by changing the word "several" in the second sentence to "beverage."

(4) Section 777.11(e)(2) is corrected by changing the word "barrels" in the phrase "the barrels of aged beverage distilled spirits" to "barrel."

(5) The designation of § 777.12(h) is corrected to read 777.12(i).

(6) The last sentence in § 777.12(i) is corrected to read as follows: "In addition, a food processor who has submitted an undertaking provided in § 777.11(e) shall submit not later than the 15th calendar day after the end of the month in which each barrel of aged beverage distilled spirits is marketed or removed from the warehouse for sale or consumption or the spirits are removed from such barrel, whichever occurs first (or such later date as may be approved by the Administrator for good cause shown by the food processor), a report identifying by serial number the barrel in which such beverage distilled spirits were aged and the processing report period in which the beverage distilled spirits were produced from wheat."

(7) Appendix III, Item 16, is corrected by changing the words "Item 6" in the last sentence to read "Item 7C".

Signed at Washington, D.C., on July 21, 1965.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 65-7893; Filed, July 26, 1965; 8:49 a.m.]

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

[Prune Reg. 3]

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

Limitation of Shipments

§ 924.304 Prune Regulation 3.

(a) *Findings.* (1) Pursuant to the marketing agreement and order No. 924 (7 CFR Part 924), regulating the handling of fresh prunes grown in designated counties in Washington and in Umatilla County, Oreg., effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the recommendations of the Washington-Oregon Fresh Prune Marketing Committee, established under the aforesaid marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of fresh prunes, 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 section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a rea-

sonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than July 28, 1965. A reasonable determination as to the supply of, and the demand for, prunes must await the development of the crop and adequate information thereon was not available to the Washington-Oregon Fresh Prune Marketing Committee until July 20, 1965, recommendation as to the need for, and the extent of, regulation of shipments of such prunes was made at the meeting of said committee on July 20, 1965, after consideration of all available information relative to the supply and demand conditions for such prunes, at which time the recommendation and supporting information were submitted to the Department; shipments of the current crop of such prunes will begin on or about July 28, 1965, and this section should be applicable, insofar as practicable, to all shipments of such prunes in order to effectuate the declared policy of the act; and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof.

(b) *Order.* During the period beginning at 12:01 a.m., P.s.t., July 28, 1965, and ending at 12:01 a.m., P.s.t., November 1, 1965, no handler shall handle any lot of prunes unless such prunes meet the following applicable requirements, or are handled in accordance with subparagraph (3) of this paragraph:

(1) *Minimum grade requirement.* Such prunes grade at least U.S. No. 1: *Provided,* That any prunes having not less than two-thirds (⅔) of the surface with purplish color may be shipped if they otherwise grade at least U.S. No. 1: *Provided further,* prunes for export may be shipped if they grade at least U.S. No. 2.

(2) Such prunes, in addition to meeting the other requirements of maturity as defined in the U.S. Standards for Fresh Plums and Prunes (7 CFR 51.1520–51.1537 of this title), contain not less than fourteen (14) percent soluble solids, as determined by refractometer test of the juice from a side slab section of not less than 10 prunes selected at random from the lot. The side slab section of each prune shall be cut parallel to the longitudinal axis to the depth of the pit from the side opposite the suture, and the juice therefrom tested either on a composite basis or individual tests averaged.

(3) Notwithstanding any other provision of this regulation, any individual shipment of prunes which, in the aggregate, does not exceed 150 pounds net weight may be handled without regard to the restrictions specified in this paragraph (b) or in §§ 924.41 (Assessment) and 924.55 (Inspection and certification) of this part.

(4) The term "U.S. No. 1" and "U.S. No. 2" shall have the same meaning as when used in the U.S. Standards for Fresh Plums and Prunes (§§ 51.1520–51.1537 of this title); the term "purplish color" shall have the same meaning as when used in the Washington State Department of Agriculture Standards for Italian Prunes (May 1954) and in the Oregon State Department of Agriculture Standards for Italian Prunes (July 1965); and, except as otherwise specified, all other terms shall have the same meaning as when used in the marketing agreement and order.

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

Dated: July 23, 1965.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 65-7948; Filed, July 26, 1965; 8:50 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Airspace Docket No. 65-EA-54]

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

Revocation of Control Area Extension

The Federal Aviation Agency is amending § 71.165 of Part 71 of the Federal Aviation Regulations which will revoke the Danville, Va., Lynchburg, Va., Roanoke, Va., and White Sulphur Springs, W. Va., control area extensions. It has been determined that in view of the fact that the subject airspace is now encompassed by transition areas, no further need remains to retain the subject control area extensions.

The foregoing amendments to Part 71 being less restrictive in nature, and therefore imposing no additional burden on the public, notice and public procedures hereon are unnecessary.

In view of the foregoing, the proposed regulations are hereby adopted effective 0001 e.s.t., September 16, 1965, as follows:

1. Amend § 71.165 of Part 71 of the Federal Aviation Regulations so as to revoke the Danville, Va., Lynchburg, Va., Roanoke, Va., and White Sulphur Springs, W. Va., control area extensions.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348))

Issued in Jamaica, N.Y., on July 7, 1965.

WAYNE HENDERSHOT,
Acting Director, Eastern Region.

[F.R. Doc. 65-7839; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 64-WE-52]

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

Withdrawal of Revocation of Control Area Extension

On June 15, 1965, there were published in the FEDERAL REGISTER (30 F.R. 7702) amendments to Part 71 of the Federal Aviation Regulations, effective August 19, 1965, which, in part, revoked the Stockton, Calif., control area extension.

A subsequent examination of the controlled airspace in the Sacramento, Calif., terminal area has revealed that the retention of the Stockton control area extension is required until the terminal area 60-21/60-29 study for the Sacramento area has been completed. Therefore, action is taken herein to withdraw the revocation of the Stockton, Calif., control area extension.

Since this action effects no substantive change to the rule as initially adopted, the effective date of the final rule as initially adopted may be retained.

In consideration of the foregoing, effective immediately, Airspace Docket No. 64-WE-52 (30 F.R. 7702) is hereby modified as follows: Numbered paragraph 2, which amends § 71.165 (29 F.R. 17557), is amended by withdrawing the following: "b. Stockton, Calif."

(Sec. 307(a), Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348))

Issued in Los Angeles, Calif., on July 19, 1965.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 65-7840; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 64-AL-6]

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

Designation of Control Zone and Transition Area; Effective Date

On April 6, 1965, Federal Register Document 65-3497 was published in the FEDERAL REGISTER (30 F.R. 4391) amending Part 71 of the Federal Aviation Regulations by designating a control zone and transition area at Dillingham, Alaska.

On May 27, 1965, Federal Register Document 65-5499 was published in the FEDERAL REGISTER (30 F.R. 7099) altering Federal Register Document 65-3497, in part, by changing the effective date of the amendments from May 27, 1965, to July 22, 1965. This alteration was premised upon a delay in establishing the necessary communications link between Dillingham and the King Salmon, Alaska Flight Service Station. Subsequent to this alteration, continuing technical delays in the communications link have been experienced and it has been determined that the July 22 effective date cannot be met. Therefore, action is taken herein to defer the effective date of the Dillingham transition area and control zone until the pertinent communications link is established.

Since this action is entirely procedural in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, effective immediately, Federal Register Document 65-5499 is amended by deferring the effective date of the Dillingham control zone and transition area until such

time as it is published in the FEDERAL REGISTER.

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

Issued in Washington, D.C., on July 20, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations and Procedures Division.

[F.R. Doc. 65-7841; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 65-CE-61]

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

Revocation of Control Area Extension, Alteration of Control Zone, and Designation of Transition Area

On May 20, 1965, a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 6872) stating that the Federal Aviation Agency proposed to alter the controlled airspace in the Billings, Mont., terminal area.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments. The comment received was favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended effective 0001 e.s.t., September 16, 1965, as hereinafter set forth.

(1) In § 71.165 (29 F.R. 17557) the Billings, Mont., control area extension is revoked in its entirety.

(2) In § 71.171 (29 F.R. 17581) the Billings, Mont., control zone is amended to read:

BILLINGS, MONT.

Within a 5-mile radius of Logan Field, Billings, Mont. (latitude 45°48'23" N., longitude 108°31'54" W.); and within 2 miles each side of the Billings ILS localizer W course extending from the 5-mile radius zone to 8 miles W of the OM and within 2 miles each side of the Billings VORTAC 095° and 267° radials extending from 12 miles E to 8 miles W of the VORTAC.

(3) In § 71.181 (29 F.R. 17643) the following transition area is added:

BILLINGS, MONT.

That airspace extending upward from 700 feet above the surface within an 8-mile radius of Logan Field, Billings, Mont. (latitude 45°48'23" N., longitude 108°31'54" W.); and within 2 miles each side of the 071° bearing from the Billings RBN extending from the 8-mile radius area to 8 miles E of the RBN; and within 5 miles N and 8 miles S of the Billings VORTAC 267° radial extending from the 8-mile radius area to 12 miles W of the VORTAC; and within 5 miles N and 8 miles S of the Billings ILS localizer W course extending from the 8-mile radius area to 12 miles W of the OM; and that airspace extending upward from 1,200 feet above the surface within a 21-mile radius of the Billings VORTAC extending clockwise from V-2 W of Billings to V-19 SE of Billings; and within 10 miles SW and 7 miles NE of the Billings VORTAC 301° radial extending from 20 miles NW of the VORTAC to 49 miles NW of the VORTAC; and within 10 miles SW and 7 miles NE of the Billings VORTAC 317° radial extending from the 21-mile radius area to 45 miles NW of the VORTAC; and within 10 miles W and 7 miles E of the Billings VORTAC 347° radial extending from the 21-mile radius area to 42 miles N of the VORTAC.

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

Issued in Kansas City, Mo., on July 15, 1965.

DONALD S. KING,
Acting Director, Central Region.

[F.R. Doc. 65-7842; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 65-CE-47]

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

Designation of Transition Areas and Control Zones and Revocation of Control Area Extension

On April 29, 1965, a notice of proposed rule making was published in the FEDERAL REGISTER (30 F.R. 6077) stating that the Federal Aviation Agency proposed to alter the controlled airspace in the Olathe, Kans., and Grandview, Mo., terminal areas.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0001 e.s.t., September 16, 1965, as hereinafter set forth.

1. In § 71.165 (29 F.R. 17557) the Olathe, Kans., control area extension is revoked in its entirety.

2. In § 71.171 (29 F.R. 17581) the following control zones are amended to read:

GRANDVIEW, MO.

Within a 5-mile radius of Richards-Gebaur AFB, Grandview, Mo. (latitude 38°-50'50" N., longitude 94°33'20" W.), and within 2 miles each side of the 356° radial of the Richards-Gebaur VOR extending from the 5-mile radius zone to the VOR, and within 2 miles each side of the 195° radial of the Richards-Gebaur TACAN extending from the 5-mile radius zone to a point 8 miles S of the TACAN, excluding that portion of N of latitude 38°52'30" N., and W of longitude 94°35'50" W.

OLATHE, KANS.

Within a 5-mile radius of NAS Olathe (latitude 38°50'00" N., longitude 94°53'30" W.), and within 2 miles each side of the 180° bearing from the Olathe RBN extending from the 5-mile radius zone to a point 12 miles S of the RBN.

3. In § 71.181 (29 F.R. 17643) the following is added:

GRANDVIEW, MO.

That airspace extending upward from 700 feet above the surface within an 8-mile radius of Richards-Gebaur AFB, Grandview, Mo. (latitude 38°50'50" N., longitude 94°-33'20" W.), within 2 miles each side of the Richards-Gebaur (AF) VOR 180° radial, extending from the 8-mile radius area to 12 miles S of the VOR, within 2 miles each side of the Richards-Gebaur AFB ILS localizer S course, extending from the 8-mile radius area to 12 miles S of the LOM, within 2 miles each side of the Richards-Gebaur AFT TACAN 195° radial, extending from the 8-mile radius area to 12 miles S of the TACAN, within 2 miles W and 6 miles E of Richards-Gebaur AFB Runway 36 centerline extended to the N, extending from the 8-mile radius area to 10 miles N of the N end of the runway, excluding the Kansas City, Mo., transition area, and within an 8-mile radius of the NAS Olathe Airport (latitude 38°50'00" N., longitude 94°53'30" W.); and that airspace extending upward from 1,200 feet above the surface within the area bounded on the S by latitude 38°00'00" N., on the W by the E edge of V-12, on the N by the S arc of a 10-mile radius circle centered on the Kansas City, Mo., Municipal Airport (latitude 39°07'20" N., longitude 94°35'30" W.), and on the E by the W edge of V-205, excluding the Emporia, Kans., and Wichita, Kans., transition areas.

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

Issued in Kansas City, Mo., on July 9, 1965.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 65-7843; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 65-EA-38]

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

Alteration of Control Zone; Correction

On page 7879 of the FEDERAL REGISTER for June 18, 1965, the Federal Aviation Agency published a regulation to alter the Blackstone, Va., control zone so as to restrict the effective time of duration from 24 hours daily to a period from 0600 to 2200 hours local time. In so doing, the time appearing in paragraph No. 1 was inadvertently specified "from 0600 to 2000" whereas it should have read "from 0600 to 2200."

Because the correction is minor in nature the public interest does not require the 30 day notice.

The subject regulation is hereby amended as follows: Delete that portion of paragraph No. 1 within quotation marks appearing therein and substitute the following, "This control zone is effective from 0600 to 2200 hours local time."

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348))

Issued in Jamaica, N.Y., on July 2, 1965.

OSCAR BAKKE,
Director, Eastern Region.

[F.R. Doc. 65-7851; Filed, July 26, 1965; 8:45 a.m.]

[Airspace Docket No. 65-SW-1]

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

Alteration of Control Zone and Transition Area

Correction

In F.R. Doc. 65-6402 appearing at page 7884 in the issue for Friday, June 18, 1965, the following change should be made in the Amarillo, Tex., transition area amendment: Between the 9th and 10th lines, insert "to latitude 35°43'00" N., longitude 101°13'00" W.;".

[Airspace Docket No. 65-WE-77]

PART 73—SPECIAL USE AIRSPACE

Designation of Temporary Time of Use for Restricted Area

The purpose of this amendment to Part 73 of the Federal Aviation Regulations is to designate a temporary time of use for Restricted Area R-6411 at Hanksville, Utah.

On April 8, 1965, a rule designating a temporary restricted area, R-6411, at Hanksville, Utah was published in the FEDERAL REGISTER (30 F.R. 4534). The time of designation for this restricted area was established as follows:

Time of designation: The first time of use shall be from 0530 to 1800 hours m.s.t., May 26, 1965, through June 26, 1965, unless canceled sooner by Notices to Airmen. All subsequent biannual firing periods shall be designated by a rule published in the FEDERAL REGISTER.

Since the precise times when R-6411 will be needed during each year, subsequent to the first designated period, are indefinite and were not capable of predetermination at the time the rule designating the restricted area was published, it was determined, as set forth above, to establish all subsequent biannual firing periods by a rule published in the FEDERAL REGISTER.

Since this amendment is made in accordance with the procedure set forth in a previous rule, notice and public procedure hereon are unnecessary.

Therefore, action is taken herein to amend Part 73 of the Federal Aviation Regulations, effective 0001 e.s.t., September 16, 1965, as hereinafter set forth.

In § 73.64 (29 F.R. 17768, 30 F.R. 4534), the Hanksville, Utah, Restricted Area R-6411 is amended by deleting the present time of designation and substituting the following therefor:

Time of designation: From 0530 to 1800 hours m.s.t., October 6, 1965, to November 6, 1965, unless canceled sooner by Notices to Airmen. All subsequent biannual firing periods will be designated by a rule published in the FEDERAL REGISTER.

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

Issued in Washington, D.C., on July 20, 1965.

ARCHIE W. LEAGUE,
Director, Air Traffic Service.

[F.R. Doc. 65-7844; Filed, July 26, 1965; 8:45 a.m.]

Title 18—CONSERVATION OF POWER AND WATER RESOURCES

Chapter I—Federal Power Commission

[Docket No. R-277; Order No. 302]

PART 156—APPLICATIONS FOR ORDERS UNDER SECTION 7(a) OF THE NATURAL GAS ACT

Service of Application

JULY 20, 1965.

Responses by Natural Gas Pipeline Companies to Applications for Orders Under Section 7(a) of the Natural Gas Act, Docket No. R-277.

Section 7(a) of the Natural Gas Act provides that whenever the Commission, after notice and opportunity for hearing, finds such action necessary or desirable in the public interest, it may by order direct a natural gas company, under certain conditions, to establish physical connection with and sell natural gas to a person or municipality engaged in the local distribution of natural gas.

Part 156 of the regulations under the Natural Gas Act sets out the procedures to be followed by a distributing company or municipality in making application for such an order pursuant to section 7 (a) of the Act. Section 156.7 thereof provides that the application shall be served by the Commission's Secretary on the company, denominated as "respondent," against which a section 7(a) order has been requested; that the respondent company shall, within 30 days, file its answer in which it shall state whether it has any objection to the grant of the application; and, if it objects, it shall state the grounds and reasons for its objection.

The effect of the failure of respondents to comply strictly with the 30-day time limitation for the filing of an answer has not been clearly understood and the uncertainty has, in some instances, resulted in unnecessarily delaying the proceedings. In order to clarify the rule for the future, we are amending § 156.7 to provide that if the respondent fails to file a timely response to the application, it shall be deemed to have agreed to the grant thereof.

The Commission finds:

(1) Since the purpose and effect of the amendment herein adopted are interpretive and procedural, the prior notice provisions of section 4 of the Administrative Procedure Act do not apply.

(2) Adoption of this amendment is necessary and appropriate to carry out the provisions of the Natural Gas Act.

The Commission, acting pursuant to the Natural Gas Act, particularly sections 7(a) and 16 thereof (52 Stat. 824, 830; 15 U.S.C. 717f(a) 717o), orders:

(A) Part 156, Subchapter E, Regulations Under the Natural Gas Act, Chapter I, Title 18 of the Code of Federal Regulations, is amended by adding a sentence at the end of § 156.7. As so amended the section will read as follows:

§ 156.7 Service of application.

After an application has been accepted for filing, the Secretary will cause a copy thereof to be served upon the natural gas company (respondent) against which an order pursuant to section 7(a) of the Natural Gas Act has been requested. The natural gas company shall, within 30 days after the date of service of such application file its answer (an original and 7 conformed copies) to such application in which it shall state whether it has any objection to the grant of the application. If the natural gas company objects to the grant of the relief sought by the application, it shall fully state the grounds and reasons for its objections. The answer shall be verified and shall be signed by an executive of the natural gas company. In all other respects, answers shall conform to the applicable requirements of the Commission's rules of practice and procedure, particularly §§ 1.9, 1.15, and 1.16 of this chapter. In the event that the respondent natural gas company fails to file a timely response to the application it shall be deemed to have agreed to the grant thereof.

(Secs. 7(a), 16, 52 Stat. 824, 830; 15 U.S.C. 717f(a), 717o)

(B) This amendment shall become effective August 2, 1965.

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

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 65-7858; Filed, July 26, 1965; 8:46 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 15—CEREAL FLOURS AND RELATED PRODUCTS

Instant Blending Flours; Order Amending Standard of Identity

In the matter of amending the standard of identity for instant blending flours:

By an order published in the FEDERAL REGISTER of October 31, 1964 (29 F.R. 14845), there was added to the schedule of identity standards for wheat flour products a new section captioned § 15.75 *Instantized flours, instant blending flours, quick-mixing flours* ***. The effective date of this new section was stayed by an order published January 1, 1965 (30 F.R. 6), announcing that objections had been filed.

By a notice of proposed rulemaking published April 21, 1965 (30 F.R. 5643), all interested persons were invited to comment on amendments of § 15.75 as proposed in a petition from the International Milling Co. The only comment filed recommended adoption of the amendments as proposed. On the basis of the relevant information available, it is concluded that honesty and fair dealing in the interest of consumers will be promoted by adopting the amendments. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and under authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (21 CFR 2.91), *It is ordered*, That the standard of identity for instant blending flours be amended to read as follows:

§ 15.75 Instantized flours, instant blending flours, quick-mixing flours; identity; label statement of optional ingredients.

(a) Instantized flours, instant blending flours, quick-mixing flours, are the foods each of which conforms to the defi-

nition and standard of identity and is subject to the requirement for label statement of optional ingredients prescribed for the corresponding kind of flour by §§ 15.1, 15.10, 15.20, 15.30, 15.50, 15.60, and 15.70, except that each such flour has been made by one of the optional procedures set forth in paragraph (b) of this section, and is thereby made readily pourable. Such flour will all pass through a No. 20 mesh U.S. standard sieve (840-micron opening), and not more than 20 percent will pass through a No. 200 mesh U.S. standard sieve (74-micron opening).

(b) The optional procedures referred to in paragraph (a) of this section are:

(1) A selective grinding and bolting procedure or other milling procedure, whereby controlled techniques are used to obtain a food too fine to meet the granulation specification prescribed in § 15.130(a) for farina.

(2) An agglomerating procedure, whereby flour that originally meets the granulation specification prescribed in § 15.1(a) has been modified by further processing, so that a number of the individual flour particles have been combined into agglomerates conforming to the granulation specifications set out in paragraph (a) of this section.

(c) The name of each product covered by this section is the name prescribed by the definition and standard of identity for the corresponding kind of flour as referred to in paragraph (a) of this section, preceded immediately and conspicuously by the words "Instantized," "Instant blending," or "Quick-mixing."

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

Effective date. This order shall become effective 60 days from the date of its publication in the FEDERAL REGISTER, and simultaneously therewith the stay of the effective date announced in the FEDERAL REGISTER order of January 1, 1965 (30 F.R. 6) shall end; *Provided, however,* That if objections are filed to the amendment hereby ordered then the stay of the effective date for § 15.75 shall remain in effect. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371)

Dated: July 21, 1965.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 65-7885; Filed, July 26, 1965; 8:48 a.m.]

PART 45—OLEOMARGARINE, MARGARINE

PART 121—FOOD ADDITIVES

Delta-Decalactone and Delta-Dodecalactone as Optional Ingredients in Oleomargarine and as Regulated Food Additives

Acting upon a proposal filed by Lever Brothers Co., 390 Park Avenue, New York, N.Y., in the matter of amending the definition and standard of identity for oleomargarine to permit the use of delta-decalactone and delta-dodecalactone as optional flavoring ingredients therein, and on a proposal on the initiative of the Commissioner to amend § 121.1144 of the food additive regulations to provide for the above stated uses of these food additives:

In response to the notice of proposed rulemaking in the above-identified matter published in the FEDERAL REGISTER of October 17, 1964 (29 F.R. 14367), objections were filed by the National Milk Producers Federation and a State official, on the grounds that the proposed use of artificial flavors would be deceptive by making margarine better simulate the taste of butter and result in an unfavorable impact on the livestock and dairy industries. These comments did not consider the fact that the standard now permits the use of other artificial flavorings which impart a butter-like flavor and they did not demonstrate that permitting the use of the proposed artificial flavorings would not be in the interest of consumers.

Two comments were received from margarine manufacturers. Both firms requested that the proposed amendment be broadened to permit other flavoring ingredients. These comments failed to show that the published proposal furnished adequate notice for the changes they advocated and failed to supply factual data to support the use of additional flavoring ingredients in margarine.

With respect to the proposed rulemaking to amend § 121.1144, no comments were received relative to the food-additive status of the two flavors.

Subsequent to the issuance of § 121.1144 and subsequent to the issuance of the proposal to amend § 121.1144, there appeared in the FEDERAL REGISTER of October 27, 1964, a new section (§ 121.1164) of the food additive regulations prescribing the use of synthetic flavoring substances. This section provided for the use in food of the two flavors now proposed for use in oleomargarine. The Commissioner has concluded that § 121.1144 should be deleted from the regulations, and that the food additive use of delta-decalactone and delta-dodecalactone in oleomargarine should be prescribed in § 121.1164.

On the basis of relevant information available, taking into consideration the comments filed and the information submitted by the petitioner, it is concluded that it will promote honesty and fair dealing in the interest of consumers to adopt the proposed amendment to the standard of identity for oleomargarine. Therefore, pursuant to the authority contained in the Federal Food, Drug, and Cosmetic Act (secs. 401, 409, 701, 52 Stat. 1046, 1055 as amended; 72 Stat. 1786; 21 U.S.C. 341, 348, 371), which has been delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (21 CFR 2.90), parts 45 and 121 are amended as indicated below:

1. Section 45.1 is amended by redesignating the text of paragraph (a)(3)(iv) as (a)(3)(iv)(*a*), and by adding thereto a new paragraph designated as (a)(3)(iv)(*b*). As amended the affected portions read as follows:

§ 45.1 Oleomargarine, margarine; identity; label statement of optional ingredients.

* * * * *

(a) * * *

(3) * * *

(iv) (*a*) The artificial flavoring diacetyl added as such or as starter distillate or produced during the preparation of the product as a result of the addition of citric acid or harmless citrates.

(*b*) The artificial flavorings δ-decalactone or δ-dodecalactone used in accordance with the provisions of § 121.1164 of this chapter. These artificial flavorings are added separately or in combination in amounts such that the finished oleomargarine contains not more than 10 parts per million of δ-decalactone and not more than 20 parts per million of δ-dodecalactone.

* * * * *

§ 121.1144 [Revoked]

2. Section 121.1144 is revoked.

3. Section 121.1164 is amended by the addition of a new paragraph (c), reading as follows:

§ 121.1164 Synthetic flavoring substances and adjuvants.

* * * * *

(c) δ-Decalactone and δ-dodecalactone when used separately or in combination in oleomargarine are used at levels not to exceed 10 parts per million and 20 parts per million, respectively, in accordance with § 45.1 of this chapter.

Any person who will be adversely affected by the foregoing order may within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C., 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to

justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective 45 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 401, 409, 701, 52 Stat. 1046, 1055 as amended; 72 Stat. 1786; 21 U.S.C. 341, 348, 371)

Dated: July 21, 1965.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 65-7886; Filed, July 26, 1965; 8:48 a.m.]

Title 22—FOREIGN RELATIONS

Chapter II—Agency for International Development, Department of State

[A.I.D. Reg. 7]

PART 207—LIMITATION ON THE EMPLOYMENT OF THIRD COUNTRY NATIONALS FOR CONSTRUCTION WORK FINANCED FROM UNITED STATES FOREIGN ASSISTANCE FUNDS

Miscellaneous Amendments

Part 207 of Chapter II, Title 22 (A.I.D. Regulation 7) is amended as follows:

§ 207.1 [Amended]

1. In § 207.1 paragraph (j), delete the word "nationals" which appears within the quote and substitute the word "national".

§ 207.2 [Amended]

2. In § 207.2 delete the comma which appears after "1964".

§ 207.4 [Amended]

3. In § 207.4, subparagraph (1) of paragraph (d) insert a comma after the word "delegate".

4. Section 207.5 is amended as follows:

(a) In paragraph (a) delete all that follows after the word "Authority" where it first appears and substitute the following, and in paragraph (b) amend the first paragraph to read as follows. As amended, paragraph (a) and the introductory text of paragraph (b) read as follows:

§ 207.5 Waiver in the national interest.

(a) *Authority.* (1) The Regional Assistant Administrator may waive the applicability of this regulation to a specific country or to several countries within a regional association as being important to the national interest of the United States:

(i) When it is illegal under the laws of the recipient country to exclude any third country nationals from equal employment with nationals of the recipient country, or

(ii) When the nationals of such associated countries are mutually or reciprocally granted rights of equal employment with nationals of the recipient country.

(2) The Regional Assistant Administrator may waive the applicability of this regulation in any specific case, i.e., contract, loan, etc. in which he determines that it is important to the national interest of the United States that the direct costs of construction work performed by third country nationals be financed out of funds made available by the Act.

(3) The authority set forth in subparagraphs (1) and (2) of this paragraph may be delegated to the principal deputy of the Regional Assistant Administrator but may not be further redelegated.

Guidelines. In making any determination pursuant to paragraph (a)(2) of this section, the Regional Assistant Administrator shall be guided by all relevant considerations including one or more of the following:

* * * * *

(b) In paragraph (b), strike out all of subparagraph (3).

5. These amendments shall be effective as of April 29, 1964.

Dated: July 16, 1965.

WILLIAM S. GAUD,
Deputy Administrator.

[F.R. Doc. 65-7890; Filed, July 26, 1965; 8:49 a.m.]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6841]

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

Disposal of Coal or Domestic Iron Ore With a Retained Economic Interest; Percentage Depletion Rate for Ores of Beryllium

On April 8, 1965, notice of proposed rule making to conform the Income Tax Regulations (26 CFR Part 1) to the amendments made by section 227 of the Revenue Act of 1964 (78 Stat. 97), relating to treatment of certain iron ore royalties, and to the amendments made by section 6 of the Act of September 2, 1964 (Public Law 88-571, 78 Stat. 860), relating to the percentage depletion rate for ores of beryllium, was published in the FEDERAL REGISTER (30 F.R. 4548). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment of the regulations as proposed is hereby adopted, subject to the changes set forth below:

1. Section 1.631-3, as set forth in paragraph 12 of the notice of proposed rule making is changed by revising paragraph (e)(5).

2. There is added immediately after paragraph 24 a new paragraph 25, amending paragraph (b) of § 1.1441-2.

(Sec. 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: July 22, 1965.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

In order to conform the Income Tax Regulations (26 CFR Part 1) to the amendments made by section 227 of the Revenue Act of 1964 (78 Stat. 97), relating to treatment of certain iron ore royalties, and to the amendments made by section 6 of the Act of September 2, 1964 (Public Law 88-571, 78 Stat. 860), relating to the percentage depletion rate for ores of beryllium, these regulations are amended as follows:

PARAGRAPH 1. Section 1.272 is amended by amending the heading and revising section 272 and by adding a historical note. These amended provisions read as follows:

§ 1.272 Statutory provisions; disposal of coal or domestic iron ore.

SEC. 272. *Disposal of coal or domestic iron ore.* Where the disposal of coal or iron ore is covered by section 631, no deduction shall be allowed for expenditures attributable to the making and administering of the contract under which such disposition occurs and to the preservation of the economic interest retained under such contract, except that if in any taxable year such expenditures plus the adjusted depletion basis of the coal or iron ore disposed of in such taxable year exceed the amount realized under such contract, such excess, to the extent not availed of as a reduction of gain under section 1231, shall be a loss deductible under section 165(a). This section shall not apply to any taxable year during which there is no income under the contract.

[Sec. 272 as amended by sec. 227, Rev. Act 1964 (78 Stat. 97)]

PAR. 2. Section 1.272-1 is amended to read as follows:

§ 1.272-1 Expenditures relating to disposal of coal or domestic iron ore.

(a) *Introduction.* Section 272 provides special treatment for certain expenditures paid or incurred by a taxpayer in connection with a contract (hereafter sometimes referred to as a "coal royalty contract" or "iron ore royalty contract") for the disposal of coal or iron ore the gain or loss from which is treated under section 631(c) as a section 1231 gain or loss on the sale of coal or iron ore. See paragraph (e) of § 1.631-3 for special rules relating to iron ore. The expenditures covered by section 272 are those which are attributable to the making and administering of such a contract or to the preservation of the economic interest retained under the contract. For examples of such expenditures, see paragraph (d) of this section. For a taxable year in which gross royalty income is realized under the contract of disposal, such expenditures shall not be allowed as a deduction. Instead, they are to be added to the adjusted depletion basis of the coal or iron ore disposed of in the taxable year in computing gain or loss under section

631(c). However, where no gross royalty income is realized under the contract of disposal in a particular taxable year, such expenditure shall be treated without regard to section 272.

(b) *In general.* (1) Where the disposal of coal or iron ore is covered by section 631(c), the provisions of section 272 and this section shall be applicable for a taxable year in which there is income under the contract of disposal. (For purposes of section 272 and this section, the term "income" means gross amounts received or accrued which are royalties or bonuses in connection with a contract to which section 631(c) applies.) All expenditures paid or incurred by the taxpayer during the taxable year which are attributable to the making and administering of the contract disposing of the coal or iron ore and all expenditures paid or incurred during the taxable year in order to preserve the owner's economic interest retained under the contract shall be disallowed as deductions in computing taxable income for the taxable year. The sum of such expenditures and the adjusted depletion basis of the coal or iron ore disposed of in the taxable year shall be used in determining the amount of gain or loss with respect to the disposal. See § 1.631-3. For special rule in case of loss, see paragraph (c) of this section. Section 272 and this section do not apply to capital expenditures, and such expenditures are not taken into account in computing gain or loss under section 631(c) except to the extent they are properly part of the depletable basis of the coal or iron ore.

(2) The expenditures covered under section 272 and this section are disallowed as a deduction only with respect to a taxable year in which income is realized under the coal royalty contract (or iron ore royalty contract) to which such expenditures are attributable. Where no income is realized under the contract in a taxable year, these expenditures shall be deducted as expenses for the production of income, or as a business expense, or they may be treated under section 266 (relating to taxes and carrying charges) if applicable.

(3) The provisions of section 272 and this section apply to a taxable year in which income from the disposal by the owner of coal or iron ore held by him for more than 6 months is subject to the provisions of section 631(c) even though the actual mining of coal or iron ore under the coal royalty contract (or iron ore royalty contract) does not take place during the taxable year. Where the right under the contract to mine coal or iron ore for which advance payment has been made expires, terminates, or is abandoned before the coal or iron ore is mined, and paragraph (c) of § 1.631-3 requires the owner to recompute his tax with respect to such payment, the recomputation must be made without applying the provisions of section 272 and this section.

