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Title 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

PART 472—WOOL

Subpart—Payment Program for Shorn Wool and Unshorn Lambs (Pulled Wool)

This bulletin states the requirements with respect to the payment program for shorn wool and unshorn lambs (pulled wool), formulated by Commodity Credit Corporation (referred to in this bulletin as CCC) and the Commodity Stabilization Service (referred to in this bulletin as CSS).

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AUTHORITY: §§ 472.1001 to 472.1063 issued under sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 702–709, 68 Stat. 910–912, secs. 401–403, 72 Stat. 994–995; 15 U.S.C. 714c, 7 U.S.C. 1781–1787, 1446.

PROGRAM OPERATION

§ 472.1001 Administration.

The program will be carried out by CSS under the general supervision and direction of the Executive Vice President of CCC. In the field, the program will be administered through the Agricultural Stabilization and Conservation (referred to in this subpart as ASC) state and county offices. ASC state and county offices do not have authority to modify any of the provisions of this subpart or any amendments or supplements thereto. Neither are they authorized to waive any such provisions unless the power to waive is expressly included in the pertinent provision.

SHORN WOOL

§ 472.1002 Incentive level and payments.

(a) *General.* Pursuant to the National Wool Act of 1954, as amended, the Department of Agriculture is to announce a price support level which has been determined to meet the requirements of the act for each of the three marketing years, 1959, 1960, and 1961. Each marketing year (as defined in § 472.1063) begins April 1 of one calendar year and ends March 31 of the next calendar year, both dates inclusive. The announcement is to be made in accord-

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FEDERAL REGISTER

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ance with section 703 of the act which states that the Secretary shall, to the extent practicable, announce the support price level for wool sufficiently in advance of each marketing year as will permit producers to plan their production for such marketing year. For each marketing year, price support on shorn wool will be furnished by means of payments to the producer in accordance with the provisions of this subpart on the shorn wool he markets in that marketing year. Payments will not be made on marketings of the pelts of sheep or lambs.

(b) *1959 marketing year.* For the 1959 marketing year, the price support level was announced on September 16, 1958, as 62 cents per pound of shorn wool, grease basis.

§ 472.1003 Eligibility for incentive payments.

Before payments under this program can be approved pursuant to any application for payment covering any lot or lots of wool, the following requirements must be satisfied:

(a) Except as provided in §§ 472.1051 to 472.1055, the applicant must be the producer, and in the case of a joint application each applicant must be a producer (as defined in § 472.1063), of the shorn wool.

(b) The wool must have been shorn in the continental United States, its territories, or possessions on or after January 1, 1955, and must have been marketed within a specified marketing year as defined in § 472.1063(l). For the purpose of this program, shorn wool is deemed to include murrain and other wool re-

moved from dead sheep and other off wools such as black wool, tags, and crutchings.

(c) The wool as well as the sheep or lambs from which it was shorn, must have been owned by the producer at the time of shearing, and the sheep or lambs must have been owned by him for not less than 30 days at any time prior to his filing the application for payment (§ 472.1042), with the following exception: The ownership specified in the preceding sentence is not required of an applicant for payment who has an agreement with the owner of the animals pursuant to which the applicant, in return for furnishing labor in connection with caretaking, lamb production, or feeding, is entitled either to a share in the ownership of the wool shorn from such animals or a share of the sales proceeds of the wool: *Provided*, That the owner of the animals who joins in the application meets the ownership requirements. Ownership of wool or animals as used in this paragraph does not include the ownership which in some states is held by a person having a security interest, such as a mortgage or other lien.

(d) Beneficial interest in the wool must always have been in the producer from the time the wool was shorn up to the time of its sale. A producer has beneficial interest in wool (1) when he owns it without any other person being entitled to the wool or its proceeds and without his having authorized any other person to sell or otherwise dispose of the wool; (2) when the producer has authorized another person to sell or otherwise dispose of the wool, even transferring legal title to such other person, but the producer continues to be entitled to the proceeds from such sale or other disposal of the wool; or (3) when the producer is entitled to a share of the wool or of the proceeds thereof pursuant to an agreement described in the exception in paragraph (c) of this section though he does not own the animals from which the wool was shorn. If the producer has such beneficial interest, the fact that the wool may be mortgaged or subject to another lien does not change his position as having a beneficial interest.

(e) The producer shall report his purchases of unshorn lambs on or after April 1, 1956, pursuant to § 472.1010, or state that he has made no such purchases when such statement is in accordance with the provisions of § 472.1010.

§ 472.1004 Marketing within a specified marketing year.

(a) The National Wool Act of 1954, as amended, provides that price support under that act shall be limited to wool and mohair marketed during the period beginning April 1, 1955, and ending March 31, 1962. Successive payments under this program will be limited to wool marketed during specified marketing years as defined in § 472.1063(l).

(b) Marketing shall be deemed to have taken place in a marketing year if, pursuant to a sale or contract to sell, the last of the following three events in the process of marketing was completed in that marketing year: (1) Title passed to the buyer; (2) the wool was delivered to the buyer (physically or through documents which transfer control to the buyer); and (3) the last of the factors (price per pound, weight, etc.) needed to determine the total purchase price payable by the buyer became available. The factors are considered available when they are known to the applicant's marketing agency if he markets through a marketing agency, or they are known to the applicant if he markets directly. Any one of the three events previously mentioned may be the last event completed.

(c) Delivery of wool on consignment to a marketing agency (defined in § 472.1063) to be sold for the producer's account does not constitute a marketing. This is so even though the consignee may guarantee the producer a minimum sales price or may give him an advance against the prospective sales price or may do both. Wool delivered on consignment shall not be deemed marketed by the producer until it has been marketed by the marketing agency, except that if the marketing agency has guaranteed a minimum sales price, is unable to sell the wool for more, and with the producer's consent takes it over at the minimum sales price, the wool is deemed marketed when it is so taken over by the marketing agency. When a producer transfers to a marketing agency title to his wool and provides that such agency shall market the wool and that the producer shall be entitled to the proceeds of such marketing, the producer shall be deemed to have consigned the wool.

(d) The exchange of wool for merchandise or services (for instance, shearing) will be considered a sale, provided a definite price is established for the wool.

§ 472.1005 Rate of incentive payment.

Upon expiration of a specified marketing year and after the Department of Agriculture has determined the national average price for wool received by producers in that marketing year, the Department will announce the rate of the incentive payment under this program. The rate of payment will be the percentage of the national average price received by producers in a specified marketing year which is required to bring such national average price up to the incentive price announced for that year. For example, if the reported national average price received by producers for wool sold during a marketing year should be 50 cents and the incentive price for that year was 62 cents, the difference between 50 cents and the incentive price of 62 cents previously announced would be 12 cents, and this figure would constitute 24 percent of the national average price of 50 cents. In such a case, the rate of incentive payment would be 24 percent of the net sales proceeds received by each producer.

§ 472.1006 Computation of payment.

(a) In order to determine the amount of the incentive payment due to a producer on the wool he marketed during a marketing year, the percentage computed pursuant to § 472.1005 will be applied to the net sales proceeds for the wool determined in accordance with paragraph (b) of this section. The amount so computed may be reduced on account of purchases of unshorn lambs (defined in § 472.1063), in accordance with paragraph (c) of this section.

(b) The net sales proceeds shall be determined by deducting from the gross sales proceeds of the wool all marketing expenses, such as for transportation from the local shipping point; handling (including commissions); grading; scouring; or carbonizing. Items, however, listed in § 472.1008(a)(7) as "other deductions" shall not be deducted. The figure so arrived at will express the net proceeds received by the producer at his farm, ranch, or local shipping point (defined in § 472.1063). For example, if the producer marketed his clip of 500 pounds at 50 cents per pound, he received $250 as gross proceeds and, if the marketing deductions totaled $25, his net proceeds of sale (after marketing deductions) amounted to $225. For the purpose of this program, the producer is expected to deliver his wool packed in bags to his local shipping point and to bear the storage expenses until the wool is sold. Consequently, charges made for furnishing wool bags, storing wool, or transporting wool to the producer's local shipping point shall not be considered deductible marketing charges. Neither are other charges, not directly related to the marketing of the wool, such as interest on advances or dues owing an association, to be considered marketing charges. As to net sales proceeds in case of a guaranteed minimum sales price, see § 472.1008(a)(6).

(c) If pursuant to § 472.1010, the producer reports, in his application for payment, the purchase on or after April 1, 1956, of any unshorn lambs, his incentive payment computed in accordance with paragraph (a) of this section shall be reduced by an amount resulting from multiplying the reported liveweight of the animals purchased on or after April 1, 1956, as unshorn lambs, by the announced rate per hundredweight to be paid on sales of unshorn lambs during the marketing year for which the producer makes his application.

§ 472.1007 Supporting documents.

(a) *General.* The application for payment on account of shorn wool (§ 472.1009) shall be supported by the original sales document (defined in § 472.1063) for the wool sold.

(b) *Original sales document retained.* If the applicant does not wish the original sales document to remain with the ASC county office, he may submit a photostat or similarly reproduced or carbon or typewritten copy of the original document. However, he must show the original document to the ASC county office where the statements on the copy will be confirmed by comparison with the original. The original sales document will be appropriately stamped or marked to indicate that it had been used in support of an application for payment under this program and will be returned to the applicant. He will be required to retain it in accordance with § 472.1058.

(c) *Practice of issuing carbon or photostat copies.* If it is the practice of the person or firm that prepared the sales document to furnish a carbon or photostat copy to the seller in place of

the original, the producer may submit that copy in support of his application, provided the copy bears a signature, in accordance with § 472.1008(a)(10), of the person or of the representative of the firm that prepared the original sales document. Such copy shall be treated like an original for the purposes mentioned in this section.

(d) *Lost or destroyed sales document.* If the original sales document has been lost or destroyed, the applicant may submit a copy, certified by the buyer or the applicant's marketing agency, and such certified copy shall be treated like an original for the purposes mentioned in this section.

§ 472.1008 Contents of sales documents.

The sales documents attached to each application for an incentive payment must contain a final accounting, meeting the requirements of paragraph (a) or (b) of this section, for the wool covered by the sales document. Contracts to sell as well as tentative or pro forma settlements will not be acceptable as sales documents meeting such requirements. Except as provided in §§ 472.1051 to 472.1055, sales documents must cover wool sold by the applicant.

(a) *Sales other than at farm, ranch, or local shipping point.* Each sales document, except a document covering an outright sale at the producer's farm, ranch, or local shipping point and described in paragraph (b) of this section, must be prepared by the purchaser or the applicant's marketing agency and must contain at least the following information:

(1) Name and address of seller.

(2) Date of sale. In case the producer's shipment to a marketing agency is sold in parts within a marketing year, the date when final settlement is made within that marketing year for the wool that was sold within that marketing year may be shown on the sales document as the date of sale instead of the various dates on which the sales actually took place.

(3) Net weight of wool sold. If the wool was sold as scoured or carbonized wool, the original grease weight must be shown as well as the scoured or carbonized weight.

(4) The gross sales proceeds or sufficient information from which the gross sales proceeds can be determined except when the practice is otherwise as provided in subparagraph (5) of this paragraph.

(5) Marketing deductions, if any (see § 472.1006(b)), except as otherwise provided in this subparagraph. The marketing deductions may be itemized or they may be shown on the sales document as a composite figure for all marketing charges with an explanation of what services are included in that figure. If it is the practice of a marketing agency to show, on the sales document, only the net proceeds after marketing deductions, the gross sales proceeds and the amount of the marketing deductions need not be shown, provided the sales document contains a statement reading substantially as follows: "The net sales proceeds after marketing deductions shown herein were computed by deducting from the gross sales proceeds charges for the following marketing services: _____. Details of these charges will be furnished on request." All the services for which deductions are made shall be enumerated in the blank space indicated. If a sales document shows charges without specifying their nature, they will be considered marketing charges and will thus diminish the net proceeds on which the incentive payment is computed.

(6) Net proceeds after marketing deductions. If a sales document contains a figure for net proceeds after marketing deductions computed for a location other than the producer's farm, ranch, or local shipping point, the person preparing the sales document shall show thereon the name of the location for which the net proceeds have been computed. If a marketing agency has guaranteed a minimum sales price for the wool, is unable to sell the wool for a higher price, and therefore settles with the producer on the basis of such guaranteed minimum price, the sales document should be on the basis of that guaranteed minimum price regardless of a lower price at which the agency may sell the wool. In such a case, the marketing agency may indicate on the sales document that the price is the guaranteed minimum sales price.

(7) Other deductions, such as those for bags, storage, interest, association dues, and charges not directly related to the marketing of the wool.

(8) Amount paid to the seller.

(9) Name and address of the purchaser or marketing agency issuing the sales document.

(10) Signature. The sales document must bear a handwritten signature by or on behalf of the person or firm issuing the sales document. Acceptable signatures will consist of at least one initial or name by which the person is generally known, followed by his last name in full. A carbon impression or facsimile of a handwritten signature is not acceptable.

(11) A sales document issued by a marketing agency and covering sales made on various dates within a marketing year shall contain a statement that the wool was marketed during that marketing year as required by the regulations issued pursuant to the National Wool Act of 1954, as amended.

(b) *Sales at farm, ranch, or local shipping point.* Each sales document, covering an outright sale at the producer's farm, ranch, or local shipping point and attached to an application for incentive payment, shall be prepared by the purchaser and must contain at least the following information: Name and address of seller, date of sale, net weight of wool sold, the net amount received by the producer for the wool at his farm, ranch, or local shipping point, any applicable nonmarketing deductions, such as association dues or interest on advances, the name and address of the purchaser, and the signature of the purchaser or his agent.

§ 472.1009 Preparation for application.

(a) The application for payment on account of shorn wool shall be prepared on Form CCC Wool 55, "Application for Incentive Payment—Shorn Wool." The producer may use the applicable section of the form in authorizing a marketing agency to file an application on his behalf with respect to wool he delivers to the marketing agency to be sold for his account. If he paid any marketing charges (§ 472.1008(a)(5)) not shown on the sales document, such as for scouring or carbonizing, grading, or freight from the applicant's local shipping point, such charges shall be considered with the marketing charges shown on the sales document in arriving at the net proceeds.

(b) The applicant may, at his discretion, complete and file the application himself, in which case he should indicate in the appropriate section of the form that he has not designated a marketing agency to file on his behalf. He may, however, give the required information about his production and ownership, sign the applicable certification, forward the application to his marketing agency, and request it to fill out the section showing sales of wool, to sign the certification applicable to its situation, and to file the application with the required attachments on behalf of the applicant in the appropriate ASC county office in accordance with § 472.1042(a). If the applicant chooses this method of submitting his application, he will be responsible for the correctness of the information furnished by the marketing agency as well as for compliance by it with the requirements as to the time and manner of filing the application.

§ 472.1010 Report of purchases of unshorn lambs.

In making application for payment on the sale of shorn wool, the producer shall report, as prescribed in this section, with reference to animals purchased by him as unshorn lambs on or after April 1, 1956, the date of each purchase as well as the number and liveweight of the animals purchased.

(a) *Report on actual basis.* (1) If wool removed in the first shearing of animals purchased by the applicant as unshorn lambs on or after April 1, 1956, is included in the application, and the applicant's operations are conducted in such a manner that he is able to identify the lambs from which such wool was shorn, he shall report the date of purchase as well as the number and liveweight of the animals that he purchased as unshorn lambs on or after April 1, 1956, from which such wool was subsequently shorn and included in the application. Among the lambs purchased he shall include those which died after purchase and from which the wool was removed and included in the application.

(2) If the applicant knows that his application does not include any wool which was removed in the first shearing of the animals purchased by him on or after April 1, 1956, as unshorn lambs, he will report no purchases of unshorn lambs.

(b) *Report on "first in, first out" basis.* (1) In the event the applicant does not know whether or not wool removed in the first shearing from animals purchased by

him on or after April 1, 1956, as unshorn lambs is included in the application, or knows that some such wool is included, but is unable to report the exact date of purchase of such lambs, he shall report on a "first in, first out" basis, as hereinafter explained, the date of purchase as well as the number and liveweight of a quantity of unshorn lambs equal to the number of sheep and lambs from which wool was shorn and included in the application. The reporting of purchased lambs shall be continued in subsequent applications for incentive payment on shorn wool and applications for payment on unshorn lambs until the applicant has accounted for all animals purchased by him on or after April 1, 1956, as unshorn lambs and not reported in an application for payment for shorn wool or unshorn lambs for the 1956 or a subsequent marketing year. However, he need not report animals purchased on or after April 1, 1956, if for any reason he has not applied for a payment for the 1956 or a subsequent marketing year on the sale of those animals or on the sale of the wool shorn therefrom. If the producer does not have sufficient marketings of wool and unshorn lambs during a specified marketing year to cover all animals purchased by him as unshorn lambs on or after April 1, 1956, that had not been reported in a previous application and consequently does not report all of his purchases of unshorn lambs in applications for the specified marketing year, the balance shall be carried forward and reported in succeeding marketing years for which similar payments may be made pursuant to the National Wool Act of 1954, as amended.

(2) For example, if the producer's first application for a specified marketing year covers the sale of wool shorn from 200 sheep or lambs, he shall report in that application the date of purchase, the number, and the liveweight of the first 200 animals he purchased on or after April 1, 1956, as unshorn lambs that were not reported in a previous application for payment filed for shorn wool or unshorn lambs marketed in the 1956 or a subsequent marketing year. If for example, his second application covers the sale of 300 unshorn lambs, he shall report in that application the same information for the next 300 animals that he purchased on or after April 1, 1956, and that were not reported in a previous application for payment; and as additional applications are filed either on shorn wool or unshorn lambs, he shall report his purchases in chronological order until all purchases up to the date of his application are accounted for, in accordance with subparagraph (1) of this paragraph.

(3) If the producer makes application for a payment on the sale of either shorn wool or unshorn lambs after he has reported his total purchases of unshorn lambs on or after April 1, 1956, he will report no purchases of unshorn lambs in such an application.

UNSHORN LAMBS (PULLED WOOL)

§ 472.1021 Rate of payment.

The National Wool Act of 1954, as amended, provides in section 703 that the support price for pulled wool shall be established at such a level, in relationship to the support price for shorn wool, as the Secretary determines will maintain normal marketing practices for pulled wool. Payments will be made in accordance with this subpart for wool on live lambs that have never been shorn and are sold or moved to slaughter in a specified marketing year, and will be at a flat rate per hundredweight of live animals. Payments will not be made on the sale of the pelts of sheep or lambs. The payments will be based on the average weight of wool per hundredweight of animals (5 pounds) multiplied by 80 percent of the difference between the national average price received by producers for shorn wool during a specified marketing year and the announced incentive price per pound of shorn wool for that year. The exact rate of payment will be determined after the end of that marketing year. For example, if the reported national average price received by producers for wool sold during a marketing year should be 50 cents and the incentive price for that year should be 62 cents, the rate of payment per hundredweight of live lambs would be 48 cents.

§ 472.1022 Eligibility for payments on lambs.

Before payments under this program can be approved pursuant to an application covering any lot or lots of lambs, the following requirements must be satisfied:

(a) *Fed or pastured in United States.* The lambs must have been fed or pastured in the continental United States, its territories, or possessions.

(b) *Thirty days' ownership.* If a producer is to qualify for a payment, he must have owned the lambs for 30 days or more, and if a slaughterer (as defined in § 472.1063) is to qualify for a payment, he must have owned the lambs for 30 days or more prior to their moving to slaughter, with the following exception: Ownership interest in the lambs for the 30-day period is not required of an applicant for payment who has an agreement with the owner of the lambs pursuant to which the applicant, in return for furnishing labor in connection with caretaking or feeding of the lambs, is entitled either to a portion of the lamb production or to a share in the proceeds from the sale of the lambs: *Provided*, That the owner of the lambs who joins in the application meets the 30-day ownership requirement. Ownership of lambs, as used in this paragraph, does not include the ownership which in some States is held by a person having a security interest, such as a mortgage or other lien.

(c) *Never shorn.* The lambs must never have been shorn at the time of sale or, in the case of an application by a slaughterer, at the time of moving to slaughter.

(d) *Sold or moved to slaughter in a specified marketing year.* The lambs must have been sold, that is, title to the lambs must have passed to the buyer, within a specified marketing year or, in the case of lambs that are owned by a slaughterer for 30 or more days before moving to slaughter, the lambs must have moved to slaughter within the specified marketing year.

(e) *Report of purchased lambs.* The applicant must either report his purchases of unshorn lambs, pursuant to § 472.1026, or state that he has made no such purchases when such statement is in accordance with the provisions of that section.

§ 472.1023 Computation of payment.

In order to determine the amount of the payment due to an applicant, the rate of payment, computed pursuant to § 472.1021, shall be applied to the liveweight (defined in § 472.1063) of the lambs sold or moved to slaughter (§ 472.1022(d)), during the specified marketing year. Such liveweight, however, shall be reduced by the liveweight of any lambs reported in the application for payment, pursuant to § 472.1026, as having been purchased by the applicant as unshorn lambs. For example, if the applicant sells, during a specified marketing year, 100 unshorn lambs weighing 8,000 pounds which he produced on his farm or ranch, he will be entitled to a payment on a liveweight of 8,000 pounds. On the other hand, if the applicant sells, during a specified marketing year, 100 unshorn lambs weighing 8,000 pounds, having purchased those lambs at a weight of 6,000 pounds, he will be entitled to a payment on a liveweight of 2,000 pounds (i.e., 8,000 pounds minus 6,000 pounds).

§ 472.1024 Application for payment and supporting documents.

(a) *General.* The application for a payment on account of unshorn lambs shall be made on Form CCC Wool 56, "Application for Payment—Unshorn Lambs (Pulled Wool)". The application shall be supported by an original sales document, as set forth in paragraph (a) of § 472.1025 or, in case of application by a slaughterer, by the substitute document as set forth in paragraph (b) of § 472.1025, and such other evidence as may show compliance with the program.

(b) *Applicant retains original sales document.* If the applicant does not wish the original sales document to remain with the ASC county office, he may submit a photostat or similarly reproduced or carbon or typewritten copy of the original document. However, he must show the original document to the ASC county office where the statements on the copy will be confirmed by comparison with the original. The original sales document will be appropriately stamped or marked to indicate that it had been used in support of an application for payment under this program and will be returned to the applicant. He will be required to retain it in accordance with § 472.1058.

(c) *Practice of issuing carbon or photostat copies.* If it is the practice of the person or firm that prepared the sales document to furnish a carbon or photostat copy to the seller in place of the original, the producer may submit that copy in support of his application, provided the copy bears a signature in accordance with § 472.1025(a)(6), of the person or the representative of the firm that prepared the original sales document. Such copy shall be treated like

an original for the purposes mentioned in this section.

(d) *Lost or destroyed sales document.* If the original sales document has been lost or destroyed, the applicant may submit a copy, certified by the person who issued the original, and such certified copy shall be treated like an original for the purposes mentioned in this section.

§ 472.1025 Contents of sales documents.

(a) *Sale by producers.* Each sales document supporting the application must cover lambs sold by the applicant, except as provided in §§ 472.1051 to 472.1055; must be issued by the purchaser or the producer's marketing agency; and must show the following:

(1) Name and address of seller.

(2) Date of sale.

(3) Number of unshorn lambs sold. If the sales document does not clearly identify the animals as lambs that had never been shorn at the time of sale, the person issuing the sales document shall add a statement to that effect. If the sales document refers to the animals as "unshorn lambs," this will indicate that the lambs were never shorn, in accordance with the definition in § 472.1063. Likewise, if the document is issued in connection with the sale of unshorn lambs but also covers the sale of other animals, the person preparing the sales document shall clearly indicate therein in some manner the number and the liveweight of unshorn lambs included in the sale.

(4) Liveweight of unshorn lambs sold. If the weight is not determined by scales, this weight may be an estimated weight agreed to by the buyer and the seller.

(5) Name and address of the purchaser or marketing agency issuing the sales document.

(6) Signature. The sales document must bear a handwritten signature by or on behalf of the person or firm issuing the sales document. Acceptable signatures will consist of at least one initial or name by which the person is generally known, followed by his last name in full. A carbon impression or facsimile of a handwritten signature is not acceptable.

(b) *Substitute for sales document in case of slaughterer.* If the application is made by a slaughterer who owned the animals for 30 days or more prior to his moving them to slaughter (§ 472.1022 (d)), it shall be supported by a scale ticket instead of a sales document. The scale ticket shall indicate that it covers unshorn lambs which moved to slaughter and must show the information normally appearing on scale tickets issued by stockyards (that is, date, number of head and classification, weight, scale ticket number, if any, place of weighing, and name of weigher).

§ 472.1026 Report of purchases of unshorn lambs.

In making application for payment on the sale of lambs, the producer shall report, as prescribed in this section, with reference to animals purchased by him as unshorn lambs, the date of each purchase as well as the number and liveweight of the animals purchased.

(a) *Report on actual basis.* (1) If the application is based on the sale of lambs purchased by the applicant and the applicant's operations are conducted in such a manner that he is able to identify such lambs, he shall report the date of purchase, the number, and the liveweight of such sold lambs.

(2) If the applicant knows that his application is not based on the sale of any animals which were purchased by him, he will report no purchases of unshorn lambs.

(b) *Report on "first in, first out" basis.* (1) In the event the applicant does not know whether or not the application is based on the sale of lambs that he purchased, or he knows that some such lambs are included but is unable to report the exact date of purchase of such lambs, he shall report on a "first in, first out" basis, as hereinafter explained, the date of purchase as well as the number and liveweight of a quantity of animals purchased by him on or after April 1, 1956, as unshorn lambs, equal to the number of lambs on the sale of which his application is based. This reporting of purchased lambs shall be continued in subsequent applications for payment on unshorn lambs and applications for incentive payment on shorn wool until the applicant has accounted for all animals purchased by him on or after April 1, 1956, as unshorn lambs and not reported in a previous application for payment for shorn wool or unshorn lambs for the 1956 or a subsequent marketing year. However, he need not report animals purchased on or after April 1, 1956, if for any reason he has not applied for a payment for the 1956 or a subsequent marketing year on the sale of those animals or on the sale of the wool shorn therefrom. If the producer does not have sufficient markings of unshorn lambs and wool during a specified marketing year to cover all animals purchased by him as unshorn lambs on or after April 1, 1956, that had not been reported in a previous application and consequently does not report all of his purchases of unshorn lambs in applications for the specified marketing year, the balance shall be carried forward and reported in succeeding marketing years for which similar payments may be made pursuant to the National Wool Act of 1954, as amended.

(2) For example, if the producer's first application for a specified marketing year covers the sale of 300 lambs, he shall report in that application the date of purchase as well as the number and liveweight of the first 300 animals he purchased on or after April 1, 1956, as unshorn lambs that were not reported in a previous application for payment filed for unshorn lambs or shorn wool marketed in the 1956 or a subsequent marketing year; if, for example, his second application covers the sale of wool shorn from 200 sheep or lambs, he shall report in that application the same information for the next 200 animals that he purchased on or after April 1, 1956, as unshorn lambs and that were not reported in a previous application for payment; and as additional applications are filed either for unshorn lambs or shorn wool, he shall report his purchases on or after April 1, 1956, in chronological order until all purchases up to the date of each application are accounted for, in accordance with subparagraph (1) of this paragraph.

(3) If the producer makes application for a payment on the sale of either unshorn lambs or shorn wool after he has accounted for his total purchases of unshorn lambs on and after April 1, 1956, he will report no purchases of unshorn lambs in such an application.

GENERAL PROVISIONS

§ 472.1041 Sales in good faith.

Payments provided for under this program shall be made on the basis of sales of shorn wool or unshorn lambs executed in good faith, and no payment shall be made on that part of any sale which has been cancelled or on the basis of sales at prices or weights increased in bad faith for the purpose of obtaining higher payments under this program. Examples of sales of wool in bad faith are those wherein the purchaser obtains a rebate or any benefit in form of money, property, or otherwise. Application for payment on the basis of a sale in bad faith may also subject the parties involved to civil and criminal liability.

§ 472.1042 Filing application for payment.

(a) *Place of filing.* The application for payment on either shorn wool or unshorn lambs shall be filed by the producer entitled thereto with the ASC county office serving the county where the headquarters of the applicant's farm, ranch, or feed lot—as the case may be—is located. If the producer has more than one farm, ranch, or feed lot, with headquarters in more than one county, separate applications for payment shall be filed with the ASC county office serving each such headquarters, except that (1) if the producer sells his entire clip of wool in a single sale or if his entire clip is sold for his account by one marketing agency, he may file his application(s) for payment on shorn wool in any one of those ASC county offices, or (2) if the producer includes in one sale unshorn lambs that were ranged, pastured, or fed in more than one county, he may file his application(s) for payment on such animals in any one of those ASC county offices. In the event the producer conducts all his business transactions from his residence or office, and his farm or ranch has no other headquarters, his office or residence may be considered the farm or ranch headquarters. Applications by producers located in Alaska shall be filed with the Alaska ASC State Office, University of Alaska, Box B, College, Alaska, and applications by producers located in Hawaii shall be filed with the Hawaiian Area ASC Office, 303 Dillingham Building, Honolulu 13, Territory of Hawaii.

(b) *Time of filing.* An application for payment should be filed as soon as possible after the producer's sales of shorn wool or unshorn lambs for the specified marketing year as defined in § 472.1063 (l) have been completed or, if the applicant is a slaughterer, as soon as possible after the last of his lambs moved in the specified marketing year to

slaughter, and all applications must be filed not later than 30 days after the end of that marketing year. If delayed filing of an application is due to causes beyond the control of the applicant, the ASC county office may waive this 30-day limitation on applications filed before October 1, following the end of the specified marketing year.