(c) *Losses.* If, in any taxable year, the expenditures referred to in section 272 and this section plus the adjusted depletion basis (as defined in paragraph (b)(2) of § 1.631-3) of the coal or iron ore disposed of during the taxable year exceed the amount realized under the contract which is subject to section 631 (c) during the taxable year, such excess shall be considered under section 1231 as a loss from the sale of property used in the trade or business and, to the extent not availed of as a reduction of gain under that section, shall be a loss deductible under section 165(a) (relating to the deduction of losses generally).

(d) *Examples of expenditures.* (1) The expenditures referred to in section 272 include, but are not limited to, the following items, if such items are attributable to the making or administering of the contract or preserving the economic interest therein: Ad valorem taxes imposed by State or local authorities, costs of fire protection, costs of insurance (other than liability insurance), costs incurred in administering the contract (including costs of bookkeeping and technical supervision), interest on loans, expenses of flood control, legal and technical expenses, and expenses of measuring and checking quantities of coal or iron ore disposed of under the contract. Whether the interest on loans is attributable to the making or administering of the contract or preserving the economic interest therein will depend upon the use to which the borrowed monies are put.

(2) Any expenditure referred to in this section which is applicable to more than one coal royalty contract or iron ore royalty contract shall be reasonably apportioned to each of such contracts. Furthermore, if an expenditure applies only in part to the making or administering of the contract or the preservation of the economic interest, then only such part shall be treated under section 272. The apportionment of the expenditure shall be made on a reasonable basis. For example, where a taxpayer has other income (such as income from oil or gas royalties, rentals, right of way fees, interest, or dividends) as well as income under section 631(c), and where the salaries of some of its employees or other expenses relate to both classes of income, such expenses shall be allocated reasonably between the income subject to section 631(c) and the other income. Where a taxpayer has more than one coal royalty contract or iron ore royalty contract, expenditures under this section relating to a contract from which no income has been received in the taxable year may not be allocated to income from another contract from which income has been received in the taxable year.

(3) The taxpayer may have expenses which are not attributable even partly to making and administering a coal royalty contract or iron ore royalty contract or to the preservation of the economic interest retained under the contract and, accordingly, are not included in the expenditures described in section 272. These include such items as ad valorem taxes imposed by State or local authorities on property not covered by the contract, salaries, wages, or other expenses entirely incident to the ownership and protection of such property and depreciation of improvements thereon, fire insurance on such property, charitable contributions, and similar expenses unrelated to the making or to the administering of coal royalty contracts or iron ore royalty contracts or preserving the taxpayer's economic interest retained therein.

(e) *Nonapplication of section.* For purposes of section 543, the provisions of section 272 shall have no application. For example, the taxpayer may, for the purposes of section 543(a)(3)(C) or the corresponding provisions of prior income tax laws, include in the sum of the deductions which are allowable under section 162 an amount paid to an attorney as compensation for legal services rendered in connection with the making of a coal royalty contract or iron ore royalty contract (assuming the expenditure otherwise qualifies under section 162 as an ordinary and necessary expense incurred in the taxpayer's trade or business), even though such expenditure is disallowed as a deduction under section 272.

PAR. 3. Paragraph (f)(3) of § 1.535-2 is amended to read as follows:

§ 1.535-2 Adjustments to taxable income.

* * * * *

(f) *Long-term capital gains.* * * *

(3) Section 631(c) (relating to gain or loss in the case of disposal of coal or domestic iron ore) shall have no application in determining the amount of the deduction allowable under section 535 (b)(6).

* * * * *

PAR. 4. Paragraph (e)(2) of § 1.545-2 is amended to read as follows:

§ 1.545-2 Adjustments to taxable income.

* * * * *

(e) *Long-term capital gains.* * * *

(2) Section 631(c) (relating to gain or loss in the case of disposal of coal or domestic iron ore) shall have no application.

* * * * *

PAR. 5. Paragraph (b)(2) of § 1.611-1 is amended to read as follows:

§ 1.611-1 Allowance of deduction for depletion.

* * * * *

(b) *Economic interest.* * * *

(2) No depletion deduction shall be allowed the owner with respect to any timber, coal, or domestic iron ore that such owner has disposed of under any form of contract by virtue of which he retains an economic interest in such timber, coal, or iron ore, if such disposal is considered a sale of timber, coal, or domestic iron ore under section 631 (b) or (c).

* * * * *

PAR. 6. Paragraphs (b)(3) and (e) of § 1.612-3 are amended to read as follows:

§ 1.612-3 Depletion; treatment of bonus and advanced royalty.

* * * * *

(b) *Advanced royalties.* * * *

(3) The payor, at his option, may treat the advanced royalties so paid or accrued in connection with mineral property as follows:

(i) As deductions from gross income for the year the advanced royalties are paid or accrued, or

(ii) As deductions from gross income for the year the mineral product, in respect of which the advanced royalties were paid, is sold.

For an exception to this treatment when the payor is a sublessor of coal or domestic iron ore, see paragraph (b)(3) of § 1.631–3. Every taxpayer must make an election as to the treatment of all such advanced royalties in his return for the first taxable year in which such amounts are paid or accrued. A taxpayer will be considered to have made an election in accordance with the manner in which such items are treated in the return. A failure to deduct any such items for the year paid or accrued will constitute an election to have all such items treated in accordance with subdivision (ii) of this subparagraph. An election made under this section is binding for the taxable year for which made and for all subsequent years, and the taxpayer must treat all advanced royalties paid or accrued in all subsequent years in the same manner. This paragraph does not grant a new election. Any taxpayer who made an election under Regulations 118, § 39.23(m)–10(e) (1939 Code), or corresponding provisions of prior regulations is, by such election, bound with respect to treatment of such advanced royalties whether paid or accrued before or after December 31, 1953. See section 7807(b)(2). For additional rules relating to elections in the case of partners and partnerships see section 703(b) and the regulations thereunder.

* * * * *

(e) *Cross reference.* In the case of bonuses and advanced royalties received in connection with a contract of disposal of timber covered by section 631(b) or coal or iron ore covered by section 631(c), see that section and the regulations thereunder.

PAR. 7. Section 1.613 is amended by revising sections 613(b)(2)(B) and 613(b)(6) and adding to the historical note. The amended provisions read as follows:

§ 1.613 Statutory provisions; percentage depletion.

SEC. 613. *Percentage depletion.* * * *

(b) *Percentage depletion rates.* The mines, wells, and other natural deposits, and the percentages, referred to in subsection (a) are as follows:

* * * * *

(2) 23 percent—

* * * * *

(B) If from deposits in the United States—anorthosite (to the extent that alumina and aluminum compounds are extracted therefrom), asbestos, bauxite, celestite, chromite, corundum, fluorspar, graphite, ilmenite, kyanite, mica, olivine, quartz crystals (radio grade), rutile, block steatite talc, and zircon, and ores of the following metals: antimony, beryllium, bismuth, cadmium, cobalt, columbium, lead, lithium, manganese, mercury, nickel, platinum and platinum group metals, tantalum, thorium, tin, titanium, tungsten, vanadium, and zinc.

* * * * *

(6) 15 percent—all other minerals (including, but not limited to, aplite, barite, borax, calcium carbonates, diatomaceous earth, dolomite, feldspar, fullers earth, garnet, gilsonite, granite, limestone, magnesite, magnesium carbonates, marble, phosphate rock, potash, quartzite, slate, soapstone, stone (used or sold for use by the mine owner or operator as dimension stone or ornamental stone), thenardite, tripoli, trona, and (if paragraph (2)(B) does not apply) bauxite, flake graphite, fluorspar, lepidolite, mica, spodumene, and talc, including pyrophyllite), except that, unless sold on bid in direct competition with a bona fide bid to sell a mineral listed in paragraph (3), the percentage shall be 5 percent for any such other mineral when used, or sold for use, by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. For purposes of this paragraph, the term "all other minerals" does not include—

(A) Soil, sod, dirt, turf, water, or mosses; or

(B) Minerals from sea water, the air, or similar inexhaustible sources.

* * * * *

[Sec. 613 as amended by sec. 36, Technical Amendments Act 1958 (72 Stat. 1633); sec. 6, Act of Sept. 2, 1964 (Public Law 88–571, 78 Stat. 860)]

PAR. 8. Subparagraphs (a)(2), (a)(3), and (c)(4) of § 1.613–2 are amended to read as follows:

§ 1.613–2 Percentage depletion rates.

(a) *In general.* * * *

(2) *Production from United States deposits.* A rate of 23 percent is applicable to the minerals listed in this subparagraph if produced from deposits within the United States:

Anorthosite.[2]	Ilmenite.
Asbestos.	Kyanite.
Bauxite.	Mica.
Beryl.[3]	Olivine.
Celestite.	Quartz crystals (radio grade).
Chromite.	Rutile.
Corundum.	Block steatite talc.
Fluorspar.	Zircon.
Graphite.	

Ores of the following metals—

Antimony.	Platinum.
Beryllium.[4]	Platinum group metals.
Bismuth.	Tantalum.
Cadmium.	Thorium.
Cobalt.	Tin.
Columbium.	Titanium.
Lead.	Tungsten.
Lithium.	Vanadium.
Manganese.	Zinc.
Mercury.	
Nickel.	

(3) *Other minerals.* A rate of 15 percent is applicable to the minerals listed in this subparagraph regardless of the situs of the deposits from which the minerals are produced, provided the minerals are not used or sold for use by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. If, however, such minerals are sold or used for the purposes described in the preceding sentence, a rate of 5 percent is applicable to any of such minerals unless sold on bid in direct competition with a bona fide bid to sell any of the minerals listed in subdivision (iii) of subparagraph (1) of this paragraph, in which case the rate is 15 percent. In addition, the provisions of this subparagraph are not applicable with respect to any of the minerals listed herein if the rate prescribed in subparagraph (2) of this paragraph is applicable.

Aplite.	Magnesite.
Barite.	Magnesium carbonates.
Bauxite.	Marble.
Beryl.[3]	Mica.
Borax.	Phosphate rock.
Calcium carbonates.	Potash.
Clay, refractory and fire.[6]	Quartzite.
Diatomaceous earth.	Slate.
Dolomite.	Soapstone.
Feldspar.	Spodumene.
Flake Graphite.	Stone (dimension or ornamental).[7]
Fluorspar.	Talc (including pyrophyllite).
Fullers earth.	Thenardite.
Garnet.	Tripoli.
Gilsonite.	Trona.
Granite.	All other minerals.
Lepidolite.	
Limestone.	

* * * * *

(c) *Rules for application of paragraph (a) of this section.* * * *

(4) Percentage depletion is not allowable with respect to the income from a disposal of coal (including lignite) or domestic iron ore (as defined in paragraph (e) of § 1.631–3) with a retained economic interest to the extent that such income is treated as from a sale of coal or iron ore under section 631(c) and § 1.631–3. Rents or royalties paid or incurred by a taxpayer with respect to coal (including lignite) or domestic iron ore shall be excluded by such taxpayer in determining "gross income from the property" without regard to the treatment under section 631(c) of such rents and royalties in the hands of the recipient.

* * * * *

PAR. 9. Paragraph (c)(2) of § 1.615–3 is amended to read as follows:

§ 1.615–3 Election to defer exploration expenditures.

* * * * *

(c) *Expenditures made by the owner who retains a nonoperating mineral interest.* * * *

(2) Where a taxpayer receives an amount, in addition to retaining an economic interest, which amount is treated as from the sale or exchange of a capital asset or property treated under section 1231 (except coal or iron ore to which section 631(c) applies), the deferred exploration expenditures shall be allocated between the interest sold and the interest retained in proportion to the fair market values of each interest as of the date of sale. The amount allocated to the interest sold may not be deducted, but shall be a part of the basis of such interest.

* * * * *

[2] The rate prescribed in this subparagraph does not apply except to the extent that alumina and aluminum compounds are extracted therefrom.

[3] Applicable only for taxable years beginning before January 1, 1964.

[4] Applicable only for taxable years beginning after December 31, 1963.

[6] Applicable only for taxable years beginning before January 1, 1964.

[6] Not applicable for taxable years beginning after December 31, 1960.

[7] The 15-percent rate is applicable only to stone used or sold for use by the mine owner or operator as dimension stone or ornamental stone.

PAR. 10. Paragraph (c)(2) of § 1.616–2 is amended to read as follows:

§ 1.616–2 Election to defer.

* * * * *

(c) *Expenditures made by the owner who retains a nonoperating interest.* * * *

(2) Where a taxpayer receives an amount, in addition to retaining an economic interest, which amount is treated as from the sale or exchange of a capital asset or property treated under section 1231 (except coal or iron ore to which section 631(c) applies), the deferred development expenditures shall be allocated between the interest sold and the interest retained in proportion to the fair market value of each interest as of the date of sale. The amount allocated to the interest sold may not be deducted, but shall be a part of the basis of such interest for the purpose of determining gain or loss upon the sale thereof.

* * * * *

PAR. 11. Section 1.631 is amended by revising the heading and section 631(c) and by adding a historical note. The amended provisions read as follows:

§ 1.631 Statutory provisions; gain or loss in the case of timber, coal, or domestic iron ore.

SEC. 631. *Gain or loss in the case of timber, coal, or domestic iron ore.* * * *

(c) *Disposal of coal or domestic iron ore with a retained economic interest.* In the case of the disposal of coal (including lignite), or iron ore mined in the United States, held for more than 6 months before such disposal, by the owner thereof under any form of contract by virtue of which such owner retains an economic interest in such coal or iron ore, the difference between the amount realized from the disposal of such coal or iron ore and the adjusted depletion basis thereof plus the deductions disallowed for the taxable year under section 272 shall be considered as though it were a gain or loss, as the case may be, on the sale of such coal or iron ore. Such owner shall not be entitled to the allowance for percentage depletion provided in section 613 with respect to such coal or iron ore. This subsection shall not apply to income realized by any owner as a co-adventurer, partner, or principal in the mining of such coal or iron ore, and the word "owner" means any person who owns an economic interest in coal or iron ore in place, including a sublessor. The date of disposal of such coal or iron ore shall be deemed to be the date such coal or iron ore is mined. In determining the gross income, the adjusted gross income, or the taxable income of the lessee, the deductions allowable with respect to rents and royalties shall be determined without regard to the provisions of this subsection. This subsection shall have no application, for purposes of applying subchapter G, relating to corporations used to avoid income tax on shareholders (including the determinations of the amount of the deductions under section 535(b)(6) or section 545(b)(5)). This subsection shall not apply to any disposal of iron ore—

(1) To a person whose relationship to the person disposing of such iron ore would result in the disallowance of losses under section 267 or 707(b), or

(2) To a person owned or controlled directly or indirectly by the same interests which own or control the person disposing of such iron ore.

[Sec. 631 as amended by sec. 227, Rev. Act 1964 (78 Stat. 97)]

PAR. 12. Section 1.631–3 is amended to read as follows:

§ 1.631–3 Gain or loss upon the disposal of coal or domestic iron ore with a retained economic interest.

(a) *In general.* (1) The provisions of section 631(c) apply to an owner who disposes of coal (including lignite), or iron ore mined in the United States, held for more than 6 months before such disposal under any form or type of contract whereby he retains an economic interest in such coal or iron ore. The difference between the amount realized from disposal of the coal or iron ore in any taxable year, and the adjusted depletion basis thereof plus the deductions disallowed for the taxable year under section 272, shall be gain or loss upon the sale of the coal or iron ore. See paragraph (b)(4) of this section for the definition of "owner." See paragraph (e) of this section for special rules relating to iron ore.

(2) In the case of such a disposal, the provisions of section 1231 apply, and the coal or iron ore shall be considered to be property used in the trade or business for the taxable year in which it is considered to have been sold, along with other property of the taxpayer used in the trade or business as defined in section 1231(b), regardless of whether the coal or iron ore is property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business. Whether gain or loss resulting from the disposition of the coal or iron ore which is considered to have been sold will be deemed to be gain or loss resulting from a sale of a capital asset held for more than 6 months will depend on the application of section 1231 to the taxpayer for the taxable year; *i.e.*, if the gains do not exceed the losses, they shall not be considered as gains and losses from sales or exchanges of capital assets but shall be treated as ordinary gains and losses.

(b) *Rules for application of section.* (1) For purposes of section 631(c) and this section, the date of disposal of the coal or iron ore shall be deemed to be the date the coal or iron ore is mined. If the coal or iron ore has been held for more than 6 months on the date it is mined, it is immaterial that it had not been held for more than 6 months on the date of the contract. There shall be no allowance for percentage depletion provided in section 613 with respect to amounts which are considered to be realized from the sale of coal or iron ore under section 631(c).

(2) The term "adjusted depletion basis" as used in section 631(c) and this section means the basis for allowance of cost depletion provided in section 612 and the regulations thereunder. Such "adjusted depletion basis" shall include exploration or development expenditures treated as deferred expenses under section 615(b) or 616(b), or corresponding provisions of prior income tax laws, and be reduced by adjustments under section 1016(a) (9) and (10), or corresponding provisions of prior income tax laws, relating to deductions of deferred expenses for exploration or development expenditures in the taxable year or any prior taxable years. The depletion unit of the coal or iron ore disposed of shall be determined under the rules provided in the regulations under section 611, relating to cost depletion.

(3)(i) In determining the gross income, the adjusted gross income, or the taxable income of the lessee, the deductions allowable with respect to rents and royalties (except rents and royalties paid by a lessee with respect to coal or iron ore disposed of by the lessee as an "owner" under section 631(c)) shall be determined without regard to the provisions of section 631(c). Thus, the amounts of rents and royalties paid or incurred by a lessee with respect to coal or iron ore shall be excluded from the lessee's gross income from the property for the purpose of determining his percentage depletion without regard to the treatment of such rents or royalties in the hands of the recipient under this section. See section 613 and the regulations thereunder.

(ii) (*a*) However, a lessee who is also a sublessor may dispose of coal or iron ore as an "owner" under section 631(c). Rents and royalties paid with respect to coal or iron ore disposed of by such a lessee under section 631(c) shall increase the adjusted depletion basis of the coal or iron ore and are not otherwise deductible.

(*b*) The provisions of this subdivision may be illustrated by the following example:

Example. B is a sublessor of a coal lease; A is the lessor; and C is the sublessee. B pays A a royalty of 50 cents per ton. C pays B a royalty of 60 cents per ton. The amount realized by B under section 631(c) is 60 cents per ton and will be reduced by the adjusted depletion basis of 50 cents per ton, leaving a gain of 10 cents per ton taxable under section 631(c).

(4) (i) The provisions of this section apply only to an owner who has disposed of coal or iron ore and retained an economic interest. For the purposes of section 631(c) and this section, the word "owner" means any person who owns an economic interest in coal or iron ore in place, including a sublessor thereof. A person who merely acquires an economic interest and has not disposed of coal or iron ore under a contract retaining an economic interest does not qualify under section 631(c). A successor to the interest of a person who has disposed of coal or iron ore under a contract by virtue of which he retained an economic interest in such coal or iron ore is also entitled to the benefits of this section. Section 631(c) and this section shall not apply with respect to any income realized by any owner as co-adventurer, partner, or principal in the mining of such coal or iron ore.

(ii) The provisions of this subparagraph may be illustrated by the following examples:

Example (1). A owns a tract of coal land in fee. A leases to B the right to mine all the coal in this tract in return for a royalty of 30 cents per ton. B subleases his right to mine coal in this tract to C, who agrees to pay A 30 cents per ton and to pay to B an additional royalty of 10 cents per ton. Section 631(c) applies to the royalties of both A and B, if the other requisites of the section have been met.

Example (2). Assume the same facts as in example (1), except that A dies leaving his royalty interest to D. D has an economic

interest in the coal in place and qualifies for section 631(c) treatment with respect to his share of the royalties since he is a successor in title to A.

Example (3). Assume the same facts as in example (1), except that E agrees to pay a sum of money to C in return for 10 cents per ton on the coal mined by C. E has an economic interest, since he must look solely to the extraction of the coal for the return of his investment. However, E has not made a disposal of coal under a contract wherein he retains an economic interest, and, therefore, does not qualify under section 631(c). E is entitled to depletion on his royalties.

(c) *Payments received in advance of mining.* (1) (i) Where the conditions of paragraph (a) of this section are met, amounts received or accrued prior to mining shall be treated under section 631(c) as received from the sale of coal or iron ore if the contract of disposal provides that such amounts are to be applied as payment for coal or iron ore subsequently mined. For example, advance royalty payments or minimum royalty payments received by an owner of coal or iron ore qualify under section 631(c) where the contract of disposal grants the lessee the right to apply such royalties in payment of coal or iron ore mined at a later time.

(ii) The provisions of this subparagraph may be illustrated by the following example:

Example. A acquires coal rights on January 1. On January 30, A enters into a contract of disposal providing that mining shall begin July 2, and mining actually begins no earlier. Any advance payments which A receives qualify under section 631(c).

(2) However, if the right to mine coal or iron ore under the contract expires, terminates, or is abandoned before the coal or iron ore which had been paid for is mined, the taxpayer shall treat payments attributable to the unmined coal or iron ore as ordinary income and not as received from the sale of coal or iron ore under section 631(c). Accordingly, the taxpayer shall recompute his tax liability for the taxable year in which such payments were received. The recomputation shall be made in the form of an amended return where necessary.

(3) Bonuses received or accrued by an owner in connection with the grant of a contract of disposal shall be treated under section 631(c) as received from the sale of coal or iron ore to the extent attributable to coal or iron ore held for more than 6 months. The rules contained in paragraph (d) of § 1.631-2 relating to bonuses in the case of contracts for the disposal of timber shall be equally applicable in the case of bonuses received for the grant of a contract of disposal of coal or iron ore under this section.

(d) *Nonapplication of section.* Section 631(c) shall not affect the application of the provisions of subchapter G, chapter 1 of the Code, relating to corporations used to avoid income tax on shareholders. For example, for the purposes of applying section 543 (relating to personal holding companies), the amounts received from a disposal of coal or iron ore subject to section 631(c) shall be considered as mineral royalties. The determination of whether an amount received under a contract to which section 631(c) applies is "personal holding company income" shall be made in accordance with section 543 and the regulations thereunder, without regard to section 631(c) or this section. See also paragraph (e) of § 1.272-1.

(e) *Special rules with regard to iron ore.* (1) With regard to iron ore, section 631(c) and this section apply only to amounts received or accrued in taxable years beginning after December 31, 1963, attributable to iron ore mined in such taxable years.

(2) Section 631(c) and this section apply only to disposals of iron ore mined in the United States.

(3) For the purposes of section 631(c) and this section, iron ore is any ore which is used as a source of iron, including but not limited to taconite and jaspilite.

(4) Section 631(c) shall not apply to any disposal of iron ore to a person whose relationship to the person disposing of such iron ore would result in the disallowance of losses under section 267 or 707(b).

(5) Section 631(c)(2) results in the denial of section 631(c) treatment in the case of a contract for disposal of iron ore entered into with a person owned or controlled, directly or indirectly, by the same interests which own or control the person disposing of the iron ore, even though section 631(c) treatment would not be denied under the provisions of section 631(c)(1). For example, section 631(c) treatment is denied in the case of a contract for disposal of iron ore entered into between two "brother and sister" corporations, or a parent corporation and its subsidiary. The presence or absence of control shall be determined by applying the same standards as are applied under section 482 (relating to the allocation of income and deductions between taxpayers).

PAR. 13. Paragraph (b) of § 1.817-2 is amended by revising subparagraphs (1)(ii) and (3)(iii). The amended provisions read as follows:

§ 1.817-2 Treatment of capital gains and losses.

* * * * *

(b) *Modification of sections 1221 and 1231.* (1) In the case of a life insurance company, section 817(a)(1) provides that for purposes of applying section 1231(a) (relating to property used in the trade or business and involuntary conversions), the term "property used in the trade or business" shall be treated as including only—

* * * * *

(ii) The cutting or disposal of timber, or the disposal of coal or iron ore, to the extent considered arising from a sale or exchange by reason of the provisions of section 631 and the regulations thereunder.

* * * * *

(3) Section 1231(a), as modified by section 817(a)(1) and subparagraph (1) of this paragraph, shall apply to recognized gains and losses from the following:

* * * * *

(iii) The cutting or disposal of timber, or the disposal of coal or iron ore, to the extent considered arising from a sale or exchange by reason of the provisions of section 631 and the regulations thereunder.

* * * * *

PAR. 14. Paragraph (c) of § 1.856-3 is amended to read as follows:

§ 1.856-3 Definitions.

* * * * *

(c) *Interests in real property.* The term "interests in real property" includes fee ownership and co-ownership of land or improvements thereon and leaseholds of land or improvements thereon. Such term does not, however, include mineral, oil, or gas royalty interests, as, for example, a retained economic interest in coal or iron ore with respect to which the special provisions of section 631(c) apply.

* * * * *

PAR. 15. Paragraph (b)(3)(i) of § 1.871-7 is amended to read as follows:

§ 1.871-7 Tax on nonresident alien individuals.

* * * * *

(b) *No United States business; gross income of more than $15,400.* * * *

(3) *Amounts considered to be capital gains*—(i) *Items subject to tax.* The tax of 30 percent also applies, pursuant to the provisions of section 871(a)(1), to amounts received during the taxable year from sources within the United States which are described in section 402(a)(2) (determined with the application of section 402(a)(4)), section 631 (b) and (c), section 1235, and for taxable years ending after September 2, 1958, section 403(a)(2) and are considered to be gains from the sale or exchange of capital assets. Thus, the tax applies to gain recognized on certain distributions by an exempt employees' trust where the total distributions, with respect to any employee, are paid to the distributee within one taxable year; to the gain recognized on certain payments under annuity contracts purchased by an employer for an employee under certain qualified annuity plans where the total payments are paid to the payee within one taxable year; to gain recognized under specified circumstances on the disposal of timber, coal, and domestic iron ore and considered in accordance with section 1231 to be gain from the sale or exchange of a capital asset; and to gain recognized on certain transfers of patent rights by an individual.

* * * * *

PAR. 16. Paragraph (c) of § 1.881-2 is amended to read as follows:

§ 1.881-2 Tax on nonresident foreign corporations.

* * * * *

(c) *Amounts considered to be capital gains.* The tax of 30 percent also applies, pursuant to the provisions of section 881(a), to amounts received during the taxable year from sources within the United States which are described in section 631 (b) and (c) and are considered to be gains from the sale or exchange of capital assets. Thus, the tax applies to gain recognized under speci-

fied circumstances on the disposal of timber, coal, and domestic iron ore and considered in accordance with section 1231 to be a gain from the sale or exchange of a capital asset.

* * * * *

PAR. 17. Section 1.1016 is amended by revising section 1016(a)(15) and adding to the historical note. The amended provisions read as follows:

§ 1.1016 Statutory provisions; adjustments to basis.

SEC. 1016. *Adjustments to basis*—(a) *General rule.* Proper adjustment in respect of the property shall in all cases be made—

* * * * *

(15) For deductions to the extent disallowed under section 272 (relating to disposal of coal or domestic iron ore), notwithstanding the provisions of any other paragraph of this subsection;

* * * * *

[Sec. 1016 as amended by sec. 4(c), Act of June 29, 1956 (Pub. Law 629, 84th Cong., 70 Stat. 407); sec. 3(d) (1) and (2), Life Insurance Company Income Tax Act 1959 (73 Stat. 189); sec. 8(g)(2), Rev. Act 1962 (76 Stat. 998); sec. 227(b)(5), Rev. Act 1964 (78 Stat. 98)]

PAR. 18. Paragraph (k) of § 1.1016-5 is amended to read as follows:

§ 1.1016-5 Miscellaneous adjustments to basis.

* * * * *

(k) *Deductions disallowed in connection with disposal of coal or domestic iron ore.* Basis shall be adjusted by the amount of the deductions disallowed under section 272 with respect to the disposal of coal or domestic iron ore covered by section 631.

* * * * *

PAR. 19. Section 1.1231 is amended by revising section 1231(b)(2) and adding to the historical note. The amended provisions read as follows:

§ 1.1231 Statutory provisions; property used in trade or business and involuntary conversions.

SEC. 1231. *Property used in the trade or business and involuntary conversions.* * * *

(b) *Definition of property used in the trade or business.* For purpose of this section—

* * * * *

(2) *Timber, coal, or domestic iron ore.* Such term includes timber, coal, and iron ore with respect to which section 631 applies.

* * * * *

[Sec. 1231 as amended by sec. 49, Technical Amendments Act 1958 (72 Stat. 1642); sec. 227, Rev. Act 1964 (78 Stat. 97)]

PAR. 20. Paragraph (a) and (c)(3) of § 1.1231-1 are amended to read as follows:

§ 1.1231-1 Gains and losses from the sale or exchange of certain property used in the trade or business.

(a) *In general.* Section 1231 provides that a taxpayer's gains and losses from the disposition (including involuntary conversion) of assets described in that section as "property used in the trade or business" and from the involuntary conversion of capital assets held for more than 6 months shall be treated as long-term capital gains and losses if the total gains exceed the total losses. If the total gains do not exceed the total losses, all such gains and losses are treated as ordinary gains and losses. Therefore, if the taxpayer has no gains subject to section 1231, a recognized loss from the condemnation (or from a sale or exchange under threat of condemnation) of even a capital asset held for more than 6 months is an ordinary loss. Capital assets subject to section 1231 treatment include only capital assets involuntarily converted. The noncapital assets subject to section 1231 treatment are (1) depreciable business property and business real property held for more than 6 months, other than stock in trade and certain copyrights and artistic property; (2) timber, coal, and iron ore, but only to the extent that section 631 applies thereto; and (3) certain livestock and unharvested crops. See paragraph (c) of this section.

* * * * *

(c) *Transactions to which section applies.* Section 1231 applies to recognized gains and losses from the following:

* * * * *

(3) The cutting or disposal of timber, or the disposal of coal or iron ore, to the extent considered arising from a sale or exchange by reason of the provisions of section 631 and the regulations thereunder.

* * * * *

PAR. 21. Paragraph (g)(1)(ii) of § 1.1244(c)-1 is amended to read as follows:

§ 1.1244(c)-1 Section 1244 stock defined.

* * * * *

(g) *Gross receipts.* (1) * * *

(ii) The term "royalties" as used in subdivision (i) of this subparagraph means all royalties, including mineral, oil, and gas royalties (whether or not the aggregate amount of such royalties constitutes 50 percent or more of the gross income of the corporation for the taxable year), and amounts received for the privilege of using patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property. The term "royalties" does not include amounts received upon the disposal of timber, coal, or domestic iron ore with a retained economic interest to which the special rules of section 631 (b) and (c) apply or amounts received from the transfer of patent rights to which section 1235 applies. For the definition of "mineral, oil, or gas royalties", see paragraph (b)(11)(ii) and (iii) of § 1.543-1. For purposes of this subdivision, the gross amount of royalties shall not be reduced by any part of the cost of the rights under which they are received or by any amount allowable as a deduction in computing taxable income.

* * * * *

PAR. 22. Paragraph (b)(5)(iii) of § 1.1372-4 is amended to read as follows:

§ 1.1372-4 Termination of election.

* * * * *

(b) *Methods of termination.*

(5) *Personal holding company income.* * * *

(iii) *Royalties.* The term "royalties" as used in section 1372(e)(5) means all royalties, including mineral, oil, and gas royalties (whether or not the aggregate amount of such royalties constitutes 50 percent or more of the gross income of the corporation for the taxable year), and amounts received for the privilege of using patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like property. The term "royalties" does not include amounts received upon disposal of timber, coal, or domestic iron ore with a retained economic interest with respect to which the special rules of section 631 (b) and (c) apply or amounts received from the transfer of patent rights to which section 1235 applies. For the definition of "mineral, oil, or gas royalties," see paragraph (b)(11)(iii) of § 1.543-1. For purposes of this subdivision, the gross amount of royalties shall not be reduced by any part of the cost of the rights under which they are received or by any amount allowable as a deduction in computing taxable income.

* * * * *

PAR. 23. Section 1.1402(a) is amended by revising section 1402(a)(3)(B) and adding to the historical note. The amended provisions read as follows:

§ 1.1402(a) Statutory provisions; definitions; net earnings from self-employment.

SEC. 1402. *Definitions*—(a) *Net earnings from self-employment.* * * *

(3) There shall be excluded any gain or loss—

* * * * *

(B) From the cutting of timber, or the disposal of timber, coal, or iron ore, if section 631 applies to such gain or loss, or

* * * * *

[Sec. 1402(a) as amended by sec. 201(a) and (c)(4), Social Security Amendments 1954 (68 Stat. 1067, 1089); sec. 201 (e)(2), (g), and (i), Social Security Amendments 1956 (70 Stat. 840-842); sec. 5(b), Act of Aug. 30, 1957 (Pub. Law 85-239, 71 Stat. 523); sec. 103(k), Social Security Amendments 1960 (74 Stat. 938); sec. 227, Rev. Act 1964 (78 Stat. 97)]

PAR. 24. Paragraph (a)(2) of § 1.1402(a)-6 is amended to read as follows:

§ 1.1402(a)-6 Gain or loss from disposition of property.

(a) There is excluded any gain or loss:

* * * * *

(2) From the cutting of timber or the disposal of timber, coal, or iron ore, even though held primarily for sale to customers, if section 631 is applicable to such gain or loss; and

* * * * *

PAR. 25. Paragraph (b) of § 1.1441-2 is amended to read as follows:

§ 1.1441-2 Income subject to withholding.

* * * * *

(b) *Amounts considered to be gains from the sale or exchange of capital assets.* Withholding is also required on the gross amount of the items described in section 402(a)(2), relating to treatment of total distributions from certain

employees' trusts; in section 631 (b) and (c), relating to treatment of gain on disposal of timber, coal, or domestic iron ore with a retained economic interest; in section 1235, relating to treatment of gain on sale or exchange of patents; and after September 2, 1958, in section 403 (a)(2), relating to treatment of payments under certain employee annuities, each of which items is considered to be gain from the sale or exchange of capital assets.

* * * * *

(Sec. 7805, Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[F.R. Doc. 65-7889; Filed, July 26, 1965; 8:49 a.m.]

SUBCHAPTER E—ALCOHOL, TOBACCO, AND OTHER EXCISE TAXES

[T.D. 6840]

PART 270—MANUFACTURE OF TOBACCO PRODUCTS

Miscellaneous Amendments

On August 6, 1964, a notice of proposed rule making with respect to regulations designated as Part 270 of Title 26 of the Code of Federal Regulations was published in the FEDERAL REGISTER (29 F.R. 11377). The purposes of the proposal were to (1) improve and clarify certain provisions relating to the mark on packages of tobacco products, the furnishing of tax-exempt tobacco products to employees for personal consumption, and the treatment of tax determined tobacco products returned to the factory; (2) incorporate provisions relating to the keeping of records in support of transfers of tobacco products in bond, repackaging of tobacco products, and the treatment of shortages and overages of tobacco products disclosed by a physical inventory; (3) liberalize present requirements relating to records maintained by manufacturers of tobacco products; (4) delete obsolete provisions relating to the redemption of stamps; and (5) make miscellaneous clarifying and conforming changes of a minor nature.

After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the regulations so published are hereby adopted subject to the changes set forth below:

PARAGRAPH 1. Paragraph 19 is changed to extend the term "employee," in § 270.231, to include those persons whose duties relate to the manufacture, distribution, or sale of tobacco products and to provide that tobacco products for off-factory consumption must be furnished the employee within the factory.

PAR. 2. Paragraph 21 is changed to clarify, in § 270.255, the provisions concerning overages and shortages of tobacco products by kind as required to be recorded and reported, and also the provisions concerning payment of tax on any shortage.

PAR. 3. Paragraph 24 is changed to clarify provisions relating to the filing of a claim for refund.

This Treasury decision shall be effective on the first day of the first month which begins not less than 30 days following the date of publication in the FEDERAL REGISTER.

(Sec. 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: July 21, 1965.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

1. Section 270.11 is amended by adding, in alphabetical sequence, the definition as follows:

§ 270.11 Meaning of terms.

* * * * *

Permit number. The combination of (1) the letters indicating the kind of permit, (2) the identifying number, and (3) the name or abbreviation of the State (or the District of Columbia) in which the factory is located, as assigned to the permit by the assistant regional commissioner; for example, "TP-999-Utah".

* * * * *

2. Section 270.47 is amended to include the procedure for submitting applications for authorization to engage in another business within the factory. As amended, § 270.47 reads as follows:

§ 270.47 Other businesses within factory.

The Director may authorize such other businesses within the factory as he finds will not jeopardize the revenue, will not hinder the effective administration of this part, and will not be contrary to law. Where a manufacturer desires to engage in another business within the factory he shall submit a written application to do so, in triplicate, to the assistant regional commissioner for the region in which the factory is located, for his transmittal to the Director. A manufacturer shall not engage in such other business until the application is approved by the Director. The manufacturer shall retain, as part of his records, any authorization of the Director under this section.

3. Section 270.63 is amended to include provisions, formerly in § 270.68, relating to authority of corporate officials to represent a corporate manufacturer. As amended, § 270.63 reads as follows:

§ 270.63 Corporate documents.

Every corporation, before commencing business as a manufacturer of tobacco products, shall furnish with its application for permit, required by § 270.62, a true copy of the corporate charter or a certificate of corporate existence or incorporation executed by the appropriate officer of the State in which incorporated. The corporation shall likewise furnish duly authenticated extracts of the stockholders' meetings, bylaws, or directors' meetings, listing the offices the incumbents of which are authorized to sign documents or otherwise act in behalf of the corporation in matters relating to Chapter 52, I.R.C., and regulations issued thereunder. The corporation shall also furnish evidence, in duplicate, of the identity of the officers and directors and each person who holds more than ten percent of the stock of such corporation. Where any of the information required by this section has previously been filed with the same assistant regional commissioner and such information is currently complete and accurate, a written statement to that effect, in duplicate, will be sufficient for the purpose of this section.

(72 Stat. 1421; 26 U.S.C. 5712)

4. Section 270.68 is amended to clarify the requirements relating to the filing of a power of attorney and to eliminate provisions concerning corporate documents which are now included in § 270.63. As amended, § 270.68 reads as follows:

§ 270.68 Power of attorney.

If the application for permit or any report, return, notice, schedule, or other document required to be executed is to be signed by an individual (including one of the partners for a partnership or one of the members of an association) as an attorney in fact for any person, or if an individual is to otherwise officially represent such person, power of attorney on Form 1534 shall be furnished to the assistant regional commissioner. (For power of attorney in connection with conference and practice requirements see Subpart E, Part 601 of this chapter.) Such power of attorney is not required for persons whose authority is furnished with the corporate documents as required by § 270.63. Form 1534 does not have to be filed again with an assistant regional commissioner where such form has previously been submitted to that assistant regional commissioner and is still in effect.

5. Section 270.69 is amended to require a factory diagram under certain circumstances in addition to those previously required. As amended, § 270.69 reads as follows:

§ 270.69 Factory premises.

The premises to be used by a manufacturer of tobacco products as his factory may consist of more than one building, or portions of buildings, which need not be contiguous but must be located in the same city, town, or village: Except that, where the assistant regional commissioner determines that a building or portion of a building which is not within the city, town, or village, is so conveniently and closely situated to the general factory premises as to present no jeopardy to the revenue and as to offer no hindrance to the administration of this part, he may authorize the inclusion of such building or portion of building as part of the factory. The buildings or portions of buildings shall be described in the application for permit and the bond by number, street, and city, town, or village, and State. If any of the following conditions exist a diagram shall also be furnished, in duplicate, showing the information indicated:

(a) Where the factory is in more than one building, and each building is not identifiable by a separate street address—identify each building by a letter, number, or similar designation;

(b) Where the factory consists of a portion of a building or where portions of buildings are part of the factory—show the particular floor or floors, or room or rooms, comprising the factory;

(c) Where there is an adjoining retail store operated by the manufacturer in which tobacco products are sold—identify the factory and the retail store including any doors or other openings between the premises.

(72 Stat. 1421; 26 U.S.C. 5712)

6. Section 270.92 is amended to provide for the addition or discontinuance of a trade name. As amended, § 270.92 reads as follows:

§ 270.92 Change in trade name.

Where there is a change in, or an addition or discontinuance of, a trade name used by a manufacturer of tobacco products in connection with operations authorized by his permit the manufacturer shall, within 30 days of such change, addition, or discontinuance, make application on Form 2098 for an amended permit to reflect such change. The manufacturer shall also furnish a true copy of any new trade name certificate or document issued to him, or statement in lieu thereof, required by § 270.65.

(72 Stat. 1421; 26 U.S.C. 5712)

7. Section 270.103 is amended to require notification when there is a change in authority of officers to act in behalf of a corporation furnished under § 270.63. As amended § 270.103 reads as follows:

§ 270.103 Change in officers, directors, or stockholders of a corporation.

Upon election or appointment (excluding successive reelection or reappointment) of any officer or director of a corporation operating the business of a manufacturer of tobacco products, or upon any occurrence which results in a person acquiring ownership or control of more than ten percent in aggregate of the outstanding stock of such corporation, the manufacturer shall, within 30 days of such action, so notify the assistant regional commissioner in writing, giving the identity of such person. When there is any change in the authority furnished under § 270.63 for officers to act in behalf of the corporation the manufacturer shall immediately so notify the assistant regional commissioner in writing.

(72 Stat. 1421; 26 U.S.C. 5712)

8. Section 270.131 is amended to change the statement concerning the filing of powers of attorney for agents of surety companies, to conform with changed procedures in Subpart D of Part 296 of this chapter. As amended § 270.131 reads as follows:

§ 270.131 Corporate surety.

Surety bonds required under the provisions of this part may be given only with corporate sureties holding certificates of authority from the Secretary of the Treasury as acceptable sureties on Federal bonds. Power of attorney and other evidence of appointment of agents and officers to execute bonds on behalf of such corporate sureties shall be filed with the assistant regional commissioner with whom any bond executed by such agent or officer is filed. Limitations concerning corporate sureties are prescribed by the Secretary in Treasury Department Circular No. 570, as revised. The surety shall have no interest whatever in the business covered by the bond.

(61 Stat. 648, 72 Stat. 1421; 6 U.S.C. 6, 26 U.S.C. 5711)

9. Section 270.139 and the heading are amended for clarification. As amended, § 270.139 and the heading read as follows:

§ 270.139 Termination of bond.

Any bond required by this part may be terminated by the assistant regional commissioner as to liability for future operations (a) pursuant to application by the surety as provided in the bond, (b) on approval of a superseding bond, or (c) when operations by the manufacturer are permanently discontinued in accordance with Subpart J. After a bond is terminated the surety shall remain bound with respect to any liability for unpaid taxes, penalties, and interest, not in excess of the amount of the bond, incurred by the manufacturer prior to the termination date.

(72 Stat. 1421; 26 U.S.C. 5711)

10. Section 270.164 is amended to provide for inclusion in the tax return and taxpayment of shortages in inventory. As amended, § 270.164 reads as follows:

§ 270.164 Adjustments in the semimonthly return.

A manufacturer may make adjustments in Schedules A and B of his semimonthly tax return, Form 3071, as provided in this section. Schedule A of the return will be used where an error resulted in an underpayment of tax or where a shortage in inventory is disclosed as set forth in § 270.255. Schedule B of the return will be used where prepayment of tax has been made during the return period, or where notice has been received from the assistant regional commissioner that a claim for allowance of tax has been approved. Schedule B may also be used as provided in § 270.286 where a computational error resulted in an overpayment of tax. In the case of an adjustment based on prepayment of tax, the serial number(s) of the prepayment return(s), Form 2617, shall be shown. Any adjustments made in a return must be fully explained in the appropriate schedule or in a statement attached to and made a part of the return in which such adjustment is made.

(68A Stat. 791, 72 Stat. 1417; 26 U.S.C. 6402, 5703)

11. Section 270.181 is amended to include reference to new § 270.186. As amended, § 270.181 reads as follows:

§ 270.181 General.

Every manufacturer of tobacco products shall keep records of his operations and transactions which shall reflect, for each day, the information specified in §§ 270.182 and 270.183. For the aforesaid purpose "day" shall mean calendar day, except that the assistant regional commissioner may, upon application of the manufacturer by letter, in duplicate, authorize as such day for a factory a 24-hour cycle of operation other than the calendar day. A day once so established as other than the calendar day may be changed only by like application approved by the assistant regional commissioner. A manufacturer who maintains commercial records from which the required information may be readily ascertained may utilize such records for this purpose. Where a manufacturer does not maintain commercial records which adequately reflect the information required by this part, he shall keep a record on Form 3063 with respect to tobacco materials, on Form 3065 with respect to large cigars, on Form 3066 with respect to small cigars and large and small cigarettes, and on Form 3064 with respect to manufactured tobacco. The manufacturer shall keep the auxiliary and supplemental records from which such records are compiled, and shall keep supporting records, as specified in §§ 270.184 and 270.186, of tobacco products removed subject to tax and transferred in bond. Except as provided in §§ 270.184 and 270.186 the entries in the commercial or form records so maintained or kept shall be made not later than the close of the business day next following that on which the transactions occur. As used in this section the term "business day" shall mean any day other than Saturday, Sunday, a legal holiday in the District of Columbia, or a statewide legal holiday in the State wherein the factory to which the records relate is located.

(72 Stat. 1423; 26 U.S.C. 5741)

12. Section 270.183 is amended to provide for the rounding off of fractions of pounds of manufactured tobacco. As amended, undesignated text has been added at the end of § 270.183 to read as follows:

§ 270.183 Record of tobacco products.

* * * * *

In recording the daily totals with respect to manufactured tobacco as required by this section, a manufacturer may disregard fractions of less than one-half pound and increase fractions of one-half pound or more to the next whole pound. Such daily total shall be determined before the fraction of pound is disregarded or increased.

(72 Stat. 1423; 26 U.S.C. 5741)

13. Section 270.184 is amended to provide for the acceptance under certain conditions of supporting records which do not specifically show the tax classification of cigars and cigarettes. As amended, § 270.184 reads as follows:

§ 270.184 Record in support of removals subject to tax.

Every manufacturer of tobacco products shall keep a supporting record of tobacco products removed from his factory subject to tax and shall make the entries therein at the time of removal.

Such supporting record shall show, with respect to each removal, the date of removal, the name and address of the person to whom shipped or delivered, the kind and quantity of cigars, cigarettes, or manufactured tobacco, and in the case of large cigars the class: *Provided*, That where the tobacco products are delivered within the factory directly to the consumer the name and address of the person to whom delivered need not be shown. Where the manufacturer keeps, at the factory, copies of invoices or other commercial records containing the information required as to each removal, in such orderly manner that the information may be readily ascertained therefrom, such copies will be considered the supporting record required by this section. Such invoices or other commercial records which do not show specifically the tax classification of cigars or cigarettes will be acceptable if they contain adequate information to readily enable an internal revenue officer to ascertain therefrom the appropriate tax rate.

(72 Stat. 1423; 26 U.S.C. 5741)

14. A new section, designated § 270.186, is added to read as follows:

§ 270.186 Record in support of transfers in bond.

Every manufacturer of tobacco products shall keep a supporting record of tobacco products transferred in bond to or received in bond from other factories, and shall make the entries therein at the time of each receipt or removal of such products. Such supporting record shall show the date of receipt or removal, the name of the manufacturer and address of the factory from which received or to which removed or the permit number of such factory, and the kind and quantity of cigars, cigarettes, or manufactured tobacco. Where the manufacturer keeps, at the factory, copies of invoices or other commercial records containing the information required as to each receipt and removal, in such orderly manner that the information may be readily ascertained therefrom, such copies will be considered the supporting record required by this section.

(72 Stat. 1423; 26 U.S.C. 5741)

15. Section 270.202 is amended to prescribe for the separate reporting of shortages and overages disclosed by physical inventory. As amended, paragraphs (d) through (i) of § 270.202 read as follows:

§ 270.202 Reports.

* * * * *

(d) Disclosed by inventory as an overage,

(e) Removed subject to tax,

(f) Removed in bond,

(g) Otherwise disposed of without determination of tax,

(h) Disclosed by inventory as a shortage, and

(i) On hand, in bond, beginning of and end of month.

(72 Stat. 1422; 26 U.S.C. 5722)

16. Section 270.212 is amended to eliminate, under certain conditions, the requirement that the manufacturer show in the mark the location of his factory. As amended, § 270.212 reads as follows:

§ 270.212 Mark.

Every package of tobacco products packaged in a domestic factory shall, before removal subject to tax, have adequately imprinted thereon, or on a label securely affixed thereto, a mark as specified in this section. The mark may consist of the name of the manufacturer removing the product subject to tax and the location (by city and State) of the factory from which the products are to be so removed, or may consist of the permit number of the factory from which the products are to be so removed. (Any trade name of the manufacturer approved as provided in § 270.65 may be used in the mark as the name of the manufacturer.) As an alternative, where tobacco products are both packaged and removed subject to tax by the same manufacturer, either at the same or different factories, the mark may consist of the name of such manufacturer if the factory where packaged is identified on or in the package by a means approved by the Director. Before using the alternative, the manufacturer shall notify the Director in writing of the name to be used as the name of the manufacturer and the means to be used for identifying the factory where packaged. If approved by him the Director shall return approved copies of the notice to the manufacturer. A copy of the approved notice shall be retained as part of the factory records at each of the factories operated by the manufacturer.

(72 Stat. 1422; 26 U.S.C. 5723)

17. A new section, designated § 270.216, is added to read as follows:

§ 270.216 Fill of packages of manufactured tobacco.

Packages of manufactured tobacco must be so filled that the weight at the time of removal agrees with that stated on the package, except for such variations in weight as may occur when the filling is conducted in compliance with good commercial practices which result in substantially the same number of underweight and overweight packages.

18. A new section, designated § 270.217, is added to read as follows:

§ 270.217 Repackaging.

Where a manufacturer of tobacco products desires to repackage, outside the factory, tobacco products on which the tax has been determined or which were removed for a tax-exempt purpose or transferred in bond to an export warehouse, or to repackage tax determined tobacco products in the factory, he shall make application for authorization to do so, in duplicate, to the assistant regional commissioner for the region in which the products are to be repackaged. The application shall set forth the location and the number of packages, a description of the contents, the tax status of the tobacco products, the reason for wanting to repackage the products (e.g., packages soiled, damaged, or otherwise in a condition making the product unsalable), and a description of the package to be used for repackaging. The packages to be used must comply with the package, mark, and notice provisions of this chapter applicable to the tobacco products being repackaged. The operations authorized under this section are limited solely to repackaging for good cause by a manufacturer, pursuant to an approved application, of the specified tobacco products in the described packages, and do not include any manufacturing processes. If the assistant regional commissioner approves the application, he may assign an internal revenue officer to supervise the repackaging or he may authorize the manufacturer to repackage the products without supervision by so stating on a copy of the application returned to the manufacturer. Where the manufacturer is authorized to repackage he shall record the date of repackaging on the approved application and retain it as part of his records.

(72 Stat. 1422; 26 U.S.C. 5723)

19. Section 270.231 is amended by redefining the term "employee" and to provide that tobacco products for off-factory consumption must be furnished the employee within the factory. As amended, § 270.231 reads as follows:

§ 270.231 Consumption by employees.

A manufacturer of tobacco products may gratuitously furnish tobacco products, without determination and payment of tax, for personal consumption by employees in the factory in such quantities as desired. Each employee may also be gratuitously furnished by the manufacturer, for off-factory personal consumption, not more than 5 large cigars or cigarettes, 20 small cigars or cigarettes, 2 ounces of manufactured tobacco, or a proportionate quantity of each, without determination and payment of tax, on each day the employee is at work. For the purpose of this section, the term "employee" shall mean those persons whose duties require their presence in the factory or whose duties relate to the manufacture, distribution, or sale of tobacco products and who receive compensation from the manufacturer, or a parent, subsidiary, or auxiliary company or corporation of the manufacturer. Such products furnished for off-factory consumption shall be furnished to the employee within the factory and taken from the factory by the employee on the day for which furnished. Employees shall not sell, offer for sale, or give away products so furnished to them.

(72 Stat. 1418; 26 U.S.C. 5704)

20. Section 270.254 is amended to clarify the requirements relating to tobacco products returned to the factory. As amended, § 270.254 reads as follows:

§ 270.254 Receipt into factory.

A manufacturer of tobacco products may receive in bond into his factory any tobacco products which he is authorized under his permit to produce in that factory, and may also receive into his factory any tobacco products on which the tax has been determined (including products on which the tax has been paid). Tobacco products on which the tax has been determined which are so received shall be segregated and identified as products on which the tax has been

determined. If tax determined products received into the factory are so handled that they cannot be identified both physically and in the records as tax determined products they shall be accounted for as returned to bond and upon subsequent removal shall be tax determined. Where returned tax determined tobacco products are to be repackaged without being returned to bond the manufacturer shall make application for authorization to do so to the assistant regional commissioner in accordance with § 270.217. Where the manufacturer intends to file claim for allowance or refund of tax on tax determined products he shall comply with the provisions of §§ 270.311 and 270.313.

21. A new section, designated § 270.255, is added to read as follows:

§ 270.255 Shortages and overages in inventory.

Whenever a manufacturer of tobacco products makes a physical inventory of packaged tobacco products in bond, either as part of normal operations or when required by an internal revenue officer, and such inventory discloses a shortage or overage in such products by kind as recorded and reported (i.e., small cigarettes, large cigarettes, small cigars, large cigars, plug, twist and other forms of leaf, fine-cut chewing, scrap chewing, smoking tobacco, and snuff), the manufacturer shall enter such shortage or overage in the records required by § 270.183. (While overages and shortages of kinds of manufactured tobacco are recorded and reported separately for statistical purposes, only a total overage or shortage of all kinds of manufactured tobacco, as disclosed by each inventory, has tax implications.) Shortages or overages in inventories made at different times may not be used to offset each other, but shall be recorded and reported separately. Unless the manufacturer establishes that a shortage was not caused by a removal subject to tax the manufacturer shall determine the tax on any shortage, make an adjustment in Schedule A of his next semimonthly tax return, and pay the tax thereon. If, after paying the tax on a shortage, the manufacturer satisfactorily establishes that the shortage was not caused by a removal subject to tax, then such payment would be an overpayment of tax which the manufacturer may recover as provided in § 270.286. Where the manufacturer can establish, prior to paying the tax on a shortage, that the shortage was not the result of a removal subject to tax he shall submit an explanation of such shortage with his report for the month in which the shortage was disclosed and, if appropriate, he may file claim for remission of tax liability as provided in § 270.287. When an overage is disclosed which the manufacturer can explain, he shall include such explanation in his monthly report and refund of any overpayment may be recovered as provided in § 270.286. Whenever a physical inventory discloses a shortage or overage of tobacco products which have not been packaged the manufacturer shall appropriately enter such shortage or overage in his records and shall, at the time required by the assistant regional commissioner, furnish an explanation in the form of a claim for remission of tax liability as provided in § 270.287. The manufacturer shall pay the tax on any shortage or portion thereof for which he is unable to furnish an explanation acceptable to the assistant regional commissioner.

(68A Stat. 791, 72 Stat. 1417, 1419, 1423; 26 U.S.C. 6402, 5703, 5705, 5741)

22. Section 270.262 is amended to provide for delivery of tobacco materials to a Federal institution and to set out the conditions of use by Federal and State institutions. As amended, paragraph (c) of § 270.262 reads as follows:

§ 270.262 Shipment or delivery.

* * * (c) a Federal or State institution for use in the manufacture of tobacco products within the institution for gratuitous or non-profit distribution to inmates of such institution and to inmates of other institutions operated by the same governmental entity; * * *

(72 Stat. 1418; 26 U.S.C. 5704)

23. Section 270.285 is deleted to remove outdated provisions relating to the redemption of tobacco products tax stamps.

24. A new section, designated § 270.286, is added to read as follows:

§ 270.286 Refund of overpayment.

Where an error in computation of the quantity of tobacco products or in computation of the amount of tax due results in an overpayment and such error is specifically identified and supported by records, the manufacturer may file claim for refund or may make an adjustment in his semimonthly tax return as provided in § 270.164. (Section 6511, I.R.C., provides that, in most cases, any adjustment or claim for refund of an overpayment of tax on tobacco products must be made or filed within 3 years after the tax was paid.) If the manufacturer elects to file a claim for refund of an overpayment resulting from such a computational error, he shall do so on Form 843, in duplicate. The original shall be filed with the assistant regional commissioner for the region in which the tax was paid, and the duplicate retained by the manufacturer. Where an overpayment of tax on tobacco products results from other than a computational error any claim for refund or credit shall be made in accordance with Subpart A of Part 296 of this chapter.

(68A Stat. 791, 72 Stat. 9; 26 U.S.C. 6402, 6423)

25. A new section, designated § 270.287, is added to read as follows:

§ 270.287 Remission of tax liability on shortage.

Whenever a manufacturer of tobacco products desires to submit a claim for remission of tax liability on shortages of tobacco products in bond, disclosed by physical inventory as set forth in § 270.255, he shall prepare such claim on Form 2635, in triplicate. All copies of the claim shall be filed with the assistant regional commissioner for the region in which the factory is located. The claim shall specify the quantities of tobacco products on which claim is made and the tax liability in respect thereof, and shall set forth the circumstances surrounding the shortage and the reason the manufacturer believes tax is not due or payable. The assistant regional commissioner will, after such investigation as he deems appropriate, allow the claim to the extent that he is satisfied the shortage was due to operating losses such as damage during grading, sorting, or packaging, and was not caused by theft or other unlawful or improper removal. Upon action on the claim by the assistant regional commissioner he will return a copy of the Form 2635 to the manufacturer as notice of such action, which copy shall be retained by the manufacturer.

(72 Stat. 1414, 1417, 1419; 26 U.S.C. 5701, 5703, 5705)

[F.R. Doc. 65-7815; Filed July 26, 1965; 8:45 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 9—Atomic Energy Commission

PART 9-2—PROCUREMENT BY FORMAL ADVERTISING

Miscellaneous Amendments

Section 9-2.102 *Policy*, paragraph (b) is deleted and present paragraph (c) is relettered (b).

The following sections are added:

§ 9-2.102-50 Policy, cost-type contractor procurement.

The following sections of AECPR Part 2 constitute specific provisions which the contracting officer shall bring to the attention of cost-type contractors, Class A and B, as consituting areas which require appropriate treatment in the development of statements of contractor procurement practices, in order to carry out the basic AEC procurement policy set forth in AECPR 9-1.5203. There are no provisions in FPR 1-2 which require appropriate treatment in the development of statements of contractor procurement practices.

Section	*Subject*
AECPR:	
9-2.102-51	Cost-type contractor procurement through competitive bids and awards.
9-2.403	Recording of bids.
9-2.406-50	Mistakes in bids for cost-type contractor procurement before and after award.
9-2.407-50	Government estimates.
9-2.408	Information to bidders.

§ 9-2.102-51 Cost-type contractor procurement through competitive bids and awards.

(a) Section 9-1.5203(a) provides for the use of "competitive bids and awards" whenever procurement through such methods is feasible and practicable under

the circumstances. "Competitive bids and awards" involve the following basic steps:

(1) Preparation of invitations for bids, describing the requirements clearly, accurately and completely, but avoiding unnecessarily restrictive specifications or requirements.

(2) Publicizing the invitation for bids by distribution to prospective bidders, and by such other means as may be appropriate, in sufficient time to enable prospective bidders to prepare and submit bids before the time set for opening of bids.

(3) Submission of bids by prospective contractors.

(4) Awarding the contract, after bids are opened to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors included.

(b) In reviewing contractors "competitive bids and awards" procedures consideration should be given to the criteria and dollar levels for making procurements by this method, and to the adequacy of measures provided to implement the basic steps in paragraph (a) of this section, keeping in mind the objectives of full and free competition and award of a contract on an impartial basis. Other factors bearing on these objectives include: Reasonableness of bidding time; methods of soliciting bids; and procedures for the submission and handling of bids and for award of a contract.

In § 9-2.406-50 *Mistakes in bids or quotations for cost-type contractor procurement before and after award*, paragraph (a) and subparagraphs (1) and (2) under (a) are revised to read as follows:

§ 9-2.406-50 Mistakes in bids for cost-type contractor procurement before and after award.

(a) *Mistakes not in excess of $500.* Managers of Field Offices may permit cost-type contractors to correct mistakes (obvious clerical errors in any amount may be corrected informally) in connection with bids and subcontracts as follows:

(1) Mistakes not in excess of $50.00 without referral to AEC; or

(2) Mistakes in excess of $50.00, but not in excess of $500.00, with the prior written approval of the AEC contracting officer.

* * * * *

Section 9-2.408, Information to bidders, is revised to read as follows:

§ 9-2.408 Information to bidders.

Managers of Field Offices shall provide for the release of award information by the AEC Field Office concerned, in those cases where the contractor's approved procedures do not provide for release of such data.

(Sec. 161, Atomic Energy Act of 1954, as amended, 68 Stat. 948, 42 U.S.C. 2201; sec. 205, Federal Property and Administrative Services Act of 1949, as amended, 63 Stat. 390, 40 U.S.C. 486)

Effective date. These amendments are effective upon publication in the FEDERAL REGISTER.

Dated at Germantown, Md., this 9th day of July 1965.

For the U.S. Atomic Energy Commission.

JOSEPH L. SMITH,
Director,
Division of Contracts.

[F.R. Doc. 65-7837; Filed, July 26, 1965; 8:45 a.m.]

PART 9-4—SPECIAL TYPES AND METHODS OF PROCUREMENT

Subpart 9-4.51—Washington-Designated Research and Development Contracts with Educational Institutions

RESPONSIBILITIES OF AEC FIELD OFFICES

Section 9-4.5112-2 is amended by adding the following paragraph (d):

§ 9-4.5112-2 Responsibilities of AEC Field Offices.

* * * * *

(d) Determining whether to use the Grant Act (P.L. 85-934) or the contractor's contribution to the research as the authority for vesting title to equipment in the contractor when authorized to do so pursuant to AECPR 9-4.5106-6 (c)(6).

(Sec. 161, Atomic Energy Act of 1954, as amended, 68 Stat. 948, 42 U.S.C. 2201; sec. 205, Federal Property and Administrative Services Act of 1949, as amended, 63 Stat. 390, 40 U.S.C. 486)

Effective date. This amendment is effective upon publication in the FEDERAL REGISTER.

Dated at Germantown, Md., this 20th day of July 1965.

For the U.S. Atomic Energy Commission.

JOSEPH L. SMITH,
Director,
Division of Contracts.

[F.R. Doc. 65-7838; Filed, July 26, 1965; 8:45 a.m.]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[FCC 65-652]

PART 0—COMMISSION ORGANIZATION

Board of Commissioners

Order. At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 21st day of July 1965:

The Commission having under consideration § 0.212 of the rules and regulations, under which a Board, composed of all Commissioners present and able to act, may be convened by the Chairman or Acting Chairman of the Commission in the absence of a quorum of the Commission; and

It appearing, that the authority of such a Board of Commissioners should be restated for purposes of clarity and to conform more closely with the functions the Board is expected to perform; and

It further appearing, that authority for the amendment adopted herein is set forth in sections 4(i), 5(d) and 303(r) of the Communications Act of 1934, as amended; and

It further appearing, that the amendment adopted herein pertains to internal delegations of authority, and hence is not subject to prior notice and effective date provisions of section 4 of the Administrative Procedure Act:

It is ordered, Effective July 30, 1965, that § 0.212 of the rules and regulations is amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended; sec. 5, 66 Stat. 713; 47 U.S.C. 303, 155)

Released: July 22, 1965.

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

Section 0.212 is amended to read as follows:

§ 0.212 Board of Commissioners.

(a) Whenever the Chairman or Acting Chairman of the Commission determines that a quorum of the Commission is not present or able to act, he may convene a Board of Commissioners. The Board shall be composed of all Commissioners present and able to act.

(b) The Board of Commissioners is authorized to act upon all matters normally acted upon by the Commission en banc, except the following:

(1) The final determination on the merits of any adjudicatory or investigatory hearing proceeding or of any rule making proceeding, except upon a finding by the Board that the public interest would be disserved by waiting the convening of a quorum of the Commission.

(2) Petitions for reconsideration of Commission actions.

(3) Applications for review of actions taken pursuant to delegated authority.

(c) The Board of Commissioners is authorized to act upon all matters normally acted upon by an individual Commissioner (when he or his alternates are not present or able to act) or by a committee of Commissioners (in the absence of a quorum of the committee).

(d) Actions taken by the Board of Commissioners shall be recorded in the same manner as actions taken by the Commission en banc.

(e) This section has no application in circumstances in which the Commission is unable to function at its offices in Washington, D.C. See §§ 0.181-0.186 and 0.381-0.387.

[F.R. Doc. 65-7899; Filed, July 26, 1965; 8:50 a.m.]

[FCC 65-658]

PART 1—PRACTICE AND PROCEDURE

PART 87—AVIATION SERVICES

Renewal of Station Licenses

Order. In the matter of amendment of Parts 1 and 87 to provide for renewal of

[1] Commissioners Lee and Loevinger absent.

station licenses in the Aviation Services on FCC Form 405-A.

At a session of the Federal Communications Commission held at its offices in Washington, D.C. on the 21st day of July 1965;

The Commission having under consideration amendment of Parts 1 and 87 to provide for renewal of station licenses in the Aviation Services on FCC Form 405-A; and,

It appearing, that applications for renewals in the Safety and Special Radio Services are generally submitted on FCC Form 405-A, whereas in the Aviation Services, such applications are made on the same form as the original application; and,

It further appearing, that a filing fee for a renewal in the Aviation Services is $10.00 or $30.00 in the case of a fixed station using frequencies above 952 Mc/s (so-called microwave station) while a renewal filed on FCC Form 405-A is $4.00; and,

It further appearing, that the information submitted to the Commission on FCC Form 405-A is sufficient to process an application for renewal in the Aviation Services and, thus, the differences in renewal procedures serves no useful purpose and should be resolved by amendment of Parts 1 and 87 to provide for the filing of renewals in the Aviation Services on FCC Form 405-A; and,

It further appearing, that the amendments adopted herein are procedural in nature and, hence, that the prior notice, procedure, and effective date provisions of section 4 of the Administrative Procedure Act are not applicable; and,

It further appearing, that authority for the rules herein adopted is contained in sections 4(i) and 303(r) of the Communications Act:

It is ordered, That Parts 1 and 87 of the Commission's rules are amended as set forth below, effective September 7, 1965.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

Released: July 22, 1965.

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

§ 1.926 [Amended]

1. In § 1.926(b) (5), (6), (7) and (8), the text is deleted and the word "[Reserved]" is inserted in lieu thereof.

2. Section 87.29 (a)(1) and (b) is amended to read as follows:

§ 87.29 Application for aircraft radio station license.

(a)(1) Application for new or modified aircraft radio station licenses shall be made on FCC Form 404. The purchaser or assignee of a radio-equipped aircraft shall apply for a new aircraft radio station license on FCC Form 404.

* * * * *

(b) Applicaiton for new or modified Civil Air Patrol mobile (including aircraft) radio station licenses shall be made on FCC Form 480.

* * * * *

3. Section 87.31 (a), (b) and (d) is amended to read as follows:

§ 87.31 Application for ground station authorization.

(a) Application for new, modified or assignment of ground station authorizations, except as provided in paragraphs (b), (c), and (d) of this section, shall be submitted on FCC Form 406. A construction permit must be obtained prior to commencement of construction in the case of operational fixed stations and stations involving special antenna considerations.

(b) Applications for new or modified Civil Air Patrol land station authorizations shall be submitted on FCC Form 480.