§ 472.1043 Signature of applicant.

No payment will be made unless an application for payment on shorn wool or unshorn lambs is signed. The ASC county office will determine with respect to each person who signs an application for payment in a representative or fiduciary capacity as agent, attorney-in-fact, officer, executor, etc., whether he was properly authorized to sign in such capacity.

§ 472.1044 Joint applicants.

(a) *Joint owners.* When the applicants for a shorn wool payment are joint owners of the wool and were also joint owners of the sheep from which the wool was shorn, all of them must sign any application based on the sale of their wool. When the applicants for a payment on unshorn lambs are joint owners of the lambs, all of them must sign any application based on the sale of their lambs. If one such owner refuses to join in an application and wishes to release CCC from any obligation to make him a payment, he shall sign a form of release prescribed by CCC for that purpose. Such release shall be attached to, and shall be referred to in, the application signed by those joint owners who apply for a payment.

(b) *Producers who did not own the animals from which the wool was shorn or did not own the lambs for 30 days.* Each application for a payment on shorn wool prepared by producers some of whom did and some did not own the animals from which the wool was shorn, as described in the exception in § 472.1003(c), shall be a joint application, irrespective of whether the wool was divided among such producers prior to sale or whether it was sold without division. Similarly, each application for a payment on unshorn lambs prepared by producers some of whom did and some did not own the lambs for 30 days, as described in the exception in § 472.1022 (b), shall be prepared as a joint application, irrespective of whether the lambs were divided among such producers prior to sale or whether they were sold without division. All producers who are entitled to a share of the shorn wool or of the unshorn lambs or are entitled to a share of the sales proceeds of the wool or the lambs, as the case may be, shall sign each joint application, except that where a producer releases his right to a payment by signing a form prescribed by CCC for that purpose, he will not join in the application and will not be entitled to a payment. Each joint application filed by such producers shall be supported by a properly executed Form CCC Wool 58, "Attachment to Application for Payment for Producers Who Did Not Own the Animals for 30 Days."

(c) *Other provisions.* If a producer entitled to join in an application fails to do so, does not release his right to a payment, and—because the application does not indicate his interest—payment is made by CCC to those who apply, he shall have no claim against CCC for a payment. Neither will CCC be responsible for a division among the applicants of a payment made by CCC to all of them jointly.

§ 472.1045 Application by successors and representatives.

(a) If a person earned a payment under this subpart and is otherwise eligible to receive it but before filing an application therefor dies, disappears, or is declared incompetent, those who may receive such payment in the order of precedence described in §§ 472.1051 to 472.1054 may apply on Form CCC Wool 55 in the case of a shorn wool payment and on Form CCC Wool 56 in the case of an unshorn lamb payment. The applicant shall indicate the capacity in which he applies. Such applicant shall also file Form CCC Wool 59, "Application for Payment of Amounts Due Producers Who Have Died, Disappeared, or Have Been Declared Incompetent." Where necessary in accordance with § 472.1044 (b), there shall be attached to the application a properly executed Form CCC Wool 58, "Attachment to Application for Payment for Producers Who Did Not Own the Animals for 30 Days."

(b) If a person who earned a payment under this subpart and filed an application therefor, dies, disappears, or is declared incompetent, either before CCC issued a draft in payment or after CCC has issued a draft in payment but before the draft is collected, those who may receive that payment in the order of precedence described in §§ 472.1051 to 472.1054 may apply therefor, using Form CCC Wool 59.

(c) The application pursuant to paragraph (a) or (b) of this section shall be filed with the ASC county office serving the county which includes the headquarters of the farm, ranch, or feed lot of the person that earned the payment.

(d) If a marketing agency, pursuant to authorization by a successor or representative of a producer who died, disappeared, or was declared incompetent, certifies in Form CCC Wool 55 as to its sale of the wool, or if a marketing agency issued such a certification in some cases on the basis of an authorization given by the producer before he died, disappeared, or was declared incompetent, (1) the statement in the agency's certification that it received wool from the applicant(s) shall be deemed to mean that it received wool from the producer, from his successor or representative, or from both; (2) the statement in the agency's certification that it has not furnished sales documents to any person other than the applicant(s) shall mean that it has not furnished sales documents to any person other than the producer or his successor or representatives; and (3) its statement in the certification that, in the capacity as agent for the applicant(s), the marketing agency has complied with the requirements of the program shall mean in the capacity as agent for the producer, for his successor or representative, or for both.

§ 472.1046 Application on behalf of incompetent Indians.

Applications for payment on shorn wool or unshorn lambs may be filed on behalf of Indians who are incompetent by the Superintendent of the Indian Field Service of the reservation on which the Indian resides or by the authorized representative of such Superintendent. Such application for payment will be filed in the ASC county office where the headquarters of the Indian's farm or ranch is located.

§ 472.1047 Payment.

After the ASC county office has reviewed the application with the documents attached thereto and approved it for payment in whole or in part, and after the appropriate rate of payment for the specified marketing year has been announced by the Department of Agriculture, payment will be made. If one or more of the producers jointly entitled to a payment, release the right thereto, payment will be made jointly to the other producers who apply, and the payment will be for the amounts due them. Payment of less than $3.00 to an applicant, or to joint applicants, will not be made in connection with sales either of shorn wool or unshorn lambs. Likewise, payment of less than $3.00 will not be made to an assignee in connection with any assignment. If, after making a payment, CCC upon investigation determines that available evidence does not sustain the applicant's right to the payment or any part thereof, the amount of the payment not so sustained shall immediately become due and repayable to CCC, and CCC may, without limitation upon any of the Government's rights in the matter, deduct such amount from any other payment due the applicant. If the applicant's right to such amount becomes involved in a lawsuit between the Government and him or his assignee, he, or his assignees, shall have the burden of proving in the lawsuit that he was entitled to the amount. If the ASC county office determines that for any reason an application for payment on shorn wool or unshorn lambs should be rejected in whole or in part, including the reason that it was not filed within the time provided for in accordance with § 472.1042(b), or that, after a payment has been made, the available evidence does not sustain the applicant's right to the payment or any part thereof, the ASC county office shall mail a notice to the applicant, and to each applicant who signed a joint application, that his application has been rejected for a specified reason or that the available evidence does not sustain the applicant's right to the payment or any part thereof, as the case may be, and shall retain a copy of such notice.

§ 472.1048 Deductions for promotion.

If the Department of Agriculture has approved deductions for an advertising and sales promotion program in accordance with section 708 of the National Wool Act of 1954, as amended, the rate

of such deductions will be announced and deductions will be made from the payment.

§ 472.1049 Set-off.

(a) If the county debt record shows that the applicant for payment is indebted to CCC, to any other agency within the United States Department of Agriculture, or to any other agency of the United States, such indebtedness will be set off against the payment due to the applicant. Such set-off shall not deprive the applicant of the right to contest the justness of the indebtedness involved, either by administrative appeal or by legal action.

(b) If the payment due to the applicant has been assigned by him, the ASC county office will accept the assignment subject to setting off such debts as exist at the time of acceptance by the ASC county office with interest, where applicable, to the date of set-off.

§ 472.1050 Liens on sheep or wool not applicable to payments.

If a producer grants a lien on his sheep, lambs, or wool, such lien shall not be deemed to extend to payments made to the producer pursuant to this subpart.

§ 472.1051 Death of person who earned payment.

Where a person has earned a payment under this subpart and is otherwise eligible to receive it but dies before receiving it, payment may be made, upon proper application pursuant to § 472.1045, without regard to claims of creditors other than the United States, in accordance with the following order of precedence:

(a) To the administrator or executor of the deceased person's estate.

(b) To the surviving spouse, if there is no administrator or executor and none is expected to be appointed, or if an administrator or an executor was appointed but the administration of the estate is closed (1) prior to application by such administrator or executor for payment or (2) prior to the time when a draft for the payment issued to such administrator or executor is cashed.

(c) If there is no surviving spouse, to the sons and daughters in equal shares. Children of a deceased son or daughter of a deceased person shall be entitled to their parent's share of the payment, share and share alike. If there are no surviving direct descendants of a deceased son or daughter of such deceased person, the share of the payment which otherwise would have been made to such son or daughter shall be divided equally among the sons and daughters of such deceased person who are alive or, if they are not alive, the share of each such son or daughter shall be divided equally among his or her surviving direct descendants.

(d) If there is no surviving spouse and no direct descendant, payment shall be made to the father and mother of the deceased person in equal shares, or the whole thereof to the surviving father or mother.

(e) If there is no surviving spouse, no direct descendant, and no surviving parent, payment shall be made to the brothers and sisters of the deceased person in equal shares. Children of a deceased brother or sister shall be entitled to their parent's share of the payment, share and share alike. If there are no surviving direct descendants of the deceased brother or sister of such deceased person, the share of the payment which otherwise would have been made to such brother or sister shall be divided equally among the brothers and sisters of such deceased person who are alive and, if they are not alive, the share of each such brother or sister shall be divided equally among his or her surviving direct descendants.

(f) If there is no surviving spouse, direct descendant, parent, or brothers or sisters or their descendants, the payment shall be made to the heirs-at-law. Legally adopted children shall be entitled to share in any payment in the same manner and to the same extent as other children. "Brother" and "sister," as used in this section as well as in §§ 472.1052 and 472.1053, includes brothers and sisters of the half blood, who shall be given the same consideration as those of the whole blood. If any person who is entitled to payment under the above order of precedence is a minor, payment of his share shall be made to his legal guardian, but if no legal guardian has been appointed, payment shall be made to his natural guardian or custodian for his benefit, unless the minor's share of the payment exceeds $1,000, in which event payment shall be made only to his legal guardian. Any payment which the deceased person could have received, may be made jointly to the persons found to be entitled to such payment or shares thereof under this section, or, pursuant to instructions issued by the Commodity Stabilization Service, a sparate draft may be issued to each person entitled to share in such payment.

§ 472.1052 Disappearance of person who earned payment.

(a) In case a person who has earned a payment under this subpart and is otherwise eligible to receive it, disappears before receiving it, such payment may be made upon a proper application pursuant to § 472.1045, without regard to claims of creditors other than the United States, to one of the following in the order mentioned:

(1) The conservator or liquidator of his estate, if one be duly appointed.

(2) The spouse.

(3) An adult son or daughter or grandchild for the benefit of his estate.

(4) The mother or father for the benefit of his estate.

(5) An adult brother or sister for the benefit of his estate.

(b) A person shall be deemed to have disappeared if (1) he has been missing for a period of more than three months, (2) a diligent search has failed to reveal his whereabouts, and (3) such person has not communicated during such period with other persons who would be expected to have heard from him. Proof of such disappearance must be presented to the county committee in the form of an affidavit executed by the person making the application for payment, setting forth the above facts, and must be substantiated by an affidavit from a disinterested person who was well acquainted with the person who has disappeared.

§ 472.1053 Incompetency of a person who earned payment.

(a) Where a person has earned a payment under this subpart and is otherwise eligible to receive it but is adjudged incompetent by a court of competent jurisdiction before payment is received, payment may be made, upon proper application therefor pursuant to § 472.1045, without regard to claims of creditors other than the United States, to the guardian or committee legally appointed for such incompetent person.

(b) In case no guardian or committee has been appointed, payment, if not more than $1,000, may be made without regard to claims of creditors other than the United States, to one of the following in the order mentioned, for the benefit of the incompetent person:

(1) The spouse.

(2) An adult son, daughter, or grandchild.

(3) The mother or father.

(4) An adult brother or sister.

(5) Such person as may be authorized under State law to receive payment for him.

In case payment is more than $1,000, payment may be made only to such persons as may be authorized under State law to receive payment for the incompetent.

§ 472.1054 Death, disappearance, or incompetency of person authorized to apply in the order of precedence.

In case a person entitled to apply for a payment in the order of precedence pursuant to the provisions of §§ 472.1051, 472.1052, 472.1053, or of this section, dies, disappears, or is declared incompetent, as the case may be, after he has applied for such payment but before receiving it, payment may be made upon proper application therefor, without regard to claims of creditors other than the United States, to the person next entitled thereto in accordance with the order of precedence set forth in §§ 472.1051, 472.1052, and 472.1053, as the case may be.

§ 472.1055 Other disability.

In cases of bankruptcy, dissolution, or other disability payments will be made to a representative only in accordance with specific directions issued by CCC.

§ 472.1056 Appeals.

(a) *To ASC county committee.* Within 15 days from the date of mailing of the notice that an application for payment on either shorn wool or unshorn lambs has been rejected in whole or in part (§ 472.1047) or that any other action has been taken by the ASC county office which unfavorably affects a payment to the applicant, the latter may appeal in writing to the ASC county committee, stating the serial number of the application, the number of pounds of wool marketed, and the net proceeds, or the number and liveweight of unshorn lambs, involved in the application and such pertinent facts as he may deem proper, and indicating in what respect

the action of the ASC county office is considered erroneous. If the appeal is from the failure of the ASC county office to waive the final date for filing provided for in § 472.1042(b), the applicant shall also state the reason for his delay in filing the application. The ASC county committee shall notify the applicant in writing of its decision within 15 days after the receipt of the appeal, and in case of a joint application, each applicant shall be so notified. A copy of the notice shall be retained in the ASC county office.

(b) *To the ASC state committee.* If the ASC county committee sustains the decision of the ASC county office, the applicant may appeal in writing to the ASC state committee within 15 days after the date of mailing of the notice by the ASC county committee. The ASC state committee shall notify the applicant in writing of its decision within 30 days after the receipt of the appeal, and in case of a joint application, each applicant shall be so notified. A copy of the notice shall be retained in the ASC state office.

(c) *To Washington office.* If the ASC state committee sustains the decision of the ASC county committee, the applicant may appeal in writing to the Director, Livestock and Dairy Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D.C., within 15 days after the date of mailing of the notice by the ASC state committee. A determination by the Director, on such an appeal, as to a question of fact shall be deemed final and conclusive unless it is found by a court of competent jurisdiction to have been fraudulent, arbitrary, capricious, or so grossly erroneous as necessarily to imply bad faith, or it is not supported by substantial evidence.

(d) *Joint applications.* If a joint application is rejected, an appeal may be taken by all applicants jointly or by one or more of them acting in behalf of all. An appeal by one or more joint applicants shall be considered an appeal in behalf of all.

§ 472.1057 Assignments.

(a) *Form.* The producer may assign payments which may be determined to be due him under this program in connection with sales of shorn wool or unshorn lambs during a specified marketing year by filing with the ASC county office the original and two copies of Form CCC Wool 57, "Assignment of Payment Under National Wool Act of 1954," duly executed by both parties. Such assignment shall be null and void unless it is freely made and (1) is executed by the producer in the presence of an attesting witness who shall not be an employee or agent of, or by consaguinity or marriage related to, the assignee; or (2) is acknowledged by the producer before a notary public, a member of the ASC county committee, the ASC county office manager, or a designated employee of such committee. In the case of a joint application for payment, an assignment shall be executed by all those who signed the application.

(b) *Provisions.* An assignment of a shorn wool payment may only be given as security for cash advanced or to be advanced on sheep, lambs, or wool by a financing agency (as defined in § 472.1063) or a marketing agency. An assignment of a payment on unshorn lambs may only be given as security for cash advanced or to be advanced by a financing agency on sheep, lambs, or wool. An assignment made to a financing agency shall cover all payments earned by the producer on the sale of shorn wool or unshorn lambs, as the case may be, during the marketing year for which the assignment is given. An assignment made to a marketing agency shall cover all incentive payments earned by the producer in connection with all wool marketed by the agency for the producer's account during the marketing year for which the assignment is given but shall not cover payments earned by the producer in connection with his marketing his wool directly or through other agencies during that marketing year. The assignee shall not reassign to another person any payment which has been assigned to him pursuant to this section. CCC will make payment pursuant to an accepted assignment unless the ASC county office is furnished evidence of a mutual cancellation of the assignment by both parties thereto or unless the assignee releases the assignment, that is, asks the ASC county office in writing that payment be made to the assignor and not to the assignee.

§ 472.1058 Records and inspection thereof.

The applicant for a payment under this subpart as well as his marketing agency and any other person who furnishes evidence to such an applicant for the purpose of enabling him to receive a payment under this program, shall maintain books, records, and accounts showing the purchases of lambs by the applicant on or after April 1, 1956, and the marketing of wool or lambs, as the case may be, on which an application for payment may be based, and shall maintain those books, records, and accounts for three years following the end of the specified marketing year during which the marketing took place. CCC shall at all times during regular business hours have access to the premises of the applicant for a payment, of his marketing agency, and of the person who furnished evidence to an applicant for the purpose of enabling him to receive a payment under this program, in order to inspect, examine, and make copies of such books, records, and accounts, and other written data.

§ 472.1059 Violation of program.

Whoever issues a false sales document or otherwise acts in violation of the provisions of this program, shall become liable to CCC for any payment which CCC may have made in reliance on such sales document or as a result of such other action in violation of the program, apart from any other civil or criminal liability he may incur by such action.

§ 472.1060 Forms.

Form CCC Wool 55, "Application for Incentive Payment—Shorn Wool"; Form CCC Wool 56, "Application for Payment—Unshorn Lambs (Pulled Wool)"; Form CCC Wool 57, "Assignment of Payment Under the National Wool Act of 1954"; Form CCC Wool 58, "Attachment to Application for Payment for Producers Who Did Not Own the Animals for 30 Days"; Form CCC Wool 59, "Application for Payment of Amounts Due Producers Who Have Died, Disappeared, or Have Been Declared Incompetent," and other forms issued by the United States Department of Agriculture for use in connection with this program may be obtained from ASC county offices. These forms may be reproduced, provided that any forms reproduced after the issuance of this subpart shall retain the language, format, and size of the official forms issued after January 1, 1959, except that the printer's identification on the official forms must not be reproduced.

§ 472.1061 Instructions and interpretations.

CCC shall have the right to clarify any provision of this subpart by the issuance of instructions or interpretations.

§ 472.1062 Waiver by Executive Vice President or other official.

The Executive Vice President of CCC or his designee and the Deputy Administrator, Production Adjustment, of CSS are authorized to approve waivers covering the submission of evidence by sales documents or by other procedural methods.

§ 472.1063 Definitions.

As used in this subpart, the terms enumerated in this section have the following meaning:

(a) "Financing agency" means any bank, trust company, or Federal lending agency. It also includes any other financing institution which customarily makes loans or advances to finance production of sheep, lambs, or wool.

(b) "Joint ownership" of wool or lambs also includes ownership in common.

(c) "Lamb," for the purposes of this program, means a young ovine animal which has not cut the second pair of permanent teeth. The term includes animals referred to in the livestock trade as lambs, yearlings, or yearling lambs.

(d) "Liveweight," for the purpose of this program, is the weight of live lambs which a producer purchases or sells. In the event the price for the lambs is based on weight, the weight actually used in determining the total amount payable shall be considered the liveweight.

(e) "Local shipping point" means the point at which the producer delivers his wool to a common carrier for further transportation or, if his wool is not delivered to a common carrier, the point at which he delivers it to his marketing agency or a purchaser.

(f) "Marketing agency" with reference to shorn wool means a person or firm that sells a producer's wool for his account and with reference to lambs, it means a commission firm, auction market, pool manager, or any other person or firm that sells a producer's lambs for his account.

(g) "Marketing year" means the period beginning April 1 of a calendar year and ending March 31 of the next calendar year, both dates inclusive.

(h) "Person" means an individual, partnership, association, business trust, corporation, or any organized unincorporated group of individuals, and includes a State and any subdivision thereof.

(i) "Producer" of shorn wool under this program means a person who is either a producer, feeder, or pasturer of sheep or lambs and who shears his animals. "Producer" of lambs under this program means a person who is a breeder, feeder, or pasturer of lambs. The term "producer" also includes a person participating in the production of shorn wool pursuant to an agreement with a person who owned the sheep or lambs as described in the exception in § 472.1003(c) and a person participating in the production of lambs pursuant to an agreement with an owner of the lambs, as described in the exception in § 472.1022(b).

(j) "Sales document" means the account of sale, bill of sale, invoice, and any other document evidencing the sale by the producer of shorn wool or unshorn lambs.

(k) "Slaughterer" means a commercial slaughterer, that is, a person who slaughters for sale as distinguished from a person who slaughters for home consumption.

(l) "Specified marketing year" is the marketing year as to which the Department of Agriculture has announced that marketings of shorn wool and unshorn lambs by a producer during that year will entitle him to a payment under this program.

(m) "Unshorn lambs" means lambs which have never been shorn.

NOTE: The reporting and record-keeping requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 27th day of January 1959.

[SEAL] CLARENCE D. PALMBY,
Acting Executive Vice President, CCC, and Acting Administrator, CSS.

[F.R. Doc. 59-826; Filed, Jan 29, 1959; 8:50 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Determination Relative to Expenses and Fixing of Rate of Assessment for 1958–59 Fiscal Year

On January 14, 1959, notice of proposed rule making was published in the FEDERAL REGISTER (24 F.R. 321) regarding the expenses and rate of assessment for the 1958–59 fiscal year under Marketing Agreement No. 117, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of Navel oranges grown in Arizona and designated part of California, effective September 22, 1953, under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.). After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice which were submitted by the Navel Orange Administrative Committee (established pursuant to the amended marketing agreement and order), it is hereby found and determined that:

§ 914.206 Expenses and rate of assessment for the 1958–59 fiscal year.

(a) The expenses necessary to be incurred by the Navel Orange Administrative Committee, established pursuant to the provisions of the aforesaid amended marketing agreement and order, for its maintenance and functioning during the period November 1, 1958, through October 31, 1959, will amount to $170,000; and the rate of assessment to be paid by each handler who first handles oranges shall be 9 mills ($0.009) per carton of oranges handled by such handler as the first handler thereof during the 1958–59 fiscal year. Such rate of assessment is hereby fixed as each such handler's pro rata share of the aforesaid expenses.

It is hereby further found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) in that (1) in accordance with the provisions of said amended marketing agreement and order, the rate of assessment is applicable to all fresh oranges handled during the aforesaid fiscal year; (2) shipments of navel oranges are now being made; and (3) it is essential that the specification of the assessment rate be issued immediately so that the aforesaid assessments may be collected and thereby enable the Navel Orange Administrative Committee to perform its duties and functions in accordance with said amended marketing agreement and order.

As used in this section, "handle," "handler," "oranges," "fiscal year," and "carton" shall have the same meaning as is given to each such term in said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: January 27, 1959, to become effective upon publication in the FEDERAL REGISTER.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-822; Filed, Jan. 29, 1959; 8:49 a.m.]

[Tangerine Reg. 208]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS, GROWN IN FLORIDA

Limitation of Shipments

§ 933.956 Tangerine Regulation 208.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangerines, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangerines, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on January 27, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangerines; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangerines, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, and standard pack, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Tangerines (§§ 51.1810 to 51.1836 of this title).

(2) Tangerine Regulation 207 (§ 933.952; 24 F.R. 386) is hereby terminated effective at 12:01 a.m., e.s.t., January 30, 1959.

(3) During the period beginning at 12:01 a.m., e.s.t., January 30, 1959, and ending at 12:01 a.m., e.s.t., July 31, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangerines, grown in the production area, that do not grade at least U.S. No. 2 Russet; or

(ii) Any tangerines, grown in the production area, that are of a size smaller than the size that will pack 246 tangerines, packed in accordance with the requirements of a standard pack, in a half-standard box (inside dimensions 9½ x 9½ x 19⅛ inches; capacity 1,726 cubic inches).

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: January 28, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-840; Filed, Jan. 29, 1959; 8:51 a.m.]

PART 937—NECTARINES GROWN IN CALIFORNIA

Approval of Financial Reserve and Revision of Expenses and Rate of Assessment for Initial Fiscal Period

Notice was published in the January 13, 1959, issue of the FEDERAL REGISTER (24 F.R. 283) that consideration was being given to proposals regarding a revision of the expenses and rate of assessment for the initial fiscal period ending February 28, 1959, under the marketing agreement and order No. 37 (7 CFR Part 937; 23 F.R. 4616), regulating the handling of nectarines grown in California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.). The said proposals were submitted by the Nectarine Administrative Committee, the agency established pursuant to the said marketing agreement and order to administer the terms and provisions thereof.

The purpose of said revision is to combine the inspection expenses and other administrative expenses of the committee in a single budget and rate of assessment and to provide for the carryover of excess assessments as a financial reserve. The previously approved budget of expenses and rate of assessment (§ 937.201; 23 F.R. 5895) covered only the portion of the expenses exclusive of the cost of inspection. Such budget was $19,460, and the rate of assessment was 1 cent ($0.01) per standard lug or equivalent quantity, of nectarines. The committee, in accordance with provisions of § 937.55, entered into an agreement with the Federal State Inspection Service, under which the committee would be responsible for paying to such service the costs of inspection. To enable it to cover its combined expenses, including inspection costs, the committee has billed each handler of nectarines a total of 4 cents ($0.04) for each standard lug, or equivalent quantity, of nectarines handled by such handler as the first handler thereof. Total income of $74,000 is expected from billings as already made by the committee, and such amount is sufficient to cover expenses for the season ending February 28, 1959, including the proposed financial reserve. Hence, no supplemental billing of handlers would be occasioned by the revision.

After consideration of all relevent matters presented, including the proposals set forth in the aforesaid notice: *It is hereby ordered,* That the provisions of § 937.201 *Expenses and rate of assessment for the initial fiscal period* (23 F.R. 5895) be, and hereby are, amended to read as follows:

§ 937.201 Expenses and rate of assessment for the initial fiscal period.

(a) *Expenses.* The expenses that are reasonable and likely to be incurred by the Nectarine Administrative Committee, established pursuant to the provisions of the aforesaid marketing agreement and order, to enable such committee to perform its functions, in accordance with the provisions thereof, during the initial fiscal period beginning June 25, 1958, and ending February 28, 1959, will amount to $74,000.

(b) *Rate of assessment.* The rate of assessment, which each handler who first handles nectarines shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said marketing agreement and order is hereby fixed at 4 cents ($0.04) per standard lug box, or equivalent quantity of nectarines in other containers or in bulk so handled by such handler during such initial fiscal period.

(c) *Reserve.* Unexpended assessment funds, in excess of expenses incurred during the fiscal period ending February 28, 1959, but not to exceed $16,000, shall be carried over as a reserve in accordance with the applicable provisions of § 937.42 of the said marketing agreement and order.

It is hereby found that good cause exists for not postponing the effective time hereof until 30 days after publication in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) in that (1) the 1958-59 shipping season for nectarines has been completed and handlers have been billed for assessments at the rate herein provided; hence, the said revision and establishment of the reserve as set forth herein will not require any preparation by handlers which cannot be completed by said effective time; (2) § 937.42 provides that excess assessments may be carried over as a reserve, as approved by the Secretary; (3) the rate of assessment in accordance with the provisions of the marketing agreement and order, is applicable to all nectarines handled during the 1958-59 fiscal period; and (4) no useful purpose would be served by delaying the effective time beyond that hereinafter set forth.

Terms used in the marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said marketing agreement and order, and "standard lug box" shall mean the No. 26 standard lug box set forth in section 828.4 of the Agricultural Code of California.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated, January 27, 1959, to become effective upon publication in the FEDERAL REGISTER.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-823; Filed, Jan. 29, 1959; 8:49 a.m.]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Compilation of Order Regulating Handling

For convenient reference, the texts of the codified portions of Order No. 53, regulating the handling of lemons grown in California and Arizona, and comprising Subpart—Order Regulating Handling (F.R. Doc. 41-2545; 6 F.R. 1833) which became effective on April 10, 1941, as amended (13 F.R. 766; 14 F.R. 3612), as amended and recodified (16 F.R. 5525-5530), and further amended (18 F.R. 6767; 19 F.R. 7175; 20 F.R. 8452; 21 F.R. 4393; 23 F.R. 9053) are hereby reprinted in the FEDERAL REGISTER in the form of a compilation

This material was prepared in cooperation with the Federal Register Division and has been examined for completeness and accuracy.

Dated: January 27, 1959.

[SEAL] CLARENCE L. MILLER,
Assistant Secretary.

Subpart—Order Regulating Handling

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AUTHORITY: §§ 953.0 to 953.92 issued under sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c.

Subpart—Order Regulating Handling

§ 953.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations made in connection with the issuance of the order and each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein. (See 6 F.R. 1833; 13 F.R. 766; 14 F.R. 3612; 16 F.R. 5525–5530; 18 F.R. 6767; 19 F.R. 7175; 20 F.R. 8452; 21 F.R. 4393; and 23 F.R. 9053.)

(a) *Findings upon the basis of the hearing record.* Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and the applicable rules of practice and procedure effective thereunder (7 CFR Part 900), a public hearing was held at Los Angeles, California, on June 30, 1958, upon proposed amendment of the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

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

(2) The said order, as amended and as hereby further amended, regulates the handling of lemons grown in the designated production area in the same manner as, and is applicable only to persons in the respective classes of commercial or industrial activity specified in, the marketing agreement and order upon which hearings have been held;

(3) The said order, as amended and as hereby further amended, is limited in its application to the smallest regional production area that is practicable consistently with carrying out the declared policy of the act;

(4) The said order, as amended and as hereby further amended, prescribes, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to differences in the production and marketing of the lemons covered thereby; and

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

(b) *Additional findings.* It is hereby found, on the basis hereinafter indicated, that good cause exists for not postponing the effective date of this order beyond that hereinafter specified (60 Stat. 237; 5 U.S.C. 1001 et seq.). The provisions of this order establish a new method for the computation of the prorate bases and allotments of handlers and authorize limitations on the sizes of lemons handled. Shipments of lemons are currently being made from all Districts of the production area and are subject to volume restrictions; and this order should be made effective as soon as practicable so that the benefits therefrom may be made available to producers and handlers at the earliest possible time. The provisions of this order are well known to handlers. The public hearing in connection therewith was held at Los Angeles, California, on June 30, 1958, and the recommended decision and the final decision were published in the FEDERAL REGISTER on September 16, 1958 (23 F.R. 7137), and October 10, 1958 (23 F.R. 7859), respectively. Copies of the provisions of this amendatory order were made available to all known interested parties, and compliance with such provisions will not require advance preparation on the part of persons subject thereto which cannot be completed prior to the effective time hereof.