* * * * *

(d) Application for construction permit, license, modification, or assignment thereof for a fixed station using frequencies above 952 Mc/s (a so-called microwave station) shall be submitted on FCC Form 402.

4. A new § 87.33 is added to read as follows:

§ 87.33 Application for renewal of license.

Application for renewal of station license shall be submitted on FCC Form 405-A, except where a modification of the license is also sought, in which case the application form applicable for a modification of such station shall be used for both the modification and renewal.

5. Section 87.53(a) is amended to read as follows:

§ 87.53 Schedule of fees.

(a) Except as provided in paragraph (b) of this section, applications filed under this part shall be accompanied by the fees prescribed below:

Applications for new or modified radio station authorizations for operational fixed radio stations for which frequencies above 952 Mc/s are requested (no fee is required for applications for license to cover construction permit)	$30
Applications for renewal of license only for which FCC Form 405-A is prescribed	4
All other applications for radio station authorizations	10

* * * * *

[F.R. Doc. 65-7900; Filed, July 26, 1965; 8:50 a.m.]

[1] Commissioners Lee and Loevinger absent.

[Docket No. 15657, RM-524; FCC 65-654]

PART 15—RADIO FREQUENCY DEVICES

Operation of Radio Door Controls

First Report and Order. 1. Notice of proposed rule making in this proceeding was issued on October 14, 1964 (29 F.R. 14409, Oct. 20, 1964), in response to a petition filed by the Door Operator and Remote Control Manufacturers Association (DORCMA). This notice proposed regulations covering the operation without a license of radio control devices for door operators on frequencies above 70 Mc/s. It was proposed to delete the duty cycle requirement heretofore required for such devices, to prohibit operation on certain frequency bands, to reduce the permitted level of radiation from both the transmitter and receiver part of the control, and to require that such devices be certificated to this Commission.

2. The comments received in this proceeding suggested that a specific test procedure be provided so that the manufacturers would be able to assure themselves that their control devices complied with the proposed rules. The manufacturers of these devices generally objected to excluding any frequency from use whereas users of radio communications requested that additional frequency bands be excluded over and above those contained in the notice of proposed rule making. The manufacturers of these devices further requested that the radiation limits for the transmitter part of the device not be changed from the level now permitted in the rules, and that the level of the radiation from the receiver be reduced only to the level specified in the DORCMA petition. In addition, an objection was raised to the wording specified for the label proposed to be required on certificated control devices.

Prohibited frequencies. 3. The notice of proposed rule making proposed to prohibit the operation of these door controls on the aeronautical radionavigation frequencies (NAVAIDS) and on the safety frequencies 121.5 Mc/s and 243 Mc/s. Parties concerned with aeronautical radio communications requested additional exclusions for the aeronautical communications frequencies 118-136 Mc/s and the flight test frequencies at 123 Mc/s. In addition, exclusions were requested for the bands 150.8-162 Mc/s and 450-470 Mc/s, and for all the bands allocated to radio astronomy. In contrast, the manufacturers of these radio control devices objected to the exclusion of any frequency above 70 Mc/s on the grounds that devices conforming to the Commission's rules would radiate such a low level of energy as not to constitute a source of interference. In support of this comment DORCMA and the Linear Corporation presented a mathematical analysis of an area saturated with radio operated door opener controls which purported to show that the cumulative radiation from a large number of devices would not exceed a free space interference level of 16 microvolts per meter per 10 kc/s of bandwith.

4. In this connection, the Commission notes that in recent months it has received from other Government agencies over 300 urgent complaints of interference to aeronautical radionavigation operations caused by garage door openers. The job of tracking down the offending devices and obtaining corrective action has been inordinately expensive to the Government. In the course of investigating these interference cases, measurements were made on a majority of the devices. In every case, the fields produced by these devices substantially exceeded permissible limits. The record thus established by this experience

speaks poorly for the effectiveness of efforts to control this potential hazard solely through setting limits for permissible radiation and for transmission duty cycle. The Commission is persuaded that necessity demands an outright ban upon operation of these devices on frequencies allocated for aeronautical radionavigation use. In addition, because of the extremely low signal strengths involved in radio astronomy, it is concluded that bands allocated to radio astronomy should also be prohibited for the operation of radio controlled garage door openers. On the other hand, no evidence has been presented which shows that operation within the proposed limits would cause harmful interference to the voice communications frequencies for which additional exclusions were requested. Accordingly, operation in bands containing those frequencies will not be prohibited at this time.

Transmitter radiation limit. 5. DORCMA and the manufacturers of these devices are uniform in their objection to reducing the level of radiation from the transmitter part of the devices. Their argument that the interference stems from the receiver and not from the transmitter part of the device is persuasive and the Commission has withdrawn its proposal to reduce the level of transmitter radiation. Accordingly, the transmitter part of the radio control device will be permitted to operate without a duty cycle and with a level of radiation equal to 150 microvolts per meter in the bands 174–260 Mc/s with certain frequencies prohibited. As a safeguard against the possibility of the transmitter being left turned "on", the Commission has inserted a further requirement that the transmitter be provided with a switch which is spring loaded to return to the "off" position.

Receiver radiation. 6. DORCMA and the manufacturers of these devices object to the Commission's proposal to require the radiation from the receiver to be suppressed approximately 10 db below the level now permitted for receivers in Subpart C of Part 15. They argue that the proposal to reduce receiver radiation by 6 db as proposed in their petition (RM-524) is more than adequate to protect the aeronautical radio communication services. Furthermore, they argue that suppressing receiver radiation an additional 6 db makes it unnecessary to prohibit operation on any frequency. In view of the widespread incidence of interference recently reported, the Commission is not willing to accept this argument. We shall study this matter further and will not alter existing limits at this time.

Measurement procedure. 7. The Commission notes the comments concerning the present lack of a uniform measurement procedure for door controlling devices. Heretofore, the Commission has accepted as valid any procedure which appeared to bear the stamp of engineering competence and integrity. This was believed to place the least burden upon manufacturers, allowing them to adopt procedures and techniques most suitable to their facilities. However, if it is shown that establishment of a standardized procedure is desirable, the Commission, in furtherance of that goal, stands ready to review recommendations from all interested sources and to assist the industry in establishing standards. Agreement upon satisfactory standards may be effected through further proceedings in this Docket.

Conclusion. 8. In accordance with the above, the Commission finds that the public interest will be served by permitting the transmitter part of the radio control to operate without a duty cycle limitation and with the level of radiation heretofore permitted, subject to the requirement that the transmitter be equipped with a spring loaded switch.

9. In view of the urgency of the interference problem and the need to protect the aeronautical radionavigation and radio astronomy bands and the safety frequencies, the Commission is further requiring that radiation from the transmitter and associated receiver shall not fall within the prohibited bands.

10. There are a number of issues in this Docket which are not resolved by the decisions taken in this First Report and Order, and concerning which there is considerable divergence of opinion. Therefore, the Docket will remain open pending resolution of these matters in subsequent actions.

11. *It is, therefore, ordered,* That paragraphs (a) and (b) of § 15.211 be revised and subparagraphs (5) and (6) be added to paragraph (a) of § 15.211. The text of these regulations is set forth below.

12. These regulations are promulgated pursuant to Authority contained in sections 4(i) and 303(r) of the Communications Act of 1934, as amended, and shall become effective on September 7, 1965.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

Adopted: July 21, 1965.

Released: July 22, 1965.

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

In § 15.211 the introductory text of paragraph (a) is amended, (a) (5) and (6) are added, and the introductory text of paragraph (b) is amended as follows:

§ 15.211 Operation above 70 Mc/s.

(a) Except for telemetering devices and wireless microphones operated in accordance with the requirements of §§ 15.212 and 15.213, a low power communication device, manufactured on or after July 15, 1963 may be operated on frequencies above 70 Mc/s, provided it complies with all of the following conditions:

* * * * *

(5) Radio controls for door openers are exempted from the duty cycle limitation of subparagraph (3) of this paragraph: *Provided,* the transmitter part of the control may be activated only by a switch which turns the transmitter off when released.

[1] Commissioners Lee and Loevinger absent.

(6) Radiation from the transmitter or associated receiver of radio controls for door openers must not fall within any of the following bands:

Mc/s	Mc/s	Gc/s
73 – 75.4	608– 614	10.68–10.70
108 –118	960–1215	15.35–15.4
121.4–121.6	1400–1427	19.3 –19.4
242.8–243.2	1535–1670	31.3 –31.5
265 –285	2690–2700	88 –90
328.6–335.4	4200–4400	
404 –406	4990–5250	

(b) Except for radio controls for door openers and for telemetering devices and wireless microphones operated in accordance with the requirements of §§ 15.212 and 15.213, a low power communications device, manufactured before July 15, 1963, may be operated on any frequency above 70 Mc/s: *Provided,* It complies with all of the following conditions:

* * * * *

[F.R. Doc. 65-7901; Filed, July 26, 1965; 8:50 a.m.]

[FCC 65-664]

PART 87—AVIATION SERVICES

Fleet Licensing of Private Aircraft Radio Stations

Order. At a session of the Federal Communications Commission held at its offices in Washington, D.C. on the 21st day of July 1965;

The Commission having under consideration amendment of §§ 87.29(a) and 87.95(b) to provide for the fleet licensing of private aircraft on the same basis as that presently available for air carrier aircraft; and

It appearing, that since our fee schedule requires the payment of a fee for each application filed, the lack of a fleet licensing provision for private aircraft creates a disparity in the licensing cost of private aircraft fleets vis a vis air carrier aircraft fleets; and,

It further appearing, that fleet licensing of private aircraft will provide relief to aircraft manufacturers and dealers who usually have a number of aircraft coming into their possession for a relatively short period of time during the course of a year; and

It further appearing, that the inauguration of the handing by the Commission of aircraft applications and authorizations with automatic data processing facilities will make it administratively feasible to establish fleet licensing of private aircraft; and,

It further appearing, that in view of the foregoing, the public interest, convenience and necessity would be served by amending Part 87—Aviation Services to provide for fleet licensing for private aircraft on the same basis as that available to air carriers; and

It further appearing, that the amendments adopted herein are procedural in nature and, hence, that the prior notice, procedure, and effective date provisions of section 4 of the Administrative Procedure Act are not applicable; and,

It further appearing, that authority for the rules herein adopted is contained in sections 4(i), 301 and 303(r):

It is ordered, That Part 87 of the Commission's Rules is amended as set forth below, effective September 7, 1965.

(Secs. 4, 301, 303, 48 Stat. 1066, 1081, 1082, as amended; 47 U.S.C. 154, 301, 303)

Released: July 22, 1965.

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

1. Section 87.29(a)(2) is amended to read as follows:

§ 87.29 Application for aircraft radio station license.

(a) * * *

(2) An applicant, in applying for aircraft radio station licenses, may specify on a single FCC Form 404, the total number of aircraft stations in his fleet. Under these circumstances, a single instrument of authorization (fleet license) may be issued for operation of all radio stations aboard the aircraft of the fleet.

* * * * *

2. Section 87.95(b) is amended to read as follows:

§ 87.95 Posting station licenses and transmitter identification cards or plates.

* * * * *

(b) The current authorization for an aircraft radio station license shall be posted prominently in the aircraft or shall be kept with the aircraft registration certificate. In the case of aircraft radio stations licensed by means of a single authorization for the operation of all fleet aircraft, the original authorization, or a photocopy thereof, shall be posted prominently in the aircraft or shall be kept with the aircraft registration certificate.

* * * * *

[F.R. Doc. 65-7902; Filed, July 26, 1965; 8:50 a.m.]

[1] Commissioners Lee and Loevinger absent.

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

[7 CFR Part 729]

PEANUTS

Proposed Allotment and Marketing Quota Regulations for 1963 and Subsequent Crops

Pursuant to authority contained in applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.), an amendment to the Allotment and Marketing Quota Regulations for Peanuts of the 1963 and Subsequent Crops (27 F.R. 11920, 28 F.R. 11811, 29 F.R. 7801, 7983, 13027, 16185, 30 F.R. 2589) is under consideration.

As presently contemplated, the amendment would revise § 729.1432 to provide that a farm which includes land for which no peanut allotment is established because the owner of a parent farm did not designate a peanut allotment for such land in making a reconstitution pursuant to Part 719 of this chapter, shall not be eligible for a new farm peanut allotment for 3 years beginning with the year in which the reconstitution becomes effective.

Prior to the amendment being issued, consideration will be given to any data, views, and recommendations which are submitted in writing to the Director, Farmer Programs Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C., 20250. To be considered any such submission must be presented not later than 15 days after publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at such times and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Signed at Washington, D.C., on July 22, 1965.

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

[F.R. Doc. 65-7894; Filed, July 26, 1965; 8:49 a.m.]

Consumer and Marketing Service

[7 CFR Part 1097]

MILK IN MEMPHIS, TENN., MARKETING AREA

Notice of Public Meeting To Permit Interested Parties Opportunity To Present Data, Views, and Arguments Concerning the Proposed Suspension of the Supply-Demand Adjustor

The Department has received petitions from the Mid-South Milk Producers Association and from milk handlers subject to the order regulating the handling of milk in the Memphis, Tenn., milk marketing area, Order No. 97, requesting that the supply-demand adjustor of the Class I price, in § 1097.51(a), under the aforesaid order be suspended pending the completion of any amendatory action based on the record of a hearing held on May 20-21, and 24-25, 1965. The Department has also received information that certain other parties object to such suspension. Accordingly, it is desirable that a public meeting be held at which all interested parties may present views, data, and argument.

Pursuant to the provisions of section 4(b) of the Administrative Procedure Act with respect to informal rule making (5 U.S.C. 1001 et seq.), notice is hereby given of a public meeting to be held at the Chisca Hotel, 272 South Main Street, Memphis, Tenn., beginning at 10 a.m., local time on July 29 at which data, views, or arguments may be presented concerning the proposed suspension of the supply-demand adjustor.

Such data, views, and arguments shall be presented either by means or oral statements not under oath or by submission at the meeting of written statements. Cross examination will not be permitted. All written statements, statistical tables, charts or other written exhibits shall be supplied in quadruplicate by the person offering the statements or exhibit.

Signed at Washington, D.C., on July 23, 1965.

CLARENCE H. GIRARD,
Deputy Administrator, Regulatory Programs.

[F.R. Doc. 65-7954; Filed, July 26, 1965; 8:50 a.m.]

DEPARTMENT OF COMMERCE

Bureau of the Census

[15 CFR Part 30]

FOREIGN TRADE STATISTICS

Notice of Proposed Rule Making

Notice is hereby given that the amendments to the Foreign Trade Statistics Regulations (15 CFR Part 30) set forth below are proposed to be promulgated by the Director of the Bureau of the Census under authority contained in sections 301-306, of Title 13, United States Code (76 Stat. 951).

These amendments will eliminate requirements for filing Shipper's Export Declarations for commodities valued less than $100 shipped to Canada and to nonforeign areas for which a validated export license is not required; will raise the present $50 exemption on mail shipments to $100; and will clarify the procedure to be followed by exporters and carriers in establishing with Customs the basis for exemptions from Shipper's Export Declaration filing requirements.

No changes are being made in the existing requirements of § 30.21 that for merchandise exempt from Shipper's Export Declaration filing requirements carriers shall enter on the manifest a notation as to the basis for such exemptions.

Written comments submitted to the Director, Bureau of the Census, Washington, D.C., 20233, through August 31, 1965, will receive consideration.

A. ROSS ECKLER,
Acting Director, Bureau of the Census.

Section 30.1(b) is amended by changing $50 to $100 so that the amended paragraph reads as follows:

§ 30.1 General statement of requirement for Shipper's Export Declarations.

* * * * *

(b) Shipper's Export Declarations shall be filed for merchandise moving as described above regardless of the method of transportation, except that for shipments by mail export declarations are required only for shipments valued $100 or more from one business concern to another business concern and for all shipments by mail requiring a validated export license (except technical data). Instructions for the filing of Shipper's Export Declarations for vessels, aircraft, railway cars, etc., when sold foreign appear in § 30.33 of this chapter. Exemptions from these requirements and exceptions to some of the provisions of these regulations for particular types of transactions will be found in subparts C and D of this part.

Section 30.50 is revised to read as follows:

§ 30.50 Procedure for shipments exempt from the requirements for Shipper's Export Declarations.

Where an exemption from the requirement for the filing of a Shipper's Export Declaration is provided in this subpart, a notation describing the basis for the exemption shall be made on the bill of lading, air waybill, or other loading document for carrier use, with a reference to the number of the section in this part where the particular exemption is provided so that the carrier at the time of lading, and the Collector at the time of exportation, may verify that no declaration is required. If none of the above named documents are used, the person transporting the merchandise must be prepared to identify to the Collector of Customs at the port of exportation, at the time of exportation but prior to departure, any merchandise which is exempted from the requirement for the filing of a Shipper's Export Declaration and explain to the Collector the basis for the exemption.

Section 30.54(a)(2) is amended by changing $50 to $100 so that the amended section reads as follows:

§ 30.54 Special exemptions for mail shipments.

* * * * *

(a) * * *

(2) The shipment is valued less than $100.

* * * * *

Section 30.55 is amended by deleting in its opening sentence the words "having no commercial value or otherwise not requiring statistical documentation" and by the addition of a new paragraph (h) so that the introductory text and paragraph (h) read as follows:

§ 30.55 Miscellaneous exemptions.

Shipper's Export Declarations are not required for the following kinds of shipments:

* * * * *

(h) Shipments (except shipments requiring a validated export license) to Canada, to the United States possessions, and between the United States and Puerto Rico, where the value of the commodities classified under a single Schedule B number and shipped on the same exporting carrier from one exporter to one importer does not exceed $100; *Provided*, That in order to adequately maintain factors for estimating the statistics on under $100 shipments, the Bureau of the Census may from time to time require the complete enumeration of such shipments for selected periods.

Sections 30.56(e) and 30.57(c) are amended by the deletion of the words "Canada and" so that the exemption will apply only to Mexico.

Section 30.56(e) is amended to read as follows:

§ 30.56 Conditional exemptions.

* * * * *

(e) Shipments to Mexico valued less than $50, provided that the shipment is moving by means of transportation other than water (except ferry) or air.

Section 30.57(c) is amended to read as follows:

§ 30.57 Information on export declarations for shipments of types of goods covered by § 30.56 not conditionally exempt.

* * * * *

(c) In those cases where shipments to Mexico valued less than $50 and moving by means of transportation other than water (except ferry) or air are made under a bill of lading or require a validated export license, and a Shipper's Export Declaration is consequently required, the Shipper's Export Declaration must contain all the information normally required for any exportation, unless the provisions of paragraph (a) of this section apply.

[F.R. Doc. 65-7887; Filed, July 26, 1965; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 37]

[Docket No. 6797; Notice No. 65-16]

[Technical Standard Order—C50b]

AIRCRAFT AUDIO AND INTERPHONE AMPLIFIERS

Notice of Proposed Rule Making

Notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 37 of the Federal Aviation Regulations by revising the Technical Standard Order for Aircraft Audio and Interphone Amplifiers, TSO-C50a.

Technical Standard Order-C50a contains the minimum performance standards which aircraft audio and interphone amplifiers must meet in order for the manufacturer to identify such equipment with the applicable TSO marking. This amendment is proposed to incorporate in these performance standards new environmental test procedures and to revise the requirement concerning the emission of spurious radio frequency energy to provide more protection for other electronic equipment in the aircraft. A new requirement specifying that a switch be provided to bypass the interphone amplifier in the event of its failure has been added and new categories have been developed for the various environmental parameters. The additional categories will allow manufacturers to design equipment which is compatible with the type of aircraft for which the equipment is intended.

In addition, the applicability provision has been revised to make it clear that the performance standards contained in the TSO are those which the manufacturer must meet in order to identify his equipment with the applicable TSO marking.

The performance standards presently applicable to the audio and interphone amplifiers, as well as the amendments proposed herein, are now set forth in an FAA document entitled "Minimum Performance Standards For Aircraft Audio and Interphone Amplifiers" and this document is referenced in the TSO.

Interested persons are invited to participate in the making of the proposd rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel: Attention Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received on or before November 5, 1965, 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.

In consideration of the foregoing, it is proposed to amend Part 37 of the Federal Aviation Regulations by revising § 37.149 to read as follows:

§ 37.149 Aircraft Audio and Interphone Amplifiers (for air carrier aircraft)—TSO-C50a.

(a) *Applicability.* This Technical Standard Order prescribes the minimum performance standards which aircraft audio and interphone amplifiers, to be used on U.S. civil aircraft engaged in air carrier operations, must meet in order to be identified with the applicable TSO marking. New models of the equipment which are to be so identified and which are manufactured on or after the effective date of this section must meet the requirements set forth in the Federal Aviation Agency standard entitled "Minimum Performance Standards For Aircraft Audio and Interphone Amplifiers" dated February 1, 1963, and the Federal Aviation Agency document entitled "Environmental Test Procedures for Airborne Electronic Equipment" dated August 31, 1962.[1]

(b) *Marking.* (1) In addition to the marking specified in § 37.7, the equipment must be marked to indicate the environmental extremes over which it has been designed to operate. There are six environmental procedures outlined in the FAA document "Environmental Test Procedures for Airborne Electronic Equipment" which have categories established. These must be identified on the nameplate by the words "Environmental Categories" or, as abbreviated, "Env. Cat." followed by six letters which identify the categories designated in the FAA document. Reading from left to right, the category designations must appear on the nameplate in the following order so that they may be readily identified—

(i) Temperature-altitude category;

(ii) Vibration category;

(iii) Audio-frequency magnetic field susceptibility category;

(iv) Radio-frequency susceptibility category;

(v) Emission of spurious radio-frequency energy category; and

(vi) Explosion category.

(2) A typical nameplate identification might be as follows: Env. Cat. DBAAAX.

(3) In some cases, such as under the Temperature-Altitude Category, a manufacturer may wish to substantiate his equipment under two categories. In this case, the nameplate must be marked with both categories in the space designated for that category by placing one letter above the other in the following manner:

$$\text{Env. Cat. } \begin{matrix} \text{ABAAAX} \\ \text{D} \end{matrix}$$

(c) *Data requirements.* In accordance with § 37.5, the manufacturer must furnish to the Chief, Engineering and

[1] Copies may be obtained upon request addressed to Publishing and Graphics Division, Distribution Section, HQ-436, Federal Aviation Agency, Washington, D.C., 20553.

Manufacturing Branch, Flight Standards Division, Federal Aviation Agency, in the region in which the manufacturer is located, the following technical data:

(1) Manufacturer's operating instructions and equipment limitations.

(2) Installation procedures with applicable schematic drawings, wiring diagrams, and specifications. Indicate any limitations, restrictions, or other conditions pertinent to installation.

(3) One copy of the manufacturer's test report.

(d) *Previously approved equipment.* Aircraft audio and interphone amplifier models approved prior to the effective date of this section may continue to be manufactured under the provisions of their original approval.

This amendment is proposed under the authority of sections 313(a) and 601 of the Federal Aviation Act of 1958 (72 Stat. 752, 775; 49 U.S.C. 1354, 1421).

Issued in Washington, D.C. on July 20, 1965.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 65-7845; Filed, July 26, 1965; 8:45 a.m.]

[14 CFR Part 39]

[Docket No. 6798]

AIRWORTHINESS DIRECTIVES

Convair, Basic and Modified Army Surplus L-13 Series Aircraft

The Federal Aviation Agency is considering amending Part 39 of the Federal Aviation Regulations by adding an airworthiness directive applicable to Convair Army Surplus L-13 Series airplanes (basic and modified). There have been failures, on L-13 airplanes, at the attachment of the lift strut to the wing. Since the conditions leading to these failures are likely to exist or develop in other aircraft of the same type design, an airworthiness directive, reading as hereinafter set forth, is hereby proposed.

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 docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received on or before August 23, 1965, will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423).

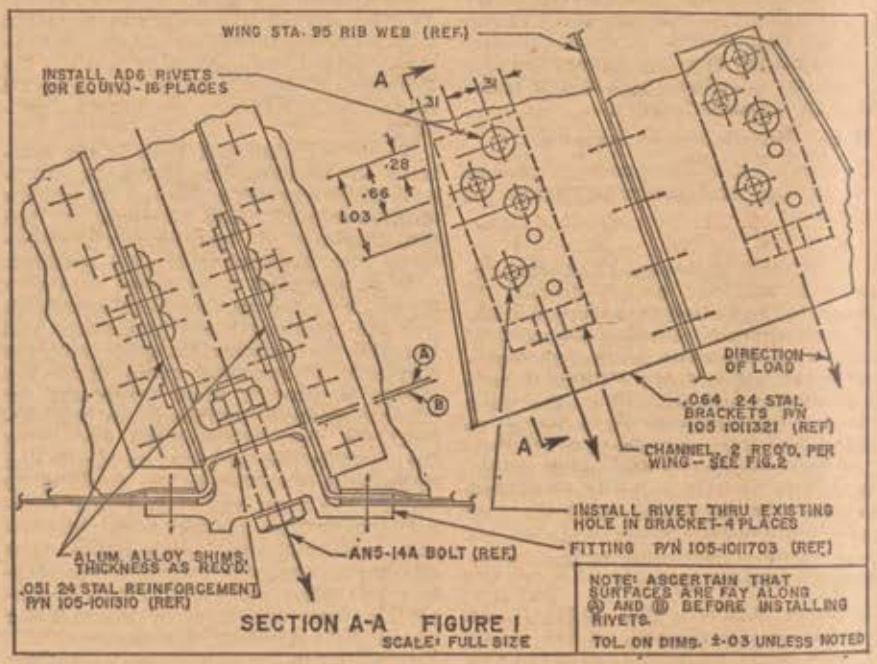
In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 of the Federal Aviation Regulations by adding the following new airworthiness directive:

CONVAIR. Applies to Army Surplus L-13 Series airplanes (basic and modified) including restricted category airplanes.

Compliance required within the next 50 hours' time in service after the effective date of this AD, unless already accomplished.

There have been failures of channel, P/N 105-1011321-14, which transmits loads from the wing to the lift strut. To correct this condition, accomplish the following:

For aircraft certificated under T.C. 4A15, and for aircraft certificated in the restricted category under Part 8, replace block assemblies, P/N 105-1011321-16 (consisting of .064 24STAL channel, P/N 105-1011321-14 and block P/N 105-1011327) with one piece fittings as indicated in Figures 1 and 2 or an equivalent modification approved by the Chief, Aircraft Engineering Division, FAA Western Region.



SECTION A-A FIGURE 1
SCALE: FULL SIZE

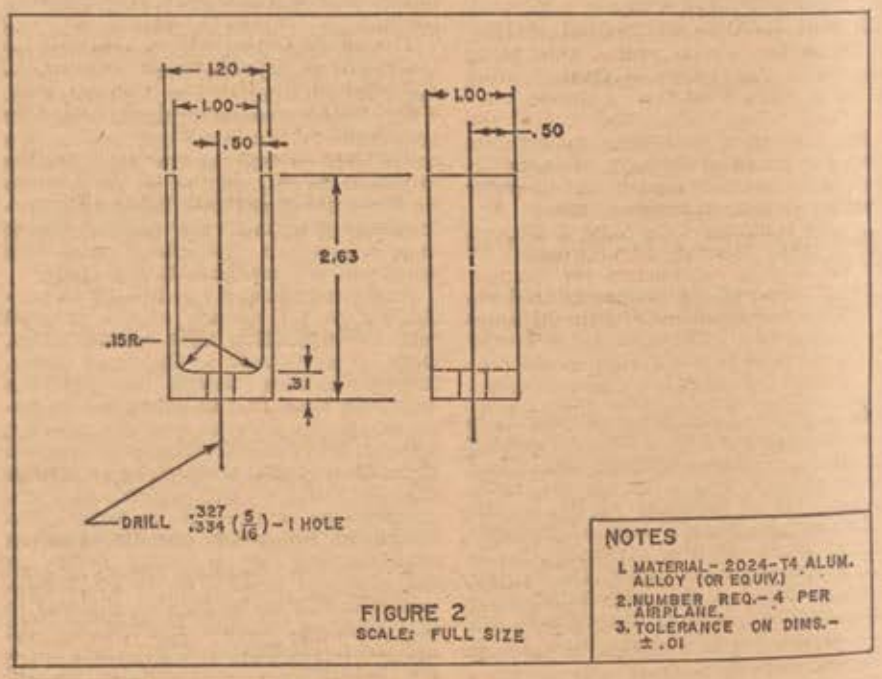


FIGURE 2
SCALE: FULL SIZE

Issued in Washington, D.C., on July 19, 1965.

C. W. WALKER,
Acting Director, Flight Standards Service.

[F.R. Doc. 65-7781; Filed, July 26, 1965; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 65-CE-86]

CONTROL ZONE AND TRANSITION AREA

Proposed Designation

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations which would designate controlled airspace in the Ironwood, Mich., terminal area.

There is no controlled airspace presently designated in the Ironwood, Mich., terminal area.

The Federal Aviation Agency, having completed a comprehensive review of the terminal airspace structural requirements in the Ironwood, Mich., terminal area, proposes the following airspace actions:

1. Designate the Ironwood, Mich., control zone as that airspace within a 5-mile radius of Gogebic County Airport, Ironwood, Mich. (latitude 46°31'30" N., longitude 90°08'00" W.); within 2 miles each side of the Ironwood VOR 077° radial, extending from the 5-mile radius zone to 8 miles E of the VOR; and within 2 miles each side of the Ironwood VOR 257° radial, extending from the 5-mile radius zone to 12 miles W of the VOR. This control zone shall be effective during the specific dates and times established in advance by a Notice to Airmen and continuously published in the Airman's Information Manual.

2. Designate the Ironwood, Mich., transition area as that airspace extending upward from 700 feet above the surface within an 8-mile radius of Gogebic County Airport, Ironwood, Mich. (latitude 46°31'30" N., longitude 90°08'00" W.); within 5 miles N and 8 miles S of the Ironwood VOR 257° radial, extending from the 8-mile radius area to 16 miles W of the VOR; and within 5 miles S and 8 miles N of the Ironwood VOR 077° radial, extending from the 8-mile radius area to 12 miles E of the VOR.

The Federal Aviation Agency is installing a VOR facility on Gogebic County Airport, Ironwood, Mich. The tentative commissioning time is December of 1965. Instrument approach procedures will be established for Gogebic County Airport. These procedures will be effective concurrently with the commissioning of the VOR.

The proposed control zone would provide controlled airspace protection for departing aircraft in their climb to 700 feet above the surface during the times it is in effect. During these times it would also provide controlled airspace protection for aircraft executing the prescribed instrument approach procedures during descent below 1,000 feet above the surface. Certificated personnel of North Central Airlines will provide weather reporting service during the hours that the control zone is designated. It is expected that the times of designation will initially be from approximately 0600 to 1900 hours local time daily. Actual times will be published prior to designation of the control zone.

The proposed transition area would provide controlled airspace protection for departing aircraft in their climb from 700 to 1,200 feet above the surface. It would also provide protection for aircraft executing the prescribed instrument approach procedures during descent to 1,000 feet above the surface when the control zone is in effect and during descent to 700 feet above the surface when the control zone is not in effect. Procedure turn and holding pattern areas are also encompassed by the transition area extensions.

Floors of any airways that will traverse the transition area proposed herein would automatically coincide with the floor of the transition area.

Specific details concerning the new approach procedures may be examined by contacting the Chief, Airspace Branch, Air Traffic Division, Central Region, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110.

Interested persons may submit such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, ATTN: Chief Air Traffic Division, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The public Docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Agency, 4825 Troost Avenue, Kansas City, Mo., 64110.

This amendment is proposed under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued at Kansas City, Mo., on July 9, 1965.

EDWARD C. MARSH,
Director, Central Region.

[F.R. Doc. 65-7846; Filed, July 26, 1965; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 65-EA-32]

CONTROL ZONES AND TRANSITION AREAS

Proposed Alteration and Designation

The Federal Aviation Agency is considering amending §§ 71.171 and 71.181 of Part 71 of the Federal Aviation Regulations which would alter the Charleston (29 F.R. 17590) and Huntington (29 F.R. 17606), W. Va. control zones; designate a 700-foot floor transition area over Huntington-Downtown Airport, Chesapeake, Ohio; Tri-State Airport, Huntington, W. Va.; Ashland-Boyd County Airport, Ashland, Ky.; Scioto County Airport, Portsmouth, Ohio; and Kanawha Airport, Charleston, W. Va.; designate a 1,200-foot floor Charleston, W. Va. transition area.

The controlled airspace in the aforesaid terminal areas is presently comprised of the Charleston, W. Va. (29 F.R. 17560), Columbus, Ohio (29 F.R. 17561) and Wilmington, Ohio (29 F.R. 17580) control area extensions and Charleston and Huntington, W. Va. control zones.

The proposed alteration of the Charleston, W. Va. control zone would reduce the NE extension by approximately 9 miles and W extension by 2 miles. The proposed alteration of the Huntington, W. Va., control zone would reduce the size of the extension to the W. However, an extension would be added to the N and E to provide protection for prescribed instrument approach procedures. The 700-foot floor transition area requirements of Ashland-Boyd Airport, Ashland, Ky.; Huntington-Downtown Airport, Chesapeake, Ohio; and Tri-State Airport, Huntington, W. Va. were consolidated into one transition area. Separating the transition areas for these airports would be impractical due to overlapping airspace.

The 700- and 1,200-foot floor transition area will provide protection for aircraft executing prescribed instrument holding, arrival, transitions, and radar vectoring procedures down to 700 feet above the surface and departure procedures above 700 feet above the surface.

The floors of airways which traverse the transition areas proposed herein would coincide with the floors of the transition areas.

Certain minor revisions to prescribed intrument procedures would be effected in conjunction with the actions proposed herein, but operational complexity would not be increased nor would aircraft performance or present landing minimums be adversely affected. Specific details of the changes to procedures and minimum flight rules altitudes that would be required may be examined by contacting the Chief, Airspace Branch, Air Traffic Division, Federal Aviation Agency, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y., 11430.

Interested persons may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, ATTN: Chief, Air Traffic Division, Federal Aviation Agency, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y., 11430. All communications received within 45 days after publication in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Branch, Eastern Region.

Any data, or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested persons at the

Office of the Regional Counsel, Federal Aviation Agency, Federal Building, John F. Kennedy International Airport, Jamaica, N.Y.

The Federal Aviation Agency having completed a comprehensive review of the airspace requirements for the terminal areas of Portsmouth, Ohio, Ashland, Ky., Huntington, W. Va., and Charleston, W. Va. attendant to the implementation of the provisions of Civil Air Regulation amendments 60-21 and 60-29 (26 F.R. 570; 27 F.R. 4012), proposes the airspace actions hereinafter set forth:

1. Amend § 71.171 of Part 71 of the Federal Aviation Regulations so as to delete the descriptions of the Charleston, W. Va. control zone and insert in lieu thereof:

CHARLESTON, W. VA.

Within a 5-mile radius of the center, 38°-22'21" N., 81°35'35" W., of Kanawha Airport, Charleston, W. Va.; within 2 miles each side of the ILS localizer NE course extending from the 5-mile radius zone to the OM; within 2 miles each side of the Charleston, VORTAC 081° radial extending from the 5-mile radius zone to 2 miles E of the VORTAC.

2. Amend § 71.171 of Part 71 of the Federal Aviation Regulations so as to delete the description of the Huntington, W. Va. control zone and insert in lieu thereof:

HUNTINGTON, W. VA.

Within a 5-mile radius of the center, 38°-22'00" N., 82°33'00" W., of Tri-State Airport, Huntington, W. Va.; within a 5-mile radius of the center, 38°25'14" N., 82°29'35" W., of Huntington-Downtown Airport, Chesapeake, Ohio; within 2 miles each side of the 017° bearing from the Huntington, W. Va., RBn extending from the Huntington-Downtown Airport 5-mile radius zone to 7 miles N of the RBn; within 2 miles each side of the Tri-State Airport ILS localizer NW course extending from the Tri-State Airport 5-mile radius zone to the OM; within 2 miles each side of the 251° bearing from the Huntington, W. Va., RBn extending from the Tri-State Airport 5-mile radius zone to 7 miles W of the RBn; within 2 miles each side of the Tri-State Airport ILS localizer SE course extending from the Tri-State Airport 5-mile radius zone to 9 miles SE of the localizer.

3. Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to designate a 700-foot floor, Huntington, W. Va. transition area described as follows:

HUNTINGTON, W. VA.

That airspace extending upward from 700 feet above the surface within the area bounded by a line beginning at: 38°15'00" N, 82°20'00" W to 38°15'00" N, 82°45'00" W to 38°36'00" N, 82°58'00" W to 38°43'00" N, 82°42'00" W to 38°27'00" N, 82°20'00" W to point of beginning.

4. Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to designate a 700-foot floor Portsmouth, Ohio transition area described as follows:

PORTSMOUTH, OHIO

That airspace extending upward from 700 feet above the surface within an 8-mile radius of the center, 38°50'26" N, 82°50'50" W, of Scioto County Airport, Portsmouth, Ohio; within 2 miles each side of a 173° bearing from the Portsmouth RBn 38°47'14" N, 85°51'02" W extending from the 8-mile radius area to 8 miles S of the RBn.

5. Amend § 71.181 of the Federal Aviation Regulations so as to designate a 700- and 1,200-foot floor Charleston, W. Va. transition area described as follows:

CHARLESTON, W. VA.

That airspace extending upward from 700 feet above the surface within a 12-mile radius of the center, 38°22'21" N, 81°35'35" W, of Kanawha Airport, Charleston, W. Va.; within 8 miles NW and 5 miles SE of the ILS localizer NE course extending from the 12-mile radius area to 12 miles NE of the ILS OM.

That airspace extending upward from 1,200 feet above the surface within the area bounded by a line beginning at: 38°00'00" N, 82°55'00" W to 38°45'00" N, 83°30'00" W to 39°00'00" N, 83°00'00" W to 39°00'00" N, 81°04'00" W to 38°13'30" N, 80°41'00" W to 38°02'00" N, 82°15'00" W to the point of beginning.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348).

Issued in Jamaica, N.Y. on July 2, 1965.

OSCAR BAKKE,
Director, Eastern Region.

[F.R. Doc. 65-7847; Filed, July 26, 1965; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 63-SO-55]

CONTROL ZONES AND TRANSITION AREA

Proposed Alteration and Designation

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations that would alter the Fort Lauderdale, Fla., and Homestead, Fla., control zones and designate the Miami, Fla., transition area.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the U.S. is governed by article 12 and annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting the safe, orderly, and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provision of annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since this action involves, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and Secretary of Defense in accordance with the provisions of Executive Order 10854.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The Federal Aviation Agency, having completed a comprehensive review of the terminal airspace structure requirements in the Miami, Fla., terminal area, including studies attendant to the implementation of the provisions of CAR amendments 60-21/60-29, proposes the airspace actions hereinafter set forth.

1. The Fort Lauderdale control zone would be amended as that airspace within a 5-mile radius of Fort Lauderdale-Hollywood International Airport (latitude 26°04'25" N., longitude 80°09'10" W.); within 2 miles each side of the Fort Lauderdale VOR 079° True radial, extending from the 5-mile radius zone to 10 miles E of the VOR; within 2 miles each side of the Fort Lauderdale VOR 278° True radial, extending from the 5-mile radius zone to 8 miles W of the VOR; within 2 miles each side of the Fort Lauderdale VOR 306° True radial, extending from the 5-mile radius zone to the intersection of the Fort Lauderdale VOR 306° True radial and the Miami, Fla. VORTAC 043° True radial; within 2 miles each side of the 134° True bearing from the Fort Lauderdale radio beacon, extending from the 5-mile radius zone to the radio beacon; excluding that portion within a 1.5-mile radius of Bradley Field Airport, Fort Lauderdale, Fla. (latitude 26°09'15" N., longitude 80°09'50" W).

2. The Homestead control zone would be amended as that airspace within a 5-mile radius of the Homestead Air Force

Base (latitude 25°29'15" N., longitude 80°23'10" W); within 2 miles each side of the Homestead VOR 047° True radial, extending from the 5-mile radius zone to the VOR; within 2 miles each side of the Homestead ILS localizer SW course, extending from the 5-mile radius zone to the LOM; within 2 miles each side of the Homestead TACAN 233° True radial, extending from the 5-mile radius zone to 7.5 miles southwest of the TACAN; and within 2 miles each side of the Homestead ILS localizer northeast course, extending from the 5-mile radius zone to 6 miles northeast of Homestead AFB.

3. The Miami transition area would be designated as that airspace extending upward from 700 feet above the surface within a 7-mile radius of Miami International Airport (latitude 25°47'35" N., longitude 80°17'10" W.); within 5 miles S and 8 miles N of the Miami Runway 9-L ILS localizer W course, extending from the airport to 12 miles west of the Runway 9-L ILS LOM; within 5 miles N and 8 miles S of the Miami Runway 27-L ILS localizer E course, extending from the airport to 12 miles east of the Runway 27-L ILS LOM; within 5 miles S and 8 miles N of the Runway 9-L ILS localizer E course, extending from the airport to 12 miles E of the intersection of Runway 9-L ILS localizer E course and the Biscayne Bay VOR 351° True radial; within 2 miles each side of the Miami VORTAC 139° True radial, extending from the 7-mile radius area to the VORTAC; within a 4-mile radius of the Tamiami Airport, Fla. (latitude 25°45'-15" N., longitude 80°22'35" W.); within a 6-mile radius of Opa Locka Airport, Fla. (latitude 25°54'25" N., longitude 80°16'40" W.); within 2 miles each side of the Miami VORTAC 108° True radial, extending from the 6-mile radius area to the VORTAC; within a 7-mile radius of Fort Lauderdale-Hollywood International Airport (latitude 26°04'25" N., longitude 80°09'10" W.); within 2 miles each side of the 315° True bearing from the Fort Lauderdale radio beacon, extending from the 7-mile radius area to 8 miles northwest of the radio beacon; within a 7-mile radius of Homestead AFB (latitude 25°29'15" N., longitude 80°23'-10" W.); within 2 miles each side of the Homestead ILS localizer northeast course, extending from the 7-mile radius area to 9 miles northeast of Homestead Air Force Base; that airspace extending upward from 1,200 feet above the surface within a 50-mile radius of Miami International Airport; that airspace S of Miami extending from the 50-mile radius area bounded on the E and S by V-35, and on the W by V-3; that airspace northwest of Miami extending from the 50-mile radius area bounded on the W by V-97, on the north by V-492 south alternate, and on the east by V-267; that airspace extending upward from 1,700 feet above the surface bounded by a line beginning at the intersection of the eastern edge of V-225 east alternate and the western edge of V-35, thence S along the eastern edge of V-225 E alternate to the intersection of a 35-mile radius arc centered at latitude 24°34'37" N., longitude 81°46'52" W. (Key West VOR), thence clockwise along the 35-mile arc to the northwestern edge of V-51/V-157, thence NE along the northwestern edge of V-51/V-157 to the intersection of a 50-mile radius arc centered at Miami International Airport, thence clockwise along the 50-mile radius arc to the west edge of V-35 west alternate, thence NW along the western edge of V-35 W alternate and V-35 to the point of beginning; and that airspace NW of Miami bounded on the north by V-7, on the southwest by V-35, and on the east by V-157 west alternate; excluding the portion within W-173.

The proposed control zones and control zone extensions are necessary to protect aircraft executing prescribed instrument approach and departure procedures at the pertinent airports. The transition area is necessary to protect holding patterns and instrument approach and departure procedures into and out of the pertinent airports in the Miami Terminal area.

Certain minor revisions to prescribed instrument procedures would be effected in conjunction with the actions proposed herein, but operational complexities would not be increased nor would aircraft performance characteristics or present landing minimums be affected adversely.

Specific details of the changes to procedures and minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Airspace Utilization Branch, Air Traffic Division, Southern Region, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320.

These amendments are proposed under secs. 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510), and Executive Order 10854 (24 F.R. 9565).

Issued in Washington, D.C., on July 20, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations and Procedures Division.

[F.R. Doc. 65-7848; Filed, July 26, 1965; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 65-WA-31]

FEDERAL AIRWAYS

Proposed Revocation

The Federal Aviation Agency is considering amendments to Part 71 of the Federal Aviation Regulations that would revoke the 800-series airways.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. The proposals contained in the notice may be changed in the light of comments received. All comments will be available in the Rules Docket for examination by interested persons, both before and after the closing date for comments.

The 800-series airways are designated along preferred routes between metropolitan areas and were designed to simplify flight planning and reduce air traffic control clearance phraseology. A recent review of the 800-series airways disclosed that they were only very slightly used and do not serve the purpose for which they were intended. For these reasons they are no longer justified as designated airways and can be revoked with no derogation to the safe and expeditious movement of air traffic.

These amendments are proposed under the authority of sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C. on July 20, 1965.

DANIEL E. BARROW,
Chief, Airspace Regulations and Procedures Division.

[F.R. Doc. 65-7849; Filed, July 26, 1965; 8:45 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 125]

OILS, FATS, AND FATTY FOODS FOR REGULATING INTAKE OF FATTY ACIDS IN DIETARY MANAGEMENT

Extension of Time for Filing Comments on Proposed Requirement for Label Statements

In the matter of establishing requirements for label statements relating to oils, fats, and fatty foods used as a means of regulating the intake of fatty acids in dietary management:

A notice of proposed rule making in the above-identified matter was published in the FEDERAL REGISTER of May 25, 1965 (30 F.R. 6984), and granted a period of 60 days for the filing of comments. The Commissioner of Food and Drugs has received requests from the Institute of Shortening and Edible Oils, Inc., the National Cottonseed Products Association, et al. for an extension of this time. Good reasons therefor appearing, the time for filing comments in this matter is extended to October 22, 1965.

This action is taken pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs 403(j), 701(e); 52 Stat. 1048, 1055, as amended; 21 U.S.C. 343(j), 371(e)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.90).

Dated: July 20, 1965.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 65-7879; Filed, July 26, 1965; 8:48 a.m.]

FEDERAL TRADE COMMISSION

[16 CFR Part 303]

TEXTILE FIBER PRODUCTS

Fibers Present in Amounts of Less Than 5 Percent

Pursuant to the provisions of section 4 of the Administrative Procedure Act, notice is hereby given to all interested parties that the Federal Trade Commission proposes to give consideration to an amendment of § 303.3 (Rule 3) of Part 303, rules and regulations under the Textile Fiber Products Identification Act.

The matter to be considered is an amendment of § 303.3 (Rule 3) of Part 303, rules and regulations under the Textile Fiber Products Identification Act so as to (1) provide that § 303.3 (Rule 3) relates to fibers present in amounts of less than 5 percent of the total fiber weight of the textile fiber product rather than to fibers present in amounts of 5 percent or less in order to properly reflect the applications of sections 4(a)(1) and 4(a)(2) of the Textile Fiber Products Identification Act as indicated by the title of the June 5, 1965 amendment thereto (79 Stat. 124) and (2) to specify the manner and form of disclosure of fibers present in amounts of less than 5 percent where such fibers have a clearly established and definite functional significance where present in the amount contained in the product so as to fall within the provisions of the June 5, 1965 amendment (79 Stat. 124) to sections 4(a)(1) and 4(a)(2) of the Textile Fiber Products Identification Act.

The proposed amendment to § 303.3 (Rule 3) reads:

§ 303.3 Fibers present in amounts of less than 5%.

(a) Except as permitted in paragraph (b) of this section and section 4(b)(2) and 4(b)(1) of the Act, as amended, no fiber present in the amount of less than 5 per centum of the total fiber weight shall be designated by its generic name or fiber trademark in disclosing the constituent fibers in required information, but shall be designated as "other fiber". Where more than one of such fibers are present in a product they shall be designated in the aggregate as "other fibers".

(b) Where a textile fiber present in a textile fiber product in the amount of less than 5 percentum of the total fiber weight of the product has a clearly established and definite functional significance where present in the product in the amount contained in such product so as to fall within the provisions of section 4(b)(1) and 4(b)(2) of the Act, as amended, relating to the disclosure of fibers having such functional significance and it is desired to disclose the presence of such fiber by generic name or fiber trademark name, the generic name of such fiber, the percentage by weight of the fiber in the total fiber content of the product, and the functional significance of the fiber shall be set out in the required fiber content disclosure, as for example:

96% Acetate
4% Spandex for Elasticity

In making such disclosure all of the provisions of the Act and regulations setting forth the manner and form of disclosure of fiber content information including the provisions of § 303.17 (Rule 17) and § 303.41 (Rule 41) relating to the use of generic names and fiber trademarks shall be applicable.

Interested parties may participate by submitting in writing to the Federal Trade Commission, Washington, D.C., 20580, on or before the 18th day of August 1965, their views, arguments, or other data. Written rebuttal may be submitted until August 30, 1965.

Such action is taken pursuant to the authority given to the Federal Trade Commission under section 7(c) of the Textile Fiber Products Identification Act (72 Stat. 1717; 15 U.S.C. 70) "to make such rules and regulations, including the establishment of generic names of manufactured fibers, under and in pursuance of the terms of this Act as may be necessary and proper for administration and enforcement".

Issued: July 22, 1965.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 65-7852; Filed, July 26, 1965; 8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 230]

[Release No. 33-4793]

REGISTRATION STATEMENTS; SECURITIES ISSUED AS A RESULT OF STOCK SPLITS, STOCK DIVIDENDS, AND ANTIDILUTION PROVISIONS

Notice of Proposed Rule Making

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposed revision of Rule 416 under the Securities Act of 1933 (17 CFR 230.416). The revision is proposed in order to broaden the scope of the rule to include certain situations wherein securities issued pursuant to splits and dividends will be deemed covered by a registration statement. In addition, the proposed revision provides for a reduction in the amount of securities covered by a registration statement in certain situations where there is a reverse split.

At present, Rule 416 relates solely to a registration statement for securities to be offered under warrants, options, convertible securities or similar rights which provide for an additional number of securities to be offered or issued to the rights holder upon exercise of his rights if necessary to prevent a dilution of his interest resulting from stock splits, stock dividends or similar issuances of securities. In such cases, the rule specifies that, unless the registration statement provides otherwise, the additional securities offered or issued pursuant to such antidilution provisions shall be deemed to be covered by the registration statement.

It is proposed that the rule be amended to relate to certain additional securities issued pursuant to a split of a class of securities which includes undistributed securities covered by a registration statement or pursuant to a dividend declared on and payable in securities comprising such a class. In such instances, the proposed amendment provides that the registration statement shall be deemed to cover the additional securities resulting from the split of, or the dividend on, the registered securities. Conversely, the proposed amendment also provides that when all the securities of a class including undistributed registered securities are combined by a reverse split into a lesser number of shares, the amount of undistributed securities of such class covered by the registration statement shall be proportionately reduced.

The text of the proposed revision of Rule 416, which would be adopted pursuant to the Securities Act of 1933, particularly section 19(a), is set forth below.

§ 230.416 Securities to be issued as a result of stock splits, stock dividends, and antidilution provisions.

(a) If a registration statement purports to register securities to be offered pursuant to terms which provide for a change in the amount of securities being offered or issued to prevent dilution resulting from stock splits, stock dividends or similar transactions, such registration statement shall, unless otherwise expressly provided, be deemed to cover the additional securities to be offered or issued in connection with any such provision.

(b) If prior to completion of the distribution of the securities covered by a registration statement, additional securities of the same class are issued or issuable as a result of a stock split or stock dividend, the registration statement shall, unless otherwise expressly provided therein, be deemed to cover such additional securities resulting from the split of, or the stock dividend on, the registered securities. If prior to completion of the distribution of the securities covered by a registration statement, all the securities of a class which includes the registered securities are combined by a reverse split into a lesser amount of securities of the same class, the amount of undistributed securities of such class deemed to be covered by the registration statement shall be proportionately reduced. The registration statement shall be amended prior to the offering of such additional or lesser amount of securities to disclose the transaction and the amount of securities to be offered as a result thereof.

(Sec. 19, 48 Stat. 908, 15 U.S.C. 77s)

All interested persons are invited to submit their views and comments on the above rule, in writing, to the Securities and Exchange Commission, Washington, D.C., 20549, on or before August 20, 1965. Except where it is requested that such communication not be disclosed, they will be considered available for public inspection.

By the Commission, July 19, 1965.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F.R. Doc. 65-7853; Filed, July 26, 1965; 8:46 a.m.]

Notices

DEPARTMENT OF STATE

Agency for International Development

MISSION DIRECTOR, USAID, INDIA, ET AL.

Redelegation of Authority

Mission Director and Deputy Mission Director, USAID/India, Mission Director and Deputy Mission Director, USAID/Pakistan, Mission Director and Deputy Mission Director, USAID/Turkey.

Pursuant to the authority delegated to me by Delegation of Authority No. 5, dated December 29, 1961, as amended, I hereby redelegate to each of the individuals listed above for the countries or areas within their responsibility, and to any person acting in their official capacity, authority to perform the following functions, subject to instructions otherwise by me or my designee and retaining for myself concurrent authority to exercise any of the functions herein redelegated:

1. Authority to negotiate loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 in accordance with the terms of the authorization of such loan;

2. Authority to execute and deliver loan agreements and amendments thereto with respect to loans authorized under the Foreign Assistance Act of 1961, provided, however, that the foregoing authority may not be utilized to approve amendments to such loan agreements which could increase the maximum total amount of the loan;

3. Authority to implement loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 and by the Board of Directors of the Corporate Development Loan Fund to the following extent:

(a) Authority to prepare, negotiate, sign and deliver letters of implementation;

(b) Authority to review and approve documents and other evidence submitted by borrowers in satisfaction of conditions precedent to financing under such loan agreements;

(c) Authority to negotiate, execute and implement all agreements and other documents ancillary to such loan agreements; and

(d) Authority to review and approve the terms of contracts, amendments and modifications thereto and invitations for bids with respect to such contracts financed by funds made available under such loan agreements.

The authorities enumerated above may be redelegated by the individuals listed above, as appropriate, but not successively redelegated, except that the authority described above in paragraph (2) may not be redelegated.

The authorities enumerated above in paragraph (2) are also hereby redelegated under the same terms and conditions set forth herein to the U.S. Ambassadors to India, Pakistan, and Turkey.

The Redelegation of Authority, dated July 16, 1963, from William S. Gaud, Assistant Administrator, Bureau for Near East and South Asia, to the Mission Directors and Deputy Mission Directors of India, Pakistan, and Turkey and the Assistant Director for Program and Finance, India, and the Redelegation of Authority, dated April 29, 1965, from the undersigned to the Assistant to the Director, Capital Projects, Turkey, with respect to extension of terminal dates, are hereby rescinded.

This Redelegation of Authority is effective immediately.

WILLIAM B. MACOMBER, Jr.,
Assistant Administrator,
Bureau for Near East and South Asia.

JUNE 11, 1965.

[F.R. Doc. 65-7863; Filed, July 26, 1965; 8:46 a.m.]

DIRECTOR, OFFICE OF CAPITAL DEVELOPMENT AND FINANCE, ET AL.

Redelegation of Authority

Director, Office of Capital Development and Finance, Deputy Director, Office of Capital Development and Finance, Assistant Director, Office of Capital Development and Finance.

Pursuant to the authority delegated to me by Delegation of Authority No. 5, dated December 29, 1961, as amended, I hereby redelegate to each of the individuals listed above, for the countries or areas within the responsibility of this Regional Bureau, authority to perform the following functions, retaining for myself concurrent authority to exercise any of the functions herein redelegated:

1. Authority to negotiate loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 in accordance with the terms of the authorization of such loans;

2. Authority to implement loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 and by the Board of Directors of the Corporate Development Loan Fund;

3. Authority to negotiate, execute and implement agreements and other documents ancillary to loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 and by the Board of Directors of the Corporate Development Loan Fund; and

4. Authority to provide instructions to the Missions to India, Pakistan, and Turkey with respect to individual loan agreements limiting the authority of the Missions to negotiate and execute loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 and to implement loan agreements with respect to loans authorized under the Foreign Assistance Act of 1961 and by the Board of Directors of the Corporate Development Loan Fund; provided, however, that the exercise of this authority shall be subject to instructions otherwise by me or my deputy.

The following authorities enumerated above may be redelegated by the individuals listed above to qualified loan officers within the Office of Capital Development and Finance, Bureau for Near East and South Asia:

(a) Authority described above in paragraph (1);

(b) Authority described above in paragraph (2) to the following extent:

(1) Authority to review and approve documents and other evidence submitted by borrowers in satisfaction of conditions precedent to financing under such loan agreements; and

(2) Authority to review and approve the terms of contracts, amendments and modifications thereto and invitations for bids with respect to such contracts financed by funds made available under such loan agreements; and

(c) Authority to negotiate and implement agreements and other documents ancillary to such loan agreements.

The Redelegation of Authority from William S. Gaud, Assistant Administrator, Bureau for Near East and South Asia, to the individuals listed above, dated May 6, 1963, and the Redelegation of Authority from the undersigned to the same individuals dated March 24, 1964, are hereby rescinded.

This Redelegation of Authority is effective immediately.

WILLIAM B. MACOMBER, Jr.,
Assistant Administrator,
Bureau for Near East and South Asia.

JUNE 11, 1965.

[F.R. Doc. 65-7864; Filed, July 26, 1965; 8:46 a.m.]

MISSION DIRECTOR, INDIA, ET AL.

Redelegation of Authority

Mission Director and Deputy Mission Director, India, Mission Director and Deputy Mission Director, Pakistan, Mission Director and Deputy Mission Director, Turkey.

Pursuant to the authority delegated to me by Delegation of Authority No. 23, dated December 28, 1962, as amended, I hereby redelegate with respect to loans authorized under that portion of section 104(e) of the Agricultural Trade Development and Assistance Act of 1954, as amended, added by the Act of August 13, 1957 (hereinafter "Cooley Loans"), to each of the individuals listed above for the countries or areas within their responsibility, and to any person acting in their official capacity, authority to perform the following functions, subject to instructions otherwise by me or my designee and retaining for myself concurrent authority to exercise any of the functions herein redelegated:

1. Authority to negotiate Cooley loans in accordance with the terms of the authorization of such loans;

2. Authority to execute and deliver loan agreements and amendments thereto with respect to Cooley loans, provided, however, that the foregoing authority may not be utilized to approve amendments to such loan agreements which could increase the maximum total amount of the loan.

3. Authority to implement loan agreements with respect to Cooley loans to the following extent:

(a) Authority to review and approve documents and other evidence submitted by Borrowers in satisfaction of conditions precedent to financing under such loan agreements;

(b) Authority to negotiate, execute and implement all agreements and other documents ancillary to such loan agreements; and

(c) Authority to agree to a form of optional prepayment of the loan, to extend the terminal date for fulfillment of conditions precedent, to extend the terminal date for requests for disbursement and to agree to forms of disbursement of the loan other than specifically provided for in such loan agreements.

This redelegation of authority is subject to the condition that, unless the loan paper with respect to particular Cooley loans under A.I.D. review has been prepared in the Mission, the authority to perform the above-described functions with respect to particular loans must be confirmed by the Director, Deputy Director, or Assistant Director, Office of Capital Development and Finance, Bureau for Near East and South Asia.

The authorities enumerated above in paragraph 2 are also hereby redelegated to the U.S. Ambassadors to India, Pakistan, and Turkey under the same terms and conditions set forth herein.

The authorities described above in paragraph 3 may be redelegated by each of the individuals listed above, but not successively redelegated, as appropriate.

This Redelegation of Authority is effective immediately.

WILLIAM B. MACOMBER, Jr.,
Assistant Administrator,
Bureau for Near East and South Asia.

JUNE 11, 1965.

[F.R. Doc. 65-7865; Filed, July 26, 1965; 8:46 a.m.]

DIRECTOR, OFFICE OF CAPITAL DEVELOPMENT AND FINANCE, ET AL.

Redelegation of Authority

Director, Office of Capital Development and Finance, Deputy Director, Office of Capital Development and Finance, Assistant Director, Office of Capital Development and Finance.

Pursuant to authority delegated to me by Delegation of Authority No. 23 dated December 28, 1962, as amended, I hereby redelegate to the individuals listed above for countries or areas within the responsibility of this regional bureau, authority to negotiate, execute and implement loans under that portion of section 104(e) of the Agriculture Trade Development and Assistance Act of 1954, as amended, added by the Act of August 13, 1957.

The authority to implement section 104(e) loans may be redelegated.

This redelegation of authority is effective immediately.

The redelegation of authority dated October 1, 1963 is hereby rescinded.

WILLIAM B. MACOMBER, Jr.,
Assistant Administrator,
Bureau for Near East and South Asia.

JUNE 17, 1965.

[F.R. Doc. 65-7866; Filed, July 26, 1965; 8:46 a.m.]

[Delegation of Authority 62]

PRINCIPAL U.S. DIPLOMAT IN INDONESIA

Administration of A.I.D. Program

Pursuant to the authority delegated to me by Delegation of Authority No. 104 from the Secretary of State of November 3, 1961 (26 F.R. 10608), as amended, I hereby delegate to the principal diplomatic officer of the United States in Indonesia, with respect to the administration of the foreign assistance program within the country to which he is accredited, the authorities delegated to Directors of Missions of the Agency for International Development (A.I.D.) in the following delegations, subject to the limitations applicable to the exercise of such authorities by A.I.D. Mission Directors:

(1) Unpublished Delegation of Authority of January 10, 1955;

(2) Delegation of Authority of November 26, 1954, as amended (19 F.R. 8049);

(3) Paragraphs 4 and 5 of Delegation of Authority of September 28, 1960 (25 F.R. 9927).

In addition to the foregoing, there is hereby delegated to the aforesaid diplomatic officer the authorities delegated to A.I.D. Mission Directors in existing A.I.D. manual orders, regulations (published or otherwise) policy directives, policy determinations, memoranda and other instructions, as they may be amended, supplemented or superseded from time to time.

This delegation of authority will become effective as of July 1, 1965.

DAVID E. BELL,
Administrator.

JULY 13, 1965.

[F.R. Doc. 65-7867; Filed, July 26, 1965; 8:46 a.m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

CHRISTIAN BERGER ET AL.

Notice of Intention To Return Vested Property

Pursuant to Section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property after adequate provision for taxes:

Claimant, Property, and Location

(55) Christian Berger, Baulmes/VD, Switzerland; $24.

(66) M. F. Newman, executor of the estate of Mary E. Newman, deceased, 183 Douglas Drive, Toronto 5, Canada; $4.50.

(70) Anna C. E. W. MacDonald-van Ravenswaay, Chalet Rose-Marie, Bionay, Switzerland; $27.

(72) Evelyn Auerbacher, 15 rue Erckmann-Chatrian, Strasbourg, France; $31.50.

(78) Alvin W. Nienow, 29 Perryn House, Bromyard Avenue, Acton, London, W. 3, England; $31.50.

(91) Peter Stein and Paul Stein, R.R. No. 4, Cookstown, Ontario, Canada; $216.

(95) Jeannie B. Beer, 2843 West 42d Avenue, Vancouver, B.C.; $72.

(98) Horatio Malcolm McKay, c/o Westminster Bank, 12 High Street, Southampton, England; $37.50.

(101) Kurt Pam, 62 Granville Road, Montreal 29, Quebec; $45.

(106) Arnold Strauss, 13 Bath Road, Wells, Somerset, England; $18.

(107) Swiss Credit Bank, 8, Paradeplatz, 8001 Zurich, Switzerland; $309.

(108) Arbitrium Handels-Aktiengesellschaft, Bahnhofstrasse 29, 6300 Zug, Switzerland; $1,156.50.

(111) Corinth Investments Limited, Post Office Box 1417, Station "B", Montreal, Quebec; $27.

(112) George Wilton Lee, Birkett House, Lindrick Common, Worksop, Notts., England; $67.50.

(118) Hans Kjaernsli, Kringsjaveien 17, Oslo 5, Norway; $18.

(121) Ernst N. Petschek, Villa Cuccia Noya, St. Jean Cap Ferrat, France; $90.

(124) Union Bank of Switzerland, Lausanne, Switzerland, $150.

(128) Louis Wyler Erben, c/o Dr. Veit Wyler, Stampfenbachstr. 7, 8001 Zurich, Switzerland; $45.

(130) Swiss Credit Bank, 8, Paradeplatz, 8001 Zurich, Switzerland, $210.

(132) George Brown Cameron Sangster, 45 Murrayfield Gardens, Edinburgh 12, Scotland; $67.50.

(134) Franz Stiassny, Gedera, Israel; $4.50.

(137) Madame Vve Joseph Ernewein, Rue Herder 29a, Strasbourg, France; $45.

(138) Pierre Weil, 4 Rue Auguste-Lamey, Strasbourg, France; $126.

(143) Valborg E. Gürtler, Säbyholmsvej 7, Copenhagen, Denmark; $135.

(145) Society for the Furtherance of Critical Philosophy, 42 Elm Park, Stanmore, Middlesex, England; $63.

(151) Georg Alfred Zellweger, 48 Zürichstrasse, 8700 Küsnacht ZH, Switzerland; $183.

(152) Swiss Credit Bank, 8, Paradeplatz, 8001 Zurich, Switzerland; $442.50.

(155) Robert C. F. Eden, Märchligen, 3112 Allmendingen BE, Switzerland; $13.50.

(156) Kas-Associatie N.V., Spuistraat 172, Amsterdam, Holland; $24.

(157) Philippa, Countess of Galloway, Cumloden, Newton Stewart, Scotland; $13.50.

(158) Sir Jacob Behrens & Sons Ltd., 37 Chapel Street, Bradford, Yorks., England; $18.

(159) James Colquoun Lennie, 4 Myrtle Park, Dunlaoghaire, County Dublin, Ireland; $36.

(160) Kas-Associatie N.V., Spuistraat 172, Amsterdam, Holland; $390.

(161) Albert Cazaux, Clairac (Lot & Garonne), France; $27.

(169) Den norske Creditbank, agent for the estate of Hans Fay, deceased, Oslo, Norway; $27.

(181) Ingeburg Gorholt, Sendvika, Norway; $13.50.

(184) Else Manner, Incognitogate 17, Oslo, Norway; $118.50.

(185) Ellert Lund, Jr., Gustav Vigelandsveil 3, Oslo, Norway, and Ellen Bjørseth, Frognersetervelen 38, Oslo, Norway; $31.50.

(188) Avedis M. Mesropian, Post Office Box 5319, Beirut, Lebanon; $31.50.

(192) Vera Winter, Wollzeile 21, Vienna I, Austria; $13.50.

(197) Constantin P. Mavromichalis, 8, Rue Saint-Leger, Geneva, Switzerland; $414.

(198) HH Prince Franz Josef II, von und zu Liechtenstein, Schloss Vaduz, Liechtenstein; $81.

(199) Muriel Whitham, 38 Evesham Road, Cheltenham, England; $18.

(200) Lloyds Bank Limited, executor of the estate of William Wickham Turlay, deceased, Executor & Trustee Department, 39, Threadneedle Street, London, E.C. 8, England; $36.

(210) Gordon Dinnick Heyd, executor of the estate of Norman Gladstone Heyd, deceased, Toronto, Canada; $4.50.

(211) Dolores de la Vergne de Cerval, 1 rue Francois Nicaise, Palaiseau (Seine et Oise), France; $58.50.

(220) Hans Falkenstein, 96 Doncaster Road, North Belwyn, Melbourne, E. 9, Australia; $13.50.

(221) George Louis Nicolaides-Bourbaki, Greek Embassy, Paris 16e, France; $45.