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

(1) The agreement amending the marketing agreement regulating the handling of lemons grown in California and Arizona, upon which the aforesaid public hearing was held, has been executed by handlers (excluding cooperative associations of producers who are not engaged in processing, distributing, or shipping the lemons covered by this order) who, during the period November 1, 1956, through October 31, 1957, handled not less than 80 percent of the volume of lemons covered by the said order, as hereby amended; and

(2) The issuance of this order, amending the aforesaid order, is favored or approved by producers who participated in a referendum on the question of its approval and who, during the determined representative period (November 1, 1956, through October 31, 1957), produced for market at least two-thirds of the volume of lemons represented in such referendum.

It is, therefore, ordered: That, on and after November 21, 1958,[1] all handling of lemons grown in the production area shall be in conformity to, and in compliance with, the terms and conditions of the said order, as amended, and as hereby further amended as follows:

DEFINITIONS

§ 953.1 Secretary.

"Secretary" means the Secretary of Agriculture of the United States of America.

§ 953.2 Act.

"Act" means Public Act No. 10, 73d Congress (May 12, 1933), as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U.S.C. 601 et seq.; 68 Stat. 906, 1047).

§ 953.3 Person.

"Person" means an individual, partnership, corporation, association, legal representative, or any organized group of individuals.

§ 953.4 Lemons.

"Lemons" means all varieties of lemons grown in the production area.

§ 953.5 Grower and producer.

"Grower" and "producer" are synonymous and mean any person who produces lemons for market.

§ 953.6 Handler.

"Handler" means any person (except a common carrier of lemons owned by another person), who handles lemons in fresh form.

§ 953.7 Handle.

"Handle" means to buy, sell, consign, transport, or ship lemons (except as a common or contract carrier of lemons

[1] Provisions relating to changes in the method of computing the prorate bases and allotments of handlers (§§ 953.12 and 953.53) became effective November 30, 1958, in Districts 1 and 3, and January 18, 1959, in District 2.

owned by another person), or in any other way to place lemons, in the current of commerce between the State of California and any point outside thereof in the continental United States, Alaska, or Canada, or within the State of California, or between the State of Arizona and any point outside thereof in the continental United States, Alaska, or Canada, or within the State of Arizona. The term "handle" does not include (a) the sale of lemons on the tree; (b) the transportation of lemons to a packinghouse within the production area for the purpose of having such lemons prepared for market; or (c) the transportation of lemons to a storage within the production area under such rules and regulations as the committee, with the approval of the Secretary, may prescribe.

§ 953.8 Carload.

"Carload" means a quantity of lemons equivalent to 930 cartons of lemons, or such other quantity of lemons as may be established by the committee with the approval of the Secretary.

§ 953.9 Carton.

"Carton" means standard container number 58 as defined in section 828.83 of the Agricultural Code of California, as amended, of a capacity of approximately 39½ pounds of lemons, or such other container and capacity as may be established by the committee with the approval of the Secretary, or the equivalent thereof.

§ 953.10 Season and fiscal year.

"Season" and "fiscal year" are synonymous and mean the twelve-month period beginning on November 1 of each year and ending October 31 of the following year.

§ 953.11 Committee.

"Committee" means the Lemon Administrative Committee established pursuant to § 953.20.

§ 953.12 Lemons available for current shipment.

"Lemons available for current shipment" means (a) with respect to Districts 1 and 3, all lemons as measured by the tree crop, and (b) with respect to District 2, the total quantity of lemons which has been delivered to the handlers in such district during the preceding 20-week period.

§ 953.13 Central marketing organization.

"Central marketing organization" means any organization which markets the lemons for more than one handler pursuant to a written contract between such organization and each such handler.

§ 953.14 Tree crop.

"Tree crop" means the total quantity of lemons on the trees as determined by the committee.

§ 953.15 Production area.

"Production area" means the State of Arizona and that part of the State of California south of the 37th Parallel.

ADMINISTRATIVE BODY

§ 953.20 Establishment and membership.

There is hereby established a Lemon Administrative Committee consisting of thirteen members, for each of whom there shall be an alternate member who shall have the same qualifications as the member. Eight of the members and their respective alternates shall be growers. Four of the members and their respective alternates shall be handlers, or employees of handlers, or employees of central marketing organizations. One member of the committee and an alternate of such member shall be nominated as provided in § 953.22 (f). The eight members of the committee who shall be growers are referred to in this part as "grower" members of the committee and the four members who shall be handlers, or employees of handlers, or employees of central marketing organizations are referred to in this part as "handler" members of the committee.

§ 953.21 Term of Office.

The term of office of committee members and alternate members shall be a period of two years beginning on November 1 of each even numbered year except that the term ending on October 31, 1960, shall begin on the date designated by the Secretary. Members and alternates shall serve in such capacities for the portion of the term of office for which they are selected and qualify and until their respective successors are selected and have qualified.

§ 953.22 Nominations.

(a) The time and manner of nominating members and alternate members of the committee shall be prescribed by the Secretary.

(b) Any cooperative marketing organization, or the growers affiliated therewith, which marketed more than 60 percent of the total volume of lemons during the fiscal year in which nominations for members and alternate members of the committee are submitted, shall nominate four grower members, four alternate grower members, two handler members, and two alternate handler members of the committee. At least one of the nominees for member or alternate member shall be a grower in District 1, and at least one of the nominees for member or alternate member shall be a grower in District 3.

(c) All cooperative marketing organizations which market lemons and which are not qualified under paragraph (b) of this section, or the growers affiliated therewith, shall nominate two grower members, two alternate grower members, one handler member, and one alternate handler member.

(d) All growers who are not affiliated with a cooperative marketing organization which markets lemons shall nominate two grower members, two alternate grower members, one handler member, and one alternate handler member.

(e) When voting for nominees, each grower shall be entitled to cast one vote which shall be cast on behalf of himself, his agents, subsidiaries, affiliates, and representatives. The votes of cooperative marketing organizations voting pursuant to paragraph (c) of this section shall be weighted in accordance with the volume of lemons handled during the current fiscal year to the end of the month preceding the month in which such nominations are made.

(f) The members of the committee selected by the Secretary pursuant to § 953.23 shall, by a concurring vote of at least seven members, nominate a member and an alternate member of the committee, which persons shall not be growers or handlers, or employees, agents, or representatives of a grower or handler (other than a charitable or educational institution which is a grower or handler), or of a central marketing organization.

§ 953.23 Selection.

From the nominations made pursuant to § 953.22(b) or from other qualified growers and handlers, the Secretary shall select four grower members of the committee and an alternate to each of such grower members; also two handler members of the committee and an alternate to each of such handler members. At least one of the growers so selected shall be a grower of lemons in District 1 and at least one such grower shall be a grower of lemons in District 3. From the nominations made pursuant to § 953.22(c) or from other qualified growers and handlers, the Secretary shall select two grower members of the committee and an alternate to each of such grower members; also one handler member of the committee and an alternate to such handler member. From the nominations made pursuant to § 953.22(d) or from other qualified growers and handlers, the Secretary shall select two grower members of the committee and an alternate to such grower members; also one handler member of the committee and an alternate to such handler member. From the nominations made pursuant to § 953.22(f) or from other qualified persons, the Secretary shall select one member of the committee and an alternate to such member.

§ 953.24 Failure to nominate.

In the event nominations are not made pursuant to, and within the time specified in, § 953.22, the Secretary may select the members and alternate members of the committee, without regard to nominations, which selection shall be made on the basis of the representation provided for in § 953.23.

§ 953.25 Acceptance.

Any person selected by the Secretary as a member or as an alternate member of the committee shall qualify by filing a written acceptance with the Secretary within ten days after being notified of such selection.

§ 953.26 Vacancies.

To fill any vacancy occasioned by the failure of any person selected as a member or as an alternate member of the committee to qualify, or in the event of the death, removal, resignation, or disqualification of any qualified member or

alternate member, a successor for his unexpired term shall be selected by the Secretary from nominations made in the manner specified in § 953.22. If the names of nominees to fill any such vacancy are not made available to the Secretary within fifteen days after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which selection shall be made on the basis of the representation provided for in § 953.23.

§ 953.27 Alternate members.

An alternate member of the committee shall act in the place and stead of the member for whom he is an alternate, during such member's absence, unless such member has designated another alternate member, who has been nominated by the same group which nominated the member; in which event, the alternate member so designated shall serve in the absence of the member who designated him. In the event of the death, removal, resignation, or disqualification of a member, his alternate shall act for him until a successor of such member is selected and has qualified.

§ 953.28 Procedure.

(a) Seven members of the committee shall constitute a quorum and any action of the committee shall require seven concurring votes. Insofar as practicable, the growers of lemons in Districts 1 and 3 who were selected to membership on the committee shall attend, and serve as member at, each meeting of the committee to consider regulations applicable to lemons shipped from the respective district.

(b) The committee may vote by telegraph, telephone, or other means of communication, and any votes so cast shall be confirmed promptly in writing. If an assembled meeting is held, all votes shall be cast in person.

§ 953.29 Expenses and compensation.

The members of the committee, and their respective alternates when acting as members, shall be reimbursed for expenses necessarily incurred by them in the performance of their duties and in the exercise of their powers under § 953.30, and shall receive compensation at a rate to be determined by the committee, which rate shall not exceed $10.00 for each day, or portion thereof, spent in attending meetings of the committee.

§ 953.30 Powers.

The committee shall have the following powers:

(a) To administer the provisions of this subpart in accordance with its terms;

(b) To make rules and regulations to effectuate the terms and provisions of this subpart;

(c) To receive, investigate, and report to the Secretary complaints of violations of the provisions of this subpart; and

(d) To recommend to the Secretary amendments to this subpart.

§ 953.31 Duties.

It shall be the duty of the committee:

(a) To act as intermediary between the Secretary and any grower or handler;

(b) To keep minutes, books, and records which will clearly reflect all of the acts and transactions of the committee, including all transactions and operations pursuant to §§ 953.50 through 953.62. Such minutes, books, and records shall be subject to examination at any time by the Secretary;

(c) To investigate the growing, shipping, and marketing conditions with respect to lemons and to assemble data in connection therewith;

(d) To furnish to the Secretary such available information as he may request;

(e) To select a chairman and such other officers as may be necessary, and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(f) At the beginning of each fiscal year, to submit to the Secretary a budget of its expenses for such fiscal year, together with a report thereon;

(g) To cause the books of the committee to be audited by a competent accountant at least once each fiscal year, and at such other times as the committee may deem necessary or as the Secretary may request. The report of such audit shall show the receipt and expenditure of funds collected pursuant to this subpart, and a copy of each such report shall be furnished to the Secretary;

(h) To appoint such employees, agents, and representatives as it may deem necessary, and to determine the salaries and define the duties of such persons;

(i) Subject to the continuing right of the Secretary to take such other action as may be necessary, to appear in and defend any legal proceeding against the committee, its members, or alternate members (whether any such proceeding is against them as individuals or as members or alternate members of the committee), or any officers or employees of such committee, arising out of the exercise of their powers or the performance of their duties pursuant to the provisions of this subpart; and the action of the committee in connection with any such defense shall be binding upon all the members and alternate members of the committee;

(j) To prepare and mail as soon as practicable after the close of each fiscal year an annual report to the Secretary and to each handler and grower who makes a request therefor, which report shall cover the operations of the previous fiscal year and contain at least a complete review by prorate districts of (1) the weekly regulatory operations and lemon movement during the fiscal year as conducted under the marketing policy established pursuant to § 953.50, and (2) the data upon which prorate bases are determined; and

(k) With the approval of the Secretary, to reapportion the number of grower members or handler members on the Lemon Administrative Committee who are nominated pursuant to § 953.22. Any such changes shall be based, insofar as practical, upon the proportionate amount of lemons handled by the respective types of marketing organizations: *Provided*, That each grower group described in § 953.22 shall be entitled to nominate at least one grower and one handler member together with their respective alternates.

§ 953.32 Obligation.

Upon the removal or expiration of the term of office of any member of the committee, such member shall account for all receipts and disbursements and deliver all property and funds, together with all books and records, in his possession, to his successor in office, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor full title to all of the property, funds, and claims vested in such member pursuant to this subpart.

EXPENSES AND ASSESSMENTS

§ 953.40 Expenses.

The committee is authorized to incur such expenses as the Secretary finds may be necessary to carry out the functions of the committee pursuant to the provisions of this subpart during each fiscal year. The funds to cover such expenses shall be acquired by levying assessments as provided in § 953.41.

§ 953.41 Assessments.

(a) Each handler who first handles lemons shall, with respect to the lemons so handled by him, pay to the committee, upon demand, such handler's pro rata share of the expenses which the Secretary finds will be necessarily incurred by the committee for its maintenance and functioning during each fiscal year. Such handler's pro rata share of such expenses shall be equal to the ratio between the total quantity of lemons handled by him as the first handler thereof, during the applicable fiscal year, and the total quantity of lemons handled by all handlers as the first handlers thereof, during the same fiscal year. The Secretary shall fix the rate of assessment to be paid by such handlers. The payment of assessments for the maintenance and functioning of the committee may be required under this subpart throughout the period it is in effect, irrespective of whether particular provisions thereof are suspended or become inoperative.

(b) At any time during or after a fiscal year, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee. Such increase shall be applicable to all lemons handled during the given fiscal year. In order to provide funds to carry out the functions of the committee, handlers may make advance payment of assessments.

§ 953.42 Accounting.

(a) If, at the end of a fiscal year, it shall appear that assessments collected are in excess of expenses incurred, each handler entitled to a proportionate refund of the excess assessments shall be credited with such refund against the operations of the following fiscal year. If any handler ceases to handle lemons he may demand payment of such refund,

in which case such sum shall be paid to him.

(b) The committee may, with the approval of the Secretary, maintain in its own name or in the name of its members, a suit against any handler for the collection of such handler's pro rata share of the expenses of the committee.

§ 953.43 Funds.

All funds received by the committee pursuant to any provisions of this subpart shall be used solely for the purposes specified in this subpart and shall be accounted for in the manner provided in this subpart. The Secretary may, at any time, require the committee and its members to account for all receipts and disbursements.

REGULATION

§ 953.50 Marketing policy.

Each year prior to the recommendation for regulation for prorate Districts 1 and 3 and not later than November 15 in the case of District 2, the committee shall hold for each of said districts a marketing policy meeting and shall thereafter submit to the Secretary its marketing policy for such district. Such marketing policy shall contain the following information: (a) The available supplies of lemons in the prorate district, including estimated quality and composition of sizes; (b) the estimated utilization of the crop, showing the quantity and percentages of the crop that will be marketed in domestic, export, and by-product channels, together with quantities otherwise to be disposed of; (c) a schedule of estimated weekly shipments to be recommended to the Secretary during the ensuing season; (d) level and trend of consumer income; (e) estimated supplies of competitive citrus commodities; and (f) any other pertinent factors bearing on the marketing of lemons. In the event that it becomes advisable to substantially modify such marketing policy the committee shall submit to the Secretary a revised marketing policy setting forth the information as required in this section.

§ 953.51 Recommendations for regulation.

(a) It shall be the duty of the committee to investigate the supply and demand conditions for lemons. Whenever the committee finds that such conditions make it advisable to regulate, pursuant to § 953.52, the handling of lemons during any week of the fiscal year, it shall recommend to the Secretary the quantity of lemons which it deems advisable to be handled during such week in each district defined in § 953.64. Thereafter, the committee shall promptly report such findings and recommendations, together with supporting information, to the Secretary.

(b) In making such recommendations, the committee shall give due consideration to the following factors: (1) Quantity of lemons in storage; (2) lemons on hand in, and en route to, the principal markets; (3) trend in consumer income; (4) present and predicted weather conditions; (5) present and prospective prices of lemons; and (6) other relevant factors.

(c) At any time during a week for which the Secretary, pursuant to § 953.52, has fixed the quantity of lemons which may be handled during such week, the committee may, if it deems such action advisable because of unusual or unforeseen changes in the demand for lemons, recommend to the Secretary that such quantity be increased for such week. Any such recommendation, together with supporting information, shall be submitted promptly to the Secretary.

§ 953.52 Issuance of regulations.

Whenever the Secretary shall find, from the recommendations and information submitted by the committee, or from other available information, that to limit the quantity of lemons which may be handled during a specified week in each district, as aforesaid, will tend to effectuate the declared policy of the act, he shall fix such a quantity of lemons which may be handled during such a week in each such district, which quantity may, at any time during such week, be increased by the Secretary.

Such regulation may be made effective, as authorized by the act, irrespective of whether the season average price for lemons is in excess of the parity price specified therefor in the act. The committee shall be informed immediately of any such regulation issued by the Secretary and shall promptly give adequate notice thereof to handlers.

§ 953.53 Prorate bases.

(a) As used in this section, "handler" means the person who is, or proposes to be, the person who handles lemons as the first handler thereof; and each such handler shall submit to the committee, at such time as may be designated by it, a written application for a prorate base and for allotments, as provided in this subpart.

(b) Such application shall be substantiated by such information as the committee may require. With respect to each such application filed by handlers in Districts 1 and 3, it shall include at least (1) the name and address of the grower or duly authorized agent, if any, for each grove or portion thereof, the fruit of which is included in the quantity of lemons available for current shipment by the applicant; (2) an accurate description of the location of each such grove or portion thereof, including the number of acres contained therein, and (3) an estimate of the total quantity of lemons available for current shipment by the applicant in terms of a unit of measure designated by the committee.

(c) Such application shall include only such lemons available for current shipment which the applicant controls (1) by having legal title or possession thereof, or (2) by a bona fide written contract or agreement under which the applicant has authority to handle or has contracted to buy such lemons. If an applicant controls lemons pursuant to subparagraph (2) of this paragraph, he shall submit to the committee a copy of each type of such contract or agreement to the committee, together with a statement that no other types of such contracts or agreements are used, and shall maintain a file of all original contracts or agreements evidencing such control which shall be subject to examination by the committee.

(d) If the quantity of lemons available for current shipment by any handler is increased or decreased by the acquisition or loss of the control required by paragraph (c) of this section, such person shall submit promptly a report thereon to the committee upon forms made available by it, which report shall be verified in such manner as the committee may require.

(e) If any handler gains or loses control of lemons as required by paragraph (c) of this section, there shall be a corresponding increase or decrease in the quantity of lemons available for current shipment by such handler. If it is determined by the committee that any handler who has lost control of lemons as required by paragraph (c) of this section has handled a quantity of such lemons less than the quantity that could have been handled under the allotments issued thereon, the quantity of lemons available for current shipment by such handler shall be adjusted by deducting therefrom, over such period as may be determined by the committee, a quantity of lemons equivalent to the quantity upon which allotments were issued but which were not utilized thereon.

(f) The committee shall determine the accuracy of the information submitted pursuant to this section. Whenever the committee finds that there is an error, omission, or inaccuracy in any such information, it shall correct the same and shall give the handler who submitted such report a reasonable opportunity to discuss with the committee the factors considered in making the correction. If it is determined that an error, omission, or inaccuracy has resulted in the establishment of a smaller or a larger quantity of lemons available for current shipment than that to which a handler was entitled under this part, such quantity shall be increased or decreased, over such period as may be determined by the committee, by an amount necessary to correct the error, omission, or inaccuracy.

(g) Each week during the marketing season when volume regulation is likely to be recommended for a particular district, the committee shall compute the total quantity of lemons available for current shipment by each handler who has applied for a prorate base and for allotment in such district. On the basis of such computation, the committee shall fix a prorate base for each handler who is entitled thereto. Such prorate base shall represent the ratio between the total quantity of lemons available for current shipment by each applicant in the particular district and the total quantity of lemons available for current shipment in such district by all such applicants. The committee shall notify the Secretary of the prorate base fixed for each handler and shall notify each such handler of the prorate base fixed for him.

(h) Any handler who has reason to believe that the computation made by the committee with respect to the quantity of such handler's available lemons is not accurate, may appeal to the Secretary for a recomputation thereof. Any such

appeal shall be supported by evidence which shall show the inaccuracy of the committee's computation. Whenever a handler takes such an appeal to the Secretary, the handler shall, at the same time, notify the committee of such appeal and submit to the committee a copy of the evidence in support thereof. Upon receipt thereof, the committee shall immediately submit a report to the Secretary, setting forth the manner in which the quantity of the handler's available lemons was computed and other data pertinent to a determination on the appeal.

§ 953.56 Allotments.

Whenever the Secretary has fixed the quantity of lemons which may be handled during any week in a district, as aforesaid, the committee shall calculate the quantity of lemons which each handler may handle during such week. The said quantity shall be the allotment of each such handler and shall be in an amount equal to the product of the handler's prorate base and the quantity of lemons fixed by the Secretary as the quantity which may be handled during such week in such district. The committee shall give adequate notice to each handler of the allotment computed for him pursuant to this section.

§ 953.57 Overshipments.

During any week for which the Secretary has fixed the quantity of lemons which may be handled, each handler may handle, in addition to his allotment, an amount of lemons equivalent to ten percent of said allotment, or one carload, whichever is the greater: *Provided*, That no such overshipment may be made by a handler if his allotment for such week is insufficient to offset his prior overshipments pursuant to this section. The quantity of lemons handled in excess of a handler's allotment (but not exceeding the quantity permitted to be handled, as provided in this section) shall be deducted from his allotment for the next week in which the handling of lemons is regulated under this subpart. If such allotment is in an amount less than such excess quantity of lemons permitted to be handled by a handler, such quantity handled in excess of his allotment shall be deducted from succeeding weekly allotments until such excess has been entirely offset.

§ 953.58 Undershipments.

If a handler during any week handles a quantity of lemons less than his allotment for that week, such handler may, in addition to his allotment for the next succeeding week, handle only during such next succeeding week, a quantity of lemons equivalent to such undershipment.

§ 953.59 Allotment loans.

(a) A handler for whom a prorate base has been established may lend allotment to other handlers: *Provided*, That such loan is confined to the same district, as defined in § 953.64, is reported to the committee not later than 48 hours after the loan agreement has been entered into, and provides for repayment within one year of the date of the loan.

(b) Allotments shall be loaned only during the week in which such allotments are issued and can be used by the borrower only during the week in which the loan is secured. Handlers securing repayment of allotment loans shall use such allotments only during the week in which the repayment is made.

(c) The committee may act as agent for handlers in arranging loans of allotment; and all loan transactions shall be confirmed by the committee by memoranda addressed to the parties thereto.

(d) No allotment which has been loaned may again be loaned by the borrower, or by the lender after repayment thereof.

§ 953.60 Transfer of allotment.

Allotments may be transferred from one handler to another only in accordance with the provisions of §§ 953.59 and 953.63.

§ 953.61 Priority of allotments.

During any week in which a handler receives an allotment, and has the right to handle a quantity of lemons in addition to the quantity represented by his allotment, by reason of (a) an undershipment of lemons pursuant to § 953.58; or (b) a transferred allotment, pursuant to § 953.60; or (c) the repayment of a loaned allotment, pursuant to § 953.59; or (d) an assignment of an allotment, pursuant to § 953.63; or (e) a borrowed allotment, pursuant to § 953.59, and such handler handles a quantity of lemons which is less than the total quantity of lemons which such handler may handle during such week, the amount of lemons handled shall first apply to such handler's current weekly allotment (or to that portion thereof which is not used pursuant to §§ 953.57, 953.59, 953.60, or 953.63), and the remainder, if any, shall be applied in the following order: first, to any undershipment of lemons, pursuant to § 953.58; second, to any allotment repaid to him, pursuant to § 953.59; third, to any allotment transferred to him, pursuant to § 953.60; fourth, to any allotment assigned to him, pursuant to § 953.63; and fifth, to any allotment borrowed, pursuant to § 953.59.

§ 953.62 Information to central marketing organizations.

(a) In order further to facilitate arranging allotment transactions pursuant to this subpart, the committee shall give any central marketing organization upon its request, the same notice with respect to prorate bases and allotments, applicable to each handler for whom it markets lemons, as is given to such handlers.

(b) Any central marketing organization which, pursuant to paragraph (a) of this section, receives information from the committee regarding the prorate bases and allotments applicable to the handlers for whom it markets lemons, and which arranges allotment transactions for or on behalf of such handlers, shall keep records, for a period of three years, which will accurately reflect all such allotment transactions, and such records shall be subject to examination by the committee and the Secretary. Any such central marketing organization shall make such reports and furnish such other information with respect thereto as may be required by the committee. If the Secretary finds that any such central marketing organization has failed to keep such records, or has assisted in effecting allotment transactions contrary to the provisions of this subpart, the provisions of paragraph (a) of this section shall not be applicable to such central marketing organization during such period as may be determined by the Secretary.

§ 953.63 Assignment of allotments.

Any person who acquires lemons to be handled by him, and who does not have a prorate base on such lemons, may handle such lemons pursuant to an assignment of an allotment from the handler from whom such lemons were acquired and to whom the allotment had been issued, which assigned allotment shall be equal to the quantity of lemons acquired by such person.

Any such assignment shall be evidenced by a certificate which shall be in such form, and issued in such manner, as shall be prescribed by the committee.

§ 953.64 Districts.

The production area shall be divided into three prorate districts, as follows:

(a) "District 1" shall include that part of the State of California which is south of the 37th Parallel and north of a line drawn due east and west through Gorman, California, but shall exclude that part of San Bernardino County located east of the 115th Meridian.

(b) "District 2" shall include that part of the State of California which is south of District 1, and west of a line drawn due north and south through White Water, California.

(c) "District 3" shall include the State of Arizona and that part of the production area not included in Districts 1 and 2.

§ 953.65 Recommendations for size regulation.

(a) Whenever the committee finds that the supply and demand conditions for sizes of lemons make it advisable to regulate in any prorate district the handling of lemons during any period, it shall recommend to the Secretary the sizes of lemons grown in such prorate district which it deems advisable to be handled during the said period. The committee shall promptly submit such findings and recommendations, together with supporting information, to the Secretary.

(b) In making its recommendations the committee shall give due consideration to the factors referred to in § 953.51 (b).

§ 953.66 Issuance of size regulations.

Whenever the Secretary shall find, from the findings, recommendations, and information submitted by the committee, or from other available information, that to limit the handling of lemons by size in any prorate district would tend to

effectuate the declared policy of the act, he shall fix the sizes of lemons grown in each such prorate district which may be handled during the specified period. When any such size regulation restricts the handling of a portion of a specified size, the quantity of such size that may be handled by a handler during a particular week shall be fixed as a percentage of (a) the weekly allotment issued to such handler when volume regulation is in effect, and (b) the total weekly volume handled by such handler when volume regulation is not in effect. The committee shall be informed immediately of any such regulation issued by the Secretary, and the committee shall promptly give adequate notice thereof to all handlers.

§ 953.67 Exemptions from size regulation.

In the event lemons are regulated pursuant to § 953.66, the committee shall issue one or more exemption certificates to any producer who furnishes evidence satisfactory to the committee that he will be prevented by reason of such regulation from having as large a proportion of his lemons handled as the average proportion of lemons which may be handled by all other producers in the same prorate district. Such exemption certificate shall permit the respective producer to whom the certificate is issued to handle or have handled a percentage of his lemons equal to the percentage determined as aforesaid. Handling of lemons under exemption certificates issued pursuant to this section shall be subject to and limited by such regulations as may be effective under § 953.52 at the time of the respective shipment. The committee shall adopt, with the approval of the Secretary, procedural rules by which such exemption certificates will be issued to producers. Such exemption certificates may be transferred to handlers when accompanied by lemons covered by such certificates.

REPORTS

§ 953.70 Weekly report.

On or before such day of each week as may be designated by the committee, each handler shall report to the committee, on forms prepared by it, the following information with respect to lemons marketed by such handler during the immediately preceding week: (a) Quantity handled; (b) quantity shipped for distribution to persons on relief, including quantity donated for charitable purposes; (c) quantity sold or transported for consumption in fresh form in California or Arizona; (d) quantity sold or otherwise disposed of for canning or for manufacture into byproducts; and (e) quantity disposed of otherwise.

§ 953.71 Other reports.

Upon request of the committee made with the approval of the Secretary every handler shall furnish to the committee, in such manner and at such times as it prescribes (in addition to such other reports as are specifically provided for in § 953.70), such other information as will enable the committee to perform its duties and to exercise its powers under this subpart.

MISCELLANEOUS PROVISIONS

§ 953.80 Lemons not subject to regulation.

Nothing contained in this subpart shall be construed to authorize any limitation of the right of any person to handle lemons (a) for consumption by charitable institutions or distribution by relief agencies; (b) for conversion into byproducts; or (c) for export to foreign countries other than Canada; nor shall any assessment be levied on lemons so handled. The committee, with the approval of the Secretary, may establish minimum quantities and types of shipments which shall be free from regulation under this subpart; and may prescribe such safeguards as may be necessary to prevent lemons which are exempt from regulation pursuant to this section from entering channels of trade for other than the specific purposes authorized by this section. The term "byproduct" as used in this section includes all processed and manufactured products of lemons, including canned or bottled lemon juice.