(223) Arbitrium Handels - Aktiengesellschaft, Bahnhofstrasse 29, 6300 Zug, Switzerland; $420.

(224) Swiss Credit Bank; 8, Paradeplatz, 8001 Zurich, Switzerland; $393.

(225) Kurt Egon Wiener, 12, Pinsker Street, Tel-Aviv, Israel; $27.

(228) Swiss Credit Bank, 8, Paradeplatz, 8001 Zurich, Switzerland; $270.

(230) Madame Pierre Olivier Lapie, 11 rue de Bellechasse, Paris 7e, France; $196.50.

(231) Madame Liliane Arlette Nicole Friedmann and Laurent Marie Bertrand Quentin Boccon Gibod, 38, rue St. Sulpice, Paris (6), France; $22.50.

(232) Georges Philippe Friedmann II, rue Francois Ponsard, Paris (16), France; $162.

(233) Swiss Bank Corporation, 1, Aeschenvorstadt, Basle, Switzerland; $315.

(236) Hermann Preitner and Mrs. Herman Preitner, 54 Bethusy, Lausanne, Switzerland; $390.

(237) Helene Lagarde, 20 Av. de Villiers, Paris (17e), France; $9.

(238) Elsa Bodmer-Stünzi, Bärengasse 22, 8001 Zurich, Switzerland; $120.

(240) Paul Jenny, Pelikanstr. 19, 8001 Zurich, Switzerland; $22.50.

(243) The Chase Manhattan Executor and Trustee Corporation Limited, 6 Lombard Street, London E.C.3, England; $9.

(244) Swiss Credit Bank, 8, Paradeplatz, 8001 Zurich, Switzerland; $478.50.

(247) Albert de Donnea, 16 Chaussee a, Guigoven par Kortessem, Belgium; $4.50.

(249) Rene Edouard Auguste Boisseau, Monts-sur-Guesnes, France; $40.50.

(252) Executors of the estate of Timothy O'Leary, deceased, c/o Westminster Bank Ltd., 191 Hoe Street, London E.17, England; $31.50.

(253) Edoardo Ricci del Riccio, Rome, Italy; $210.

(257) Madame Vve Achille Dopchie-De-Keyser, Chee d'Ellezelles, 541 Renaix, Belgium; $66.

(258) E. Le Febvre-French, d.N. Der Ninderenlaan 23, Laren, the Netherlands; $180.

(259) Alexandrina Johanna Keesman-van Kuypers, Herrenweg B 52, St. Maarten, the Netherlands; $30.

(260) Victor Reims, 22, Avenue Emile Zola, Paris, France; $13.50.

(262) Isabella Kalpakian, Chrisostomou Smyrnis 3, Nea Ionia, Athens, Greece; $31.50.

(263) Mrs. C. M. Molenbroek-Ledeboer, Bachmanstraat 50, The Hague, the Netherlands; $15.

(264) Olga Raffalovich, 4, Avenue de Lowendal, Paris, France; $13.50.

All of the foregoing amounts are held in the Treasury of the United States; Claim No. 62556, Vesting Order No. 15284.

Executed at Washington, D.C., on July 20, 1965.

For the Attorney General.

[SEAL] ANTHONY L. MONDELLO,
Deputy Director,
Office of Alien Property.

[F.R. Doc. 65-7836; Filed, July 26, 1965; 8:45 a.m.]

DEPARTMENT OF THE INTERIOR

Office of the Secretary

CHARLES R. LEEVER

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past 6 months:

(1) No change since last report.
(2) No change since last report.
(3) No change since last report.
(4) No change since last report.

This statement is made as of July 16, 1965.

Dated: July 16, 1965.

C. R. LEEVER.

[F.R. Doc. 65-7873; Filed, July 26, 1965; 8:47 a.m.]

WILLARD B. SIMONDS

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past 6 months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of July 15, 1965.

Dated: July 15, 1965.

WILLARD B. SIMONDS.

[F.R. Doc. 65-7874; Filed, July 26, 1965; 8:47 a.m.]

SAMUEL R. SHEPPERD

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past 6 months:

(1) No change.
(2) No change.
(3) Ling Tempco Vought stock.
(4) No change.

This statement is made as of July 14, 1965.

Dated: July 14, 1965.

RIGGS SHEPPERD.

[F.R. Doc. 65-7875; Filed, July 26, 1965; 8:47 a.m.]

WILFORD D. WILDER

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past 6 months:

(1) No change.
(2) Appointee is currently participating in an employee stock purchase plan adopted by Niagara Mohawk Power Corp. effective January 1, 1965, and has elected the maximum participation possible which is 6 percent of appointee's annual salary.
(3) No change.
(4) No change.

This statement is made as of July 14, 1965.

Dated: July 14, 1965.

W. D. WILDER.

[F.R. Doc. 65-7876; Filed, July 26, 1965; 8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

FRESH CALIFORNIA PLUMS

Notice of Purchase Program

In order to encourage the domestic consumption of plums by diverting them from the normal channels of trade and commerce in accordance with section 32, Public Law 320, 74th Congress, approved August 24, 1935, as amended, a fresh plum purchase program (GMP 96a) was made effective on July 20, 1965, in California. Purchases will be made on an announced price basis as a surplus removal activity. Plums purchased under the program will be distributed to eligible schools and institutions. Details regarding price, container, and other program specifications are contained in the purchase announcement issued by Mr. W. B. Blackburn, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, 650 Capitol Avenue, Room 8518, Sacramento, Calif., 95814. Quantities purchased will depend upon marketing conditions at the time of purchase, and availability of outlets for use of the plums without waste. Information concerning this purchase program may be obtained from Mr. Blackburn or the Fruit and Vegetable Division, Consumer and Marketing Service, Department of Agriculture, Washington, D.C., 20250.

(Sec. 32, 49 Stat. 774, as amended, 7 U.S.C. 612c)

Dated: July 22, 1965.

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

[F.R. Doc. 65-7895; Filed, July 26, 1965; 8:49 a.m.]

Office of the Secretary

GREAT PLAINS CONSERVATION PROGRAM

Applicability to Certain Texas Counties

Designation of counties within the Great Plains area of the 10 Great Plains States where the Great Plains Conservation Program is specifically applicable.

For the purpose of making contracts based upon an approved plan of farming operations pursuant to the Act of August 7, 1956 (70 Stat. 1115, 16 U.S.C. 590p(b)), as amended, the following counties in the following State are designated as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors.

TEXAS

Crane. Ector.

Done at Washington, D.C., this 22d day of July 1965.

JOHN A. BAKER,
Assistant Secretary.

[F.R. Doc. 65-7892; Filed, July 26, 1965; 8:49 a.m.]

DEPARTMENT OF COMMERCE

Bureau of International Commerce

[Case 341]

Z & I AERO SERVICES, LTD., ET AL.

Order Denying Export Privileges

In the matter of Z & I Aero Services, Ltd., 44a Westbourne Grove, London, W.2., England; Mr. A. Igel, 44a Westbourne Grove, London, W.2., England; Mr. F. Zagiel, 44a Westbourne Grove, London, W.2., England; Respondents; Case No. 341.

By letter dated September 8, 1964, the above-named respondents were charged by the Director, Investigations Division, Office of Export Control, Bureau of International Commerce, with violations of the Export Control Act and regulations thereunder. The charging letter was served on the respondents through their attorney in the United States, and the respondents filed an answer. The case was scheduled for hearing before the Compliance Commissioner, and respondents' counsel advised the Compliance Commissioner that neither he nor his clients would attend the hearing. An informal hearing was held on February 15, 1965, in Washington, D.C., at the time and place scheduled, and evidence in support of the charges was presented on behalf of the Investigations Division.

The charging letter alleges violations in two respects: (1) unlawful reexportation of U.S.-origin electronic tubes (referred to in the U.K. as valves) to Cuba in February and March 1963; (2) giving false answers to written interrogatories served on the respondents on October 22, 1963, pursuant to § 382.15 of the Export Regulations.

The Compliance Commissioner has considered the record in the case and has submitted to the undersigned a written report including findings of fact and findings that violations have occurred. He has recommended that remedial action as hereinafter set forth be taken against the respondents. On consideration of the record, I hereby make the following findings of fact:

(1) At all times hereinafter mentioned Z & I Aero Services, Ltd., was a British limited liability company with a place of business in London, England. Said firm was organized in 1954 and was engaged in importing and exporting surplus aircraft and radio equipment. The respondents A. Igel and F. Zagiel were codirectors of said company and were the individuals responsible for conducting its operations. The transactions hereinafter set forth were carried out in the name of the firm and were handled principally by the respondent A. Igel.

(2) Pursuant to an order received from Empresa Cubana Importadora de Maquinarias y Equipos, an agency of the Cuban Government, the respondents exported to said consignee in Havana, Cuba, certain electronic tubes on February 22, 1963, and March 22, 1963. The shipment of February 22, 1963, contained tubes of five different types totaling 50 in number. The shipment of March 22, 1963, consisted of 50 tubes of one type.

(3) The tubes referred to in Finding of Fact No. 2 were all of U.S. origin and were so declared by the respondents in the consular declarations on the consular invoices.

(4) At the time the aforesaid two shipments of electronic tubes were made the U.S. Export Regulations prohibited the reexportation of said tubes to Cuba. At the time of said reexportations the respondents knew or had reason to know that said reexportations were prohibited under U.S. law. The respondents did not apply for or obtain authorization for the reexportation of the tubes to Cuba.

(5) By letter dated October 22, 1963, pursuant to § 382.15 of the Export Regulations, the Investigations Division, Office of Export Control, Bureau of International Commerce, transmitted to respondents written interrogatories requesting information as to commercial invoices prepared by said firm covering sales of U.S. goods to Cuba. Specifically, they were asked whether they had prepared such commercial invoices in addition to two which were specifically identified. The respondents answered this question in the negative. This answer was false since prior to answering said interrogatories the respondents had prepared commercial invoices covering sales of U.S. goods to Cuba on five separate occasions.

Based on the foregoing I have concluded that the respondents: (1) violated § 381.6 of the Export Regulations in that, without specific authorization from the Office of Export Control, they knowingly disposed of and reexported U.S.-origin commodities to a destination contrary to the provisions of the Export Control Regulations; (2) violated § 381.5(a)(1) of the Export Regulations in that they made a false statement to the Office of Export Control, Bureau of International Commerce in the course of an investigation instituted under authority of the Export Control Act of 1949, as amended.

The respondents raised several defenses to the charges which were considered by the Compliance Commissioner. They urged that U.S. Export Regulations do not cover reexportations from foreign countries of goods originally exported from the United States where the foreign reexporter was not the original importer from the United States. In rejecting this argument the Compliance Commissioner said:

> The primary purpose of U.S. export controls, in the framework of conditions which have existed during the past several years, is to prevent the movement of: (1) Practically all U.S.-origin commodities and technical data to Communist China, North Vietnam, North Korea, and Cuba; and (2) certain strategic commodities to countries of the Soviet Bloc.
>
> We have consistently taken the position that to achieve effective enforcement of export controls we have the authority under the Export Control Act to exercise controls over U.S. exportations beyond the original foreign importer. It is our position that such authority exists irrespective of the number of hands through which the goods pass after they leave this country. An essential element of export controls could be completely frustrated if, as respondents urge, the U.S. export control authority applied only to the goods while in the hands of the original importer. The respondents' position if accepted would furnish a simple means of evading the purposes of U.S. export controls: a foreign party, with the intent to reexport goods to an authorized destination, could arrange to have them imported by another party and transferred to him, so that he could with impunity reexport the goods. By such a process U.S. export controls would be rendered completely ineffectual. The destination control statement, "These commodities licensed by the United States for ultimate destination (United Kingdom). Diversion contrary to United States law prohibited," could become a meaningless phrase if it was to be construed as applicable only to the original importer.
>
> The term "person," as defined in § 370.1(a) of the Export Regulations, includes an individual or any business organization situated, residing, or doing business in the United States or any foreign country. U.S. controls over its exportations are applicable to every person in a foreign country who handles U.S. goods for reexportation or who participates in such a transaction. As applied to the allegations in this case, § 381.6 prohibits an individual or a business organization in a foreign country from knowingly reexporting commodities to any destination contrary to the provisions of the Export Control Regulations.

The respondents also urged that the regulations do not cover reexportations to a particular destination which is unauthorized (e.g. Cuba) if at the time of original exportation from the United States that particular country was not an unauthorized destination. The Com-

pliance Commissioner rejected this argument and said:

The regulations dealing with reexportations are found in §§ 371.4 and 372.12 of the Export Regulations. These sections, respectively, deal with commodities which were exported from the U.S. under general licenses and validated licenses. Under these regulations a reexportation may be made if it is specifically authorized by the Office of Export Control or if it is authorized as a permissive reexportation. Unless so authorized a reexportation is prohibited from the country of ultimate destination shown on the export control documents relating to that exportation.

The regulations dealing with permissive reexportations of general license and validated license commodities are practically identical and provide:

"Any commodity which has been exported from the United States may be reexported from any destination to any other destination; provided that at the time of reexportation, the commodities to be reexported may be exported directly from the United States to the new country of destination under General License G-DEST."

It is to be observed that the regulations apply to any commodity which has been exported from the United States. No reference is made to the date of original exportation from the United States. It is also to be observed that in deciding whether a reexportation is permissive we must look to the restrictions on exportations from the United States at the time of reexportation.

Let us take a typical case: A person in a foreign country, whether he be the original importer or not, desires to reexport U.S.-origin commodities to another country; let us assume that he does not have the export control documents showing the authorized country of ultimate destination, and also that he has no knowledge as to whether a particular reexportation is specifically authorized by the Office of Export Control. To determine whether the reexportation he desires to make is permissive he has but to ascertain if, at the time of reexportation, the commodity can be exported directly from the United States to the new country of destination. If it can be so exported from the United States, the reexportation is permitted; otherwise it is not.

A person who desires to make a reexportation which is not included as a permissive reexportation may apply to the Office of Export Control, either directly or through a U.S. Embassy or Consulate, for specific authorization for the reexportation. Before deciding whether or not to grant the authorization, consideration will be given to all of the facts and circumstances relating to the proposed reexportation.

A foreign person who acquires U.S.-origin commodities takes them subject to whatever U.S. export control restrictions are in effect at the time of acquisition and also subject to whatever changes in such restrictions may be made applicable to said commodities thereafter—whether the changes are by way of further restrictions or by way of relaxation.

The regulations imposing additional reexportation restrictions on commodities after they have been exported from the United States do not, as respondents suggest, create violations of our regulations retroactively. When new restrictions are added as to destinations to which U.S. commodities may be shipped, the reexportation thereafter to an unauthorized destination with knowledge of the restrictions is a violation. Any reexportation which was properly made as a permissive reexportation to a particular destination does not thereafter become an illegal reexportation even though that destination later is declared to be an unauthorized destination. In this respect a foreign exporter who had in his possession U.S. goods to which additional reexportation restrictions were added is in no worse position than a U.S. exporter whose markets for such goods, which he also had in his possession, are similarly restricted.

The Compliance Commissioner emphasized that persons who acted innocently and in good faith and without knowledge that their conduct was contrary to the provisions of the Export Regulations are not subjected to charges under the regulations. On this point he said:

It should be clearly understood that a person who reexports or deals in U.S.-origin commodities contrary to the applicable restrictions does not necessarily subject himself to charges for violating the U.S. Export Regulations. Charges for violations of the regulations are not instituted unless the person has acted with knowledge that his conduct was contrary to the requirements or restrictions of the regulations. A person who has acted innocently and in good faith will not be subjected to the sanctions under the regulations. Every foreign participant in a U.S. export transaction is not held to have full knowledge of the requirements of U.S. export controls. However, if he does have knowledge of the U.S. requirements, it is not too much to expect that he adhere to them. In accordance with established legal principals, knowledge is held to embrace actual or constructive knowledge, the latter referring to knowledge one is deemed to have because he has the informational basis in his possession or readily available to him.

As to the sanctions to be imposed, the Compliance Commissioner said:

Having determined that the respondents violated the U.S. Export Regulations in two respects, we must now consider what sanctions should be imposed. The aggregate value of the tubes in the exportations of February 22, and March 22, 1963, was about $580. The tubes were not of a strategic nature and were also obtainable from sources other than the United States. In this instance, it is not so much the particular commodities involved or their value that concerns me. The important point is that respondents knowingly reexported U.S.-origin commodities in violation of the regulations. The unauthorized reexportations by respondents may have stemmed, in part, from their unwillingness to recognize that U.S. controls are applicable to all U.S.-origin commodities whether or not the reexporter is the original importer. Our position on this matter has now been made very clear to respondents.

I consider the violation involving the giving of false answers to interrogatories to be of a more serious nature. The respondents not only reexported U.S.-origin commodities but also gave false answers when asked about such shipments. They have shown by their conduct that they have not been completely trustworthy in their handling of U.S.-origin commodities.

I do not believe that respondents are incorrigible. I am of the view that the necessary effect to deter future violations will be accomplished if respondents are effectively denied export privileges for 3 months to be followed by probation for the balance of 3 years. If the respondents should again violate our regulations during the period of probation, their export privileges may be summarily denied.

Now, after considering the record in the case and the report and recommendation of the Compliance Commissioner and being of the opinion that his recommendation as to the sanctions that should be imposed is fair and just and calculated to achieve effective enforcement of the law: *It is hereby ordered:*

I. All outstanding validated export licenses in which respondents appear or participate in any manner or capacity are hereby revoked and shall be returned forthwith to the Bureau of International Commerce for cancellation.

II. Except as qualified in paragraph IV hereof, the respondents for a period of 3 years from the effective date of this order are hereby denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported from the United States in whole or in part, or to be exported, or which are otherwise subject to the export regulations. Without limitation of the generality of the foregoing, participation prohibited in any such transaction, either in the United States or abroad, shall include participation: (a) as a party or as a representative of a party to any validated export license application; (b) in the preparation or filing of any export license application or reexportation authorization, or document to be submitted therewith; (c) in the obtaining or using of any validated or general export license or other export control documents; (d) in the carrying on of negotiations with respect to, or in the receiving, ordering, buying, selling, delivering, storing, using, or disposing of any commodities or technical data; (e) in the financing, forwarding, transporting, or other servicing of such commodities or technical data.

III. Such denial of export privileges shall extend not only to the respondents, but also to their successors, representatives, agents, and employees, and also to any person, firm, corporation, or other business organization with which they now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or services connected therewith.

IV. Three months after the effective date hereof, without further order of the Bureau of International Commerce, the respondents shall have their export privileges restored conditionally and thereafter for the remainder of the 3-year denial period the respondents shall be on probation. The conditions of such restoration are that the respondents shall fully comply with all requirements of the Export Control Act of 1949, as amended, and all regulations, licenses, and orders issued thereunder.

V. Upon a finding by the Director, Office of Export Control, or such other official as may be exercising the duties now exercised by him, that the respondents have knowingly failed to comply with the requirements and conditions of this order or with the conditions of probation, said official at any time, with or without prior notice to said respondents, by supplemental order, may revoke the probation of said respondents, or any of them, revoke all outstanding validated export licenses to which any of said respondents may be a party, and deny to said respondents all export privileges for a period up to 33 months. Such order shall not preclude the Bureau of International Commerce from taking further action for any violation as shall be war-

ranted. On the entry of a supplemental order revoking respondents' probation without notice, they may file objections and request that such order be set aside, and may request an oral hearing, as provided in section 382.16 of the Export Regulations, but pending such further proceedings, the order of revocation shall remain in effect.

VI. During the time when any respondent or other person within the scope of this order is prohibited from engaging in any activity within the scope of Part II hereof, no person, firm, corporation, partnership, or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Bureau of International Commerce, shall do any of the following acts, directly or indirectly, in any manner or capacity, on behalf of or in any association with a respondent or other person denied export privileges within the scope of this order, or whereby any such respondent or such other person may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly: (a) Apply for, obtain, transfer, or use any license, shipper's export declaration, bill of lading, or other export control document relating to any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States, by, to, or for any such respondent or other person denied export privileges within the scope of this order; or (b) order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States.

This order shall become effective on July 28, 1965.

Dated: July 21, 1965.

RAUER H. MEYER,
Acting Director,
Office of Export Control.

[F.R. Doc. 65-7888; Filed, July 26, 1965; 8:48 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 16314]

AEROTRANSPORTES ENTRE RIOS S.R.L.

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on August 5, 1965, at 10 a.m., e.d.s.t. in Room 607, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Edward T. Stodola.

Dated at Washington, D.C., July 21, 1965.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 65-7896; Filed, July 26, 1965; 8:49 a.m.]

[Docket 16342]

BRITISH WEST INDIAN AIRWAYS LTD.

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on August 3, 1965, at 10 a.m., e.d.s.t., in Room 607, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Walter Bryan.

Dated at Washington, D.C., July 22, 1965.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 65-7897; Filed, July 26, 1965; 8:49 a.m.]

EMERY AIR FREIGHT CORP.

Notice of Application for Tariff-Filing Authority Pick-Up and Delivery Zone

JULY 21, 1965.

In accordance with Part 222 (14 CFR Part 222) of the Board's Economic Regulations (effective June 12, 1964), notice is hereby given that the Civil Aeronautics Board has received an application, Docket 16344, from Emery Air Freight Corp., Post Office Box 322, Wilton, Conn., for authority to provide true pickup and delivery service of air freight shipments between the Newark (N.J.) Municipal Airport on the one hand, and, on the other, points in Mercer, Middlesex, Monmouth, Morris, Passaic, and Somerset Counties, N.J.; New Egypt in Ocean County, N.J.; Bordentown, Columbus, Crosswicks, Fort Dix, Florence, Groveville, Levittown, McGuire Air Force Base, Mount Holly, Roebling, and Wrightstown in Burlington County, N.J., and Morrisville in Bucks County, Pa.

Under the provisions of § 222.3(c) of Part 222, interested persons may file an answer in opposition to or in support of this application within fifteen (15) days after publication of this notice in the FEDERAL REGISTER. An executed original and 19 copies of such answer shall be addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C., 20428. It shall set forth in detail the reasons for the position taken and include such economic data and facts as are relied upon, and shall be served upon the applicant and state the date of such service.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 65-7898; Filed, July 26, 1965; 8:49 a.m.]

FEDERAL AVIATION AGENCY

[OE Docket No. 65-WE-3]

STAR BROADCASTING, INC.

Notice of Petition for Review

The Agency's Western Regional Office issued the following determination of no hazard to air navigation in Aeronautical Study No. WE-OE-4204 in Los Angeles, Calif., on June 3, 1965:

The Federal Aviation Agency has circularized the following construction proposal for public comment and has conducted an aeronautical study to determine its effect upon the safe and efficient utilization of navigable airspace.

Star Broadcasting, Inc., 10 Northwest 10th Street, Portland, Oreg., proposed construction of four antenna towers spaced 360.2 feet apart on a line bearing 102° True. The proposed towers would be located approximately 3.5 miles SE of Portland International Airport and 4.5 miles W of Troutdale Airport at N latitude 45°33'28", W longitude 122°-30'09". The overall height of the towers would be 296 feet above mean sea level (276 feet above ground level).

As proposed, the towers would exceed the standards defined in Federal Aviation Regulations, Part 77, § 77.23(a)(3), by approximately 158 feet as applied to the Portland International Airport.

The Federal Aviation Agency is considering redesignation of the Portland, Oreg., Control Zone under Airspace Docket No. 64-WE-4. Redesignation, as proposed, would place the proposed towers within the Portland Control Zone. In that event, the proposed towers would exceed the standards defined in Federal Aviation Regulations, Part 77, § 77.23(a)(5), in that the towers would exceed a height of 200 feet above ground within the Portland Control Zone.

The Agency's aeronautical study disclosed that the towers would not affect instrument flight rule operations, procedures, or minimum altitudes. The study also disclosed that the towers would be situated well outside of all airport traffic patterns and would have no effect on visual flight rule operations at the Portland International and Troutdale Airports. The study further disclosed that the towers would be located below the airspace which is normally used for en route visual flight rule operations.

Based on the aeronautical study, it is concluded that the towers would not have an adverse effect upon the safe and efficient utilization of navigable airspace. Therefore, it is determined that the towers would not be a hazard to air navigation provided they are marked and lighted in accordance with FAA standards.

This determination will become final 30 days after the date of issuance unless an appeal is filed. If the appeal is denied, the determination will then become final as of the date of denial or 30 days after the issuance of the determination, whichever is later. Unless otherwise revised or terminated, a final determination hereunder will expire 18 months after its effective date or upon the earlier abandonment of the construction proposal. This determination does not waive the requirements of any other governmental agency.

Notice to this office is required at least 48 hours before the start of construction and again within 5 days after construction and again within 5 days after construction reaches its greatest height.

Mr. John Y. Lansing of Portland, Oreg., has petitioned for a review pursuant to § 77.37 (30 F.R. 1387), Part 77, FAR, in appeal of the above determination. Therefore, the determination issued by the Agency's Western Regional Office in Aeronautical Study No. WE-OE-4204 is not and will not be a final determination pending final disposition of the petition.

Issued in Washington, D.C., on July 21, 1965.

GEORGE R. BORSARI,
Chief,
Obstruction Evaluation Branch.

[F.R. Doc. 65-7850; Filed, July 26, 1965; 8:45 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 16109-16115; FCC 65M-954]

CAPITAL BROADCASTING CO. OF NEVADA (KPTL) ET AL.

Order Scheduling Hearing

In re applications of Capital Broadcasting Co. of Nevada (KPTL), Carson City, Nev., Docket No. 16109, File No. BP-15358; Circle L, Inc., Reno, Nev., Docket No. 16110, File No. BP-15413; Southwestern Broadcasting Co. (KORK), Las Vegas, Nev., Docket No. 16111, File No. BP-15441; The Benay Corp. (KTEE), Idaho Falls, Idaho, Docket No. 16112, File No. BP-16216; 780, Inc., Las Vegas, Nev., Docket No. 16113, File No. BP-16273; Meyer (MIKE) Gold (KLUC), Las Vegas, Nev., Docket No. 16114, File No. BP-16401; Albert John Williams and Jack M. Reeder, doing business as Radio Nevada, Las Vegas, Nev., Docket No. 16115, File No. BP-16524; for construction permits.

It is ordered, This 20th day of July 1965, that Sol Schildhause shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on October 26, 1965, at 10 a.m.; and that a prehearing conference shall be held on September 22, 1965, commencing at 10 a.m.; and, *It is further ordered*, That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: July 22, 1965.

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

[F.R. Doc. 65-7903; Filed, July 26, 1965; 8:50 a.m.]

[Docket Nos. 16116-16118; FCC 65M-953]

HUNTINGDON BROADCASTERS, INC., ET AL.

Order Scheduling Hearing

In re applications of Huntingdon Broadcasters, Inc., Huntingdon, Pa., Docket No. 16116, File No. BPH-4394; WDAD, Inc., Indiana, Pa., Docket No. 16117, File No. BPH-4415; Clearfield Broadcasters, Inc., Clearfield, Pa., Docket No. 16118, File No. BPH-4416; for construction permits.

It is ordered, This 20th day of July 1965, that Isadore A. Honig shall serve as Presiding Officer in the above-entitled proceeding; that the hearings therein shall be convened on October 7, 1965, at 10 a.m.; and that a prehearing conference shall be held on September 9, 1965, commencing at 9 a.m.; and *It is further ordered*, That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: July 22, 1965.

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

[F.R. Doc. 65-7904; Filed, July 26, 1965; 8:50 a.m.]

[Docket No. 14611; FCC 65M-950]

PROGRESS BROADCASTING CORP. (WHOM)

Memorandum Opinion and Order Continuing Hearing

In re application of Progress Broadcasting Corp. (WHOM), New York, N.Y., Docket No. 14611, File No. BP-13915; for construction permit.

1. Quality Radio Corp. filed a motion on July 15, 1965, requesting that the exchange date for exhibits be set for September 15, 1965, in lieu of July 28, 1965, and that the hearing now scheduled for September 13, 1965, be rescheduled for September 30, 1965.

2. When the matter was designated for hearing by the Commission in its order (FCC 62-444) released April 30, 1962, Station WSAR, Fall River, Mass., was made a party to the proceeding. At that time K & M Publishing Co., Inc. was licensee of Station WSAR, and its counsel actively participated in the prehearing conferences held in connection therewith. This matter has been continued at various times, at the request of the applicant, because of the possibilities of the New Jersey Turnpike Authority condemning the Progress transmitter site.

3. Quality pleads that it is now the licensee of Station WSAR and has undertaken a field measurement project, as well as a program survey to obtain evidence to present at the evidentiary hearing. It further pleads that because of the shortness of time it will be unable to meet the procedural dates heretofore scheduled.

4. There is no objection to a grant of the motion and good cause exists why the motion should be granted, except, however, that the Hearing Examiner's present hearing schedule will not permit scheduling the evidentiary hearing on the date requested.

Accordingly, it is ordered, This 21st day of July 1965, that the motion is granted in part and denied in part.

It is further ordered, That the exchange of exhibits shall be accomplished on or before September 15, 1965, in lieu of July 28, 1965.

It is further ordered, That the hearing now scheduled for September 13, 1965, be and the same is hereby rescheduled for November 1, 1965, 10 a.m., in the Commission's Offices, Washington, D.C.

Released: July 21, 1965.

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

[F.R. Doc. 65-7905; Filed, July 26, 1965; 8:50 a.m.]

[Docket Nos. 15803-15806; FCC 65R-274]

JOHN AND ALVERA TRAXLER ET AL.

Memorandum Opinion and Order Amending Issues

In re applications of John N. Traxler and Alvera M. Traxler, husband and wife, Delray Beach, Fla., Docket No. 15803, File No. BPH-3485; Sunshine Broadcasting Co., Delray Beach, Fla., Docket No. 15804, File No. BPH-4174; WLOD, Inc., Pompano Beach, Fla., Docket No. 15805, File No. BPH-4253; Boca Broadcasters, Inc., Pompano Beach, Fla., Docket No. 15806, File No. BPH-4605; for construction permits.

1. By petition to enlarge issues of March 31, 1965,[1] the Commission's Broadcast Bureau seeks the addition of the following issue to this proceeding:

To determine what efforts have been made by Boca Broadcasters, Inc., to determine the programing needs of the area it proposes to serve and the manner in which it proposes to meet such needs.

The requested issue[2] is the so-called "Suburban" issue, and has already been added to the proceeding (on petition by Boca) with respect to the Traxler application. See the Board's earlier Order herein, released May 27, 1965 (FCC 65R-191). Each of the above applications is for a construction permit for a new FM broadcast station to operate on the frequency 102.7 mc.[3]

2. The petition is deniable on procedural grounds since it was not filed within the period specified in § 1.229(b) of the Commission's rules, and since an acceptable showing of good cause for the delay has not been made.[4] However, the substantive questions raised by the pleadings are such as to warrant the Board's adding the programing issue on its own motion.[5] *Cf.* Princess Anne Broadcasting Corp., 65R-104, released March 23, 1965.

3. The Board views its action (FCC 65R-191) adding a Suburban issue as to the Traxlers as dispositive of the matter presently before it and as dictating the identical issue as to Boca. Proposing a broadcast day of 6 a.m.-9 p.m. daily, the Traxlers had originally (July 1961) specified as its station location, Boca Raton, which is in Palm Beach County, and part of the West Palm Beach Fla. Urbanized Area. The Traxlers subsequently (October 1963) amended their application to request a location of Delray Beach, which lies approximately 10 miles north of Boca Raton in the same county and urbanized area. They did not, however, make a corresponding change in their programing proposal, and the Board was unable

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[1] Also before the Board are: an opposition to the petition, filed by Boca Broadcasters, Inc. (Boca) on Apr. 30, 1965; a reply to the opposition, filed by the Bureau on May 11, 1965; a motion to strike the petition and reply, filed by Boca on July 1, 1965; and (5) opposition to (4) filed, July 13, 1965, by the Broadcast Bureau.

[2] A request for an issue as to the adequacy of Boca's staff, contained in the petition, was withdrawn by the Bureau in its reply pleading.

[3] Both Sunshine Broadcasting Co. and WLOD, Inc. have requested dismissals as to their respective applications.

[4] The procedural denial of the petition moots Boca's motion to strike, and the motion will be dismissed. Additionally, coming more than a month after the Bureau's last pleading, the motion is clearly unseasonable, and Boca has made no attempt to explain why its present position could not have been earlier advanced.

[5] The Board sees no merit in the Bureau's suggestion (in its reply) that Boca's opposition raises a question as to the "bona fides" of the latter's petition to enlarge against the Traxlers. That one's own application is infirm is no bar to a petition calling attention to similar infirmities in an opponent's application. See par. 5.

to accept without evidentiary proof that the programing needs of the two communities were so similar that a proposal prepared when Boca Raton was to be the hub of operation required no change when a different city, Delray Beach, was specified as the principal community.[6] Notwithstanding the Traxlers' contentions that they were familiar with the whole of southern Palm Beach County, and that it had always been their intention to serve the entire area, it was the Board's view that the question of whether the specific needs of Delray Beach had been adequately weighed in the preparation of the proposed programing was a matter best left for evidentiary resolution.

4. The Board believes that there is at least equal warrant for adding the issue with respect to Boca. In December 1960, Boca filed an application for a construction permit for a new standard broadcast station to be located in Boca Raton.[7] The application was amended from time to time, its final programing proposal being submitted in December 1961. The station proposed operation during daytime hours only, and it was indicated that, in a typical week, the hours of operation would be 6 a.m.–6 p.m. daily.[8] The construction permit was granted by the Commission in July 1962, but difficulties were encountered in the construction of the station, and the station did not enter on program test authority until May 13, 1965. The station (WSBR—formerly WFSG) is managed by one Ronald R. Allen, who was placed on Boca's payroll on March 1, 1965.