§ 953.81 Compliance.

Except as provided in this subpart, no handler shall handle lemons, during any week in which a regulation issued by the Secretary, pursuant to § 953.52, is in effect, unless such handler has an allotment, or an assignment of an allotment, covering such lemons, issued pursuant to this subpart, or unless such handler is otherwise permitted to handle such lemons, under the provisions of this subpart; and no handler shall handle lemons except in conformity to the provisions of this subpart.

§ 953.82 Right of the Secretary.

The members of the committee (including successors and alternates), and any agent or employee appointed or employed by the committee, shall be subject to removal or suspension by the Secretary at any time. Each and every order, regulation, decision, determination or other act of the committee shall be subject to the continuing right of the Secretary to disapprove of the same at any time. Upon such disapproval, the disapproved action of the said committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary. In the event the committee, for any reason, fails to perform its duties or exercise its powers under this subpart, the Secretary may designate another agency to perform such duties and to exercise such powers.

§ 953.83 Effective time.

The provisions of this subpart shall become effective April 10, 1941, and shall continue in force until terminated in one of the ways specified in § 953.84.

§ 953.84 Termination.

(a) The Secretary may, at any time, terminate the provisions of this subpart by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(b) The Secretary may terminate or suspend the operation of any or all of the provisions of this subpart whenever he finds that such provisions do not tend to effectuate the declared policy of the act.

(c) The Secretary shall terminate the provisions of this subpart at the end of any fiscal year whenever he finds that such termination is favored by a majority of producers who, during the preceding fiscal year, have been engaged in the production for market of lemons: *Provided*, That such majority has, during such year, produced for market more than fifty percent of the volume of such lemons produced for market; but such termination shall be effected only if announced on or before October 31 of the then current fiscal year.

(d) The provisions of this subpart shall, in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

§ 953.85 Proceedings after termination.

(a) Upon the termination of the provisions of this subpart, the then functioning members of the committee shall continue as trustees, for the purpose of liquidating the affairs of the committee, of all the funds and property then in the possession of or under control of the committee, including claims for any funds unpaid or property not delivered at the time of such termination. Action by said trusteeship shall require the concurrence of a majority of the said trustees.

(b) The said trustee shall continue in such capacity until discharged by the Secretary; shall, from time to time, account for all receipts and disbursements and deliver all property on hand, together with all books and records of the committee and of the trustees, to such persons as the Secretary may direct; and shall, upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title and right to all of the funds, property, and claims vested in the committee or the trustees pursuant to this subpart.

(c) Any person to whom funds, property, or claims have been transferred or delivered by the committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

§ 953.86 Effect of termination or amendment.

Unless otherwise expressly provided by the Secretary, the termination of this subpart or of any regulation issued pursuant to this subpart, or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision of this subpart or any regulation issued under this subpart, or (b) release or extinguish any violation of this subpart or of any regulation under this subpart, or (c) affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violation.

§ 953.87 Duration of immunities.

The benefits, privileges, and immunities conferred upon any person by virtue

of this subpart shall cease upon the termination of this subpart, except with respect to acts done under and during the existence of this subpart.

§ 953.88 Agents.

The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

§ 953.89 Derogation.

Nothing contained in this subpart is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 953.90 Personal liability.

No member or alternate of the committee, nor any employee or agent thereof, shall be held personally responsible, either individually or jointly with others, in any way whatsoever, to any handler or to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate, or employee, except for acts of dishonesty.

§ 953.91 Separability.

If any provision of this subpart is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this subpart, or the applicability thereof to any other person, circumstance, or thing, shall not be affected thereby.

§ 953.92 Amendments.

Amendments to this subpart may be proposed, from time to time, by the committee or by the Secretary.

[F.R. Doc. 59-819; Filed, Jan. 29, 1959; 8:49 a.m.]

Title 14—CIVIL AVIATION

Chapter II—Federal Aviation Agency

PART 610—MINIMUM EN ROUTE IFR ALTITUDES

[Amdt. 41]

Miscellaneous Alterations

The minimum en route IFR altitudes appearing hereinafter have been coordinated with in interested members of the industry in the regions concerned insofar as practicable. The altitudes are adopted without delay in order to provide for safety in air commerce. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to the public interest, and therefore is not required.

Part 610 is amended as follows: (Listed items to be placed in appropriate sequence in the sections indicated.)

Section 610.14 *Green civil airway 4* is amended to read in part:

From Effingham, Ill., LFR; to Terre Haute, Ind., LF/RBN; MEA 2,000.
From Terre Haute, Ind., LF/RBN; to Indianapolis, Ind., LFR; MEA 2,000.

Section 610.212 *Red civil airway 12* is amended to read in part:

From *Manchester INT, Mich.; to Detroit, Mich., LFR; MEA 2,100. *2,300—MCA Manchester INT, westbound.

Section 610.220 *Red civil airway 20* is amended to read in part:

From Flint, Mich., ILS/LOM; to Goodrich INT, Mich.; MEA 2,300.

Section 610.232 *Red civil airway 32* is deleted.

Section 610.235 *Red civil airway 35* is deleted.

Section 610.265 *Red civil airway 65* is amended to read in part:

From Oceanside, Calif., VOR; to Valley Center INT, Calif., eastbound, MEA 9,000; westbound, MEA 4,000.
From Valley Center INT, Calif.; to Julian, Calif., LF/RBN, estbound, MEA 9,000; westbound, MEA 7,000.

Section 610.613 *Blue civil airway 13* is amended to read in part:

From Houston, Tex., LFR; to Lufkin, Tex., LF/RBN; MEA 1,700.

Section 610.630 *Blue civil airway 30* is amended to delete:

From Kingsville INT, Tex.; to Driscoll INT, Tex.; MEA 1,300.
From Driscoll INT, Tex.; to Corpus Christi, Tex., LFR; MEA 1,800.
From Corpus Christi, Tex., LFR; to Clareville INT, Tex.; MEA 1,400.
From Clareville INT, Tex.; to Losoya INT, Tex.; MEA 1,800.
From Losoya INT, Tex.; to Kelly, Tex., LFR; MEA 2,000.

Section 610.634 *Blue civil airway 34* is amended to read in part:

From Terre Haute, Ind., LF/RBN; to Chanute, Ill., LF/RBN; MEA 2,000.

Section 610.1001 *Direct routes, U.S.* is amended to delete:

From Greenwood, Miss., VOR; to El Dorado, Ark., VOR; MEA *3,000. *1,600—MOCA.

Section 610.6002 *VOR civil airway 2* is amended to read in part:

From Livingston, Mont., VOR; to *Greycliff INT, Mont.; MEA 9,000. *9,500—MRA.
From Greycliff INT, Mont.; to Billings, Mont., VOR, westbound, MEA 9,000; eastbound, MEA 7,000.
From *Delphine INT, Mont., via N alter.; to Baxter INT, Mont., via N alter; MEA 11,000. *12,500—MRA.
From Baxter INT, Mont., via N alter.; to Billings, Mont., VOR, via N alter., northwestbound, MEA 11,000; southeastbound, MEA 8,000.

Section 610.6003 *VOR civil airway 3* is amended to read in part:

From Raleigh, N.C., VOR; to *Chase City INT, Va.; MEA **3,500. *3,500—MCA Chase City INT, southbound. **2,000—MOCA.
From Chase City, INT, Va.; to Flat Rock, Va., VOR; MEA 2,000.

Section 610.6005 *VOR civil airway 5* is amended to read in part:

From Louisville, Ky., VOR; to *Warsaw INT, Ky.; MEA 2,400. *2,800—MRA.
From Warsaw INT, Ky.; to Cincinnati, Ohio, VOR; MEA 2,000.
From Hilliard INT, Fla., via W alter.; to *Bolen INT, Ga., via W alter.; MEA 1,600. *2,100—MRA.
From Bolen INT, Ga., via W alter.; to Alma, Ga., VOR, via W alter.; MEA 1,600.

Section 610.6007 *VOR civil airway 7* is amended to read in part:

From Cross City, Fla., VOR; to Tallahassee, Fla., VOR; MEA *1,500. *1,400—MOCA.

Section 610.6011 *VOR civil airway 11* is amended to read in part:

From Scotland, Ind., VOR, via E alter.; to Indianapolis, Ind., VOR, via E alter.; MEA 2,200.

Section 610.6012 *VOR civil airway 12* is amended to read in part:

From Maryland Heights, Mo., VOR; to Granite City INT, Ill.; MEA 2,100.
From Lewis, Ind., VOR; to Wilbur INT, Ind., MEA 2,200.
From Wilbur INT, Ind.; to Shelbyville, Ind., VOR; MEA 2,000.
From Gage, Okla., VOR, via N alter.; to *Aetna INT, Okla., via N alter.; MEA 3,500. *18,200—MRA.

Section 610.6012 *VOR civil airway 12* is amended by adding:

From Lewis, Ind., VOR, via S alter.; to Paragon INT, Ind., via S alter.; MEA 2,200.
From Paragon INT, Ind., via S alter.; to Shelbyville, Ind., VOR, via S alter.; MEA 3,100.

Section 610. 6013 *VOR civil airway 13* is amended to read in part:

From Humble INT, Tex.; to Lufkin, Tex., VOR; MEA *2,500. *1,700—MOCA.

Section 610.6014 *VOR civil airway 14* is amended by adding:

From Terre Haute, Ind., VOR, via N alter.; to Indianapolis, Ind., VOR, via N alter.; MEA 2,200.

Section 610.6015 *VOR civil airway 15* is amended to read in part:

From Barclay INT, Tex., via W alter.; to *Bruceville INT, Tex., via W alter.; MEA 2,500. *5,700—MRA.
From Bruceville INT, Tex., via W alter.; to Waco, Tex., VOR, via W alter.; MEA 2,500.

Section 610.6016 *VOR civil airway 16* is amended to delete:

From Phoenix, Ariz., VOR, via S alter.; to Casa Grande, Ariz., VOR, via S alter.; MEA 5,000.
From Casa Grande, Ariz., VOR; to Tucson, Ariz., VOR.
From Pulaski, Va., VOR; to *Daleville INT, Va.; MEA 6,000. *6,000—MRA.
From Daleville INT, Va.; to Montebello, Va., VOR; MEA 6,000.
From Montebello, Va., VOR; to Gordonsville, Va., VOR; MEA 6,000.

Section 610.6016 *VOR civil airway 16* is amended by adding:

From Pulaski, Va., VOR; to Hollins, Va., VOR; MEA 5,300.
From Hollins, Va., VOR; to Clifford INT, Va.; MEA 6,200.
From Clifford INT, Va.; to Gordonsville, Va., VOR; MEA 6,000.
From Hollins, Va., VOR, via N alter.; to Montebello, Va., VOR, via N alter.; MEA 6,000.
From Montebello, Va., VOR, via N alter.; to Gordonsville, Va., VOR, via N alter.; MEA 6,000.

Section 610.6017 *VOR civil airway 17* is amended by adding:

From Gage, Okla., VOR, via W alter.; to Liberal, Kans., VOR, via W alter.; MEA 4,500.
From Liberal, Kans., VOR, via W alter.; to Sublette INT, Kans., via W alter.; MEA 4,700.
From Sublette INT, Kans., via W alter.; to Garden City, Kans., VOR, via W alter.; MEA 4,500.

Section 610.6017 *VOR civil airway 17* is amended to read in part:

From Cotulla, Tex., VOR; to San Antonio, Tex., VOR; MEA 2,200.
From Austin, Tex., VOR, via E alter.; to *Jonah INT, Tex., via E alter.; MEA **2,200. *3,000—MRA. **2,100—MOCA.
From Jonah INT, Tex., via E alter.; to Barclay INT, Tex., via E alter.; MEA *2,200. *2,100—MOCA.
From Barclay INT, Tex., via E alter.; to *Bruceville INT, Tex., via E alter.; MEA 2,500. *5,700—MRA.
From Bruceville INT, Tex., via E alter.; to Waco, Tex., VOR, via E alter.; MEA 2,500.

Section 610.6020 *VOR civil airway 20* is amended to read in part:

From New Orleans, La., VOR, via N alter.; to Picayune, Miss., VOR, via N alter.; MEA 1,400.
From Lake Charles, La., VOR, via S alter.; to Grand Lake INT, La., via S alter.; MEA 1,300.
From Grand Lake INT, La., via S alter.; to Lafayette, La., VOR, via S alter.; MEA 1,200.
From Clemson INT, S.C., via N alter.; to Spartanburg, S.C., VOR, via N alter.; MEA 3,700.

Section 610.6021 *VOR civil airway 21* is amended to read in part:

From Helena, Mont., VOR; to Wolf Creek INT, Mont.; MEA 9,500.
From Wolf Creek INT, Mont.; to *Great Falls, Mont., VOR; MEA 8,500. *6,600—MCA Great Falls VOR, southwestbound.
From Cascade, Mont., FM; to Great Falls, Mont., VOR, northeastbound only; MEA 5,500.
From Helena, Mont., VOR, via W alter.; to Simms INT, Mont., via W alter.; MEA 9,500.
From Simms INT, Mont., via W alter.; to Cut Bank, Mont., VOR via W alter.; MEA 7,000.

Section 610.6025 *VOR civil airway 25* is amended to read in part:

From Los Angeles, Calif., VOR; to Eel INT, Calif.; MEA 2,000.

Section 610.6027 *VOR civil airway 27* is amended to read in part:

From Los Angeles, Calif., VOR; to Eel INT, Calif.; MEA 2,000.

Section 610.6035 *VOR civil airway 35* is amended to read in part:

From *Hartsfield INT, Ga., via E alter.; to **Sale INT, Ga., via E alter.; MEA 1,700. *2,000—MRA. **1,800—MRA.
From Cross City, Fla., VOR; to Tallahassee, Fla., VOR; MEA *1,500. *1,400—MOCA.

Section 610.6038 *VOR civil airway 38* is amended to read in part:

From Peotone, Ill., VOR; to Demotte INT, Ill.; MEA 2,000.
From Demotte INT, Ill.; to Claypool INT, Ind.; MEA *4,000. *2,200—MOCA.

Section 610.6044 *VOR civil airway 44* is amended to read in part:

From Martinsburg, W. Va., VOR; to Lisbon INT, Md.; MEA 3,000.
From Lisbon INT, Md.; to Baltimore, Md., VOR; MEA 2,000.

Section 610.6049 *VOR civil airway 49* is amended to read in part:

From Avon INT, Mont.; to Wolf Creek INT, Mont.; MEA 9,500.
From Wolf Creek INT, Mont.; to *Great Falls, Mont., VOR; MEA 8,500. *6,600—MCA Great Falls VOR, southwestbound.
From Cascade, Mont., FM; to Great Falls, Mont., VOR; northeastbound only; MEA 5,500.

Section 610.6050 *VOR civil airway 50* is amended to read in part:

From Springfield, Ill., VOR; to Decatur, Ill., VOR; MEA 2,600.
From Decatur, Ill., VOR; to *Arcola INT, Ill.; MEA 2,300. *3,000—MRA.
From Arcola INT, Ill.; to Terre Haute, Ind., VOR; MEA 2,300.

Section 610.6051 *VOR civil airway 51* is amended to read in part:

From Hilliard INT, Fla., via W alter.; to *Bolen INT, Ga., via W alter.; MEA 1,600. *2,100—MRA.
From Bolen INT, Ga., via W alter.; to Alma, Ga., VOR, via W alter; MEA 1,600.

Section 610.6054 *VOR civil airway 54* is amended to read in part:

From Texarkana, Ark., VOR, via N alter.; to Benton INT, Ark., via N alter.; MEA *4,000. *2,500—MOCA.

Section 610.6056 *VOR civil airway 56* is amended to read in part:

From Augusta, Ga., VOR, via N alter.; to *Ridge Spring INT, S.C., via N alter.; MEA **2,500. *2,500—MRA. **1,800—MOCA.
From Ridge Spring INT, S.C., via N alter.; to Columbia, S.C., VOR, via N alter.; MEA 1,800.

Section 610.6063 *VOR civil airway 63* is amended to read in part:

From Big Rock INT, Iowa; to *Charlotte INT, Iowa; MEA 4,500. *4,000—MCA Charlotte INT, northeastbound.

Section 610.6066 *VOR civil airway 66* is amended to delete:

From Gila Bend, Ariz., VOR, via N alter.; to Casa Grande, Ariz., VOR, via N alter.; MEA 5,000.
From Casa Grande, Ariz., VOR, via N alter.; to Toltec INT, Ariz., via N alter.; MEA 5,000.
From Toltec INT, Ariz., via N alter.; to Tucson, Ariz., VOR, via N alter.; MEA 7,000.

Section 610.6067 *VOR civil airway 67* is amended to read in part:

From *Shell Rock INT, Iowa; to **Aredal INT, Iowa; MEA 2,500. *3,500—MRA. **3,500—MRA.
From Aredal INT, Iowa; to Mason City, Iowa, VOR; MEA 2,500.

Section 610.6069 *VOR civil airway 69* is amended to read in part:

From El Dorado, Ark., VOR; to *Hampton INT, Ark.; MEA 1,600. *5,000—MRA.
From Walnut Ridge, Ark., VOR; to Farmington, Mo., VOR; MEA 2,900.

Section 610.6074 *VOR civil airway 74* is amended to read in part:

From *Long INT, Ark.; to Fort Smith, Ark., VOR; MEA 2,600. *3,000—MRA.
From Pryor INT, Okla., via N alter.; to *Short INT, Ark., via N alter.; MEA **4,000. *3,800—MRA. **2,600—MOCA.
From Short INT, Ark., via N alter to Fort Smith, Ark., VOR, via N alter.; MEA *4,000. *2,600—MOCA.

Section 610.6077 *VOR civil airway 77* is amended to read in part:

From Ponca City, Okla., VOR; to *Mayfield INT, Kans.; MEA **3,500. *3,500—MRA. **2,500—MOCA.
From Mayfield INT, Kans.; to *Conway INT, Kans.; MEA **3,500. *3,500—MRA. **2,500—MOCA.

Section 610.6081 *VOR civil airway 81* is amended to read in part:

From *Colorado Springs, Colo., VOR; to Parker INT, Colo.; MEA **11,000. *9,000—MCA Colorado Springs VOR, northbound. **9,000—MOCA.

Section 610.6087 *VOR civil airway 87* is deleted:

Section 610.6087 *VOR civil airway 87* is added to read:

From San Francisco, Calif., TVOR; to Napa, Calif., VOR, northbound, MEA 4,000; southbound, MEA 3,000.
From Napa, Calif., VOR; to Williams, Calif., VOR; MEA 5,000.

Section 610.6094 *VOR civil airway 94* is amended by adding:

From Hassayampa, Ariz., VOR; to Gila Bend, Ariz., VOR; MEA 5,000.
From Gila Bend, Ariz., VOR; to Casa Grande, Ariz., VOR; MEA 5,000.

Section 610.6097 *VOR civil airway 97* is amended to read in part:

From Cross City, Fla., VOR, via E alter.; to Tallahassee, Fla., VOR, via E alter.; MEA *1,500. *1,400—MOCA.

Section 610.6103 *VOR civil airway 103* is amended to delete:

From Greensboro, N.C., VOR; to Madison INT, N.C.; MEA 2,100.
From Madison INT, N.C.; to Price INT, Va.; MEA *3,000. *2,000—MOCA.
From Price INT, Va.; to Roanoke, Va., TVOR; MEA 5,600.
From Roanoke, Va., TVOR; to *Daleville INT, Va.; MEA 6,000. *6,000—MRA.
From Daleville INT, Va.; to Covington INT, Va.; MEA 6,000.
From Covington INT, Va.; to Elkins, W. Va., VOR; MEA *10,000. *6,700—MOCA.

Section 610.6103 *VOR civil airway 103* is amended by adding:

From Greensboro, N.C., VOR; to Price INT, Va.; MEA 2,100.
From Price INT, Va.; to Hollins, Va., VOR; MEA 5,600.
From Hollins, Va., VOR; to Elkins, W. Va., VOR; MEA 6,700.

Section 610.6105 *VOR civil airway 105* is amended to read in part:

From Coaldale, Nev., VOR; to Yerington INT, Nev.; MEA *12,000. *Continuous navigation signal coverage does not exist over the entire route segment below 14,000 feet.
From Yerington INT, Nev.; to Reno, Nev., VOR, southeastbound, MEA 12,000; northwestbound, MEA 10,000.

Section 610.6105 *VOR civil airway 105* is amended by adding:

From Tucson, Ariz., VOR; to Casa Grande, Ariz., VOR; MEA 7,000.
From Casa Grande, Ariz., VOR; to Phoenix, Ariz., VOR; MEA 5,000.

Section 610.6120 *VOR civil airway 120* is amended to read in part:

From Augusta INT, Mont.; to *Simms INT, Mont., westbound, MEA 10,000; eastbound, MEA 7,000. *8,000—MCA Simms INT, westbound.

From Simms INT, Mont.; to *Great Falls, Mont., VOR; MEA 7,000. *6,800—MCA Great Falls VOR, eastbound.

Section 610.6123 *VOR civil airway 123* is amended to read in part:

From Washington, D.C., TVOR; to Baltimore, Md., VOR; MEA 1,800.
From Baltimore, Md., VOR; to New Castle, Del., VOR; MEA 1,600.
From New Castle, Del., VOR; to Woodstown, N.J., VOR; MEA 1,500.

Section 610.6124 *VOR civil airway 124* is added to read:

From Terre Haute, Ind., VOR; to Shelbyville, Ind., VOR; MEA 2,000.

Section 610.6140 *VOR civil airway 140* is amended to delete:

From Essex INT, Md.; to Port Deposit INT, Md.; MEA 3,000.
From Port Deposit INT, Md.; to Woodstown, N.J., VOR; MEA 1,600.

Section 610.6140 *VOR civil airway 140* is amended by adding:

From Washington, D.C., TVOR; to Baltimore, Md., VOR; MEA 1,800.
From Baltimore, Md., VOR; to New Castle, Del., VOR; MEA 1,600.
From New Castle, Del., VOR; to Woodstown, N.J., VOR; MEA 1,500.

Section 610.6144 *VOR civil airway 144* is amended to read in part:

From Peotone, Ill., VOR; to Demotte INT, Ill.; MEA 2,000.
From Demotte INT, Ill.; to Claypool INT, Ind.; MEA *4,000. *2,200—MOCA.

Section 610.6154 *VOR civil airway 154* is amended to read in part:

From Lotts INT, Ga.; to *Marlow INT, Ga.; MEA **2,000. *2,000—MRA. **1,300—MOCA.

Section 610.6156 *VOR civil airway 156* is amended to read in part:

From Gordonsville, Va., VOR; to Richmond, Va., VOR; MEA 2,000.

Section 610.6157 *VOR civil airway 157* is amended to read in part:

From Alma, Ga., VOR; to *Baxley INT, Ga.; MEA **2,500. *3,000—MRA. **1,500—MOCA.
From Baxley INT, Ga.; to Lotts INT, Ga.; MEA *2,500. *1,500—MOCA.
From Lawrenceville, Va., VOR; to Richmond, Va., VOR; MEA 1,500.
From Richmond, Va., VOR; to Brooke, Va., VOR; MEA 1,500.

Section 610.6159 *VOR civil airway 159* is amended to read in part:

From Vero Beach, Fla., VOR; to *Deer Park INT, Fla.; MEA 1,300. *3,000—MRA.
From Deer Park INT, Fla.; to *Preston INT, Fla.; MEA 1,300. *3,000—MRA.
From Vero Beach, Fla., VOR, via E alter.; to *Winder INT, Fla., via E alter.; MEA **1,500. *3,200—MRA. **1,300—MOCA.
From Winder INT, Fla., via E alter.; to Orlando, Fla., VOR, via E alter.; MEA *1,500. *1,300—MOCA.
From *Hartsfield INT, via W alter.; to **Sale INT, Ga., via W alter.; MEA 1,700. *2,000—MRA. **1,800—MRA.

Section 610.6191 *VOR civil airway 191* is amended to read in part:

From Walnut Ridge, Ark., VOR; to Farmington, Mo., VOR; MEA 2,900.
From Troy, Ill., VOR; to Hillsboro INT, Ill.; MEA 2,000.
From Hillsboro INT, Ill.; to Decatur, Ill., VOR; MEA 2,300.
From Decatur, Ill., VOR; to Roberts, Ill., VOR; MEA 2,700.

Section 610.6210 *VOR civil airway 210* is amended to read in part:

From Farmington, N. Mex., VOR, via S alter.; to Horse Lake INT, N. Mex., via S alter., eastbound, MEA 13,000; westbound, MEA 11,000.
From Horse Lake INT, N. Mex., via S alter.; to Alamosa, Colo., VOR, via S alter.; MEA 13,000.

Section 610.6211 *VOR civil airway 211* is amended to read in part:

From Fort Stockton, Tex., VOR; to *Ozona INT, Tex.; MEA **8,000. *8,000—MRA. **4,300—MOCA.

Section 610.6216 *VOR civil airway 216* is amended to read in part:

From Hill City, Kans., VOR; to Mankato, Kans., VOR; MEA 3,600.

Section 610.6222 *VOR civil airway 222* is amended to read in part:

From Fort Stockton, Tex., VOR; to *Ozona INT, Tex.; MEA **8,000. *8,000—MRA. **4,300—MOCA.

Section 610.6234 *VOR civil airway 234* is amended by adding:

From Dalhart, Tex., VOR; to *Optima INT, Okla.; MEA 5,200. *8,000—MRA.
From Optima INT, Okla.; to Liberal, Kans., VOR; MEA 4,300.
From Liberal, Kans., VOR; to Meade INT, Kans.; MEA 4,500.
From Meade INT, Kans.; to Pratt INT, Kans.; MEA *7,100 *3,700—MOCA.
From Pratt INT, Kans.; to Hutchinson, Kans.; MEA *4,300. *3,700—MOCA.

Section 610.6239 *VOR civil airway 239* is amended to delete:

From Philadelphia, Pa., ILS loc.; to Yardley, Pa., VOR; MEA 2,000.
From Yardley, Pa., VOR; to Newark, N.J., ILS/LOM; MEA 1,500.

Section 610.6244 *VOR civil airway 244* is amended to read in part:

From Tonopah, Nev., VOR; to *Milford, Utah, VOR; MEA **#17,000. *10,000—MCA Milford VOR, westbound. *12,000—MCA Milford VOR, eastbound. **12,000—MOCA.
#Continuous navigation signal coverage does not exist over the entire route segment below 20,000 feet.

Section 610.6258 *VOR civil airway 258* is amended to delete:

From Beckley, W. Va., VOR; to *Marie INT, Ky.; MEA 6,000. *8,000—MRA.
From Marie INT, Ky.; to Roanoke, Va., TVOR; MEA 6,000.
From Roanoke, Va., TVOR; to Penhook INT, Va.; MEA 5,000.

Section 610.6258 *VOR civil airway 258* is amended by adding:

From Beckley, W. Va., VOR; to Rock Camp INT, W. Va.; MEA 5,400.
From Rock Camp INT, W. Va.; to Hollins, Va., VOR; MEA 6,100.
From Hollins, Va., VOR; to Penhook INT, Va.; MEA 4,000.

Section 610.6260 *VOR civil airway 260* is amended to delete:

From Rainelle, W. Va., VOR; to Roanoke, Va., TVOR; MEA 6,000.
From Roanoke, Va., TVOR; to Lynchburg, Va., VOR; MEA 5,000.

Section 610.6260 *VOR civil airway 260* is amended by adding:

From Rainelle, W. Va., VOR; to Hollins, Va., VOR; MEA 6,100.
From Hollins, Va., VOR; to Lynchburg, Va., VOR; MEA 5,200.

Section 610.6260 *VOR civil airway 260* is amended to read in part:

From Flat Rock, Va., VOR; to Richmond, Va., VOR; MEA 2,000.

Section 610.6271 *VOR civil airway 271* is added to read:

From Kenton, Del., VOR; to New Castle, Del., VOR; MEA 1,600.
From New Castle, Del., VOR; to West Chester, Pa., VOR; MEA 1,800.

Section 610.6278 *VOR civil airway 278* is amended to read in part:

From *Waterloo INT, Ark.; to **Hampton INT, Ark.; MEA ***5,000. *4,000—MRA. **5,000—MRA. ***1,400—MOCA.

Section 610.6280 *VOR civil airway 280* is amended to read in part:

From Pinon, N. Mex., VOR; to Dunken INT, N. Mex.; MEA 8,800.
From Dunken INT, N. Mex.; to *Hope INT, N. Mex.; MEA 8,500. *7,000—MCA Hope INT, southwestbound.
From Hope INT, N. Mex.; to Roswell, N. Mex., VOR; MEA 6,000.
From Gage, Okla., VOR; to *Aetna INT, Okla.; MEA 3,500. *18,200—MRA.

Section 610.6295 *VOR civil airway 295* is amended to read in part:

From Orlando, Fla., VOR; to *Bushnell INT, Fla.; MEA **2,000. *2,000—MRA. **1,700—MOCA.

Section 610.6426 *VOR civil airway 426* is amended to read in part:

From Gillespie INT, Ill.; to Nokomis INT, Ill.; MEA *4,000. *2,000—MOCA.

Section 610.6429 *VOR civil airway 429* is amended by adding:

From Decatur, Ill., VOR; to Champaign, Ill., VOR; MEA 2,100.
From Champaign, Ill., VOR; to Roberts, Ill., VOR; MEA 2,100.

Section 610.6433 *VOR civil airway 433* is added to read:

From New Castle, Del., VOR; to Yardley, Pa., VOR; MEA 2,400.
From Yardley, Pa., VOR; to Newark, N.J., ILS/LOM; MEA 1,500.

Section 610.6436 *VOR civil airway 436* is added to read:

From Kenai, Alaska, LFR; to Anchorage, Alaska, VOR; MEA 1,500.
From Anchorage, Alaska, VOR; to Beluga INT, Alaska; MEA 1,500.
From Beluga INT, Alaska; to Peters Creek INT, Alaska; MEA 2,500.

Section 610.6438 *VOR civil airway 438* is added to read:

From Skilak INT, Alaska; to Anchorage, Alaska, VOR; MEA 1,500.
From Anchorage, Alaska, VOR; to Willow INT, Alaska; MEA 1,500.
From Willow INT, Alaska; to Talkeetna, Alaska, LF/RBN; MEA 2,500.

Section 610.6440 *VOR civil airway 440* is added to read:

From Whittier INT, Alaska; to Anchorage, Alaska, VOR; MEA 9,000.

From Anchorage, Alaska, VOR; to Skwentna, Alaska, LFR; MEA 6,400.

Section 610.6614 *VOR civil airway 1514* is amended to read in part:

From Tonopah, Nev., VOR; to *Milford, Utah, VOR; MEA **#17,000. *10,000—MCA Milford VOR, westbound. *12,000—MCA Milford VOR, eastbound. **12,000—MOCA. #Continuous navigation signal coverage does not exist over the entire route segment below 20,000 feet.

Section 610.6614 *VOR civil airway 1514* is amended by adding:

From Hanksville, Utah, VOR; to Gunnison, Colo., VOR; MEA 16,000.

From Gunnison, Colo., VOR; to *Pueblo, Colo., VOR; MEA 16,000. *10,000—MCA Pueblo VOR, westbound.

Section 610.6616 *VOR civil airway 1516* is amended to delete:

From Farmington, N. Mex., VOR; to Horse Lake INT, N. Mex.; MEA 13,000.

From Horse Lake INT, N. Mex.; to Raton, N. Mex., VOR; MEA *17,000. *15,000—MOCA.

Section 610.6616 *VOR civil airway 1516* is amended by adding:

From Farmington, N. Mex., VOR; to *Alamosa, Colo., VOR; MEA 15,000. *14,000—MCA Alamosa VOR, eastbound.

From Alamosa, Colo., VOR; to *Ludlow INT, Colo., MEA 16,000. *15,000—MCA Ludlow INT, westbound.

From Ludlow INT., Colo.; to Tobe, Colo., VOR; MEA 12,000.

From Tobe, Colo., VOR; to Liberal, Kans., VOR; MEA *7,200. **5,500—MOCA.

From Liberal, Kans., VOR; to Englewood INT, Kans.; MEA 4,500.

From Englewood INT, Kans.; to *Aetna INT, Kans.; MEA **18,200. *18,200—MRA. **3,500—MOCA.

From Aetna, INT, Kans.; to Capron INT, Okla.; MEA *18,200. *3,500—MOCA.

Section 610.6620 *VOR civil airway 1520* is amended to delete:

From Pulaski, Va., VOR; to *Daleville INT, Va.; MEA 6,000. *6,000—MRA.

From Daleville INT, Va.; to Montebello, Va., VOR; MEA 6,000.

From Montebello, Va., VOR; to Gordonsville, Va., VOR; MEA 6,000.

Section 610.6620 *VOR civil airway 1520* is amended by adding:

From Pulaski, Va., VOR; to Hollins, Va., VOR; MEA 5,300.

From Hollins, Va., VOR; to Clifford INT, Va.; MEA 6,200.

From Clifford INT, Va.; to Gordonsville, Va., VOR; MEA 6,000.

Section 610.6622 *VOR civil airway 1522* is amended to read in part:

From *Waterloo INT, Ark.; to **Hampton INT, Ark.; MEA ***5,000. *4,000—MRA. **5,000—MRA. ***1,400—MOCA.

(Sec. 313(a) of the Federal Aviation Act of 1958, Act of August 23, 1958, 72 Stat. 752 (Pub. Law 85-726). Interpret or apply section 307; 72 Stat. 749-750)

Issued in Washington, D.C., January 19, 1959.

These rules shall become effective February 12, 1959.

E. R. QUESADA,
Administrator.

[F.R. Doc. 59-751; Filed, Jan. 29, 1959; 8:45 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6765]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Hunt-Marquardt, Inc., et al.

Subpart—*Discriminating in price under section 2, Clayton Act, as amended*—Price discrimination under 2(a): § 13.715 *Charges and price differentials; (Discriminating in price under section 2, Clayton Act, as amended)*—Knowingly inducing or receiving discriminating price under 2(f): § 13.850 *Inducing and receiving discriminations.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 2, 38 Stat. 730, as amended; 15 U.S.C. 13) [Cease and desist order, Hunt-Marquardt, Inc. (Boston, Mass.), et al., Docket 6765, December 23, 1958]

In the Matter of Hunt-Marquardt, Inc., a Corporation, George G. Mellor and Raymond W. Mellor, Co-partners Doing Business as Mellor's Auto Parts, Standard Auto Gear Co., a Corporation, The Tarbell-Watters Co., Inc., a Corporation, Auto Electric Service Co., a Corporation, Farrar-Brown Co., a Corporation, Christie & Thomson, Inc., a Corporation, Grinold Auto Parts, Inc., a Corporation, Horton-Gallo-Creamer Company, a Corporation, Hagar Hardware & Paint Co., Inc., a Corporation, Plattsburgh Motor Service, Inc., a Corporation, Detroit Supply Company, Inc., a Corporation, William T. Manning Co., Inc., a Corporation, Thorpe Automotive Co., a Corporation, Six-State Associates, a So-called Massachusetts Trust, and Alfred S. Hunt, Louis J. Roazen, Christian Olesen, Jr., Arthur C. Marquardt, H. Nelson Hartstone, Morris Roazen, David Roazen, Lucius H. Tarbell, John S. Leven, Clarence E. Trevor, James Pettigrew, Everett P. McAffee, Omar H. Amyot, Frank G. Congdon, Franz U. Burkett, Robert Thompson, William Christie, Abraham Hodes, Raymond W. Grinold, Cleo T. Grinold, Richard E. Ryder, James T. Fleming, Frank J. Whalen, George I. Hagar, Walter H. Church, Sr., Walter H. Church, Jr., Joseph S. Church, Samuel Weiss, Sidney R. Nathan, Jacob Weiss, Eugene J. Nathan, Sylvan Raab, William T. Manning, Sr., William T. Manning, Jr., Margaret C. Egan, Luke E. Thorpe, William H. Thorpe, John J. Thorpe, Vincent Thorpe, Individuals

This proceeding was heard by a hearing examiner on the complaint of the Commission charging 14 New York and New England jobbers of automotive replacement parts and their buying organization, which served merely as a bookkeeping device to exert their combined bargaining power, with violating section 2(f) of the Clayton Act by soliciting and accepting illegal price advantages from suppliers which were not available to respondents' competitors.

Based on a consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 23 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents Hunt-Marquardt, Inc., a corporation; George G. Mellor and Raymond W. Mellor, copartners doing business as Mellor's Auto Parts; Standard Auto Gear Co., a corporation; The Tarbell-Watters Co., Inc., a corporation; Auto Electric Service Co., a corporation; Farrar-Brown Co., a corporation; Christie & Thomson, Inc., a corporation; Grinold Auto Parts, Inc., a corporation; Horton-Gallo-Creamer Company, a corporation; Hagar Hardware & Paint Co., Inc., a corporation; Plattsburgh Motor Service, Inc., a corporation; Detroit Supply Company, Inc., a corporation; William T. Manning Co., Inc., a corporation; Thorpe Automotive Co., a corporation; Six-State Associates, a Massachusetts Trust; and following individuals: Alfred S. Hunt, Louis J. Roazen, Christian Olesen, Jr., H. Nelson Hartstone, Clarence E. Trevor, James Pettigrew, Everett P. McAffee, Abraham Hodes, Raymond W. Grinold, Cleo T. Grinold, Richard E. Ryder, George I. Hagar, Walter H. Church, Sr., Walter H. Church, Jr., Joseph S. Church, Samuel Weiss, Sidney R. Nathan, Jacob Weiss, Eugene J. Nathan, Sylvan Raab, William T. Manning, Sr., William T. Manning, Jr., Margaret C. Egan, Luke E. Thorpe, William H. Thorpe, John J. Thorpe, and Vincent Thorpe, their officers, agents, representatives and employees in connection with the offering to purchase or purchase of any automotive products or supplies in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from:

Knowingly inducing or knowingly receiving or accepting any discrimination in the price of such products and supplies, by directly or indirectly inducing, receiving, or accepting from any seller a net price known by respondents to be below the net price at which said products and supplies of like grade and quality are being sold by such seller to other customers, where the seller is competing with any other seller for respondents' business, or where respondents are competing with other customers of the seller.

For the purpose of determining "net price" under the terms of this order, there shall be taken into account discounts, rebates, allowances, deductions or other terms and conditions of sale by which net prices are effected.

It is further ordered, That the complaint be and it hereby is dismissed as to respondents Arthur C. Marquardt, Morris Roazen, Lucius H. Tarbell, John S. Leven, Omar H. Amyot, Frank G. Congdon, Frank J. Whalen, David Roazen, Franz U. Burkett, Robert Thompson, William Christie, and James T. Fleming.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That all of the respondents herein, except those as to whom the complaint has been dismissed, shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: December 23, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-793; Filed, Jan. 29, 1959; 8:46 a.m.]

[Docket 6896]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Atlas Rose Farms, Inc., et al.

Subpart—*Advertising falsely or misleadingly:* § 13.110 *Indorsements, approval, and testimonials;* § 13.175 *Quality of product or service;* § 13.235 *Source or origin:* Maker or seller, etc.; § 13.265 *Tests and investigations.* Subpart—*Misbranding or mislabeling:* § 13.1230 *Identity.* Subpart—*Misrepresenting oneself and goods*—Business status, advantages or connections: § 13.1530 *Producer status of dealer.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Atlas Rose Farms, Inc., et al., Brooklyn, N.Y., Docket 6896, December 18, 1958]

In the Matter of Atlas Rose Farms, Inc., a Corporation, and Lee Atlas, Elias Abolafia and Robert Abolafia, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging Brooklyn, N.Y., sellers of rose bushes which had been used in the commercial greenhouse production of cut flowers under forced growing conditions, with representing falsely in newspaper advertising and in statements on packages that their roses were strong first-grade plants, certified as vigorous and tested for proven merit by a State agency, and packed by one of America's leading nurseries; with representing falsely, through use of the word "Farms" in their corporate name that they grew the roses they sold; and with representing falsely, by labels attached to the individual rose bushes and packages containing them, that each rose was of a particular variety and that the bloom would be of the color specified.

After acceptance of an agreement for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 18 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That Respondent Atlas Rose Farms, Inc., a corporation, and its officers, and Respondents Lee Atlas and Elias Abolafia, individually and as officers of said corporation, and Respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of rose bushes which have been used in the commercial greenhouse production of cut flowers, do forthwith cease and desist from:

1. Representing, directly or by implication, that such rose bushes are:

(a) Strong, vigorous, or first-grade plants;

(b) Individually inspected or tested; or

(c) Packed by a nursery;

2. Misrepresenting the variety or color of the bloom;

3. Failing to tag or label such rose bushes so as to clearly and conspicuously disclose that such rose bushes had been previously used in the commercial greenhouse production of cut flowers, and to clearly and conspicuously set out in advertising and sales promotional matter relating to such rose bushes that they had been so used;

4. Failing to clearly and conspicuously reveal in the same manner and in close conjunction with the disclosure made pursuant to 3. that such rose bushes when planted outdoors will not thrive and blossom or that they will thrive and blossom only if given special treatment and attention, during and after their replanting, if such is the fact.

It is further ordered, That Respondent Atlas Rose Farms, Inc., a corporation, and its officers, and Respondents Lee Atlas and Elias Abolafia, individually and as officers of said corporation, and Respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of rose bushes or other nursery products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from using, in its corporate name, or in any other manner, the word "farm", or any word or words of like import and meaning, in connection with such products that have not been grown by them.

It is further ordered, That the complaint herein be dismissed as to Respondent Robert Abolafia.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents Atlas Rose Farms, Inc., a corporation, and Lee Atlas and Elias Abolafia, individually and as officers of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: December 18, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-787; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7108]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Frank Gurak

Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Fur Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1212 *Formal regulatory and statutory requirements:* Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Frank Gurak, Philadelphia, Pa., Docket 7108, December 19, 1958]

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a furrier in Philadelphia, Pa., with violating the Fur Products Labeling Act by failing to comply with the labeling and invoicing requirements.

After acceptance of an agreement containing a consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 19 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondent Frank Gurak, an individual trading as Frank Gurak, or under any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce of fur products, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Failing to affix labels to fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur, when such is the fact;

(c) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is the fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(e) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale, or trans-

ported or distributed it in commerce;

(f) The name of the country of origin of any imported furs used in the fur product;

(g) The item number or mark assigned to a fur product.

2. Setting forth on labels attached to fur products:

(a) Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form;

(b) The term "blended" as part of the information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe the pointing, bleaching, dyeing or tip-dyeing of furs;

(c) Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder mingled with nonrequired information;

(d) Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in handwriting.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur, when such is the fact;

(c) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(e) The name and address of the person issuing such invoice;

(f) The name of the country of origin of any imported fur contained in a fur product;

(g) The item number or mark assigned to a fur product.

2. Setting forth on invoices the name or names of any animal or animals other than the name or names provided for in Paragraph 5(b)(1) of the Fur Products Labeling Act.

C. Failing to set forth on invoices the information required under section 5(b)(1) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder concerning the new fur or used fur added to restyled, remodeled or repaired fur products.

By "Decision of the Commission," etc., report of compliance was required as follows:

It is ordered, That the respondent herein shall within sixty (60) days after service upon him of this order file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

Issued: December 19, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-790; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7217]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

South Village Mills, Inc., et al.

Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Wool Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1190 *Composition:* Wool Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* Wool Products Labeling Act. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1852 *Formal regulatory and statutory requirements:* Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1139; 15 U.S.C. 45, 68-68(c)) [Cease and desist order, South Village Mills, Inc., et al., Webster, Mass., Docket 7217, December 20, 1958]

In the Matter of South Village Mills, Inc., a Corporation; Edward Kunkel, Individually and as an Officer of Such Corporation, and Joseph Crowley, Individually and as General Manager of Such Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging manufacturers in Webster, Mass., with violating the Wool Products Labeling Act by tagging and invoicing as "100% Vicuna", woolen fabrics which did not contain vicuna or contained substantially less than said quantity, and by failing to label wool products as required by the Act.

After acceptance of an agreement for a consent order from corporate manufacturer and its president, the hearing examiner made his initial decision and order to cease and desist which became on December 20 the decision of the Commission. The matter is still pending as to the general manager of the corporate respondent.

The order to cease and desist is as follows:

It is ordered, That the respondents, South Village Mills, Inc., a corporation, and its officers and Edward Kunkel, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, of "wool products," as such products are defined in and subject to the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers contained or included therein;

2. Falsely or deceptively identifying such products as to the character or amount of the constituent fibers contained or included therein on sales invoices or shipping memoranda applicable thereto;

3. Failing to securely affix to or place on each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool product exclusive of ornamentation not exceeding five per centum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five per centum or more and (5) the aggregate of all other fibers;

(b) The maximum percentages of the total weight of such wool product of any nonfibrous loading, filling or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution or delivery for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939.

It is further ordered, That South Village Mills, Inc., a corporation, and Edward Kunkel, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of Vicuna products or materials or any other products or materials in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly: Misrepresenting the constituent fibers of which their products are composed or the percentages or amounts thereof in sales invoices, shipping memoranda or in any other manner.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondents South Village Mills, Inc., and Edward Kunkel, shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: December 19, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-792; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7118]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Keystone Manufacturing Co., Inc., et al.

Subpart—*Discriminating in price under section 2, Clayton Act, as amended*—Payment for services or facilities for processing or sale under 2(d): § 13.824 *Advertising expenses.* Subpart—*Discriminating in price under section 5, Federal Trade Commission Act:* § 13.892 *Knowingly inducing or receiving discriminating payments.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 2, 38 Stat. 730, as amended; sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 13, 45) [Cease and desist order, Associated Barr Stores, Inc. (Philadelphia, Pa.), et al., Docket 7118, December 18, 1958]

In the Matter of Keystone Manufacturing Company, Inc., and Keystone Camera Company, Inc., and Associated Barr Stores, Inc., and Myer B. Barr, as an Individual and as President of Associated Barr Stores, Inc.

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a Boston, Mass., manufacturer of home movie equipment, slide projectors, and related items, and its corporate sales agent, with violating section 2(d) of the Clayton Act by making payments for newspaper advertising furnished in connection with the sale of its products to a large Philadelphia jewelry chain which acted as buyer also for several affiliated stores, without making such allowances on proportionally equal terms to competitors of said buyers; and charging the jewelry chain with knowingly inducing and receiving such discriminatory advertising allowances in violation of the Federal Trade Commission Act.

Following acceptance of a consent order from the jewelry chain, the hearing examiner made his initial decision and order to cease and desist as to such buyers, which became on December 18 the decision of the Commission. The matter is still pending as to Keystone supplier respondents.

The order to cease and desist is as follows:

It is ordered, That Respondent Associated Barr Stores, Inc., a corporation, its officers, and Myer B. Barr, an individual, and their respective representatives, agents, and employees, directly or through any corporate or other device, in or in connection with the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of jewelry or other products, do forthwith cease and desist from:

Knowingly inducing, receiving, or contracting for the receipt of, the payment of anything of value from any supplier as compensation or in consideration for advertising or other services or facilities furnished by or through the corporate respondent, its affiliates, subsidiaries, or successors, in connection with the handling, offering for resale or resale by said corporate respondent, its affiliates, subsidiaries, or successors, of said products, when such payment or other consideration is not made available by such supplier on proportionally equal terms to all other customers competing with said corporate respondent, its affiliates, subsidiaries, or successors in the sale or distribution of such products.

By "Decision of the Commission As To Respondents Associated Barr Stores, Inc., and Myer B. Barr", report of compliance was required as follows:

It is ordered, That the respondents, Associated Barr Stores, Inc., a corporation, and Myer B. Barr, shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist contained in said initial decision.

Issued: December 18, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-788; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7218]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Perfect Wool Batting Co., Inc., et al.

Subpart—*Misbranding or mislabelings* § 13.1190 *Composition:* Wool Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* Wool Products Labeling Act. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1852 *Formal regulatory and statutory requirements:* Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2-5, 54 Stat. 1128-1130; 15 U.S.C. 45, 68-68(c)) [Cease and desist order, Perfect Wool Batting Co., Inc., et al., Bronx, N.Y., Docket 7218, December 18, 1958]

In the Matter of Perfect Wool Batting Co., Inc., a Corporation, Joseph Hersh, and William Newman, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging manufacturers in the Bronx, N.Y., with violating the Wool Products Labeling Act by tagging and invoicing as "95 Percent Reprocessed Wool, 5 Percent Other Fibers", "70 Percent Reprocessed Wool, 30 Percent Man Made Fibers", "80 Percent Reused Wool, 20 Percent Reused Unknown Fibers", etc., battings which contained substantially less than the stated quantities of woolen fibers; and by failing to comply with the labeling requirements of the act.

Based on an agreement containing a consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 18 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondents Perfect Wool Batting Co., Inc., a corporation, and its officers, and Joseph Hersh and William Newman, individually and as officers of said corporation, and respondents' representatives, agents or employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers included therein;

2. Failing to securely affix to or place on each such product a stamp, tag, label or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five per centum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five per centum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such wool product of any nonfibrous loading, filling, or adulterating matter;

(c) The name or the registered identification number of the manufacturer of such wool product or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution or delivery for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Perfect Wool Batting Co., Inc., a corporation, and its officers, and Joseph Hersh and William Newman, individually and as officers of said corporation, and respondents' representatives, agents or employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of battings, or any other wool products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the constituent fibers thereof on invoices or other shipping memoranda or in any other manner.

By "Decision of the Commission," etc., report of compliance was required as follows:

It is ordered, That respondents Perfect Wool Batting Co., Inc., a corporation, and its officers, and Joseph Hersh and William Newman, individually and as officers of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Com-

mission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: December 18, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-789; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7220]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Haber's Department Store, Inc., et al.

Subpart—*Invoicing products falsely:* § 13.1108 *Invoicing products falsely:* Fur Products Labeling Act. Subpart—*Misbranding or mislabeling:* § 13.1212 *Formal regulatory and statutory requirements:* Fur Products Labeling Act. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure:* § 13.1852 *Formal regulatory and statutory requirements:* Fur Products Labeling Act; § 13.1865 *Manufacture or preparation:* Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f [Cease and desist order, Haber's Department Store, Inc., et al., Tampa, Fla., Docket 7220, December 19, 1958]

In the Matter of Haber's Department Store, Inc., a Corporation, and Leon A. Haber, and Albert Haber, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging furriers in Tampa, Fla., with violating the Fur Products Labeling Act by failing to conform to the labeling and invoicing requirements, by advertising in newspapers which failed to disclose that fur products were artificially colored, and by failing to maintain adequate records as a basis for pricing claims.

After acceptance of an agreement for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 19 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That respondent Haber's Department Store, Inc., a corporation, and its officers, and respondents Leon A. Haber, and Albert Haber, as individuals and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, offering for sale, transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which are made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Failing to affix labels to fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur, when such is the fact;

(c) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is the fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(e) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

(f) The name of the country of origin of any imported furs used in the fur product;

(g) The item number or mark assigned to such product.

2. Using the term "blended" to describe the pointing, bleaching, dyeing or tip-dyeing of fur products.

3. Failing to set forth on labels attached to fur products all required information on one side of such labels.

4. Setting forth on labels attached to fur products:

(a) Information required under section 4(2) of the Fur Products Labeling Act, and the rules and regulations thereunder, in abbreviated form.

(b) Information required under section 4(2) of the Fur Products Labeling Act, and the rules and regulations thereunder, mingled with non-required information.

B. Falsely or deceptively invoicing fur products by:

1. Failure to furnish invoices to purchasers of fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations;

(b) That the fur product contains or is composed of used fur, when such is the fact;

(c) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is the fact;

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(e) The name and address of the person issuing such invoices;

(f) The name of the country of origin of any imported fur contained in a fur product;

C. Falsely or deceptively advertising fur products, through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which fails to disclose that the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is the fact.

D. Failing to maintain full and adequate records disclosing the facts upon which claims of price reductions and comparative pricing are made in their advertising as required by Rule 44(e).

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: December 19, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-791; Filed, Jan. 29, 1959; 8:45 a.m.]

[Docket 7266]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

B. Green & Co., Inc.

Subpart—*Advertising falsely or misleadingly:* § 13.135 *Nature:* Product or service: *Oleomargarine amendment to FTC Act.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; sec. 15, 64 Stat. 20-21; 15 U.S.C. 45, 55) [Cease and desist order, B. Green & Company, Inc., Baltimore, Md., Docket 7266, December 23, 1958]

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a distributor in Baltimore, Md., with violating the Oleomargarine Amendment to the Federal Trade Commission Act by listing "Del Farm" margarine in newspaper advertisements along with cheese, milk, eggs, and butter under such headings as "Dairy Products" and "Tablerite Dairy Values" and thereby representing that the oleomargarine was a dairy product.

After acceptance of an agreement containing consent order, the hearing examiner made his initial decision and order to cease and desist which became on December 23 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That the Respondent, B. Green & Company, Inc., a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of Del Farm Margarine, or any

other margarine or oleomargarine, whether sold under the same name or any other name, do forthwith cease and desist from, directly or indirectly:

1. Disseminating, or causing to be disseminated, by means of the United States mail or by any other means in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which contains any statement, word, grade designation, design, device, symbol, sound, or any combination thereof, which represents or suggests that said product is a dairy product;

2. Disseminating, or causing to be disseminated, by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said product, any advertisement which contains any of the representations prohibited in paragraph 1 of this order.

By "Decision of the Commission", etc., report of compliance was required as follows:

It is ordered, That respondent B. Green & Company, Inc., a corporation, shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

Issued: December 23, 1958.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 59-794; Filed, Jan. 29, 1959; 8:46 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 37—PREPAYMENT AND REFUNDS

Suspension of 5-Cent Charge for Unpaid and Short Paid Mail

The amendment to paragraph (b) of § 37.1 *Postage payment* by Federal Register document 58-5564 (23 F.R. 5480), and by Federal Register document 58-8122 (23 F.R. 7623) is hereby rescinded and such paragraph (b) is amended by adding at the end thereof the following: "Beginning August 1, 1958, and until further notice the 5-cent charge for unpaid and short paid mail provided by this paragraph is suspended. The charge for unpaid and short paid mail shall be the deficient postage only. This further suspension of the 5-cent charge for unpaid and short paid mail is for the purpose of study and the possible enactment of legislation by Congress."

(R.S. 161, as amended, 396, as amended, 3896, sec. 1, 72 Stat. 83; 5 U.S.C. 22, 369, 39 U.S.C. 271, 272a)

[SEAL] HERBERT B. WARBURTON, *General Counsel.*

The foregoing amendment is hereby adopted as the regulation of the Post Office Department, and is effective at once.

ARTHUR E. SUMMERFIELD, *Postmaster General.*

[F.R. Doc. 59-836; Filed, Jan. 28, 1958; 11:24 a.m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 1]

INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Change in Certain Cases From Retirement to Straight-Line Method of Computing Depreciation

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such a case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] DANA LATHAM, *Commissioner of Internal Revenue.*

PARAGRAPH 1. The following regulations are hereby prescribed under the Retirement-Straight Line Adjustment Act of 1958, which is contained in section 94 of the Technical Amendments Act of 1958, approved September 2, 1958:

Sec.

1.9001 Statutory provisions.
1.9001-1 Change from retirement to straight-line method of computing depreciation.
1.9001-2 Basis adjustments for periods beginning on or after 1956 adjustment date.
1.9001-3 Basis adjustments for period between changeover date and 1956 adjustment date.
1.9001-4 Adjustments required in computing excess-profits credit.

§ 1.9001 Statutory provisions.

Section 94 of the Technical Amendments Act of 1958 (72 Stat. 1669) provides as follows:

SEC. 94. *Change from retirement to straight-line method of computing depreciation in certain cases*—(a) *Short title.* This section may be cited as the "Retirement-Straight Line Adjustment Act of 1958".

(b) *Making of election.* Any taxpayer who held retirement-straight line property on his 1956 adjustment date may elect to have this section apply. Such an election shall be made at such time and in such manner as the Secretary shall prescribe. Any election under this section shall be irrevocable and shall apply to all retirement-straight line property as hereinafter provided in this section (including such property for periods when held by predecessors of the taxpayer).

(c) *Retirement-straight line property defined.* For purposes of this section, the term "retirement-straight line property" means any property of a kind or class with respect to which the taxpayer or a predecessor (under the terms and conditions prescribed for him by the Commissioner) for any taxable year beginning after December 31, 1940, and before January 1, 1956, changed from the retirement to the straight line method of computing the allowance of deductions for depreciation.

(d) *Basis adjustments as of 1956 adjustment date.* If the taxpayer has made an election under this section, then in determining the adjusted basis on his 1956 adjustment date of all retirement-straight line property held by the taxpayer, in lieu of the adjustments for depreciation provided in section 1016(a)(2) and (3) of the Internal Revenue Code of 1954, the following adjustments shall be made (effective as of his 1956 adjustment date) in respect of all periods before the 1956 adjustment date:

(1) *Depreciation sustained before March 1, 1913.* For depreciation sustained before March 1, 1913, on retirement-straight line property held by the taxpayer or a predecessor on such date for which cost was or is claimed as basis and which either—

(A) *Retired before changeover.* Was retired by the taxpayer or a predecessor before the changeover date, but only if (i) a deduction was allowed in computing net income by reason of such retirement, and (ii) such deduction was computed on the basis of cost without adjustment for depreciation sustained before March 1, 1913. In the case of any such property retired during any taxable year beginning after December 31, 1929, the adjustment under this subparagraph shall not exceed that portion of the amount attributable to depreciation sustained before March 1, 1913, which resulted (by reason of the deduction so allowed) in a reduction in taxes under the Internal Revenue Code of 1954 or prior income, war-profits, or excess-profits tax laws.

(B) *Held on changeover date.* Was held by the taxpayer or a predecessor on the changeover date. This subparagraph shall not apply to property to which paragraph (2) applies.

The adjustment determined under this paragraph shall be allocated (in the manner prescribed by the Secretary) among all retirement-straight line property held by the taxpayer on his 1956 adjustment date.

(2) *Property disposed of after changeover and before 1956 adjustment date.* For that portion of the reserve prescribed by the Commissioner in connection with the changeover which was applicable to property—

(A) Sold, or

(B) With respect to which a deduction was allowed for Federal income tax purposes by reason of casualty or "abnormal" retirement in the nature of special obsolescence,

if such sale occurred in, or such deduction was allowed for, a period on or after the changeover date and before the taxpayer's 1956 adjustment date.

(3) *Depreciation allowable from changeover to 1956 adjustment date.* For depreciation allowable, under the terms and conditions prescribed by the Commissioner in connection with the changeover, for all periods on and after the changeover date and before the taxpayer's 1956 adjustment date.

This subsection shall apply only with respect to taxable years beginning after December 31, 1955.