5. Prior to a grant of the AM application, Dr. Grunwald had "studied the programing needs of the so-called 'Gold Coast' region of Florida, which is the name locally applied to the entire region beginning with Fort Lauderdale on the south and ending in Palm Beach on the north." Relying on Federal (census), State and local data, and on written questionnaires,[9] Dr. Grunwald concluded that (a) "the Gold Coast was an integrated area" composed largely of small communities having much (growth rate, climate, tourism, ethnic background, etc.) in common; and (b) the programing needs of the area "did not vary with political boundaires." Boca's instant FM application for Pompano Beach was first tendered in July 1964, and was ultimately accepted by the Commission in September 1964. Pompano Beach is located in Broward County, approximately 8 miles south of Boca Raton, and it is part of the Fort Lauderdale-Hollywood, Florida urbanized area. The FM application proposes daily operation in the period 6 a.m.–12 a.m.; the programing proposed for the 12-hour period of 6 a.m.–6 p.m. is identical to that proposed in the December 1961, AM application for Boca Raton, and it is clear that during daytime hours, the Pompano Beach FM station would duplicate the programing of the Boca Raton AM station.[10] The proposed format for the nighttime operation of the FM station does not appear to vary in any significant respect from that which would originate daytime from the Boca Raton daytime AM station.[11]

6. The Board has taken note of (a) Dr. Grunwald's averments that he has periodically returned to the area, has reviewed the needs of the area personally, and has otherwise informed himself as to local needs, interests, and tastes; and (b) his continued conclusions "that the programing needs of the Gold Coast are not segmented by political boundaries but are unitary and that the proposed station's programing would serve area needs." [12] The Board is not persuaded by the pleadings or supporting affidavits, however, that Boca Raton and Pompano Beach are so similar that the specific daytime needs of the latter city would be adequately met by program proposals prepared over 2 years prior to the FM application in connection with an AM application specifying Boca Raton as the principal community.[13] Grunwald's and Allen's convictions may be entirely warranted, but they—any more than the Traxlers'—cannot be accepted without evidentiary proof on the points involved. Boca Raton and Pompano Beach lie in different counties and different urbanized areas; although this fact is not conclusive on the question of whether their programing needs are identical, it is persuasive, along with the other considerations discussed above, to require exploration at the hearing. In view of all of the above, the Suburban issue will be added with respect to the Boca application.

Accordingly, it is ordered, This 21st day of July 1965, That (a) the petition to enlarge issues, filed by the Broadcast Bureau on March 31, 1965, is denied; (b) the motion to strike, filed by Boca Broadcasters, Inc. on July 1, 1965, is dismissed as moot; and (c) on the Review Board's own motion, the issues in the above-captioned proceeding are enlarged by the addition of the following issue: To determine what efforts have been made by the applicant, Boca Broadcasters, Inc., to determine the programing needs of the community and area it proposes to serve and the manner in which it proposes to meet such needs.

Released: July 22, 1965.

FEDERAL COMMUNICATIONS COMMISSION,[14]
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 65-7906; Filed, July 26, 1965; 8:50 a.m.]

[6] "An applicant's duty to meet the local needs of its principal community is more important than its duty to meet the needs of other communities within its service area." See Saul M. Miller, FCC 65R-242, par. 41, and cases cited.

[7] Official Notice is hereby taken of that application and the associated filings (BP-14568). The application was filed in the name of Fred S. Grunwald, then a practicing physician in Jackson Heights, N.Y. Dr. Grunwald subsequently incorporated, and he owns 100 percent of Boca. He now practices medicine in Washington, D.C. and has his residence there. It appears that sometime after the first of this year, he established an additional residence in Boca Raton.

[8] The authorized hours of daytime stations on Florida's east coast vary during the different months of the year, but average to slightly more than 12 hours daily.

[9] The number of such questionnaires, their content, to whom they were directed and the responses thereto are not disclosed in Boca's pleadings.

[10] The two stations would operate from a common main studio, located just west of Boca Raton in Palm Beach County.

[11] Boca supplied program titles in neither its AM nor FM applications, and it cannot be determined which, if any, of the daytime or nighttime programs would be responsive to specific programing needs in Pompano Beach.

[12] Mr. Allen, Boca's station manager, shares Dr. Grunwald's views, basing his opinions on his familiarity with "Southeast Florida" and his broadcast experience "in the area". But the Allen affidavit fails to reveal that he has ever resided in either Boca Raton or Pompano Beach or that he has gained significant broadcast experience in other than the selling of radio time. In the latter connection, although he states that he has been manager of Boca's WSBR since Mar. 1, 1965, we note that WSBR did not commence to operate under program test authority until May 13, 1965, after Allen's affidavit was prepared and filed. In short, the Allen affidavit is wholly unconvincing on the matters sought to be established.

[13] Nor can there be ascribed to Grunwald and Allen degrees of broadcast experience or familiarity with Pompano Beach sufficient to dispel all doubts as to the adequacy of the nighttime proposal from either the preparation or content standpoints.

[14] Board member Kessler concurring in result only.

FEDERAL POWER COMMISSION

[Docket Nos. RI65-405, RI65-627]

GENERAL AMERICAN OIL CO. OF TEXAS ET AL.

Order Accepting Decreased Rate Filing, Amending Order To Permit Acceptance of Amended Rate Filing, Subject to Existing Suspension Proceedings

JULY 20, 1965.

General American Oil Co. of Texas, Docket No. RI65-405; Continental Oil Co. (Operator) et al., Docket No. RI65-627.

On June 23, 1965, and June 28, 1965, respectively, General American Oil Co. of Texas (General American) and Continental Oil Co. (Operator) et al. (Continental), submitted proposed tax reimbursement decreases of 0.5 cent and 0.25 cent per Mcf, respectively. The tax reimbursement reductions are due to the buyer, United Gas Pipe Line Co. (United) exercising its option to reduce the amount of Louisiana Severance Tax reimbursement under General American's Rate Schedule No. 63 and Continental's Rate Schedule No. 247, effective as of July 1, 1965, and November 13, 1965, respectively. The decreased rate filings are set forth in Appendix A below.

The tax reimbursement decrease, designated as Supplement No. 6 to General American's Rate Schedule No. 63, affects a 22.5 cents per Mcf rate now in effect subject to refund in Docket No. RI65-405. Since the base rate remains the same under the rate schedule, we believe that the 30-day statutory notice requirement provided in section 4(d) of the Natural Gas Act should be waived and the rate as changed by the proposed tax change should be accepted for filing effective as of July 1, 1965, the proposed

effective date, subject to refund in the existing suspension proceeding in Docket No. RI65-405.

The tax reimbursement decrease, designated as Supplement No. 1 to Supplement No. 7 to Continental's Rate Schedule No. 247, affects a 22.25 cents per Mcf rate contained in Supplement No. 7 which was suspended in Docket No. RI65-627 until November 13, 1965. The instant filing was submitted to amend Supplement No. 7 to reflect the reduction in tax reimbursement by United. Although Continental is prohibited from filing changes in rate under the subject rate schedule during the aforementioned suspension period and not earlier than 90 days prior to the proposed effective date of November 13, 1965, we believe it would be in the public interest to waive such provisions and permit the rate change to be filed and made subject to the existing suspension proceeding in Docket No. RI65-627, including the same period of suspension, November 13, 1965.

In each case, the proposed rate exceeds the area ceiling price for increased rates in South Louisiana as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR, Ch. I, Part 2, § 2.56).

The Commission finds:

(1) It is necessary and proper in carrying out the provisions of the Natural Gas Act and the Regulations thereunder to accept for filing the proposed tax reimbursement decrease, designated as Supplement No. 6 to General American's Rate Schedule No. 63, effective as of July 1, 1965, subject to refund in the existing rate suspension proceeding in Docket No. RI65-405.

(2) Good cause exists for amending the Commission's order issued on June 4, 1965, in Docket No. RI65-627, to the extent hereinafter provided.

The Commission orders:

(A) General American's decreased rate filing, designated as Supplement No. 6 to its Rate Schedule No. 63, is hereby accepted for filing, effective as of July 1, 1965, subject to refund in the existing rate suspension proceeding in Docket No. RI65-405.

(B) The Commission's order issued June 4, 1965, in Docket No. RI65-627, is hereby amended to accept for filing Continental's amended rate filing, designated as Supplement No. 1 to Supplement No. 7 to its Rate Schedule No. 247, subject to the same suspension period (Nov. 13, 1965) as that previously provided in Docket No. RI65-627 with respect to the originally proposed higher rate of 22.25 cents per Mcf.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supp. No.	Purchaser and producing area	Amount of annual decrease	Date filing tendered	Effective date	Date suspended until—	Cents per Mcf		Rate in effect subject to refund in Docket Nos.
									Rate in effect	Proposed decreased rate	
RI65-405	General American Oil Co., of Texas, Meadows Bldg., Dallas, Tex., 75206.	63	[1] 6	United Gas Pipe Line Co. (St. Martinville Field, St. Martin Parish, La.).	$607	6-23-65	7-1-65	7-1-65	[2] 22.5	[3] [4] 22.0	RI65-405
RI65-627	Continental Oil Co. (Operator), et al., Post Office Box 2197, Houston, Tex., 77001.	247	[5] 1 to 7	United Gas Pipe Line Co. (Theall Field, Vermilion Parish, La.).	9,625	6-28-65	([10])	11-13-65	[7] [8] 22.25	[3] [9] 22.0	.....

[1] Includes letter agreement dated May 6, 1965, which provides for the reduction in tax reimbursement.
[2] Tax reimbursement decrease.
[3] Pressure base is 15.025 p.s.i.a.
[4] Includes 1.0 cents per Mcf tax reimbursement.
[5] Includes 1.5 cents per Mcf tax reimbursement.
[6] Includes 1.50 cents per Mcf tax reimbursement.
[7] Suspended in Docket No. RI65-627 until November 13, 1965.
[8] Includes 1.75 cents per Mcf tax reimbursement.
[9] Reduces tax reimbursement from 1.75 cents per Mcf to 1.5 cents per Mcf as provided by letter dated July 1, 1964.
[10] Not stated.

[F.R. Doc. 65-7860; Filed, July 26, 1965; 8:45 a.m.]

[Docket Nos. G-4544 etc.]

SINCLAIR OIL & GAS CO ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates [1]

JULY 20, 1965.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service heretofore authorized as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

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) on or before August 11, 1965.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on all applications in which no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given: *Provided, however,* That pursuant to § 2.56, Part 2, Statement of General Policy and Interpretations, Chapter I of Title 18 of the Code of Federal Regulations, as amended, all permanent certificates of public convenience and necessity granting applications, filed after April 15, 1965, without further notice, will contain a condition precluding any filing of an increased rate at a price in excess of that designated for the particular area of production for the period prescribed therein unless at the time of filing such certificate application, or within the time fixed herein for the filing of protests or petitions to intervene the Applicant indicates in writing that it is unwilling to accept such a condition. In the event Applicant is unwilling to accept such condition the application will be set for formal hearing.

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

JOSEPH H. GUTRIDE, *Secretary.*

[1] This notice does not provide for consolidation for hearing of the several matters covered herein, nor should it be so construed.

Docket No. and date filed	Applicant	Purchaser, field and location	Price per Mcf	Pressure base
G-4544 D 7-8-65	Sinclair Oil & Gas Co. (Operator), et al., Post Office Box 521, Tulsa, Okla., 74102 (Partial Abandonment).	Transcontinental Gas Pipe Line Corp., Oakville-Wilcox Field, Live Oak County, Tex.	(2)	.....
G-4930 E 7-12-65	Westates Petroleum Co. (successor to Krebs Oil Co.), c/o Hoyt N. Wheeler, attorneys, Kay, Casto and Chaney, 511 Charleston National Bank Bldg., Charleston, W. Va.	United Fuel Gas Co., Weir Sand, Kanawha County, W. Va.	22.0	15.325
G-6931 E 7-12-65	do	Pennzoil Co., Weir Sand, Kanawha County, W. Va.	18.0	15.325
G-7002 E 7-12-65	George R. Brown (successor to Herman Brown Estate), c/o J. L. Blanchi, attorney, 1201 San Jacinto Bldg., Houston, Tex., 77002.	Arkansas Louisiana Gas Co., Bear Creek Field, Bienville Parish, La.	12.820	15.025
G-13948 C 7-12-65	Newmont Oil Co., 1135 Capital National Bank Bldg., 1300 Main at Polk, Houston, Tex., 77002.	Tennessee Gas Transmission Co., East Cameron Block 64 and Vermilion Block 46 Fields, Offshore Louisiana.	[3] 20.625	15.025
G-19838 C 7-12-65	Continental Oil Co., Post Office Box 2197, Houston, Tex., 77001.	Tennessee Gas Transmission Co., Grand Isle Area, Offshore Louisiana.	19.0	15.025
CI60-61 E 7-12-65	Westates Petroleum Co. (successor to Krebs Oil Co.).	Consolidated Gas Supply Corp., Weir Sand, Kanawha County, W. Va.	26.0	15.325
CI61-1147 E 7-12-65	do	Pennzoil Co., Weir Sand, Kanawha County, W. Va.	18.0	15.325
CI63-602 E 7-14-65	Stonestreet Oil & Gas Co. (successor to Servane Oils, Inc.), Box 350, Spencer, W. Va.	Consolidated Gas Supply Corp., Smithfield District, Roane County, W. Va.	25.0	15.325
CI63-1125 D 7-9-65	Gulf Oil Corp., Post Office Box 1589, Tulsa, Okla., 74102.	Arkansas Louisiana Gas Co., North Cooper Field, Blaine County, Okla.	(7)	.....
CI63-1430 A 5-23-63	Edwin L. Cox, 2200 Adolphus Tower, Dallas, Tex., 75202.	Panhandle Eastern Pipe Line Co., acreage in Beaver County, Okla.	[4] 17.0	14.65
CI63-1458 A 5-31-63	Amax Petroleum Corp., 807 Enterprise Bldg., Tulsa, Okla., 74103.	do	[4] 17.0	14.65
CI63-1514 A 6-10-63 C 3-18-65 [8]	R. H. Siegfried, Inc. (Operator), et al., Post Office Box 538, Tulsa, Okla.	Natural Gas Pipeline Co. of America, South Cundiff Field, Jack County, Tex.	[4] [5] 14.25	14.65
CI64-671 C 7-14-65	Pioneer Production Corp. (Operator), et al., Post Office Box 2542, Amarillo, Tex., 79105.	Northern Natural Gas Co., acreage in Lipscomb County, Tex.	17.0	14.65
CI65-387 E 7-12-65	Westates Petroleum Co. (Successor to Krebs Oil Co.), c/o Hoyt N. Wheeler, attorneys Kay, Casto and Chaney, 511 Charleston National Bank Building, Charleston, W. Va.	United Fuel Gas Co., Weir Sand, Kanawha County, W. Va.	25.0	15.325
CI65-437 C 7-12-65	E. L. Fundingsland, 2004 Security Life Bldg., Denver, Colo., 80202.	El Paso Natural Gas Co., acreage in La Plata County, Colo.	12.0	15.025
CI66-13 F 7-6-65	Westmore Drilling Co., Inc., et al. (Successor to Champlin Oil & Refining Co.), Chapin Bldg., Medicine Lodge, Kans.	Cities Service Gas Co., Aetna Mississippi Gas Pool, Barber County, Kans.	14.0	14.65
CI66-14 A 7-8-65	Ventura Oil Co., 1029 East 8th Street, Denver, Colo.	Equitable Gas Co., Glenville District, Gilmer County, W. Va.	25.0	15.325
CI66-15 A 7-9-65	Southwest Oil Industries, Inc., 706 First National Bldg., Oklahoma City, Okla., 73102.	Panhandle Eastern Pipe Line Co., Mocane-Laverne Field, Beaver and Harper Counties, Okla.	17.0	14.65
CI66-16 B 7-8-65	Charles L. Reed, Louis Fabian, et al., c/o Louis Fabian, attorney in fact, c/o Bonning and Bailey, 212 Juliana Street, Parkersburg, W. Va.	Trustees for Penova Interests, Murphy District, Ritchie County, W. Va.	Uneconomical	.....
CI66-17 B 7-9-65	Benin Oil Co. (Operator), et al., 1200 Oil and Gas Bldg., New Orleans, La., 70112.	Texas Eastern Transmission Corp., East Lewisburg Field, St. Landry Parish, La.	Depleted	.....
CI66-18 F 7-9-65	Robert A. Lee (successor to Gulf Oil Corp.), Post Office Box 270, Hattiesburg, Miss.	United Gas Pipe Line Co., Barterville Field, Lamar County, Miss.	17.0	15.025
CI66-19 A 7-12-65	Sunray DX Oil Co., Post Office Box 2039, Tulsa, Okla., 74102.	El Paso Natural Gas Co., Big Lake Field, Reagan County, Tex.	16.1396	14.65
CI66-20 A 7-12-65	Criner Processing, 608 Little Bldg., Ardmore, Okla.	Lone Star Gas Co., Southwest Ardmore Field, Carter County, Okla.	15.0	14.65
CI66-21 B 7-12-65	Herbert L. Dillon, Jr., 531 Texas National Bank Bldg., Houston, Tex., 77002.	Valley Gas Transmission, Inc., South Pheasant Field, Matagorda County, Tex.	Depleted	.....
CI66-22 B 7-12-65	Texaco Inc., Post Office Box 52332, Houston, Tex., 77052.	Tennessee Gas Transmission Co., Southwest Hutchins Field, Wharton County, Tex.	Depleted	.....
CI66-23 B 6-24-65 [1]	Jernigan & Morgan Transmission Co., Colcord Bldg., Oklahoma City, Okla.	Cities Service Gas Co., East Victor Pool, Lincoln County, Okla.	Declined in pressure.	.....
CI66-24 B 7-12-65	Bob Miner, Post Office Box 805, Corpus Christi, Tex., 78403.	Coastal States Gas Producing Co., Johns Field, Duval County, Tex.	Depleted	.....
CI66-25 B 7-14-65	Petroleum Management, Inc. (Petroleum Enterprises, Inc.), Post Office Box 609, Winfield, Kans., 67156.	Gas Transmissions, Inc., School Creek Field, Cowley County, Kans.	Depleted	.....
CI66-26 A 7-14-65	Mesa Petroleum Co., 1301 Taylor, Amarillo, Tex.	Colorado Interstate Gas Co., Greenwood Field, Morton County, Kans.	16.0	14.65
CI66-27 A 7-14-65	Union Texas Petroleum, a division of Allied Chemical Corp., Post Office Box 2120, Houston, Tex., 77001.	Panhandle Eastern Pipe Line Co., Chaneydell Plant, Major County, Okla.	15.0	14.65
CI66-28 A 7-15-65	Arch B. Gilbert, K. M. McClain and R. J. Shumacher, c/o Arch B. Gilbert, 705 Fort Worth National Bank Bldg., Fort Worth, Tex.	Arkansas Louisiana Gas Co., Bonanza Field, Sebastian County, Ark.	15.0	14.65
CI66-29 A 7-15-65	The Pure Oil Co., 200 East Golf Road, Palatine, Ill., 60067.	Michigan Wisconsin Pipe Line Co., Southeast Stockholm Field, Lavette Area, Harper County, Okla.	17.0	14.65
CI66-30 A 7-14-65	D. J. Robichaux, Jr., 206 Green Street, Thibodaux, La., 70301.	Transcontinental Gas Pipe Line Corp., Rousseau Field, Lafourche Parish, La.	25.55	15.025
CI66-31 A 7-14-65	T. W. Kleinpeter, Post Office Box 430, Thibodaux, La., 70301.	do	25.55	15.025
CI66-32 F 7-16-65	J. P. Owen (Operator) (successor to The Pure Oil Co.), Post Office Box 51288, Oil Center Station, Lafayette, La.	Transcontinental Gas Pipe Line Corp., Southeast Gueydon Field, Vermilion Parish, La.	[9] 17.75	15.025
CI66-33 B 7-16-65	Petroleum Management, Inc., 1515 Wichita Plaza, Wichita, Kans., 67202.	Wunderlich Development Co., Graham Pool, Cowley County, Kans.	Depleted	.....

Filing Code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial Succession.

See footnotes at end of table.

[1] Unit well is unable to deliver against Buyer's line pressure.
[2] Includes 1.625 cents per Mcf tax reimbursement.
[3] Reserves attributable to unit well are insufficient to justify pipeline which Buyer would have to lay to connect the well.
[4] Subject to upward and downward B.t.u. adjustment.
[5] Includes 0.25 cents per Mcf dehydration charge.
[6] Adds acreage and interest of signatory coowner.
[7] Filing completed July 12, 1965.
[8] Includes 1.75 cents per Mcf tax reimbursement.

[F.R. Doc. 65-7861; Filed, July 28, 1965; 8:45 a.m.]

[Docket No. E-7234]

THE DETROIT EDISON CO. AND CONSUMERS POWER CO.

Order Initiating Investigation and Hearing

JULY 20, 1965.

By this order we initiate an investigation of the Detroit Edison Co. (Detroit) and the Consumers Power Co. (Consumers) to determine whether each of those companies is a "public utility" within the meaning of and subject to the regulation under the Federal Power Act.

Detroit is a corporation engaged in the generation, transmission, and sale of electric energy at wholesale and at retail. It is organized under the laws of the State of New York and maintains its principal business office in Detroit, Mich. Consumers is a corporation also engaged in the generation, transmission, and sale of electric energy at wholesale and retail. Consumers is organized under the laws of the State of Maine and maintains its principal business office in Jackson, Mich. FPC Form No. 1 filed by each company discloses that although each company makes sales at wholesale for resale, none of the rate schedules for these transactions is on file with this Commission, nor have these utilities complied with a number of other requirements of the Federal Power Act and the regulations thereunder which would be applicable to them if one or both are public utilities as defined in the Act.

From information on file with the Commission, it appears that Detroit and Consumers have attempted to fully coordinate the electric operation and planned expansion of the two systems. It further appears that each of the systems maintains a high-voltage transmission network and these networks are interconnected at three points with each other and the resulting transmission network of the Michigan Pool is connected at two existing points with the transmission network of the Ontario Hydro System. (In its application for Presidential Permit presently under consideration under Docket No. E-7207, Detroit proposes to add another high-voltage interconnection). It also appears that through Ontario Hydro's high-voltage transmission network the Michigan Pool is connected to the high-voltage transmission networks of 140 major electric systems in the United States organized in three groups commonly known as CANUSE, PJM, and the Interconnected System Group, all operating in synchronism and that as a result of the operation of these interconnections, Detroit and Consumers may own or operate facilities for the interstate transmission and sale for resale of electric energy transmitted from New York and consumed in Michigan. The companies deny that they are public utilities within the meaning of the Federal Power Act and hence, that they are subject to the system of safeguards Congress provided in that Act to protect the public with respect to such matters as accounting procedures, mergers, wholesale rates and issuance of securities.

The Commission finds: In view of the foregoing circumstances, it is necessary and appropriate for the purposes of carrying out the provisions of the Federal Power Act, and particularly, but not in limitation of the foregoing, sections 201, 208, 301, 307, 308, and 309 (16 U.S.C. 824g, 825, 825f-h) that an investigation and hearing be initiated to determine whether Detroit and Consumers are each a "public utility" within the meaning of, and subject to the requirements of the Federal Power Act.

The Commission orders:

(A) At a time and place and before a hearing examiner to be specified, a public hearing shall be held to find and determine:

(1) Whether Detroit and Consumers are each a "public utility" within the meaning of section 201 of the Federal Power Act and required to comply with the Federal Power Act and the Commission's regulations thereunder.

(2) Whether orders or other actions may be necessary and appropriate to bring about a compliance with the Federal Power Act and the Commission's regulations thereunder.

(B) A prehearing conference shall be held before a presiding examiner commencing at 10 a.m. (e.d.s.t.), August 10, 1965, in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., 20426, for purposes as specified in the Commission's rules of practice and procedure.

(C) In order that the foregoing issues may be properly determined, an investigation is hereby initiated and Detroit and Consumers are hereby directed pursuant to the provisions of sections 201 (b), 307 and 309 of the Federal Power Act to grant to authorized members of the staff of the Federal Power Commission, during regular business hours, free access to its property and the right upon their request to inspect and examine all of its accounts, records and memoranda including, but not limited to, the following: books, papers, correspondence, contracts, agreements, maps, reports of engineers, meter readings, and log sheets; and shall either furnish copies of such material at the request of the staff, or make such material available for reproduction by the staff or shall produce such material for use by the staff prior to and during said hearing at the Offices of the Commission, 441 G Street NW., Washington, D.C.

(D) Notices of intervention or petitions to intervene in this proceeding may be filed with the Federal Power Commission, 441 G Street NW., Washington, D.C., 20426, on or before August 5, 1965, in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.37).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 65-7859; Filed, July 26, 1965; 8:46 a.m.]

[Docket Nos. RP63-7, RP66-1]

SOUTHERN NATURAL GAS CO. AND UNITED GAS PIPE LINE CO.

Order Denying Application for Rehearing and Petition for Modification and Instituting New Proceeding on Formal Complaint, Designating Presiding Examiner and Fixing Dates for Interventions, Filing of Evidence and Prehearing Conference

JULY 20, 1965.

Southern Natural Gas Co., Docket No. RP63-7 v. United Gas Pipe Line Co., Docket No. RP66-1.

On June 24, 1965, Southern Natural Gas Co. (Southern) filed an application for rehearing of our Opinion No. 460 and Order issued May 25, 1965, in the above-entitled proceeding. At the same time Southern also filed a "Petition for Modification of Opinion No. 460, or, in the alternative, Formal Complaint of Southern Natural Gas Co. Requesting Reduction in Maximum Daily Quantity of Gas To Be Transported and Other Relief." An answer to the petition for modification or alternative complaint was filed on June 28, 1965, by United Gas Pipe Line Co. (United).

In its application for rehearing Southern contends that we erred in failing to grant it the relief which would have been granted by the Presiding Examiner in his initial decision in this proceeding and in otherwise denying to Southern, as a matter of discretion, the full extent of the relief sought in the complaint. The various allegations of error are detailed in full in the present application and need not be restated extensively here. The application primarily alleges error in our refusal to hold the provisions of United's T-3 rate schedule void rather than voidable, our failure to enforce the terms of the contract as originally written between the parties, our requirement that Southern should pay for the right to utilize 55,460 Mcf per day in United's line so long as that right existed and in our holding that Southern's agreement to United's rate settlements constitutes cause for not granting the full relief requested.

We have considered the assignments of error and grounds for rehearing set forth in the application and have reconsidered our order. The arguments advanced here were, without exception, fully considered by us in the opinion. Our conclusions thereon remain unchanged. No new facts or arguments are called to our attention by the application which would be cause for granting rehearing or disturbing the original order.

In its separate petition for modification of Opinion No. 460, Southern requests that the billing demand provided in United's Rate Schedule No. T-3, which we ordered be based on a maximum daily quantity of 35,294 Mcf per day from and after the date of our order and until changed by further order of the

Commission, be reduced to 30,869 Mcf per day. In support thereof Southern contends that whereas 35,294 Mcf was the maximum daily quantity tendered at the time the complaint was submitted, the maximum daily quantity which it could tender from and after the date of Opinion No. 460 "was shown by the record" to be 30,869 Mcf. However, a review of the references cited by Southern, namely Exhibit 1, item 29 and Exhibit D, page 4 does not support the reduction now claimed. The 30,869 Mcf figure is nothing more than a report of the "daily average quantity purchased" by Southern from Sinclair Oil & Gas Co. in the 12 months ending with the last day of February 1964, and may or may not be identical with the maximum daily quantity of gas delivered to United for transportation during the period, which is the significant and determinative figure. Moreover, the quantity reported at Exhibit D, page 4, is merely a restatement, at a different pressure base, of figures appearing at page 1 of Exhibit D, and which, by Southern's own admission, are not stipulated to as necessarily correct. Although Southern presently asserts that it has not tendered for transportation a quantity greater than 30,000 Mcf on any day since April 2, 1964, the lowest most recent maximum daily quantity established by the record is 35,294 Mcf. Accordingly the petition for modification will be denied.

In Opinion No. 460 we stated:

> If Southern, at a time or times subsequent hereto, desires to have this amount (35,294 Mcf per day) still further reduced * * * it may make a further application to the Commission.

Southern's alternative complaint, wherein it seeks an immediate reduction in the maximum daily quantity applicable to the transportation service to 30,000 Mcf at 14.9 p.s.i.a., constitutes such further application in accordance with the opinion. United, in its answer, states that it is ready to participate in a hearing called thereon. The complaint affords adequate basis to order that a new proceeding be instituted for the submission of such relevant evidence as the parties may desire to present on the subject of the just and reasonable current billing demand to be required under Rate Schedule No. T-3. As in the earlier proceeding, we shall provide for the convening of a prehearing conference in order to afford the parties an opportunity to stipulate all relevant facts. Dates for the filing of evidence and petitions or notices of intervention are designated hereinafter. The Presiding Examiner will be empowered to issue such further procedural orders as may be appropriate to effectuate action on and disposition of the instant complaint.

The Commission finds:

(1) The assignments of error and grounds for rehearing set forth in the application for rehearing filed in this proceeding present no facts or legal principles which would warrant any change or modification in the Commission's Opinion No. 460 and accompanying Order.

(2) The petition for modification of Opinion No. 460 should be denied.

(3) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act and the Rules and Regulations thereunder:

(a) That a new proceeding be instituted as hereinafter ordered limited to the sole issue of the just and reasonable billing demand required to be paid by Southern to United for the transportation service provided under United's Rate Schedule No. T-3 from and after the date of the Commission's order in the said proceeding.

(b) That in order to effectuate the purpose of such proceeding an opportunity be provided for the submission of evidence addressed to the aforesaid issue; and

(c) That a prehearing conference be convened before a Presiding Examiner for the purpose of arriving at a stipulation of relevant and material facts and for such further action as may be appropriate to secure expeditious disposition of the complaint filed by Southern on June 24, 1965. The Presiding Examiner shall issue his decision on the matter in accordance with § 1.30 of the rules of practice and procedure.

The Commission orders:

(A) The application for rehearing filed by Southern on June 24, 1965, is hereby denied.

(B) The petition for modification of Opinion No. 460 is denied.

(C) Pursuant to the authority of the Natural Gas Act, particularly sections 4, 5, 15, and 16 thereof, the Commission's rules of practice and procedure and the regulations under the Natural Gas Act, a new proceeding is hereby instituted for the purpose of determination of the complaint filed by Southern on June 24, 1965, as set out in paragraph (3) above.

(D) Southern shall file its evidence in the proceeding on or before August 10, 1965; United and all other parties shall file their evidence on or before August 27, 1965.

(E) Pursuant to the provisions of § 1.18 of the rules of practice and procedure, a prehearing conference shall commence at 10:00 a.m., (e.d.s.t.) on September 7, 1965, in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., for the purpose of effectuating the intent of the Commission as set forth above.

(F) Presiding Examiner Ewing G. Simpson, or any other officer or officers of the Commission designated by the Chief Examiner for that purpose, shall preside at the prehearing conference in accordance with the provisions of § 2.59 of the rules and regulations and shall have authority to take such action and to issue such further orders as may be appropriate to effectuate action on and disposition of the complaint.

(G) Petitions to intervene and notices of intervention in the proceeding may be filed with the Federal Power Commission, Washington, D.C., in accordance with the Commission's rules of practice and procedure, §§ 1.8 and 1.37(f) (18 CFR 1.8, 1.37(f)), on or before August 3, 1965.

By the Commission.[1]

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 65-7862; Filed, July 26, 1965; 8:46 a.m.]

HOUSING AND HOME FINANCE AGENCY

Office of the Administrator

REGIONAL DIRECTOR OF COMMUNITY FACILITIES, REGION I (NEW YORK)

Redelegation of Authority With Respect to Loans for Housing for Elderly or Handicapped

The Regional Director of Community Facilities, Region I (New York), Housing and Home Finance Agency, with respect to the program of loans for housing for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (73 Stat. 667, as amended, 12 U.S.C. 1701q), is hereby authorized within the region:

1. To execute loan agreements and regulatory agreements and amendments or modifications of loan agreements and regulatory agreements.

2. To execute amendments or modifications of notes, mortgages, and other collateral security instruments.

This redelegation supersedes the redelegation effective March 8, 1962 (27 F.R. 3213, April 4, 1962).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation effective July 8, 1964 (30 F.R. 6555, May 12, 1965))

Effective as of the 20th day of May 1965.

[SEAL] LESTER EISNER, Jr., *Regional Administrator, Region I.*

[F.R. Doc. 65-7863; Filed, July 26, 1965; 8:47 a.m.]

REGIONAL DIRECTOR OF COMMUNITY FACILITIES, REGION III (ATLANTA)

Redelegation of Authority With Respect to Loans for Housing for Elderly or Handicapped

The Regional Director of Community Facilities, Region III (Atlanta), Housing and Home Finance Agency, with respect to the program of loans for housing for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (73 Stat. 667, as amended, 12 U.S.C. 1701q), is hereby authorized within the region:

[1] Commissioner Ross dissenting for reasons set forth in his separate statement accompanying Opinion No. 460.

1. To execute loan agreements and regulatory agreements and amendments or modifications of loan agreements and regulatory agreements.

2. To execute amendments or modifications of notes, mortgages, and other collateral security instruments.

This redelegation supersedes the redelegation effective April 6, 1962 (27 F.R. 3302, Apr. 6, 1962).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation effective July 8, 1964 (30 F.R. 6555, May 12, 1965))

Effective as of the 1st day of August 1964.

[SEAL] EDWARD H. BAXTER,
Acting Regional Administrator, Region III.

[F.R. Doc. 65-7869; Filed, July 26, 1965; 8:47 a.m.]

REGIONAL DIRECTOR OF COMMUNITY FACILITIES, REGION IV (CHICAGO)

Redelegation of Authority With Respect to Loans for Housing for Elderly or Handicapped

The Regional Director of Community Facilities, Region IV (Chicago), Housing and Home Finance Agency, with respect to the program of loans for housing for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (73 Stat. 667, as amended, 12 U.S.C. 1701q), is hereby authorized within the region:

1. To execute loan agreements and regulatory agreements and amendments

2. To execute amendments or modifications of notes, mortgages, and other collateral security instruments.

This redelegation supersedes the redelegation effective March 24, 1962 (27 F.R. 2781, March 24, 1962).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation effective July 8, 1964 (30 F.R. 6555, May 12, 1965))

Effective as of the 24th day of July 1965.

[SEAL] JOHN P. MCCOLLUM,
Regional Administrator, Region IV.

[F.R. Doc. 65-7870; Filed, July 26, 1965; 8:47 a.m.]

REGIONAL DIRECTOR OF COMMUNITY FACILITIES, REGION V (FORT WORTH)

Redelegation of Authority With Respect to Loans for Housing for Elderly or Handicapped

The Regional Director of Community Facilities, Region V (Fort Worth), Housing and Home Finance Agency, with respect to the program of loans for housing for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (73 Stat. 667, as amended, 12 U.S.C. 1701q), is hereby authorized within the region:

1. To execute loan agreements and regulatory agreements and amendments or modifications of loan agreements and regulatory agreements.

2. To execute amendments or modifications of notes, mortgages, and other collateral security instruments.

This redelegation supersedes the redelegation effective March 31, 1962 (27 F.R. 3149, March 31, 1962).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation effective July 8, 1964 (30 F.R. 6555, May 12, 1965))

Effective as of the 24th day of July 1965.

[SEAL] W. W. COLLINS,
Regional Administrator, Region V.

[F.R. Doc. 65-7871; Filed, July 26, 1965; 8:47 a.m.]

REGIONAL DIRECTOR OF COMMUNITY FACILITIES, REGION VI (SAN FRANCISCO)

Redelegation of Authority With Respect to Loans for Housing for Elderly or Handicapped

The Regional Director of Community Facilities, Region VI (San Francisco), Housing and Home Finance Agency, with respect to the program of loans for housing for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (73 Stat. 667, as amended, 12 U.S.C. 1701q), is hereby authorized within the region:

1. To execute loan agreements and regulatory agreements and amendments or modifications of loan agreements and regulatory agreements.

2. To execute amendments or modifications of notes, mortgages, and other collateral security instruments.

This redelegation supersedes the redelegation effective April 13, 1962 (27 F.R. 3575, April 13, 1962).

(62 Stat. 1283 (1948), as amended by 64 Stat. 80 (1950), 12 U.S.C. 1701c; Housing and Home Finance Administrator's delegation effective July 8, 1964 (30 F.R. 6555, May 12, 1965))

Effective as of the 15th day of July 1965.

[SEAL] ROBERT B. PITTS,
Acting Regional Administrator, Region VI.

[F.R. Doc. 65-7872; Filed, July 26, 1965; 8:47 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-3882]

BELOCK INSTRUMENT CORP.

Order Suspending Trading

JULY 21, 1965.

The common stock, 50 cents par value, and the 6 percent convertible subordinated debentures, series A (due 1975), of Belock Instrument Corp., being listed and registered on the American Stock Exchange, pursuant to provisions of the Securities Exchange Act of 1934 and the 6 percent cumulative preferred stock and the 6 percent convertible subordinated debentures, series B (due 1975), being traded over the counter; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such Exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to sections 15 (c)(5) and 19(a)(4) of the Securities Exchange Act of 1934, that trading in such securities on the American Stock Exchange and otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period July 22, 1965, through July 31, 1965, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 65-7854; Filed, July 26, 1965; 8:46 a.m.]

[File No. 70-4292]

GEORGIA POWER CO.

Notice of Filing Regarding Proposed Issue and Sale of Principal Amount of Bonds and Shares of Preferred Stock

JULY 21, 1965.

Notice is hereby given that Georgia Power Co. ("Georgia"), 3390 Peachtree Road NE., Post Office Box 18877, Zone 30326, Atlanta, Ga., an electric public-utility subsidiary company of the Southern Co., a registered holding company, has filed with the Commission an application pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating section 6(b) of the Act and Rule 50 promulgated thereunder as applicable to the transactions therein proposed. All interested persons are referred to the application, on file at the office of the Commission, for a statement of the proposed transactions which are summarized as follows:

Georgia proposes to issue and sell, pursuant to the competitive bidding requirements of Rule 50 promulgated under the Act, $36,500,000 principal amount of its First Mortgage Bonds, — percent Series due 1995. The interest rate of the bonds (which will be a multiple of ⅛ of 1%) and the price, exclusive of accrued interest, to be paid Georgia (which will be not less than 99 percent nor more than 102¾% of the principal amount thereof) will be determined by the competitive bidding. The bonds will be issued under the Indenture dated as of March 1, 1941, between Georgia and Chemical Bank New York Trust Co., as Trustee, as heretofore supplemented and as to be further supplemented by a Supplemental Indenture to be dated as of September 1, 1965.

Georgia also proposes to issue and sell, pursuant to the competitive bidding requirements of Rule 50 under the Act, 60,000 shares of its authorized but unis-

sued cumulative preferred stock without par value. The dividend rate of the preferred stock (which will be a multiple of $0.04) and the price to be paid to Georgia (which will be not less than $100 or more than $102.75 per share plus accrued dividends) will be determined by the competitive bidding.

The proceeds received from the issuance and sale of the bonds and preferred stock, together with other available funds, will be used by Georgia to pay outstanding short-term notes, to finance its 1965 construction program estimated at $83,515,000, to reimburse its treasury for retirement of previously outstanding bonds, and for other corporate purposes. Georgia estimates that no additional financing will be required during 1965, other than short term bank loans which it contemplates will be outstanding in the amount of $19,000,000 at December 31, 1965.

The issuance and sale of the proposed bonds and preferred stock have been expressly authorized by the Georgia Public Service Commission, the State commission of the State in which Georgia is organized and doing business. The application states that no other State commission and no Federal commission, other than this Commission, has jurisdiction in respect of the proposed transactions; and that the fees and expenses to be incurred in connection with said transactions will be supplied by amendment.

Notice is further given that any interested person may, not later than August 16, 1965, request in writing that a hearing be held in respect of such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert; or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicant at the above address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the application, as filed or as it may be amended, may be granted as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

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

[F.R. Doc. 65-7855; Filed, July 26, 1965; 8:46 a.m.]

[File No. 70-4294]

PENNSYLVANIA ELECTRIC CO.

Notice of Proposed Issue and Sale of Principal Amount of Debentures at Competitive Bidding

JULY 21, 1965.

Notice is hereby given that Pennsylvania Electric Co. ("Penelec"), 1001 Broad Street, Johnstown, Pa., 15907, an electric utility subsidiary company of General Public Utilities Corp., a registered holding company, has filed an application with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act") designating section 6(b) of the Act and Rule 50 promulgated thereunder as applicable to the transaction proposed therein. All interested persons are referred to the application, on file at the office of the Commission, for a statement of the proposed transaction which is summarized below.

Penelec proposes to issue and sell, subject to the competitive bidding requirements of Rule 50 promulgated under the Act, $20,000,000 principal amount of Debentures, — percent Series due 1990. The interest rate of the debentures (which shall be a multiple of ⅛ of 1 percent) and the price, exclusive of accrued interest, to be paid to Penelec (which shall be not less than 100 percent nor more than 102¾ percent of the principal amount thereof) will be determined by the competitive bidding. The debentures will be issued under the Indenture dated as of June 1, 1961, between Penelec and Chemical Bank New York Trust Co., Trustee, as supplemented and amended by a First Supplemental Indenture to be dated as of September 1, 1965.

The application states that the proceeds (other than premium, if any, and accrued interest) from the sale of the debentures will be utilized to reimburse Penelec's treasury, in part, for the cost of construction (including interest during construction) prior to January 1, 1965. Out of its treasury funds as thus reimbursed, Penelec will pay its short-term notes to banks then outstanding (which notes aggregated $9,500,000 at July 14, 1965) and will finance, in part, its 1965 construction program, estimated at $32,500,000.

Fees and expenses incident to the proposed transaction are estimated at $80,000, including counsel fees of $15,500 and accounting fees of $4,500. The fees and disbursements of counsel for the underwriters, to be paid by the successful bidders, will be supplied by amendment.

The application states that the issue and sale of the debentures are subject to the jurisdiction of the Pennsylvania Public Utility Commission, the State commission of the State in which Penelec is organized and doing business. It is further stated that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than August 24, 1965, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicant at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the application, as filed or as it may be amended, may be granted as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

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

[F.R. Doc. 65-7856; Filed, July 26, 1965; 8:46 a.m.]

[812-1769]

VARIABLE ANNUITY LIFE INSURANCE CO. OF AMERICA

Notice of and Order for Hearing on Application for Exemption From Provisions

JULY 21, 1965.

Notice is hereby given that Variable Annuity Life Insurance Co. of America ("Valic"), Washington, D.C., an open-end investment company registered under the Investment Company Act of 1940 ("Act"), has filed an application pursuant to section 6(c) of the Act for an order (i) exempting from the provisions of sections 18(d) and 22(g) of the Act the issuance of options to purchase its common stock to its officers and employees, under a stock option plan, and (ii) exempting from the provisions of section 12(d)(2) the acquisition of securities of an insurance company. All interested persons are referred to the application on file with the Commission for a statement of Valic's representations which are summarized below.

Applicant is chartered as a stock insurance company under the Life Insurance Act of the District of Columbia ("Life Insurance Act") and is licensed as an insurance company in the District of Columbia and 31 States. It is engaged primarily in the writing of individual,

pension trust, and group variable annuity contracts, and it also writes fixed dollar life and disability insurance and annuity contracts.

On February 27, 1964, the Board of Directors of Valic adopted the "Valic Stock Option Plan—1964" ("the stock option plan") which is intended to be a "qualified" stock option plan within the meaning of section 422 of the Internal Revenue Code of 1954, as amended. The stock option plan provides that the Board of Directors may grant options, exercisable over a period of 5 years, to selected officers and employees of Valic to purchase Valic common stock. The price of the shares subject to such options will be 100 percent of their fair market value at the time any such option is granted, and shall not be less than the par value of such shares. In no instance can the number of shares reserved for issuance under the stock option plan exceed, in the aggregate, 5 percent of the total authorized shares of Valic, and no more than 10 percent of the shares authorized for issuance under such options may be available to any one individual under one or more options granted to him.

Subsequent to the adoption of the stock option plan by the Board of Directors, it was approved by vote of Valic's variable annuity contract holders and common stockholders, and thereafter, on December 1, 1960, an amendment to the Life Insurance Act became effective which permitted, among other things, the reservation of authorized shares for issuance under such a plan and for the purpose referred to below. The effectiveness of the stock option plan is conditioned, among other things, upon an order of this Commission as requested by the instant application, exempting the proposed issuance of stock options from the prohibitions of sections 18(d) and 22(g) of the Act.

Section 18(d) provides, with certain exceptions not here relevant, that "it shall be unlawful for any registered management company to issue any warrant or right to subscribe to or purchase a security of which such company is the issuer * * *" Section 22(g) provides, with certain exceptions not here relevant, that "no registered open-end company shall issue any of its securities (1) for services; or (2) for property other than cash or securities * * *."

Valic's variable annuity contract holders and common stockholders have authorized an increase in the capital stock to be reserved for issuance for the purpose, among other things, of "the acquisition of the ownership or control of another insurance company as an affiliate or subsidiary" subject to certain limitations and a requirement that no such acquisitions shall be consummated until approved or ratified by at least a majority of the stockholders. The reservation of authorized capital stock for such purpose is also permitted by the amendment to the Life Insurance Act mentioned above. In order to take advantage at some future time of such amendment to the Life Insurance Act, and in contemplation of the acquisition at such time of not less than 25 percent of the outstanding voting securities of another insurance company, Valic requests exemption generally from the prohibitions of section 12(d)(2) of the Act.

Section 12(d)(2) provides that it shall be unlawful for a registered investment company and any companies controlled by it to acquire any security issued by or any other interest in the business of any insurance company if, at the time of such purchase or acquisition such registered company or any company controlled by it does not own in the aggregate at least 25 per centum of the total outstanding voting securities of such insurance company and, as a result of such acquisition, will own in the aggregate more than 10 per centum of the total outstanding voting securities of such insurance company.

Section 6(c) of the Act provides, in relevant part, that the Commission by order may exempt any person or transaction from any provision of the Act, "if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the" Act.

The relationships between Valic and its variable annuity contract holders and its common stockholders are described in the matter of The Variable Annuity Life Insurance Co. of America, Investment Company Act Release No. 2974 (1960). Subsequent to the order entered in such proceedings, Valic established, and now maintains, a separate variable contract account to which it assigns, and segregates from its general assets, equity investments in an amount equal to its liabilities and reserves under such contracts.

It is ordered, Pursuant to section 40(a) of said Act, that a hearing on the aforesaid application under the applicable provisions of the Act and of the Rules of the Commission thereunder be held on the 11th day of August, 1965, at 10 a.m., in the office of the Securities and Exchange Commission, 425 Second Street NW., Washington, D.C., 20549. At such time the Hearing Room Clerk will advise as to the room in which such hearing will be held. Any person desiring to be heard or otherwise wishing to participate in this proceeding is directed to file with the Secretary of the Commission his application as provided by Rule 9(c) of the Commission's rules of practice, on or before the date provided in the rule, setting forth any issues of law or fact which he desires to controvert or any additional issues which he deems raised by this notice and order or by such application.

It is further ordered That Sidney Ullman, or any officer or officers of the Commission, designated by it for that purpose, shall preside at said hearing. The officer so designated is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42(b) of the Investment Company Act of 1940 and to a hearing officer under the Commission's rules of practice.

The Division of Corporate Regulation having advised the Commission that it has made a preliminary examination of the application, and that upon the basis thereof the following matters and questions are presented for consideration without prejudice to its specifying additional matters and questions upon further examination:

(1) Whether, in light of the method of Valic's operations with respect to its variable annuity contracts, the interests of such contract holders may be adversely affected by the proposed issuance of stock options.

(2) Whether, in light of the relationships between Valic and its variable annuity contract holders and its common stockholders, the policy and provisions of the Act are fairly intended to protect the interests of either class of such security holders from any adverse effects which may attend the proposed issuance of stock options.

(3) Whether, it is (a) necessary or appropriate in the public interest, (b) consistent with the protection of investors, and (c) consistent with the purposes fairly intended by the policy and provisions of the Act to exempt Valic generally from the prohibitions of the Act regarding the acquisition of any security issued by, or any other interest in the business of, another insurance company.

(4) Generally, whether the requested exemptions for the issuance of stock options are (a) necessary or appropriate in the public interest; (b) consistent with the protection of investors, and (c) consistent with the purposes fairly intended by the policy and provisions of the Act.

It is further ordered That at the aforesaid hearing attention be given to the foregoing matters and questions.

It is further ordered That the Secretary of the Commission shall give notice of the aforesaid hearing by mailing a copy of this notice and order by certified mail to Variable Annuity Life Insurance Co. of America, and that notice to all other persons be given by publication of this notice and order in the FEDERAL REGISTER, and that a general release of this Commission in respect of this notice and order be distributed to the press and mailed to the mailing list for releases.

By the Commission.

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

[F.R. Doc. 65-7857; Filed, July 26, 1965; 8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[Delegation of Authority 80; Dallas, Tex., Amdt. 1]

SOUTHWESTERN AREA

Delegation of Authority To Conduct Program Activities in Regional Offices

I. Pursuant to the authority delegated to the Area Administrator by Delegation

of Authority No. 30 (Revision 10), 30 F.R. 972, dated January 29, 1965, and Amendment 1, 30 F.R. 2742, dated March 3, 1965, Delegation of Authority No. 30, 30 F.R. 3253, dated March 9, 1965, is hereby amended, as follows:

1. Change Item I. A. 1. to read:

I. * * *

A. *Financial assistance.* 1. To approve business and disaster loans not exceeding $350,000 (SBA share).

* * * * *

2. Add "Marshall, Texas" in Item I.

3. Delete "Marshall" in Item II, which will read:

II. To the Regional Director of Houston the following authority is hereby redelegated:

* * * * *

Effective date. July 13, 1965.

ROBERT E. WEST,
Area Administrator,
Southwestern Area.

[F.R. Doc. 65-7883; Filed, July 26, 1965; 8:48 a.m.]

[Declaration of Disaster Area 538]

CALIFORNIA

Declaration of Disaster Area

Whereas, it has been reported that during the month of June 1965, because of the effects of certain disasters, damage resulted to residences and business property located in the Pacific Palisades Area in Los Angeles County in the State of California;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the area affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such area constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, therefore, as Executive 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 County and areas adjacent thereto, suffered damage or destruction resulting from landslides and accompanying conditions occurring in the latter part of June 1965.

OFFICE

Small Business Administration Regional Office, 312 West Fifth Street, Los Angeles, Calif., 90013.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to January 31, 1966.

Dated: July 13, 1965.

ROSS D. DAVIS,
Executive Administrator.

[F.R. Doc. 65-7884; Filed, July 26, 1965; 8:48 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

CERTIFICATES AUTHORIZING EMPLOYMENT OF LEARNERS AT SPECIAL MINIMUM RATES

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. 579 (28 F.R. 11524) 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. The effective and expiration dates, occupations, wage rates, number or proportion of learners and learning periods, for certificates issued under general learner regulations (29 CFR 522.1 to 522.9), and the principal product manufactured by the employer are as indicated below. Conditions provided in certificates issued under the supplemental industry regulations cited in the captions below are as established in those regulations.

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 learner certificates were issued authorizing the employment of 10 percent of the total number of factory production workers for normal labor turnover purposes. The effective and expiration dates are indicated.

Allen Garment Co., 706 19th Avenue North, Nashville, Tenn.; effective 7-9-65 to 7-8-66 (men's and boys' sport shirts).

Edinburg Manufacturing Corp., Edinburg, Va.; effective 7-20-65 to 7-19-66 (girls' shirts, pants, and skirts).

Eudora Garment Corp., Eudora, Ark.; effective 7-12-65 to 7-11-66 (washable service apparel).

Guin Garment Corp., Guin, Ala.; effective 7-8-65 to 7-7-66 (boys' shirts).

Mid-South Industries, Inc., Hackleburg, Ala.; effective 7-8-65 to 7-7-66 (boys' sport shirts).

Newport Manufacturing Co., Inc., Newport, N.C.; effective 7-12-65 to 7-11-66 (men's shirts).

Oberman Manufacturing Co., Morrilton, Ark.; effective 7-16-65 to 7-15-66 (men's and boys' pants).

Piedmont Garment Co., Harmony, N.C.; effective 7-13-65 to 7-12-66 (blouses and smocks).

Princess Peggy, Inc., 1001 South Adams Street, Peoria, Ill.; effective 7-9-65 to 7-8-66 (women's dresses).

Sportswear Unlimited, Inc., Box 148, Iva, S.C.; effective 7-16-65 to 7-15-66 (blouses, pedal pushers, shorts, etc.).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Johnson Garment Corp., 307 West Second Street, Marshfield, Wis.; effective 7-8-65 to 7-7-66; 10 learners (men's and boys' parkas).

Old Forge Dress Co., Inc., 101 South Main Street, Old Forge, Pa.; effective 7-9-65 to 7-8-66; 10 learners (women's dresses).

Savada Bros., Inc., North East Boulevard, Landisville, N.J.; effective 7-9-65 to 7-8-66; 10 learners (boys' sport shirts).

Savada Bros., Inc., Wheat Road, Vineland, N.J.; effective 7-9-65 to 7-8-66; 10 learners (boys' sport shirts).

The following learner certificates were issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Reidbord Bros., Co., Plant No. 2, Wilson Lane, Elkins, W. Va.; effective 7-8-65 to 1-7-66; 35 learners (men's and boys' trousers).

Levi Strauss & Co., Blue Ridge, Ga.; effective 7-7-65 to 1-6-66; 100 learners (men's and boys' pants).

Glove Industry Learner Regulations (29 CFR 522.1 to 522.9, as amended and 29 CFR 522.60 to 522.65, as amended)

Lambert Manufacturing Co., Plant No. 1, 501 Jackson Street, Chillicothe, Mo.; effective 7-18-65 to 7-17-66; 10 learners for normal labor turnover purposes (work gloves).

Lambert Manufacturing Plant No. 3, 1006 Washington Street, Chillicothe, Mo.; effective 7-22-65 to 7-21-66; 10 learners for normal labor turnover purposes (work gloves).

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.9, as amended).

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.

Affiliated Industries, Inc., Apartado 118, San Lorenzo, P.R.; effective 7-5-65 to 2-17-66; 5 learners for normal labor turnover purposes in the occupations of: (1) Stitching machine operating, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) clicker machine operating, riveting machine operating, corner machine operating, each for a learning period of 160 hours at the rate of 68 cents an hour (brief cases and school bags) (replacement certificate).

Affiliated Industries, Inc., Apartado 118, San Lorenzo, P.R.; effective 7-5-65 to 8-17-65; 15 learners for plant expansion purposes in the occupations of: (1) Stitching machine operating, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) clicker machine operating, riveting machine operating, corner machine operating, each for a learning period of 160 hours at the rate of 68 cents an hour. (brief cases and school bags) (replacement certificate).

Barry Corp., Apartado 7276, Barrio Obrero Station, Santurce, P.R.; effective 7-5-65 to 8-2-65; 13 learners for normal labor turnover purposes in the occupations of: (1) Sewing machine operating, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour. (gloves) (replacement certificate).

Caribe Sports Co., Inc., Apartado 595, San German, P.R.; effective 7-5-65 to 4-11-66; 13 learners for normal labor turnover purposes in the occupations of: (1) Sewing machine operating, hand lacing, each for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) die and clicker machine operating, leather stamping, eyeletting, shell lay-off, turning machine operating, final glove lay-off, leather regrading, final inspecting, each for a learning period of 160 hours at the

rate of 68 cents an hour (athletic sport equipment) (replacement certificate).

Dorfman Caribe, Inc., Apartado 256, Toa Baja, P.R.; effective 6-28-65 to 6-27-66; 3 learners for normal labor turnover purposes in the occupation of machine watcher, for a learning period of 320 hours at the rate of 85 cents an hour (embroidered piece goods).

El Finale, Inc., Apartado 992, Caguas, P.R.; effective 7-5-65 to 2-22-66; 10 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves) (replacement certificate).

El Finale, Inc., Apartado 992, Caguas, P.R.; effective 7-5-65 to 8-22-65; 15 learners for plant expansion purposes in the occupations of: (1) Machine stitching, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves) (replacement certificate).

Guantes de Ponce, Avenida Hostos No. 88, Apartado "O", Ponce, P.R.; effective 7-5-65 to 8-2-65; 10 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, laying off, each for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves) (replacement certificate).

House of Nash, Inc., Calle Rossi, Apartado 663, Cabo Rojo, P.R.; effective 7-5-65 to 10-8-65; 10 learners for normal labor turnover purposes in the occupations of: (1) Stitching machine operating, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) die and clicker machine operating, creasing machine operating, skiving machine operating, button machine operating, case making (assembling), framing machine operating, finishing-inspecting, each for a learning period of 160 hours at the rate of 68 cents an hour (billfolds and wallets) (replacement certificate).

International Data Products, Inc., Apartado 196, Luquillo, P.R.; effective 6-21-65 to 12-20-65; 10 learners for plant expansion purposes in the occupations of machine operating, assembling, each for a learning period of 480 hours at the rates of $1.10 an hour for the first 240 hours and $1.20 an hour for the remaining 240 hours (magnetic tape recorder parts).

Malcolm Knitting Mills, Inc., Apartado 1127, Cayey, P.R.; effective 6-21-65 to 6-20-66; 5 learners for normal labor turnover purposes in the occupations of: (1) Machine knitting, for a learning period of 480 hours at the rates of 88 cents an hour for the first 240 hours and $1.03 an hour for the remaining 240 hours; and (2) machine stitching, pressing, each for a learning period of 320 hours at the rates of 88 cents an hour for the first 160 hours and $1.03 an hour for the remaining 160 hours (sweaters).

Milton Co., Inc., Apartado 605, Aibonito, P.R.; effective 7-5-65 to 4-11-66; 10 learners for normal labor turnover purposes in the occupations of machine stitching, laying off, each for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours (gloves) (replacement certificate).

Mohawk Products, Inc., Calle Comercio No. 66, Apartado 501, Aquadilla, P.R.; effective 7-5-65 to 1-10-66; 10 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) die and clicker machine operating, final inspecting, each for a learning period of 160 hours at the rate of 68 cents an hour (leather sports gloves) (replacement certificate).

Mohawk Products, Inc., Calle Comercio No. 66, Apartado 501, Aquadilla, P.R.; effective 7-5-65 to 10-11-65; 15 learners for plant expansion purposes in the occupations of: (1) Machine stitching, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) die and clicker machine operating, final inspecting, each for a learning period of 160 hours at the rate of 68 cents an hour (leather sports gloves) (replacement certificate).

Nashtone, Inc., Extension Calle Rossi, Apartado 663, Cabo Rojo, P.R.; effective 7-5-65 to 10-8-65; 5 learners for normal labor turnover purposes in the occupations of die and clicker machine operating, slaughter machine operating, cementing machine operating, laminating, splitting machine operating, each for a learning period of 160 hours at the rate of 68 cents an hour (laminating leather with vinyl finish for wallets) (replacement certificate).

Olympic Mills Corp., Carretera No. 20, Km. 2.2, Guaynabo, P.R.; effective 6-28-65 to 6-27-66; 15 learners for normal labor turnover purposes in the occupations of: (1) Machine knitting, for a learning period of 480 hours at the rates of 70 cents an hour for the first 240 hours and 80 cents an hour for the remaining 240 hours; and (2) machine stitching, for a learning period of 320 hours at the rates of 70 cents an hour for the first 160 hours and 80 cents an hour for the remaining 160 hours (men's and boys' underwear).

Overseas Sports Co., Inc., Apartado 3226, Marina Station, Mayaguez, P.R.; effective 7-5-65 to 4-11-66; 33 learners for normal labor turnover purposes in the occupation of hand sewing of baseballs and softballs, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours (baseballs and softballs) (replacement certificate).

Plata Gloves, Inc., Apartado 1087, Cayey, P.R.; effective 7-5-65 to 10-20-65; 13 learners for normal labor turnover purposes in the occupations of: (1) Sewing machine operating, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves) (replacement certificate).

Playmaster Co., Inc., Apartado 577, Cayey, P.R.; effective 7-5-65 to 6-13-66; 3 learners for normal labor turnover purposes in the occupation of hand sewing, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours (baseballs) (replacement certificate).

Red Cape Leather Products Corp., Carretera Boqueron, Apartado 663, Cabo Rojo, P.R.; effective 7-5-65 to 7-31-65; 15 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) die and clicker machine operating, creasing machine operating, fastener machine operating, embossing machine operating, case making (assembling), hand lacing, finishing-inspecting, each for a learning period of 160 hours at the rate of 68 cents an hour (billfolds and wallets) (replacement certificate).

Ricardo Corp., Apartado 127, Hormigueros, P.R.; effective 7-5-65 to 2-18-66; 17 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, laying off, each for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves) (replacement certificate).

Rico Glove Corp., Apartado 1087, Cayey, P.R.; effective 7-5-65 to 8-9-65; 12 learners for normal labor turnover purposes in the occupation of machine stitching, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours (gloves) (replacement certificate).

Surtex Glove Corp., Apartado 416, Coamo, P.R.; effective 7-5-65 to 6-14-66; 10 learners for normal labor turnover purposes in the occupation of machine stitching, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours (gloves) (replacement certificate).

Surtex Glove Corp., Apartado 416, Coamo, P.R.; effective 7-5-65 to 1-4-66; 20 learners for plant expansion purposes in the occupation of machine stitching, for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours (gloves).

United Corp., Post Office Box 52, Cabo Rojo, P.R.; effective 6-28-65 to 6-27-66; 15 learners for normal labor turnover purposes in the occupations of: (1) Machine stitching, laying off, each for a learning period of 480 hours at the rates of 80 cents an hour for the first 240 hours and 92 cents an hour for the remaining 240 hours; and (2) die and clicker machine operating, for a learning period of 160 hours at the rate of 80 cents an hour (gloves).

Wilrico, Inc., Carretera Estatal No. 107, Km. 0.1, Barrio Camaceyes, Aguadilla, P.R.; effective 7-5-65 to 1-10-66; 16 learners for normal labor turnover purposes in the occupations of: (1) Hand sewing, for a learning period of 320 hours at the rates of 68 cents an hour for the first 160 hours and 78 cents an hour for the remaining 160 hours; and (2) winder machine operating, final inspecting, each for a learning period of 160 hours at the rate of 68 cents an hour (baseballs) (replacement certificate).

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 15 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 15th day of July 1965.

ROBERT G. GRONEWALD,
Authorized Representative of the Administrator.

[F.R. Doc. 65-7891; Filed, July 26, 1965; 8:49 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATION FOR RELIEF

JULY 22, 1965.

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. 39936—*Perlite rock from Antonito, Colo.* Filed by Western Trunk Line Committee, agent (No. A-2414), for interested rail carriers. Rates on perlite rock, broken, crushed or ground, dried or not dried, not expanded, in carloads, from Antonito, Colo., to Harding and Pittston, Pa.

Grounds for relief—Market competition.

Tariff—Supplement 191 to Western Trunk Line Committee, agent, tariff I.C.C. A-4396.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 65-7880; Filed, July 26, 1965; 8:48 a.m.]

[Notice 12]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

JULY 22, 1965.

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 in Ex Parte No. MC-67 (49 CFR Part 240), 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 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 protest 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 (6) 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 127430 TA, filed July 20, 1965. Applicant: HAROLD J. O'BRIEN, doing business as AUTO DELIVERY CO. OF AMERICA, 500 H Street NW., Washington, D.C., 20001. Applicant's representative: John C. Leary, attorney at law, 1627 K Street, NW., Washington, D.C., 20006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Used automobiles* (not for sale), (1) from points in the Washington, D.C., commercial zone, as defined by the Commission, to points in the United States, and (2) from points in the United States to points in the Washington, D.C., commercial zone, as defined by the Commission, for 180 days. SUPPORTING SHIPPER: Applicant states he is unable to list; one-time customers having their automobiles transported. SEND PROTESTS TO: Robert D. Caldwell, District Supervisor, Interstate Commerce Commission, Bureau of Operations and Compliance, Room 1220, 12th and Constitution, Washington, D.C., 20423.

No. MC 127431 TA, filed July 19, 1965. Applicant: CAROLINA-VIRGINIA COURIERS, INC., 222-17 Northern Boulevard, Bayside, N.Y., 11361. Applicant's representative: J. K. Murphy, 222-17 Northern Boulevard, Bayside, N.Y., 11361. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Exposed and processed film and prints, complimentary replacement film, incidental dealer handling supplies and advertising literature moved therewith* (except motion picture film used primarily for commercial theatre and television exhibition), between Richmond, Va., on the one hand, and, on the other, points in North Carolina, for 150 days. SUPPORTING SHIPPERS: Colorcraft of Charlotte Inc., 2513 Distribution Street, Post Office Box 2048, Charlotte, N.C., 28201; Galeski Photo Center, Post Office Box 658, Richmond 5, Va. SEND PROTESTS TO: E. N. Carigan, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 346 Broadway, New York, N.Y., 10013.

MOTOR CARRIERS OF PASSENGERS

No. MC 116612 (Sub-No. 19 TA), filed July 19, 1965. Applicant: BRACERO TRANSPORTATION COMPANY, INC., East Wells Street, Post Office Box 476, Edinburg, Tex. Applicant's representative: H.. H. Rankin, Jr., Post Office Box 3592, Station 1, McAllen, Tex., 78502. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Migrant workers* as defined by section 203(a)(22) Interstate Commerce Act, *and their baggage* in the same vehicle, between points in Florida, Pennsylvania, West Virginia, and Michigan, for 180 days. SUPPORTING SHIPPER: National Pickle Growers Association, Inc., 430 South Second Street, St. Charles, Ill. SEND PROTESTS TO: James H. Berry, District Supervisor, Bureau of Operations and Compliance, Interstate Commerce Commission, 206 Manion Building, San Antonio, Tex., 78205.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 65-7881; Filed, July 26, 1965; 8:48 a.m.]

EUGENE S. ROOT

Statement of Changes in Financial Interests

Pursuant to subsection 302(c), Part III, Executive Order 10647 (20 F.R. 8769) "Providing for the Appointment of Certain Persons under the Defense Production Act of 1950, as amended," I hereby furnish for filing with the Office of the Federal Register for publication in the FEDERAL REGISTER the following information showing any changes in my financial interests and business connections as heretofore reported and published (20 F.R. 10086; 21 F.R. 3475; 21 F.R. 9198; 22 F.R. 3777; 22 F.R. 9450; 23 F.R. 3798; 23 F.R. 9501; 24 F.R. 4187; 24 F.R. 9502; 25 F.R. 102; 26 F.R. 1693; 26 F.R. 6405; 27 F.R. 648; 27 F.R. 6409; 28 F.R. 197; 28 F.R. 7060; 29 F.R. 1675; 29 F.R. 981 and 30 F.R. 1073) for the period from January 1, 1965, through June 30, 1965.

Elected Director of Erie Lackawana Railroad Co.

Dated: July 9, 1965.

E. S. ROOT.

[F.R. Doc. 65-7882; Filed, July 26, 1965; 8:48 a.m.]

CUMULATIVE LIST OF CFR PARTS AFFECTED—JULY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during July.

3 CFR

3 CFR—Continued

3 CFR—Continued