(e) *Effect on period from changeover to 1956 adjustment date.* If the taxpayer has made an election under this section, then in determining the adjusted basis of any retirement-straight line property as of any time on or after the changeover date and before the taxpayer's 1956 adjustment date, in lieu of the adjustments for depreciation provided in section 1016(a) (2) and (3) of the Internal Revenue Code of 1954 and the corresponding provisions of prior revenue laws, the following adjustments shall be made:

(1) *For prescribed reserve.* For the amount of the reserve prescribed by the Commissioner in connection with the changeover.

(2) *For allowable depreciation.* For the depreciation allowable under the terms and conditions prescribed by the Commissioner in connection with the changeover.

This subsection shall not apply in determining adjusted basis for purposes of section 437(c) of the Internal Revenue Code of 1939. This subsection shall apply only with respect to taxable years beginning on or after the changeover date and before the taxpayer's 1956 adjustment date.

(f) *Equity invested capital, etc.* If an election is made under this section, then (notwithstanding the terms and conditions prescribed by the Commissioner in connection with the changeover)—

(1) *Equity invested capital.* In determining equity invested capital under sections 458 and 718 of the Internal Revenue Code of 1939, accumulated earnings and profits as of the changeover date, and as of the beginning of each taxable year thereafter, shall be reduced by the depreciation sustained before March 1, 1913, as computed under subsection (d)(1)(B); and

(2) *Definition of equity capital.* In determining the adjusted basis of assets for the purpose of section 437(c) of the Internal Revenue Code of 1939 (and in addition to any other adjustments required by such Code), the basis shall be reduced by depreciation sustained before March 1, 1913 (as computed under subsection (d)), together with any depreciation allowable under subsection (e)(2) for any period before the year for which the excess profits credit is being computed.

(g) *Definitions.* For purposes of this section—

(1) *Depreciation.* The term "depreciation" means exhaustion, wear and tear, and obsolescence.

(2) *Changeover.* The term "changeover" means a change from the retirement to the straight line method of computing the allowance of deductions for depreciation.

(3) *Changeover date.* The term "changeover date" means the first day of the first taxable year for which the changeover was effective.

(4) *1956 adjustment date.* The term "1956 adjustment date" means, in the case of any taxpayer, the first day of his first taxable year beginning after December 31, 1955.

(5) *Predecessor.* The term "predecessor" means any person from whom property of a kind or class to which this section refers was acquired, if the basis of such property is determined by reference to its basis in the hands of such person. Where a series of transfers of property has occurred and where in each instance the basis of the property was determined by reference to its basis in the hands of the prior holder, the term includes each such prior holder.

(6) The term "Secretary" means the Secretary of the Treasury or his delegate.

(7) The term "Commissioner" means the Commissioner of Internal Revenue.

§ 1.9001–1 Change from retirement to straight-line method of computing depreciation.

(a) *In general.* The Retirement-Straight Line Adjustment Act of 1958 (which is contained in section 94 of the Technical Amendments Act of 1958, approved September 2, 1958) provides rules for certain adjustments to basis of property in the case of certain railroads which changed from the retirement to the straight-line method of computing the allowance of deductions for the depreciation of roadway assets hereinafter referred to and defined as retirement-straight line property. The adjustments are available to all eligible taxpayers who make an irrevocable election to have the provisions of the Retirement-Straight Line Adjustment Act of 1958, and the regulations thereunder, apply. This election shall be made at the time and in the manner prescribed by this section. If an election is made in accordance with this section, then the provisions of the Act and of §§ 1.9001 to 1.9001–4 shall apply. An election made in accordance with this section shall not be considered a change in accounting method for purposes of section 481 of the 1954 Code.

(b) *Making of election.* (1) Subsection (b) of the Act provides that any taxpayer who held retirement-straight line property on its 1956 adjustment date may elect to have the provisions of the Act apply. The election shall be irrevocable and shall apply to all retirement-straight line property, including such property for periods when held by predecessors of the taxpayer.

(2) An election may be made in accordance with the provisions of this section even though the taxpayer has, at the time of election, litigated some or all of the issues covered by the provisions of the Act and has received from the courts a determination which is less favorable to the taxpayer than the treatment provided by the Act. Once an election has been made in accordance with the provisions of this section, the taxpayer may not receive the benefit of more favorable treatment, as a result of litigation, than that provided by the Act on the issues involved.

(3) The election to have the provisions of the Act apply shall be made by filing a statement to that effect, within 30 days from the date on which §§ 1.9001 to 1.9001–4 are published in the FEDERAL REGISTER, with the district director for the internal revenue district in which the taxpayer's income tax return for its first taxable year beginning after December 31, 1955, was filed. A copy of such statement shall be filed with any amended return or claim for refund.

(c) *Definitions.* For purposes of the Act and §§ 1.9001 to 1.9001–4—

(1) *The Act.* The term "the Act" means the Retirement-Straight Line Adjustment Act of 1958, as contained in section 94 of the Technical Amendments Act of 1958.

(2) *Commissioner.* The term "Commissioner" means the Commissioner of Internal Revenue.

(3) *Retirement-straight line property.* The term "retirement-straight line property" means any and all property of a kind or class with respect to which the taxpayer (or a predecessor of the taxpayer) changed, pursuant to the terms and conditions prescribed for it by the Commissioner, from the retirement to the straight-line method of computing the allowance for any taxable year beginning after December 31, 1940, and before January 1, 1956, of deductions for depreciation.

(4) *Depreciation.* The term "depreciation" means exhaustion, wear and tear, and obsolescence.

(5) *Predecessor.* The term "predecessor" means any person from whom property of a kind or class to which the Act refers was acquired, if the basis of such property is determined by reference to its basis in the hands of such person. Where a series of transfers of such property has occurred and where in each instance the basis of the property was determined by reference to its basis in the hands of the prior holder, the term includes each such prior holder.

(6) *Changeover.* The term "changeover" means a change from the retirement to the straight-line method of computing the allowance of deductions for depreciation.

(7) *Changeover date.* The term "changeover date" means the first day of the first taxable year for which the changeover was effective.

(8) *1956 adjustment date.* The term "1956 adjustment date" means, in the case of any taxpayer, the first day of its first taxable year beginning after December 31, 1955.

(9) *Terms-letter.* The term "terms-letter" means the terms and conditions prescribed by the Commissioner in connection with the changeover.

(10) *Terms-letter reserve.* The term "terms-letter reserve" means the reserve for depreciation prescribed by the Commissioner in connection with the changeover.

(11) *Depreciation sustained before March 1, 1913.* The term "depreciation sustained before March 1, 1913" shall be

construed to mean, in every case where the Interstate Commerce Commission's valuation is used as cost for purposes of the Act, that portion of the reserve for depreciation established by such Commission as of the valuation date which is obtained by making such retroactive adjustments as will, in the opinion of the Commissioner of Internal Revenue, properly reflect the balance in such reserve at the beginning of March 1, 1913.

§ 1.9001–2 Basis adjustments for periods beginning on or after 1956 adjustment date.

(a) *In general.* Subsection (d) of the Act provides the basis adjustments required to be made by the taxpayer as of the 1956 adjustment date in respect of all periods before that date in order to determine the adjusted basis of all retirement-straight line property held by the taxpayer on that date. This adjusted basis on the 1956 adjustment date shall be used by the taxpayer for all purposes of the 1954 Code for any taxable year beginning after December 31, 1955. In order to arrive at the adjusted basis on the 1956 adjustment date, the taxpayer shall start with the unadjusted basis of all retirement-straight line property held by the taxpayer or a predecessor on the changeover date and (1) shall make the adjustments prescribed by this section and subsection (d) of the Act and (2) shall also make those adjustments required, in accordance with the method of accounting regularly used, for those additions, retirements, and other dispositions of property which occurred on or after the changeover date and before the taxpayer's 1956 adjustment date. For an illustration of adjustments required in accordance with the method of accounting regularly used, see paragraph (e)(3) of this section. The adjustments required by subsection (d) of the Act shall be made in lieu of the adjustments for depreciation otherwise required by section 1016(a) (2) and (3) of the 1954 Code. The adjustments required by subsection (d) of the Act are set forth in paragraphs (b), (c), and (d) of this section.

(b) *Adjustment for depreciation sustained before March 1, 1913*—(1) *In general.* Subsection (d)(1) of the Act requires an adjustment to be made as of the 1956 adjustment date for depreciation sustained before March 1, 1913, on all retirement-straight line property held by the taxpayer or a predecessor on March 1, 1913, for which cost was or is claimed as basis and which was either (i) retired before the changeover date by the taxpayer or a predecessor or (ii) held on the changeover date by the taxpayer or a predecessor. This adjustment for depreciation sustained before March 1, 1913, shall be made in accordance with the conditions and limitations described in subparagraphs (2) and (3) of this paragraph and shall be allocated, in the manner prescribed in subparagraph (4) of this paragraph, among all retirement-straight line property held by the taxpayer on its 1956 adjustment date. For purposes of this paragraph, the term "cost" when applied to the basis of property means the amount paid for such property or the value established by the Interstate Commerce Commission.

(2) *Depreciation sustained on property retired before the changeover date.* Pursuant to subsection (d)(1)(A) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for depreciation sustained before March 1, 1913, on all retirement-straight line property held by the taxpayer or a predecessor on March 1, 1913, for which cost was claimed as the basis and which was retired before the changeover date by the taxpayer or a predecessor, except that—

(i) The adjustment shall be made only if a deduction was allowed in computing net income by reason of the retirement and the deduction so allowed was computed on the basis of the cost of the property unadjusted for depreciation sustained before March 1, 1913, and

(ii) In the case of any such property retired during any taxable year beginning after December 31, 1929, the adjustment shall not exceed that portion of the amount attributable to depreciation sustained before March 1, 1913, which resulted, by reason of the deduction so allowed, in a reduction of taxes under the 1954 Code or under prior income, war-profits, or excess-profits tax laws.

(3) *Depreciation sustained on property held on the changeover date.* Pursuant to subsection (d)(1)(B) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for depreciation sustained before March 1, 1913, on all retirement-straight line property held by the taxpayer or a predecessor on March 1, 1913, for which cost was or is claimed as basis and which was held on the changeover date by the taxpayer or a predecessor. This subparagraph shall not apply, however, in the case of any such property which was disposed of on or after the changeover date and before the 1956 adjustment date by reason of sale, casualty, or abnormal retirement in the nature of special obsolescence. See paragraph (c) of this section.

(4) *Manner of allocating adjustment.* Pursuant to subsection (d)(1) of the Act, the amount of the adjustment required under this paragraph for depreciation sustained before March 1, 1913, which is attributable to a particular kind or class of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made with respect to such kind or class of property. If the adjustment required under this paragraph for depreciation sustained before March 1, 1913, is attributable to property of a particular kind or class no longer held by the taxpayer on its 1956 adjustment date, then the portion of such adjustment to be allocated to any retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be that amount which bears the same ratio to such adjustment as the unadjusted basis of such property bears to the entire unadjusted basis of all retirement-straight line property held by the taxpayer on its 1956 adjustment date.

(c) *Adjustment for portion of terms-letter reserve applicable to property disposed of on or after changeover date and before 1956 adjustment date.* Pursuant to subsection (d)(2) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for that portion of the terms-letter reserve which was applicable to any retirement-straight line property disposed of by sale, casualty, or abnormal retirement in the nature of special obsolescence, but only (1) if the sale occurred in, or a deduction by reason of such casualty or abnormal retirement was allowed for Federal income-tax purposes for, a taxable year beginning on or after the changeover date and ending before the taxpayer's 1956 adjustment date and (2) if, in computing the adjusted basis of the property for purposes of determining gain or loss from such sale, casualty, or abnormal retirement, the basis of the retirement-straight line property was not reduced by the portion of the terms-letter reserve applicable to such property. The adjustment required by this paragraph shall be allocated, in the manner prescribed in paragraph (b)(4) of this section, among all retirement-straight line property held by the taxpayer on its 1956 adjustment date.

(d) *Adjustment for depreciation allowable under the terms-letter for period between changeover date and 1956 adjustment date.* Pursuant to subsection (d)(3) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for the entire amount of depreciation allowable under the terms-letter for all taxable years beginning on or after the changeover date and ending before the taxpayer's 1956 adjustment date. This adjustment shall include all such depreciation allowable with respect to any retirement-straight line property which was disposed of on or after the changeover date and before the 1956 adjustment date.

(e) *Illustration of basis adjustments required for periods beginning on or after 1956 adjustment date.* The application of this section may be illustrated by the following example, which is based upon the assumption that multiple asset accounts are used:

Example. (1) Assume that on its changeover date, January 1, 1943, the taxpayer or its predecessor held retirement-straight line property with an unadjusted cost basis of $10,000. The terms-letter reserve established as of January 1, 1943, with respect to such property was $3,000. Depreciation sustained before March 1, 1913, on retirement-straight line property held by the taxpayer or its predecessor on March 1, 1913, for which cost was or is claimed as basis amounts to $800. Of this total depreciation sustained before March 1, 1913, $200 is attributable to retirement-straight line property retired before January 1, 1943, under circumstances requiring the adjustment under paragraph (b)(2) of this section, and $600 is attributable to retirement-straight line property held on January 1, 1943, by the taxpayer or its predecessor. On December 31, 1954, retirement-straight line property costing $1,500 was permanently retired under circumstances

giving rise to an abnormal retirement in the nature of special obsolescence. The terms-letter reserve applicable to this retired property was $450, of which $120 represents depreciation sustained before March 1, 1913. On December 31, 1954, retirement-straight line property costing $1,000 was also permanently retired under circumstances giving rise to a normal retirement. None of the property retired on December 31, 1954, had any market or salvage value on that date. Depreciation allowable under the terms-letter on retirement-straight line property for all taxable years beginning on or after January 1, 1943, and ending before January 1, 1956 (the taxpayer's 1956 adjustment date), amounts to $2,155, of which $135 is applicable to the property retired as an abnormal retirement and $850 is applicable to the property retired as a normal retirement. In computing taxable income for its calendar year 1954, the taxpayer accounted for the abnormal retirement by charging the depreciation reserve for only $135, thus taking an income tax deduction of $1,365, rather than $915. The deduction so taken was allowed for tax purposes.

(2) The reserve for depreciation as of January 1, 1956, contains a credit balance of $4,020, determined as follows but without regard to the Act:

(i) Credits to reserve:		
Terms-letter reserve as of January 1, 1943		$3,000
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1955		2,155
Balance		5,155
(ii) Charges to reserve:		
Depreciation applicable to property abnormally retired and allowed from January 1, 1943, to December 31, 1954	$135	
Adjustment for normal retirement	1,000	
		1,135
(iii) Balance as of January 1, 1956		4,020

(3) The adjusted basis on January 1, 1956, of the retirement-straight line property held by the taxpayer on that date is $5,350, determined as follows and in accordance with this section:

(i) Asset account:		
Unadjusted cost on January 1, 1943		$10,000
Less:		
Adjustment for abnormal retirement	$1,500	
Adjustment for normal retirement	1,000	
		2,500
Balance as of January 1, 1956		7,500
(ii) Credits to reserve for depreciation:		
Depreciation sustained before March 1, 1913, on—		
Property retired before January 1, 1943		200
Property held on January 1, 1943	$600	
Less portion of such depreciation sustained on property abnormally retired on December 31, 1954	120	
		480
(ii) Credits to reserve for depreciation—Continued		
Portion of terms-letter reserve applicable to abnormal retirement on December 31, 1954 (including $120 depreciation sustained before March 1, 1913)		$450
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1955		2,155
Total credits		3,285
(iii) Charges to reserve for depreciation:		
Depreciation applicable to property abnormally retired and allowed from January 1, 1943, to December 31, 1954		135
Adjustment for normal retirement		1,000
Total charges		1,135
(iv) Balance in reserve for depreciation:		
Total credits		3,285
Total charges		1,135
Balance as of January 1, 1956		2,150
(v) Adjusted basis of property:		
Balance in asset account		7,500
Balance in reserve for depreciation		2,150
Adjusted basis as of January 1, 1956		5,350

(4) The following adjustments to the reserve determined under subparagraph (2) of this paragraph may be made in order to arrive at the reserve determined under subparagraph (3) (iv) of this paragraph:

(i) Credit balance in reserve, as determined under subparagraph (2) of this paragraph		$4,020
(ii) Credit adjustments:		
Depreciation sustained before March 1, 1913, on—		
Property retired before January 1, 1943	$200	
Property held on January 1, 1943	480	
Portion of terms-letter reserve applicable to abnormal retirement on December 31, 1954	450	
		1,130
Balance		5,150
(iii) Debit adjustment:		
Terms-letter reserve as of January 1, 1943		3,000
(iv) Credit balance in reserve, as determined under subparagraph (3) (iv) of this paragraph		2,150

(5) The $5,350 adjusted basis as of January 1, 1956, of the retirement-straight line property held by the taxpayer on that date is to be recovered over the estimated remaining useful life of such property. For rules applicable to estimated remaining useful life and rate of depreciation in case of additions, retirements, or replacements in classified or composite accounts, see § 1.167(a)-7(d).

§ 1.9001-3 Basis adjustments for period between changeover date and 1956 adjustment date.

(a) *In general.* (1) Subsection (e) of the Act provides the adjustments required to be made in determining the adjusted basis of any retirement-straight line property as of any time on or after the changeover date and before the taxpayer's 1956 adjustment date. This adjusted basis shall be used for all purposes of the 1939 Code and the 1954 Code for taxable years beginning on or after the changeover date and before the taxpayer's 1956 adjustment date, except as provided in subparagraph (4) of this paragraph. The adjustments so required, which are set forth in paragraphs (b) and (c) of this section, shall not be used in determining the adjusted basis of property for taxable years beginning before the changeover date or on or after the taxpayer's 1956 adjustment date.

(2) In order to arrive at the adjusted basis as of any specific date occurring on or after the changeover date and before the 1956 adjustment date, the taxpayer shall start with the unadjusted basis of all retirement-straight line property held on the changeover date by the taxpayer or its predecessor and shall, as of that specific date, (i) make the adjustments prescribed by this section and subsection (e) of the Act and (ii) also make those adjustments required, in accordance with the method of accounting regularly used, for additions, retirements, and other dispositions of property. For an illustration of adjustments required in accordance with the method of accounting regularly used, see paragraph (d)(2) of this section.

(3) The adjustments required by subsection (e) of the Act shall be made in lieu of the adjustments for depreciation otherwise required by section 1016(a)(2) and (3) of the 1954 Code and by the corresponding provisions of prior revenue laws.

(4) Although this section, and subsection (e) of the Act, shall apply in determining the excess-profits tax, they shall not apply in determining adjusted basis for the purpose of computing equity capital for any day under section 437(c) (relating to the Excess Profits Tax Act of 1950) of the 1939 Code. For the adjustments to be made in computing equity capital under such section, see paragraph (c) of § 1.9001-4.

(b) *Adjustment for terms-letter reserve.* Pursuant to subsection (e)(1) of the Act, the basis of any retirement-straight line property shall be adjusted, as of any specific applicable date occurring on or after the changeover date and before the 1956 adjustment date, for the amount of the terms-letter reserve applicable to such property.

(c) *Adjustment for depreciation allowable under the terms-letter.* Pursuant to subsection (e)(2) of the Act, the basis of any retirement-straight line property shall be adjusted, as of any specific applicable date occurring on or after the changeover date and before the 1956 adjustment date, for depreciation applicable to such property and allowable under the terms-letter.

(d) *Illustration of basis adjustments required for period between changeover date and 1956 adjustment date.* The application of this section may be illustrated by the following example, which is based upon the assumption that multiple asset accounts are used:

Example. (1) The facts are assumed to be the same as those in the example under paragraph (e) of § 1.9001–2, except that the adjusted basis of retirement-straight line property is determined as of January 1, 1955, and the depreciation allowable under the terms-letter from the changeover date to December 31, 1954, is $2,100.

(2) The adjusted basis on January 1, 1955, of the retirement-straight line property held by the taxpayer on that date is $3,535, determined as follows and in accordance with this section:

(i) Asset accounts:		
Unadjusted cost on January 1, 1943		$10,000
Less:		
Adjustment for abnormal retirement	$1,500	
Adjustment for normal retirement	1,000	
		2,500
Balance as of January 1, 1955		7,500
(ii) Credits to reserve for depreciation:		
Entire terms-letter reserve as of January 1, 1943		3,000
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1954		2,100
Total credits		5,100
(iii) Charges to reserve for depreciation:		
Depreciation applicable to property abnormally retired and allowed from January 1, 1943, to December 31, 1954		$135
Adjustment for normal retirement		1,000
Total charges		1,135
(iv) Balance in reserve for depreciation:		
Total credits		5,100
Total charges		1,135
Balance as of January 1, 1955		3,965
(v) Adjusted basis of property:		
Balance in asset account		7,500
Balance in reserve for depreciation		3,965
Adjusted basis as of January 1955		3,535

§ 1.9001–4 Adjustments required in computing excess-profits credit.

(a) *In general.* Subsection (f) of the Act provides adjustments required to be made in computing the excess-profits credit for any taxable year under the Excess Profits Tax Act of 1940 or under the Excess Profits Tax Act of 1950. These adjustments are set forth in paragraphs (b) and (c) of this section, and they shall apply notwithstanding any provision of the terms-letter to the contrary.

(b) *Equity invested capital.* Pursuant to subsection (f)(1) of the Act, in computing equity invested capital for any day of any taxable year under section 458 (relating to the Excess Profits Tax Act of 1950) and section 718 (relating to the Excess Profits Tax Act of 1940) of the 1939 Code, the accumulated earnings and profits as of the changeover date, and as of the beginning of each taxable year thereafter, shall be reduced by the depreciation sustained before March 1, 1913, on retirement-straight line property held by the taxpayer or a predecessor on March 1, 1913, for which cost was claimed as basis and which was held on the changeover date by the taxpayer or a predecessor. This reduction of accumulated earnings and profits shall not be made, however, for depreciation sustained before March 1, 1913, on any such property which was held on the changeover date but was disposed of on or after the changeover date and before the 1956 adjustment date by reason of sale, casualty, or abnormal retirement in the nature of special obsolescence. The reduction required in accordance with this paragraph shall be made in lieu of the terms-letter reserve applicable to retirement-straight line property. For the computation of daily equity invested capital, see § 30.718–2 of Regulations 109, as amended (26 CFR, 1941 Supp., 30.718–2; 1943 Supp.); § 35.718–2 of Regulations 112 (26 CFR, 1943 Cum. Supp., 35.718–2); and § 40.458–4 of Regulations 130 (26 CFR (1939) 40.458–4).

(c) *Equity capital.* (1) Pursuant to subsection (f)(2) of the Act, in determining the adjusted basis of assets for the purpose of computing equity capital for any day under section 437(c) (relating to the Excess Profits Tax Act of 1950) of the 1939 Code, the basis of the assets which enter into the computation shall also be reduced by—

(i) Depreciation sustained before March 1, 1913, on all retirement-straight line property held by the taxpayer or a predecessor on March 1, 1913, for which cost was or is claimed as basis and which was—

(*a*) Retired before the changeover date by the taxpayer or a predecessor, or

(*b*) Held on the changeover date by the taxpayer or a predecessor but was not disposed of by any sale, casualty, or abnormal retirement in the nature of special obsolescence occurring on or after the changeover date and before the beginning of the day for which the equity capital is being determined, or

(*c*) Disposed of by sale, casualty, or abnormal retirement in the nature of special obsolescence, but only if the sale occurred in, or a deduction by reason of such casualty or abnormal retirement was allowed for Federal income-tax purposes for, a taxable year beginning on or after the changeover date and ending before the day for which the equity capital is being determined and if, in computing the adjusted basis of the property for purposes of determining gain or loss from such sale, casualty, or abnormal retirement, the basis of the retirement-straight line property was not reduced by the portion of the terms-letter reserve applicable to such property; and

(ii) All depreciation allowable under the terms-letter for all taxable years beginning on or after the changeover date and ending before the taxable year for which the excess-profits credit is being computed.

(2) The adjustment required to be made by subparagraph (1)(i)(*a*) of this paragraph as of the beginning of the day for which the equity capital is being determined shall be made in accordance with the conditions and limitation described in paragraph (b)(2) of § 1.9001–2.

(3) The adjustments for depreciation required by subsection (f)(2) of the Act shall be made in lieu of the adjustments for depreciation otherwise required by section 113(b)(1) (B) and (C) of the 1939 Code.

(4) For the determination of equity capital under section 437(c) of the 1939 Code, see § 40.437–5 of Regulations 130, as amended (26 CFR (1939) 40.437–5).

PAR. 2. Section 1.1016–1 of the Income Tax Regulations (26 CFR (1954) Part 1) is amended by adding the following sentence at the end thereof: "If an election has been made under the Retirement-Straight Line Adjustment Act of 1958, see § 1.9001–1 for special rules for determining adjusted basis in the case of a taxpayer who has changed from the retirement to the straight-line method of computing depreciation."

[F.R. Doc. 59–827; Filed, Jan. 29, 1959; 8:50 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 914]

NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Order Directing That a Referendum Be Conducted; Designation of Referendum Agents To Conduct Such Referendum; and Determination of Representative Period

Pursuant to the applicable provisions of Marketing Agreement No. 117, as amended, and Order No. 14, as amended (7 CFR Part 914) and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended, 7 U.S.C. 601 et seq.), it is hereby directed that a referendum be conducted among the growers who, during the period November 1, 1957, through October 31, 1958 (which period is hereby determined to be a representative period for the purposes of such referendum), were engaged, in the State of Arizona and that part of the State of California, south of the 37th Parallel, in the production of navel oranges for market to determine whether such growers favor continuation of the said amended marketing agreement and order. Warren C. Noland and Edmund J. Blaine, of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to perform, jointly, or severally, the following functions in connection with the referendum:

(a) Conduct said referendum in the manner herein prescribed:

(1) By giving opportunity for each of the aforesaid growers to cast his ballot, in the manner herein authorized, relative to the aforesaid continuance of the amended marketing agreement and order, on a copy of the appropriate ballot form. A cooperative association of such growers, bona fide engaged in marketing Navel oranges grown in the aforesaid production area or in rendering services for or advancing the interests of the growers of such Navel oranges, may vote for the growers who are members of, stockholders in, or under contract with, such cooperative association (such vote to be cast on a copy of the appropriate ballot form), and the vote of such cooperative association shall be considered as the vote of such growers.

(2) By determining the time of commencement and termination of the period of the referendum and by giving public notice, as prescribed in (a)(3) hereof, (i) of the time during which the referendum will be conducted, (ii) that any ballot may be cast by mail, and (iii) that all ballots so cast must be addressed to Warren C. Noland, Field Representative, Fruit and Vegetable Division, Agricultural Marketing Service, 1031 South Broadway, Room 1005, Los Angeles 15, California, and the time prior to which such ballots must be postmarked.

(3) By giving public notice (i) by utilizing available agencies of public information (without advertising expense), including both press and radio facilities in the State of Arizona and designated part of California; (ii) by mailing a notice thereof (including a copy of the appropriate ballot form) to each such cooperative association and to each grower whose name and address are known; and (iii) by such other means as said referendum agents or either of them may deem advisable.

(b) Upon receipt by Warren C. Noland of all ballots cast in accordance with the provisions hereof, he shall canvass the ballots and prepare and submit to the Secretary a detailed report covering the results of the referendum, the manner in which the referendum was conducted, the extent and kind of public notice given, and all other information pertinent to the full analysis of the referendum and its results; and shall forward such report, together with the ballots and other information and data, to the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C.

(c) Each referendum agent shall not refuse to accept a ballot submitted or cast; but should they, or either of them, deem that a ballot should be challenged for any reason, or if such ballot is challenged by any other person, said agent shall endorse above his signature, on the back of said ballot, a statement that such ballot was challenged, by whom challenged, and the reasons therefor; and the number of such challenged ballots shall be stated when they are forwarded as provided herein.

(d) All ballots shall be treated as confidential.

The Director of the Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, is hereby authorized to prescribe additional instructions, not inconsistent with the provisions hereof, to govern the procedure to be followed by the said referendum agents in conducting said referendum.

Copies of the text of the aforesaid amended marketing agreement and order may be examined in the Office of the Hearing Clerk, United States Department of Agriculture, Washington, D.C., and at the Western Marketing Field Office, Fruit and Vegetable Division, Agricultural Marketing Service, 1031 South Broadway, Room 1005, Los Angeles 15, California.

Ballots to be cast in the referendum may be obtained from either referendum agent hereunder.

Dated: January 27, 1959.

[SEAL] CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 59-821; Filed, Jan. 29, 1959; 8:49 a.m.]

[7 CFR Part 927]

MILK IN NEW YORK-NEW JERSEY MARKETING AREA

Classification and Accounting Rules and Regulations

SUPPLEMENTAL NOTICE OF PUBLIC MEETING FOR CONSIDERATION OF PROPOSED AMENDMENT

Pursuant to provisions of § 927.36 of the order, as amended (7 CFR, Part 927; 22 F.R. 4643), regulating the handling of milk in the New York-New Jersey marketing area, and of the Administrative Procedure Act (5 U.S.C. 1001 et seq.) notice was given on December 19, 1958, of a public meeting to be held on February 17, 1959, at 10 a.m., e.s.t., at the office of the Market Administrator, 205 East 42d Street, New York, New York, for consideration of proposed amendment to the rules and regulations heretofore issued (7 CFR § 927.101 et seq.) pursuant to said order. In addition to the proposals contained in said notice, the following proposals will also be considered at said public meeting:

1. By Dairymen's League Co-operative Association, Inc., Metropolitan Cooperative Milk Producers Bargaining Agency, Inc., and Mutual Federation of Independent Cooperatives, Inc.: A rule should be adopted for the classification of butterfat which is accounted for as leaving the plant in the form of modified skim milk (as proposed by Norman's Kill Farm Dairy Co., Inc.) which will insure the classification of the fluid equivalent of such butterfat in Class I-A by amendment to the definition of fluid milk products or other appropriate amendment.

2. By Dairymen's League Co-operative Association, Inc.: Consideration be given to the amendment of § 927.202(f) to permit a cooperative handler the same option to select classification that is presently provided a handler in regard to milk that is transferred from one pool plant to another.

3. By Murray Hammerman and Co.:

A. Amend § 927.154 by inserting paragraph (k) reading as follows:

(k) Cheeses with cream added, except those cheeses defined in §§ 927.119 and 927.120, 5.0 percent.

B. Amend § 927.163 by inserting "and cultured or flavored milk drinks" after the words "sour cream."

C. Amend § 927.231 by inserting in the line for "milk—40 quart can," in the "Unit" column, the following "(received from producers or shipped)."

4. By the Market Administrator:

A. Provide that, at the time of making an audit for any month, the Market Administrator shall reclassify closing inventories for such month into the class in which most butterfat is reported classified during the following month in the event that, in the Market Administrator's judgment based on the report for the following month, the inventories may not be able to be classified as originally reported.

B. Section 927.231 should be amended to eliminate the current reference to milk in 40 quart cans at 85 pounds.

C. Remove the present provision for one percent loss allowance for cream containing not less than 75 percent butterfat from § 927.154 and provide for two cream plant loss allowances in § 927.176, namely: The present loss allowance for cream of less than 75 percent butterfat, and a loss allowance of 3.5 percent for cream containing not less than 75 percent butterfat.

Issued at New York, New York, this 21st day of January 1959.

[SEAL] A. J. POLLARD,
Acting Market Administrator.

[F.R. Doc. 59-798; Filed, Jan. 29, 1959; 8:46 a.m.]

[7 CFR Part 944]

[Docket No. AO-105-A12]

HANDLING OF MILK IN QUAD CITIES MARKETING AREA

Decision With Respect to Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Rock Island, Illinois, on October 22, 1958, pursuant to notice thereof issued on September 30, 1958 (23 F.R. 7672).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on January 2, 1959 (24 F.R. 216) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto. No exceptions to said recommended decision were filed.

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

1. Modifying the qualifications for attaining pool plant status.

2. Prescribing conditions under which transfers and diversions may be classified as Class II.

3. The Class II price.

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

1. The means whereby a plant may qualify as a pool plant should be revised to give consideration to current marketing practices and conditions in the Quad Cities market.

As now provided in the order a supply plant may qualify as a pool plant during any month by shipping 35 percent of its receipts from Grade A dairy farms to distributing plants that are pool plants. By shipping 50 percent of its Grade A receipts during the period of September through November to distributing plants that are pool plants a supply plant may obtain pool plant status for the months of March through June.

It was proposed that milk moved in a tank truck from the farm of a producer-member of a cooperative association to a distributing plant that is a pool plant may, at the election of the cooperative, be considered as having been received at any designated supply plant. The purpose of this proposal is to make it easier, generally, for a supply plant to qualify as a pool plant, and, specifically, to obtain continuous designation of the supply plant at Mt. Carroll, Illinois, as a pool plant, irrespective of whether any milk was shipped from that plant to the marketing area during any month. This would, in effect, create a situation whereby the Mt. Carroll plant or any plant similarly situated would continuously participate in the marketwide pool without being required to ship any milk to the market, even in the months of lowest production. Producers claim that, except during the months of seasonally low production, it has been necessary to ship larger quantities of milk than were needed or desired in the market from the Mt. Caroll plant to pool plants in the marketing area to meet the order's shipping requirements for pool plant status. Although milk from the Mt. Carroll plant or from plants similarly situated is needed to insure an adequate supply of milk for the market during the months of seasonally low production, no purpose is accomplished under current marketing conditions in the Quad Cities market by requiring shipments from a supply plant to the marketing area during the months when such shipments are not needed.

September, October and November are the months of lowest production in relation to the Class I needs of the Quad Cities market. Historically, significantly more than half of the milk received from dairy farmers at the Mt. Carroll plant during these months has been shipped to pool plants in the marketing area. On this basis the Mt. Carroll plant has attained automatic pool plant status during the subsequent months of March through June. It may reasonably be expected that any plant shipping more than half of its receipts to the Quad Cities market during the 3 months of lowest production would be genuinely associated with the market and that the milk from such plant would be available to the market during any of the other months of the year. Accordingly, the best interests of the Quad Cities market, including more efficient marketing by the supply plants under the order, would be achieved by enabling a supply plant to attain pool plant status for the months of December through August by shipping 50 percent of its receipts from Grade A farmers to distributing plants that are pool plants during the preceding period of September through November.

A plant which is owned and operated by a cooperative association and which is located in the marketing area is now designated as a pool plant. A proposal made by a handler and unopposed at the hearing would delete this provision from the order.

Some ungraded milk is received at cooperative plants located in the marketing area. In addition Grade A milk from producers that is not needed by other handlers is moved to these plants for manufacturing purposes. When milk from producers that is customarily delivered to designated pool plants is not needed by such plants, it is delivered directly from the farms of such producers either to the plants operated by the cooperative associations or to nonpool plants. When such milk is moved to a nonpool plant on any day during the months of April through June and on not more than half of the days on which milk was delivered from the farm during any of the other months it is considered as having been received from producers at the plant to which it is customarily delivered.

No testimony was presented for retaining in the order the provision whereby a plant attains pool plant status solely on the basis of its being operated by a cooperative and being located in the marketing area. In fact, this provision is unjustified under present conditions in the Quad Cities market since it could result in uneconomic marketing practices at the expense of the whole market. The existence of a plant in the marketing area, irrespective of whether it represents any significant proportion of the producers on the market, seems insufficient identification for automatic participation in the market pool. In view of the above, the provision whereby a plant obtains pool plant status simply because it is owned and operated by a cooperative and located in the marketing area should be deleted from the order.

To insure that milk that is not needed in the market may be moved by cooperatives and other handlers for manufacturing purposes without causing producer milk regularly associated with the market to lose its status as such the diversion provision of the order should be modified by adding February and March to the months during which producer milk may be diverted for the entire month. This will provide a 5-month period—February through June—during which milk may be diverted from a pool plant to a nonpool any day during the month and retain producer milk status. During the other months of the year diversion of milk from the farms of producers to nonpool plants would be adequately facilitated by providing that milk diverted from such farms to a nonpool plant would be considered as producer milk for any number of days not in excess of the number of days that such milk was delivered to a pool plant during the same month.

When revised pool plant standards were incorporated in the order effective May 1, 1957, it was provided that a plant which was a pool plant in April 1957 could be designated a pool plant through June of that year. This provision, the purpose of which was to facilitate transition to the revised pool plant standards, does not now serve any purpose and should be deleted from the order.

2. Skim milk and butterfat should be classified as Class I if transferred or diverted in the form of a fluid milk product to nonpool plants located more than 300 miles from Rock Island. Fluid milk products transferred or diverted to a nonpool plant located not more than 300 miles from Rock Island should be classified as Class I unless certain conditions are met.

When skim milk or butterfat is transferred or diverted to a nonpool plant the market administrator is required to verify the utilization claimed by such nonpool handler. It may be expected that the market administrator is able to make verification within a reasonable "surplus disposal area" without incurring undue expenses. It would not, however, be administratively feasible or otherwise justifiable to have a surplus disposal area of unlimited expanse or to cover a geographical area which is larger than that within the 300 mile radius from the marketing area as provided herein.

Failing to provide for such a mileage limitation at this time might well make unreasonable demands on the market administrator in connection with the verification of occasional or irregular shipments to nonpool plants located beyond 300 miles from the marketing area. There are adequate facilities within 300 miles of Rock Island to handle seasonal and daily reserve supplies of producer milk. Accordingly, the order should provide that skim milk and butterfat shall be classified as Class I milk if transferred or diverted from a pool plant in the form of a fluid milk product to a nonpool plant located more than 300 miles by the shortest highway distance as determined by the market administrator from the Rock Island, Illinois, Post Office.

The order now provides that transfers of fluid milk products in bulk to nonpool plants may be assigned to any available Class II milk in the receiving nonpool plant. Thus, such transfers now have no priority in the assignment of available Class I milk at the nonpool plant even though they may have been used solely for Class I purposes. The present transfer provisions in this regard give inequitable consideration to the classifica-

tion of pooled milk that is moved to nonpool plants.

Before transfers or diversions (to nonpool plants located within 300 miles from Rock Island) may be classified as Class II milk, it should be ascertained that the fluid milk products disposed of from the receiving nonpool plant do not exceed the receipts of skim milk and butterfat in milk received during the month from Grade A dairy farms directly supplying such plant. However, if the fluid milk products disposed of from the receiving nonpool plant exceed the receipts of skim milk and butterfat from Grade A dairy farms regularly supplying such plant, the difference should be assigned to the fluid milk products transferred or diverted from a pool plant and classified as Class I milk. If the transfers and diversions to the nonpool plant during the month are from two or more plants subject to the provisions of this and other orders issued pursuant to the act, the skim milk and butterfat assigned to Class I milk at each such pool plant under the Quad Cities order should be not less than that obtained by prorating the assignable Class I milk at the nonpool plant over the receipts from all plants subject to the provisions of this and other orders issued pursuant to the Act.

The method herein recommended for classifying transfers and diversions from pool plants to nonpool plants accords equitable treatment to Quad Cities order handlers and gives appropriate recognition to handlers in other regulated markets in the classification of milk transferred to a common nonpool plant. Giving priority to the graded dairy farms directly supplying a nonpool plant recognizes that they are the regular and dependable source of supply of milk for fluid use at such plant. The proposed method of classification will safeguard the primary functions of the transfer provisions of the order by promoting orderly disposal of reserve supplies and in assuring that shipments to nonpool plants will be classified in an equitable manner.

3. The Class II price is now calculated by averaging the prices paid for ungraded milk by 6 local manufacturing plants from the 16th day of the preceding month through the 15th day of the current month. Payments to farmers at such plants for ungraded milk are made twice monthly. Under present conditions there is a lag of a half month in using the prices paid at these manufacturing plants in computing the Class II price. It is now possible to obtain these prices promptly enough so that the prices paid for both halves of the same month can be used in computing the Class II price for such month. Accordingly, provision should be made to effectuate this more practical procedure.

It was proposed that 3 plants (Kraft Foods at Toulon, Illinois, Quality Milk Association at Mt. Carroll, Illinois, and the Illinois-Iowa Milk Producers Association at Davenport, Iowa) be added to the list of plants whose pay prices are used in computing the Class II price. No testimony was presented regarding the pay prices at the 3 plants proposed to be added or of the availability of such prices in time for announcing the Class II price each month. Moreover, it was not shown that the present Class II price does not reflect the value of manufacturing milk locally or is otherwise inappropriate for the Quad Cities market. Accordingly, the proposal to use the pay prices at the 3 specified plants in the computation of the Class II price is denied.

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

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

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

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

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

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Quad Cities Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Quad Cities Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

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

Determination of representative period. The month of December 1958 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the Quad Cities marketing area is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Issued at Washington, D.C., this 27th day of January 1959.

[SEAL] CLARENCE L. MILLER,
Assistant Secretary.

Order[1] Amending the Order Regulating the Handling of Milk in the Quad Cities Marketing Area

§ 944.0 Findings and determinations.

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

(a) *Findings upon the basis of the hearing record.* Pursuant to provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Quad Cities marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

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

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

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

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Quad Cities marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as hereby amended, and the aforesaid order is hereby amended as follows:

1. Delete § 944.7 and substitute therefor the following:

§ 944.7 Producer.

"Producer" means any person, except a producer-handler, who produces milk in compliance with Grade A inspection requirements of a duly constituted health authority, which milk is received at a pool plant.

§ 944.10 [Amendment]

2. Delete the proviso in § 944.10(d) and substitute therefor the following: "*Provided*, That if such shipments are not less than 50 percent of the receipts of Grade A milk directly from dairy farmers at such plant during the immediately preceeding period of September through November, such plant shall be a pool plant for the months of December through August, unless written application is filed with the market administrator on or before the 1st day of any of the months of December through August to be designated a nonpool plant for such month and for each subsequent month through August."

3. Delete paragraphs (c) and (d) of § 944.10.

4. Delete § 944.12 and substitute therefor the following:

§ 944.12 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of one or more pool plants or in his capacity as the operator of a distributing plant that is not a pool plant, or

(b) Any cooperative association with respect to the milk from producers diverted by the association for the account of such association from a pool plant to a nonpool plant.

5. Delete § 944.14 and substitute therefor the following:

§ 944.14 Producer milk.

"Producer milk" means the skim milk and butterfat contained in milk received at a pool plant directly from producers: *Provided*, That milk diverted from a pool plant to a nonpool plant for the account of either the operator of the pool plant or a cooperative association shall be deemed to have been received by the diverting handler at the plant from which diverted: *And provided further*, That in any of the months of July through January milk diverted from the farm of a producer on more than the number of days that milk was delivered to a pool plant from such farm during the month shall not be deemed to have been received by the diverting handler at the plant from which diverted on such days.

§§ 944.30, 944.41 [Amendment]

6. In §§ 944.30(d) and 944.41(b) delete "§ 944.7" and substitute therefor "§ 944.14".

§ 944.44 [Amendment]

7. Delete § 944.44(c) and substitute therefor the following:

(c) As Class I milk if transferred or diverted in the form of a fluid milk product to a nonpool plant located more than 300 miles from the City Hall, Rock Island, Illinois, by the shortest highway distance as determined by the market administrator; and

(d) As Class I milk, if transferred or diverted in the form of a fluid milk product in bulk to a nonpool plant located not more than 300 miles from the City Hall, Rock Island, Illinois, by the shortest highway distance as determined by the market administrator, unless:

(1) The transferring or diverting handler claims classification in Class II milk in his report submitted to the market administrator pursuant to § 944.30 for the month within which such transaction occurred;

(2) The operator of such nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification; and

(3) The skim milk and butterfat in the fluid milk products (except in ungraded fluid milk products disposed of for manufacturing uses) disposed of from such nonpool plant do not exceed the receipts of skim milk and butterfat in milk received during the month directly from Grade A dairy farms that the market administrator determines constitute the regular source of supply for such plant: *Provided*, That any skim milk or butterfat in fluid milk products (except in ungraded fluid milk products disposed of for manufacturing uses) disposed of from the nonpool plant which is in excess of receipts from such dairy farms shall be assigned to the fluid milk products so transferred or diverted and classified as Class I milk: *And provided further*, That if the total skim milk and butterfat which were transferred or diverted during the month to such nonpool plant from all plants subject to the classification and pricing provisions of this part and other orders issued pursuant to the Act are more than the skim milk and butterfat available for assignment to Class I milk pursuant to the preceding proviso hereof, the skim milk and butterfat assigned to Class I milk at a pool plant shall be not less than that obtained by prorating the assignable Class I milk at the transferee plant over the receipts at such plant from all plants subject to the classification and pricing provisions of this and other orders issued pursuant to the Act.

§ 944.50 [Amendment]

8. Delete § 944.50(b) and substitute therefor the following:

(b) *Class II milk price.* The Class II milk price shall be the average of the basic or field prices reported to have been paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department:

Present Operator and Plant Location

Amboy Milk Products Co., Amboy, Ill.
Borden Co., Dixon, Ill.
Carnation Co., Morrison, Ill.
Carnation Co., Oregon, Ill.
Carnation Co., Waverly, Iowa.
United Milk Products Co., Argo Fay, Ill.

[F.R. Doc. 59-824; Filed, Jan. 29, 1959; 8:50 a.m.]

[7 CFR Part 953]

HANDLING OF LEMONS GROWN IN CALIFORNIA AND ARIZONA

Notice of Proposed Rule Making with Respect to Expenses and Fixing of Rate of Assessment for 1958-59 Fiscal Year

Consideration is being given to the following proposals submitted by the Lemon Administrative Committee, established pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953, 23 F.R. 9053), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), as the agency to administer the terms and provisions thereof: (1) That the Secretary of Agriculture find that expenses not to exceed $186,000 will be necessarily incurred during the fiscal year ending October 31, 1959, for the maintenance and functioning of the committee established under the aforesaid amended marketing agreement and order, and (2) that the Secretary of Agriculture fix, as the pro rata share of such expenses which each handler who first handles lemons shall pay in accordance with the aforesaid amended marketing agreement and order during the aforesaid fiscal year, the rate of assessment at one and one quarter cents ($0.0125) per carton of lemons, or an equivalent quantity of lemons, handled by him as the first handler thereof during said fiscal year.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposals should file the same with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Room 2077, South Building, Washington 25, D.C., not later than the close of business on the 10th day after the publication of this notice in the FEDERAL REGISTER. All documents should be filed in quadruplicate.

Terms used herein shall have the same meaning as when used in said amended marketing agreement and order.

Dated: January 27, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-820; Filed, Jan. 29, 1959; 8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 27]

CANNED FRUITS AND CANNED FRUIT JUICES; DEFINITIONS AND STANDARDS OF IDENTITY; QUALITY; AND FILL OF CONTAINER

Extension of Time for Filing Further Comments on Proposals To Establish Definitions and Standards of Identity for Certain Orange Juice Products

By notices published in the FEDERAL REGISTER of November 6, 1956 (21 F.R. 8511), and June 4, 1957 (22 F.R. 3893), all interested persons were invited to file comments on proposed definitions and standards of identity for orange juice products designated as follows:

Orange juice, fresh orange juice.
Stabilized orange juice, processed orange juice.
Reconstituted orange juice.
Canned orange juice.
Industrial orange juice, orange juice for processing.
Frozen concentrated orange juice.
Frozen sweetened concentrated orange juice.

Further comments were invited by notice published in the FEDERAL REGISTER of December 19, 1958 (23 F.R. 9784). The time allowed for filing such comments was fixed as 30 days from the date of publication.

The Commissioner of Food and Drugs has received requests from the National Association of Frozen Food Packers and others for an extension of time; and reasonable grounds therefor appearing: *It is ordered*, That the time for filing comments be extended to February 18, 1959.

This action is taken pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 701, 52 Stat. 1055, as amended, 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 371), and authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (23 F.R. 9500).

Dated: January 23, 1959.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 59-814; Filed, Jan. 29, 1959; 8:48 a.m.]

NOTICES

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Dept. Circ. 570, Rev. Apr. 20, 1943, 1959 Supp. 199]

NATIONAL GRANGE MUTUAL INSURANCE CO.

Surety Companies Acceptable on Federal Bonds; Change of Name

JANUARY 27, 1959.

Effective as of 12:01 a.m. January 1, 1959, National Grange Mutual Liability Company, Keene, New Hampshire, a New Hampshire corporation, formally changed its name to National Grange Mutual Insurance Company. A verified copy of an Affidavit of Amendment to the Charter changing the name of National Grange Mutual Liability Company to National Grange Mutual Insurance Company, which was approved by the Insurance Commissioner and the Assistant Attorney General of the State of New Hampshire and filed in the office of the Secretary of State of the State of New Hampshire on December 4, 1958, has been received and filed in the Treasury.

The change in name of National Grange Mutual Liability Company does not affect its status or liability with respect to any obligation in favor of the United States or in which the United States has an interest, which it may have undertaken pursuant to its authority under the Act of Congress approved July 30, 1947 (6 U.S.C. secs. 6-13), to qualify as sole surety on such obligations.

Hereafter the name of the company will appear as National Grange Mutual Insurance Company on Treasury Form No. 356, which shows a list of the companies authorized to act as acceptable sureties on bonds in favor of the United States.

[SEAL] JULIAN B. BAIRD,
Acting Secretary of the Treasury.

[F.R. Doc. 59-811; Filed, Jan. 29, 1959; 8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[Gallup Area Redelegation Order 2, Amdt. 8]

GENERAL SUPERINTENDENTS, SUPERINTENDENTS, AND OTHER DESIGNATED EMPLOYEES

Redelegation of Authority; Navajo Agency

Order No. 2, as amended (19 F.R. 8675, 20 F.R. 2894, 3941, 8780), (21 F.R. 5848, 6286, 22 F.R. 8829), is further amended as hereinafter indicated.

A new section is added to Part 5 under the heading, Functions Relating to Trade With Indians, to read as follows:

SEC. 5.170(b) *Permits for purchase of livestock and livestock products.* The issuance of permits to purchasers of livestock and livestock products pursuant to the provisions of 25 CFR Part 252.13, provided each such permit is limited to lands under the jurisdiction of the Subagency Superintendent issuing the permit.

Present sec. 5.170 *Peddlers' permits* will become sec. 5.170(a).

W. WADE HEAD,
Area Director.

Approved: January 23, 1959.

W. BARTON GREENWOOD,
Acting Commissioner.

[F.R. Doc. 59-795; Filed, Jan. 29, 1959; 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

RACELAND STOCK YARDS, INC., ET AL.

Proposed Posting of Stockyards

The Director of the Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202), and should be made subject to the provisions of the act.

Raceland Stock Yards, Inc., Raceland, La.
Big Pasture Auction Co., Grandfield, Okla.
Blue Stem Sales, Inc., Dewey, Okla.
Carnegie Auction Sale, Carnegie, Okla.
Cordell Auction, Cordell, Okla.
Covington Commission Sales Co., Covington, Okla.
Mt. View Community Sale, Mt. View, Okla.
Okmulgee Stockyards, Okmulgee, Okla.
Pauls Valley Livestock Sale, Pauls Valley, Okla.
Perkins "Y" Livestock Auction, Perkins, Okla.
Surber Auction Sale, Chickasha, Okla.
Temple Auction Sale, Temple, Okla.
Tonkawa Sales Co., Tonkawa, Okla.

Notice is hereby given, therefore, that the said Director, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), proposes to issue a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done at Washington, D.C., this 26th day of January 1959.

[SEAL] DAVID M. PETTUS,
Director, Livestock Division, Agricultural Marketing Service.

[F.R. Doc. 59-825; Filed, Jan. 29, 1959; 8:50 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. S-84]

UNITED STATES LINES CO.

Notice of Hearing

Notice is hereby given that a public hearing will be held under section 605(c) of the Merchant Marine Act, 1936, as amended with respect to United States Lines Company's application to carry westbound cargoes from French Channel ports and German North Sea ports on Trade Routes Nos. 7 and 9 to United States North Atlantic ports by its freight vessels operating on Trade Route No. 8.

The purpose of the hearing under section 605(c) of the Act is to receive evidence relevant to the following: (1) Whether the proposed operation hereinabove described is one with respect to a vessel or vessels to be operated on a service, route or line, served by citizens of the United States which would be in addition to the existing service or services, and, if so, whether the service already provided by vessels of United States registry in such service, route, or line is inadequate, and in the accomplishment of the purposes and policy of the Act, additional vessels should be operated thereon; (2) whether the proposed operation is one with respect to a vessel operated or to be operated in a service, route, or line served by two or more citizens of the United States with vessels of United States registry, and if so, whether the effect of such an agreement would be to give undue advantage or be unduly prejudicial, as between citizens of the United States, in the operation of vessels in competitive services, routes, or lines; and (3) whether it is necessary to enter into an agreement covering these operations in order to provide adequate service by vessels of United States registry.

The hearing will be before an Examiner, at a time and place to be announced, in accordance with the Federal Maritime Board's rules of practice and procedure and a recommended decision will be issued.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies) desiring to intervene in the proceeding, must file notification thereof with the Secretary, Federal Maritime Board, Washington 25, D.C., in writing in triplicate, by the close of business on February 11, 1959.

Dated: January 27, 1959.

By order of the Federal Maritime Board.

[SEAL] JAMES L. PIMPER,
Secretary.

[F.R. Doc. 59-818; Filed, Jan. 29, 1959; 8:48 a.m.]

COMMITTEE FOR RECIPROCITY INFORMATION

CONTRACTING PARTIES TO GENERAL AGREEMENT ON TARIFFS AND TRADE

Application of Quantitative Import Restrictions Imposed for Balance of Power Reasons

In the matter of consultations with certain contracting parties to the General Agreement on Tariffs and Trade regarding the application of quantitative import restrictions imposed for balance-of-payments reasons, under the provisions of Articles XII and XIV; submission of information to the Committee for Reciprocity Information regarding these consultations; closing dates for submission of written statements: March 2, 1959 for May consultations; April 1, 1959 for July consultations; and July 1, 1959 for October consultations.

It is the intention of the Contracting Parties to the General Agreement on Tariffs and Trade to enter into consultation with certain of the parties regarding their application of quantitative import restrictions imposed for balance-of-payments reasons, under Articles XII and XIV of said Agreement.

The consultations will be conducted separately with each consulting country during 1959 by a panel of thirteen countries, including the United States. The consulting countries and the expected timing of their consultations are as follows:

May

France.
Netherlands.
New Zealand.
United Kingdom.
Union of South Africa.

July

Austria.
Denmark.
Finland.
Ghana.
Malaya.

October

Australia.
Italy.
Japan.
Norway.
Rhodesia and Nyasaland.
Sweden.

During each consultation, the Contracting Parties will have the opportunity (1) to review the country's financial and economic situation and (2) in this context to discuss the possibilities for further relaxation of the level of its import restrictions, a lessening of the discriminatory application of these restrictions, and the moderation of particular policies and practices which are especially burdensome to the exporters of other countries adhering to the General Agreement.

American traders, business firms, labor organizations and other individuals or associations which have an interest in exporting to one or more of the consulting countries may, as a result of their own experience, wish to submit information relating to (2) above which will be useful to the United States Government during the course of the consultations.

The following list includes examples of the types of information that interested parties may wish to submit in response to this invitation:

1. Information indicating that discrimination in the treatment of goods available from the United States has resulted in unnecessary damage to the commerical or economic interest of the United States, its citizens or organizations;

2. Information indicating that not even minimum commercial quantities of imports of specific commodities from the United States are permitted, to the impairment of regular channels of trade;

3. Information indicating that trade is being restrained by complex or arbitrary licensing procedures, or lack of adequate information available to traders regarding import regulations;

4. Information indicating that reasonable access to a traditional foreign market has not been restored for a particular commodity, even though the country concerned has substantially relaxed its restrictions on imports in general;

5. Information indicating that the long-standing application of import restrictions by a country on a particular product has been accompanied by the growth of uneconomic output of that product within the country;

6. Information indicating discrimination in the treatment of goods available from the United States as compared with the treatment afforded similar goods from other countries with convertible currencies.

In order to permit adequate consideration of views and information, it is requested that all responses be submitted to the Committee for Reciprocity Information by March 2, 1959, regarding the countries consulting in May; by April 1, 1959, regarding the countries consulting in July; and by July 1, 1959, regarding the countries consulting in October. Information submitted to the Committee after these dates will be considered to the extent time permits.

All communications on this matter, in fifteen copies, should be addressed to: The Secretary, Committee for Reciprocity Information, Tariff Commission Building, Washington, D.C. Views may be submitted in confidence, if desired.

By direction of the Committee for Reciprocity Information this 29th day of January 1959.

EDWARD YARDLEY,
Executive Secretary, Committee for Reciprocity Information.

[F.R. Doc. 59-857; Filed, Jan. 29, 1959; 8:51 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-7359]

L. H. PUCKETT AND R. E. WERTZ

Order Reinstating Application and Issuing Notice of Application and Date of Hearing

JANUARY 23, 1959.

L. H. Puckett and R. E. Wertz, hereinafter referred to as Applicant, an independent producer with its principal place

of business in Amarillo, Texas, on December 1, 1954, filed an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale of natural gas from leasehold interests in the Hugoton Field, Hansford and Sherman Counties, Texas, to Phillips Petroleum Company (Phillips), subject to the jurisdiction of the Commission, all as more fully related in the application.

The application of Applicant in Docket No. G-7359 was rejected by order of the Commission issued May 9, 1956, for the reason that Applicant was not a signatory party to the sales contract dated December 5, 1945, between Stanolind Oil and Gas Company, now Pan American Petroleum Corporation, and Phillips. The order of rejection related to Docket No. G-7359, was entered In the Matters of R. E. Beamon, et al., Docket Nos. G-3062, et al.

Applicant by letter filed with the Commission on April 25, 1957, requested reconsideration of the prior rejection of its application in Docket No. G-7359 on the grounds that Applicant was a signatory party to the sales contract involved by reason of assignment.

The Commission finds: That it is in the public interest and necessary and appropriate to carry out the provisions of the Natural Gas Act that the portion of the order of the Commission issued May 9, 1956, In the Matters of R. E. Beamon, et al., Docket No. G-3062, et al., rejecting the application of Applicant in Docket No. G-7359 be vacated and that the application be reinstated and set for hearing as hereinafter ordered.

The Commission orders:

(A) The portion of the order of the Commission issued May 9, 1956, rejecting the application in Docket No. G-7359 be vacated and the subject application be and is hereby reinstated.

(B) 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 on February 19, 1959, at 9:30 a.m. (e.s.t.) in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c)(1) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before February 12, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-799; Filed, Jan. 29, 1959; 8:46 a.m.]

[Docket No. G-17593]

KERR-McGEE OIL INDUSTRIES, INC., ET AL.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Proposed Change in Rate To Become Effective

JANUARY 23, 1959.

Kerr-McGee Oil Industries, Inc. (Operator) et al. (Kerr-McGee), on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule[1] for the sale of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, dated December 19, 1958.

Purchaser: Southern Natural Gas Company.

Rate schedule designation: Supplement No. 12 to Kerr-McGee's FPC Gas Rate Schedule No. 19.

Effective date: January 24, 1959 (effective date is the first day after the expiration of the required thirty days' notice).

On January 6, 1959, Southern Natural Gas Company (Southern) advised the Commission that it does not agree with Kerr-McGee's interpretation of the tax reimbursement provision of Kerr-McGee's FPC Gas Rate Schedule No. 19. Kerr-McGee's filing reflects a tax reimbursement from Southern effective December 1, 1958, of 1.67 cents per Mcf; whereas, by Southern's interpretation of such rate schedule, the tax reimbursement should be 1.33 cents per Mcf.

The increased rate and charge has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 12 to Kerr-McGee's FPC Gas Rate Schedule No. 19 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Kerr-McGee be required to file an undertaking as hereinafter ordered and conditioned.

[1] The presently effective rate is subject to refund in Docket No. G-15668.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 12 to Kerr-McGee's FPC Gas Rate Schedule No. 19.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge and classification set forth in the above-designated supplement shall be effective on January 25, 1959: *Provided, however*, That within 20 days from the date of issuance of this order, Kerr-McGee shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Kerr-McGee shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Kerr-McGee until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one (1) copy), in writing and under oath, to the Commission monthly, or quarterly if Kerr-McGee so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Kerr-McGee shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Kerr-McGee Oil Industries, Inc. (Operator), et al., To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued _____, in Docket No. G-
(Date)
17593, Kerr-McGee Oil Industries, Inc. (Operator), et al. hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be exe-

cuted and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------. Attest:

KERR-McGEE OIL INDUSTRIES, INC.,
By ----------

As a further condition of this order, Kerr-McGee shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Kerr-McGee is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Kerr-McGee shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-800; Filed, Jan. 29, 1959; 8:46 a.m.]

[Docket No. G-17594]

TRICE PRODUCTION CO. ET AL.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Proposed Change in Rate To Become Effective

JANUARY, 22, 1959.

Trice Production Company (Operator) et al. (Trice) on December 23, 1958, tendered for filing a proposed change in its presently effective rate schedule [1] for the sale of natural gas, subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, dated December 17, 1958.

Purchaser: American Louisiana Pipe Line Company.

Rate schedule designation: Supplement No. 11 to Trice's FPC Gas Rate Schedule No. 4.

Effective date: January 23, 1959 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed increased rate, Trice has interpreted the tax provisions of the rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same reimbursement level that Respondent received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rate and charge has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 11 to Trice's FPC Gas Rate Schedule No. 4 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Trice be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 11 to Trice's FPC Gas Rate Schedule No. 4.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 24, 1959 and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge and classification set forth in the above-designated supplement shall be effective on January 24, 1959: *Provided, however,* That within 20 days from the date of this order, Trice shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Trice shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Trice until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one (1) copy), in writing and under oath, to the Commission monthly, or quarterly if Trice so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Trice shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Trice Production Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In conformity with the requirements of the order issued ----------, in Docket No. (Date)
G-17594, Trice Production Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------

By ----------

Attest:

As a further condition of this order, Trice shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Trice is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(G) Neither the supplements hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-801; Filed, Jan. 29, 1959; 8:46 a.m.]

[Docket No. G-17595]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rates, and Allowing Changed Rates To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Magnolia), on December 24, 1958, tendered for filing proposed changes in its presently effective rate schedules for sales of natural gas subject to the jurisdiction of

[1] Present rates are in effect subject to refund in Docket No. G-15770.

the Commission.[1] The proposed changes, which constitute increased rates and charges, are contained in the following designated filings:

Description: Notices of Change, undated.
Purchaser: United Fuel Gas Company.
Rate schedule designation: Supplement No. 8 to Magnolia's FPC Gas Rate Schedule No. 1. Supplement No. 7 to Magnolia's FPC Gas Rate Schedule No. 2. Supplement No. 2 to Magnolia's FPC Gas Rate Schedule No. 141.
Effective date: January 24, 1959 (effective date is the first day after the required thirty days' notice).

In support of the proposed increased rates and charges, Magnolia has interpreted the tax provisions of the aforementioned rate schedules to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same level (or more) than Magnolia received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rates and charges so proposed have not been shown to be justified and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rates be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in Supplement No. 8 to Magnolia's FPC Gas Rate Schedule No. 1, Supplement No. 7 to Magnolia's FPC Gas Rate Schedule No. 2, and Supplement No. 2 to Magnolia's FPC Gas Rate Schedule No. 141.

(B) Pending such hearing and decision thereon, said supplements be and they are each hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as they are made effective in the manner hereinafter prescribed.

(C) The rates, charges, and classifications set forth in the above-designated supplements shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one (1) copy), in writing and under oath, to the Commission monthly, or quarterly if Magnolia so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In conformity with the requirements of the order issued ----------, in Docket No. G-17595, Magnolia Petroleum Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------.
(Date)

MAGNOLIA PETROLEUM COMPANY,
By ----------
Attest:

As a further condition of this order, Magnolia shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

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

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR, 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-802; Filed, Jan. 29, 1959; 8:47 a.m.]

[1] Rates in effect subject to refund in Docket Nos. G-12193, G-13437, and G-15723.

[Docket No. G-17597]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Proposed Change in Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Magnolia), on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule for the sale of natural gas, subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Tensas Gas Gathering Corporation.
Rate schedule designation: Supplement No. 2 to Magnolia's FPC Gas Rate Schedule No. 142.
Effective date: January 24, 1959 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed increased rate, Magnolia has interpreted the tax provisions of the rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same reimbursement level that Magnolia received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rate and charge has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 2 to Magnolia's FPC Gas Rate Schedule No. 142 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 2 to Magnolia's FPC Gas Rate Schedule No. 142.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge and classification set forth in the above-designated supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of issuance of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one (1) copy), in writing and under oath, to the Commission monthly, or quarterly if Magnolia so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the difference in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued ----------, in Docket No. G-
(Date)
17597, Magnolia Petroleum Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------

MAGNOLIA PETROLEUM COMPANY,
By ----------
Attest:

As a further condition of this order, Magnolia shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-803; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17598]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Proposed Change in Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Magnolia), on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule for the sale of natural gas, subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Trunkline Gas Company.
Rate schedule designation: Supplement No. 3 to Magnolia's FPC Gas Rate Schedule No. 165.
Effective date: January 24, 1959 (stated effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed increased rate, Magnolia has interpreted the tax provisions of the rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same reimbursement level that Magnolia received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rate and charge has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 3 to Magnolia's FPC Gas Rate Schedule No. 165 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 3 to Magnolia's FPC Gas Rate Schedule No. 165.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge and classification set forth in the above-designated supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of issuance of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one (1) copy), in writing and under oath, to the Commission monthly, or quarterly if Magnolia so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to

become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued _____, in Docket No. G-
(Date)
17598, Magnolia Petroleum Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this _____ day of _____.

MAGNOLIA PETROLEUM COMPANY,
By _____
Attest:
_____

As a further condition of this order, Magnolia shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37 (f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-804; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17600]

UNION OIL AND GAS CORPORATION OF LOUISIANA

Order for Hearing, Suspending Proposed Change in Rates, and Allowing Changed Rates To Become Effective

JANUARY 23, 1959.

Union Oil and Gas Corporation of Louisiana (Union) on December 24, 1958, tendered for filing proposed changes in its presently effective rate schedules [1] for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filings:

Description: Notices of Change, dated December 24, 1958.

Purchaser: Texas Gas Transmission Corporation.

Rate schedule designation: Supplement No. 9 to Union's FPC Gas Rate Schedule No. 2. Supplement No. 9 to Union's FPC Gas Rate Schedule No. 3.

Effective date: January 24, 1959 (effective date is the first day after the required thirty days' notice).

In support of the proposed increased rates and charges, Union has interpreted the tax provisions of the aforementioned rate schedules to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same level that Union received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rates and charges so proposed have not been shown to be justified and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that the above-designated supplements be suspended and the use deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rates be made effective as hereinafter provided and that Union be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in Supplement No. 9 to Union's FPC Gas Rate Schedule No. 2 and Supplement No. 9 to Union's FPC Gas Rate Schedule No. 3.

(B) Pending the hearing and decison thereon, the supplements are hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as they are made effective in the manner hereinafter prescribed.

(C) The rates, charges, and classifications set forth in the above-designated supplements shall be effective on January 25, 1959; *Provided, however,* That within 20 days from the date of this order, Union shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Union shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Union until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one copy), in writing and under oath, to the Commission monthly, or quarterly if Union so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Union shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Union Oil and Gas Corporation of Louisiana To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In conformity with the requirements of the order issued _____, in Docket No.
(Date)
G-17600, Union Oil and Gas Corporation of Louisiana hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this _____ day of _____.

UNION OIL AND GAS CORPORATION OF LOUISIANA,
By _____
Attest:
_____

As a further condition of this order Union shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedules involved. Unless Union is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Union shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

[1] Rates in effect subject to refund in Docket Nos. G-15833, G-11563, and G-16023.

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

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-805; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17601]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rates, and Allowing Changed Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Magnolia) on December 24, 1958, tendered for filing proposed changes in its presently effective rate schedules[1] for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Transcontinental Gas Pipe Line Corporation.
Rate schedule designation: Supplement No. 23 to Magnolia's FPC Gas Rate Schedule No. 16.
Effective date: January 24, 1959 (effective date is the first day after the required thirty days' notice).

In support of the proposed increased rate and charge, Magnolia has interpreted the tax provisions of the aforementioned rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same level that Magnolia received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The increased rate and charge so proposed has not been shown to be justified and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rate and charge contained in Supplement No. 23 to Magnolia's FPC Gas Rate Schedule No. 16.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge, and classification set forth in the above-designated supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of this order Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rates found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the increased rates or charges allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one copy), in writing and under oath, to the Commission monthly, or quarterly if Magnolia so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the increased rates allowed by this order become effective, and under the rates allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance hereof, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Changes

In conformity with the requirements of the order issued ----------, (Date) in Docket No. G-17601, Magnolia Petroleum Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------.

MAGNOLIA PETROLEUM COMPANY,
By ----------
Attest:

As a further condition of this order Magnolia shall file with said agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended, nor the rate schedule sought to be altered thereby, shall be changed until this proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR, 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-806; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17628]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Changed Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Magnolia) on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule[1] for sales of natural gas subject to the jurisdiction of the Commission. The proposed change is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Arkansas Louisiana Gas Company.
Rate schedule designation: Supplement No. 4 to Magnolia Petroleum Company's FPC Gas Rate Schedule No. 169.
Effective date: January 24, 1959 (effective date is the first day following statutory notice).

In support of the proposed rate and charge, Magnolia has interpreted the

[1] Rates in effect subject to refund in Docket Nos. G-15723 and G-12201.

[1] Rate and charge set out in Supplement No. 3 to Magnolia's FPC Gas Rate Schedule No. 169 is currently in effect subject to refund in Docket No. G-16855.

tax provisions of the aforementioned rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same reimbursement level that Magnolia received for the Louisiana gathering tax. Although the rate schedule is sufficiently ambiguous to obtain other than that effect, Magnolia gives no explicit explanation for its interpretation of the contract provisions, but merely the contract provisions.

The changed rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed change, and that the above-designated supplement be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly, sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed rate and charge contained in Supplement No. 4 to Magnolia's FPC Gas Rate Schedule No. 169.

(B) Pending such hearing and decision thereon, said supplement be and it is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge and classification set forth in the above-designated supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rate found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the changed rate or charge allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one copy), in writing and under oath, to the Commission monthly, or quarterly if Magnolia so elects, for each billing period, and for each purchaser, the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed under the rates in effect immediately prior to the date upon which the changed rate allowed by this order becomes effective, and under the rate allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As a condition of this order, within 20 days from the date of issuance thereof, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, signed by a responsible officer of the corporation, evidenced by proper authority from the board of directors, and accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved, as follows:

Agreement and Undertaking of Magnolia Petroleum Company To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued ----------, in Docket No. G-
(Date)
17628, Magnolia Petroleum Company hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this ------ day of ----------.

By ----------

Attest:

Secretary

Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested state commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-807; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17612]

MAGNOLIA PETROLEUM CO. ET AL.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Changed Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Operator) et al. (Magnolia) on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule [1] for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Trunkline Gas Company.
Rate schedule designation: Supplement No. 12 to Magnolia's FPC Gas Rate Schedule No. 41.
Effective date: January 24, 1959 (effective date is the first day after expiration of the required thirty days' notice).

In view of the controversial interpretation of the tax reimbursement clause of Magnolia's basic contract, it is deemed appropriate that a public hearing be held to determine the proper interpretation of the tax provisions. The purchaser, Trunkline Gas Company, has made a blanket protest of all of its supplier's severance tax changes based on the possibility of questionable interpretation.

The changed rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 12 to Magnolia's FPC Gas Rate Schedule No. 41 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed rate and charge contained in Supplement No. 12 to Magnolia's FPC Gas Rate Schedule No. 41.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until

[1] Present rate previously suspended and is now in effect subject to refund in Docket No. G-16591 (also subject to order in Docket Nos. G-15755 and G-14068).

January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge, and classification set forth in the supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rate found by the Commission in this proceeding not justified, together with interest thereon at the rate of 6 percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the changed rate and charge allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one copy) in writing and under oath to the Commission monthly (or quarterly if Magnolia so elects) for each billing period and for each purchaser the billing determinants of natural gas sales to such purchasers and the revenues resulting therefrom, as computed both under the rate in effect immediately prior to the date upon which the changed rate allowed by this order becomes effective, and under the rate allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As provided in paragraph (C), within 20 days from the date of issuance of this order, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company (Operator), et al., To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued ----------, 1959, in Docket No. (Date)
G-17612, Magnolia Petroleum Company (Operator) et al., hereby agree and undertake to comply with the terms and conditions of paragraph (D) of said order, and have caused this agreement and undertaking to be executed and sealed in their name by the officers of the Magnolia Petroleum Company, thereupon duly authorized in accordance with the terms of the resolution of Magnolia's board of directors, a certified copy of which is appended hereto, this ---------- day of ----------, 1959.

By ----------

Attest:

This agreement and undertaking of Magnolia Petroleum Company (Operator) et al., shall be signed by a responsible officer of Magnolia and evidenced by proper authority from Magnolia's board of directors. Magnolia shall file with the agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of paragraph (D) of this order make the refund as may be required by order of the Commission, the undertaking shall be discharged; otherwise, it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-808; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. G-17596]

MAGNOLIA PETROLEUM CO.

Order for Hearing, Suspending Proposed Change in Rate, and Allowing Changed Rate To Become Effective

JANUARY 23, 1959.

Magnolia Petroleum Company (Operator) (Magnolia) on December 24, 1958, tendered for filing a proposed change in its presently effective rate schedule for the sale of natural gas, subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description: Notice of Change, undated.
Purchaser: Trunkline Gas Company.
Rate schedule designation: Supplement No. 10 to Magnolia's FPC Gas Rate Schedule No. 46.
Effective date: January 24, 1959 (effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed rate and charge, Magnolia has interpreted the tax provision of the aforementioned rate schedule to the effect that the tax reimbursement for the increase in the Louisiana severance tax will be at the same reimbursement level that Magnolia received for the Louisiana gathering tax. This interpretation appears to be questionable and should be determined after hearing.

The changed rate and charge so proposed has not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the proposed change, and that Supplement No. 10 to Magnolia's FPC Gas Rate Schedule No. 46 be suspended and the use thereof deferred as hereinafter ordered.

(2) It is necessary and proper in the public interest in carrying out the provisions of the Natural Gas Act that the proposed rate be made effective as hereinafter provided and that Magnolia be required to file an undertaking as hereinafter ordered and conditioned.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing shall be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed rate and charge contained in Supplement No. 10 to Magnolia's FPC Gas Rate Schedule No. 46.

(B) Pending the hearing and decision thereon, the supplement is hereby suspended and the use thereof deferred until January 25, 1959, and thereafter until such further time as it is made effective in the manner hereinafter prescribed.

(C) The rate, charge, and classification set forth in the supplement shall be effective on January 25, 1959: *Provided, however,* That within 20 days from the date of this order, Magnolia shall execute and file with the Secretary of the Commission the agreement and undertaking described in paragraph (E) below.

(D) Magnolia shall refund at such times and in such amounts to the persons entitled thereto, and in such manner as may be required by final order of the Commission, the portion of the increased rate found by the Commission in this proceeding not justified, together with interest thereon at the rate of six percent per annum from the date of payment to Magnolia until refunded; shall bear all costs of any such refunding; shall keep accurate accounts in detail of all amounts received by reason of the changed rate and charge allowed by this order to become effective, for each billing period, specifying by whom and in whose behalf such amounts were paid; and shall report (original and one copy) in writing and under oath, to the Commission monthly (or quarterly if Magnolia so elects) for each billing period and for each purchaser the billing determinants of natural gas sales to such purchaser and the revenues resulting therefrom, as computed both under the rate in effect immediately prior to the date upon which the changed rate allowed by this order becomes effective, and under the rate allowed by this order to become effective, together with the differences in the revenues so computed.

(E) As provided in Paragraph (C), within 20 days from the date of issuance of this order, Magnolia shall execute and file in triplicate with the Secretary of this Commission its written agreement and undertaking to comply with the terms of Paragraph (D) hereof, as follows:

Agreement and Undertaking of Magnolia Petroleum Company (Operator) To Comply With the Terms and Conditions of Paragraph (D) of Federal Power Commission's Order Making Effective Proposed Rate Change

In conformity with the requirements of the order issued _____, in Docket No. G-
(Date)
17396, Magnolia Petroleum Company (Operator) hereby agrees and undertakes to comply with the terms and conditions of paragraph (D) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officers, thereupon duly authorized in accordance with the terms of the resolution of its board of directors, a certified copy of which is appended hereto this _____ day of _____.

MAGNOLIA PETROLEUM COMPANY,
By _____

Attest:
_____

As a further condition of this order, Magnolia shall file with the agreement and undertaking a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless Magnolia is advised to the contrary within 15 days after the date of filing such agreement and undertaking, the agreement and undertaking shall be deemed to have been accepted.

(F) If Magnolia shall, in conformity with the terms and conditions of Paragraph (D) of this order, make the refunds as may be required by order of the Commission, the undertaking shall be discharged; otherwise it shall remain in full force and effect.

(G) Neither the supplement hereby suspended nor the rate schedule sought to be altered thereby shall be changed until the proceeding has been disposed of or until the period of suspension has expired, unless otherwise ordered by the Commission.

(H) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-809; Filed, Jan. 29, 1959; 8:47 a.m.]

[Docket No. E-6860]

PACIFIC POWER & LIGHT CO.

Notice of Application

JANUARY 26, 1959.

Take notice that on January 21, 1959, an application was filed with the Federal Power Commission pursuant to section 204 of the Federal Power Act by Pacific Power & Light Company ("Applicant"), a corporation organized under the laws of the State of Maine and doing business in the States of Oregon, Washington, Wyoming, Montana and Idaho, with its principal business office at Portland, Oregon, seeking an order authorizing the issuance of 207,852 shares of its $6.50 par value Common Stock. The aforesaid Common Stock will be offered initially on a pro rata basis to holders of Applicant's presently issued and outstanding Common Stock. Present stockholders will be granted the right to subscribe for one share of additional Common Stock for each 20 shares now held. The price of the additional shares is to be determined by Applicant's Board of Directors shortly before the proposed offering date at an appropriate discount. Each present shareholder will receive a transferable subscription warrant expressed in terms of rights which will have a life of not less than twenty days. Where the number of rights evidenced by a warrant is not evenly divisible by 20 or is less than 20, then the holder will be entitled to subscribe for one full share with the number of rights which exceeds a multiple of 20 or is less than 20. Applicant will not accept subscriptions for fractional shares. Any shares of the additional Common Stock not subscribed for by warrant holders pursuant to the aforesaid subscription offer will be sold by Applicant to underwriters at the same price at which the shares are to be sold to Applicant's stockholders. The underwriters' compensation for commitments to purchase any unsubscribed shares is to be fixed by competitive bidding. Applicant states that the proceeds from the sale of the additional Common Stock are to be used in carrying forward its 1959 construction program.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 15th day of February 1959, file with the Federal Power Commission, Washington 25, D.C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-810; Filed, Jan. 29, 1959; 8:48 a.m.]

GENERAL SERVICES ADMINISTRATION

[Delegation of Authority 360]

ADMINISTRATOR; SMALL BUSINESS ADMINISTRATION

Negotiation of Contracts for Supplies and Services in Connection With Small Business Administration Programs

1. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, herein called "the act," authority is hereby delegated to the Administrator of the Small Business Administration to negotiate, without advertising, under sections 302(c)(4), (5), and (11) of the act, contracts for supplies and services relating to authorized programs of the Small Business Administration, other than administrative programs.

2. This authority shall be exercised in accordance with applicable limitations and requirements of the act, particularly sections 304, 305, and 307, and in accordance with policies, procedures and controls prescribed by the General Services Administration.

3. Subject to the provisions of 2 above, the authority herein delegated may be redelegated to any official or employee of the Small Business Administration.

4. This delegation shall be effective as of January 1, 1959, and shall continue through December 31, 1959.

FRANKLIN FLOETE,
Administrator.

JANUARY 26, 1959.

[F.R. Doc. 59-812; Filed, Jan. 29, 1959; 8:48 a.m.]

[Delegation of Authority No. 309, Revocation]

ADMINISTRATOR; SMALL BUSINESS ADMINISTRATION

Negotiation of a Contract for Supplies and Services in Connection With Small Business Administration Research Programs

JANUARY 26, 1959.

1. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, Delegation of Authority No. 309, dated October 21, 1957, is hereby revoked, effective December 31, 1958.

FRANKLIN FLOETE,
Administrator.

[F.R. Doc. 59-813; Filed, Jan. 29, 1959; 8:48 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

LEARNER EMPLOYMENT CERTIFICATES

Issuance to Various Industries

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.), the regulations on employment of learners (29 CFR Part 522), and Administrative Order No. 485 (23 F.R. 200) and Administrative Order No. 507 (23 F.R. 2720), 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, learning periods, and the principal product manufactured by the employer for certificates issued under general learner regulations (§§ 522.1 to 522.11) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.20 to 522.24, 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.

Calloway Manufacturing Co., Second and Poplar Streets, Murray, Ky.; effective 1–21–59 to 1–20–60 (men's work trousers).

Cambria Dress Manufacturing Co., Inc., Walter and Johnson Streets, Nanty-Glo, Pa.; effective 1–31–59 to 1–30–60 (women's dresses).

Campus Shirt Co., 130 East South Street, Barnesville, Ohio; effective 1–23–59 to 1–22–60 (men's and boys' sport shirts).

City Shirt Co., 19–21 West Vine Street, Mahanoy City, Pa.; effective 2–1–59 to 1–31–60 (men's sport, dress and uniform shirts).

Colshire Manufacturing Co., Inc., Morgantown, W. Va.; effective 2–1–59 to 1–31–60 (men's pajamas).

Cowden Manufacturing Co., Stanford, Ky.; effective 1–19–59 to 1–18–60 (men's, boys', ladies' and girls' dungarees).

Hebron Pants Factory, Hebron, Md.; effective 2–4–59 to 2–3–60 (men's work pants).

Herrin Apparel Co., 712 East Monroe Street, Herrin, Ill.; effective 1–14–59 to 1–13–60 (women's and misses' dresses).

Huggins Garment Co., Donalds, S.C.; effective 1–29–59 to 1–28–60 (men's sport and utility shirts).

Huggins Garment Co., Inc., Due West, S.C.; effective 1–26–59 to 1–25–60 (men's sport and utility shirts).

F. Jacobson & Sons, Inc., Jay and River Streets, Troy, N.Y.; effective 1–16–59 to 1–15–60 (men's shirts).

Jayson-York, Inc., East Street and Pennsylvania Avenue, York, Pa.; effective 1–12–59 to 1–11–60 (men's sport shirts).

W. Koury Co., Inc., 633 Chatham Street, Sanford, N.C.; effective 1–16–59 to 1–15–60 (men's and boys' pants, shirts, both work and sport).

Luzerne Outerwear Manufacturing Corp., 87–93 North Canal Street, Shickshinny, Pa.; effective 1–15–59 to 1–14–60 (men's and boys' outerwear).

Samsons Manufacturing Co., 501 East Caswell Street, Kinston, N.C.; effective 1–22–59 to 1–21–60 (men's sport and dress shirts).

The Solomon Co., Leeds, Ala.; effective 1–16–59 to 1–15–60 (men's and boys' dress trousers, walking shorts).

Twin Cities Manufacturing Co., Inc., White Hall, Ill.; effective 1–16–59 to 1–15–60 (women's dresses and sportswear).

Twin City Manufacturing Co., Twin City, Ga.; effective 1–24–59 to 1–23–60 (men's dress and sport shirts).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Harry Block, Inc., 808 Washington Ave., Saint Louis, Mo.; effective 1–16–59 to 1–15–60; 10 learners. Learners may not be employed at special minimum wage rates in the production of separate skirts (ladies' sportswear).

Donlin Sportswear, Inc., New Tazewell, Tenn.; effective 1–17–59 to 1–16–60; 10 learners (men's sport shirts).

Linda Lane Garment Co., Inc., 106 W. Bluff St., 204 N. Main St., Excelsior Springs, Mo.; effective 1–14–59 to 1–13–60; 10 learners (nurses' and maids' uniforms).

L. Lawson & Sons, Inc., 123 East Diaz Avenue, Nesquehoning, Pa.; effective 1–16–59 to 1–15–60; 10 learners (children's dresses).

Savada Brothers, Inc., Wheat Road, Vineland, N.J.; effective 1–14–59 to 1–13–60; 10 learners (boys' sport shirts).

Theresa Dress Co., Inc., 219 Pine St., Old Forge, Pa.; effective 1–13–59 to 1–12–60; 5 learners (children's apparel).

Willards Shirt Co., Willards, Md.; effective 1–29–59 to 1–28–60; 10 learners (men's work shirts).

* * * * *

Ross Garment Co., Inc., 2030 Pennsylvania Avenue, Hagerstown, Md.; effective 1–12–59 to 7–11–59; 15 learners for plant expansion purposes (ladies' dresses).

Cigar Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.80 to 522.85, as amended).

Bayuk Cigars, Inc., Morgan Street, Selma, Ala.; effective 1–15–59 to 7–14–59; 80 learners for plant expansion purposes.

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.40 to 522.43, as amended).

Belmont Hosiery Mills, Inc., Belmont, N.C.; effective 2–1–59 to 1–31–60; 5 percent of the total number of factory production workers for normal labor turnover purposes (seamless).

Belmont Knitting Co., Belmont, N.C.; effective 1–30–59 to 1–29–60; 5 percent of the total number of factory production workers for normal labor turnover purposes (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.11 as amended, and 29 CFR 522.30 to 522.35, as amended).

Monroe Crafters, Inc., Monroe, N.C.; effective 1–22–59 to 1–21–60; 5 percent of the total number of factory production workers for normal labor turnover purposes (knit underwear, shirts).

Wonderknit Corp., East Virginia Street, Galax, Va.; effective 1–19–59 to 7–18–59; 10 learners for plant expansion purposes (knit shirts, pajamas).

Shoe Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.50 to 522.55, as amended).

Billig Shoe Co., Inc., Main Street, Peckville, Pa.; effective 1–14–59 to 1–13–60; 10 percent of the total number of factory production workers for normal labor turnover purposes (women's California casual shoes).

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.11, as amended).

The following learner certificates were issued in Puerto Rico and the Virgin Islands to the companies hereinafter named. The effective and expiration dates, learner rates, occupations, learning periods, and the number or proportion of learners authorized to be employed, are as indicated.

Becton, Dickinson, Inc. of Puerto Rico, Juncos, P.R.; effective 12–15–58 to 12–14–59; 5 learners for normal labor turnover purposes in the occupations of: shakedown and rack for point, run through for point, point and unrack, chart and second machine test, wax, scale, numbers, names and serials, blot and dip bulbs, etch and clean, paint and polish, inspect engraving, rack for certify, run through for certify, and certify; each 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 (clinical thermometers).

Jaress Corp., Rio Piedras, P.R.; effective 12–26–58 to 12–25–59; 5 learners for normal labor turnover purposes in the occupations of: quality control inspectors, soft soldering, silver brazing, metal stamping, drilling and shearing; each for a learning period of 480 hours at the rates of 75 cents an hour for the first 240 hours and 88 cents an hour for the remaining 240 hours (components for aircraft engines).

Tobacco Products Manufacturing Corp. of Puerto Rico, Caguas, P.R.; effective 12–26–58 to 6–25–59; 50 learners for plant expansion purposes, in the occupation of sorters for a learning period of 240 hours at the rate of 60 cents an hour, and sizers for a learning period of 240 hours at the rate of 60 cents an hour (tobacco products).

Vimar Corp., 69 Krondprindsens Gade, Charlotte Amalie, St. Thomas, V.I.; effective 12–29–58 to 5–25–59; 25 learners for plant expansion purposes in the occupation of shoe lace pairers for a learning period of 360 hours, at rates of 45 cents an hour for the first 240 hours and 50 cents an hour for the remaining 120 hours (replacement certificate) (shoe lace pairers).

Each learner certificate has been issued upon the representations of the employer which, among other things, were that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in Part 528 of Title 29 of the Code of Federal Regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of 29 CFR 522.9.

Signed at Washington, D.C., this 23d day of January 1959.

MILTON BROOKE,
Authorized Representative of the Administrator.

[F.R. Doc. 59–817; Filed, Jan. 29, 1959; 8:48 a.m.]