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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

[1956 C. C. C. Grain Price Support Bulletin 1, Supp. 3, Barley]

PART 421—GRAINS AND RELATED COMMODITIES

SUBPART—1956-CROP BARLEY RESEAL LOAN PROGRAM

A reseal loan program has been announced for 1956-crop barley. The 1956 C. C. C. Grain Price Support Bulletin 1 (21 F. R. 3997), issued by the Commodity Credit Corporation and containing the general requirements with respect to price support operations for grains and related commodities produced in 1956 supplemented by Supplements 1 and 2, Barley (21 F. R. 4004, 4785, 6745 and 7931), containing the specific requirements for the 1956 crop barley price support program, is hereby further supplemented as follows:

- Sec.
- 421.1686 Applicable selections of 1956 C. C. C. Grain Price Support Bulletin 1, and Supplements 1 and 2, Barley.
- 421.1687 Availability.
- 421.1688 Eligible producer.
- 421.1689 Eligible barley.
- 421.1690 Approved storage.
- 421.1691 Approved forms.
- 421.1692 Quantity eligible for resealing.
- 421.1693 Additional service charges.
- 421.1694 Transfer of producer's equity.
- 421.1695 Storage and track-loading payments.
- 421.1696 Maturity and satisfaction.
- 421.1697 Support rates.

AUTHORITY: §§ 421.1686 to 421.1697 issued under sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. 714b. Interprets or applies sec. 5, 62 Stat. 1072, sec. 401, 63 Stat. 1054, sec. 308, 70 Stat. 206; 15 U. S. C. 714; 7 U. S. C. 1421, 1442.

§ 421.1686 *Applicable sections of 1956 C. C. C. Grain Price Support Bulletin 1 and Supplements 1 and 2, Barley.* The following sections of the 1956 C. C. C. Grain Price Support Bulletin 1, as amended, and Supplements 1 and 2, Barley, published in 21 F. R. 3997, 4004,

4785, 6745 and 7931 shall be applicable to the 1956 Barley Reseal Loan Program: § 421.1601 *Administration*; § 421.1608 *Liens*; § 421.1610 *Set-offs*; § 421.1611 *Interest rate*; § 421.1613 *Safeguarding the commodity*; § 421.1614 *Insurance on farm-storage loans*; § 421.1615 *Loss or damage to the commodity*; § 421.1616 *Personal liability of the producer*; § 421.1617 *Release of the commodity under loan*; § 421.1620 *Foreclosure*; § 421.1680 *Determination of quantity*; § 421.1681 *Determination of quality*. Other sections of the 1956 C. C. C. Grain Price Support Bulletin 1, as amended, and Supplements 1 and 2, Barley, shall be applicable to the extent indicated in this subpart.

§ 421.1687 *Availability*—(a) *Area and scope.* The reseal program will be available in areas in the following States where ASC State Committees determine that there may be a shortage of storage space, that the barley can be safely stored on farms for the period of the reseal loan and that it will be advantageous to producers and CCC to permit producers to obtain reseal loans: Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin and Wyoming. This program provides, under certain circumstances for the extension of 1956-crop farm-storage loans and the making of farm-storage loans on 1956-crop barley covered by purchase agreements. Neither warehouse-storage loans nor purchase agreements will be available to producers under this program.

(b) *Time.* (1) The producer who desires to participate in the reseal loan program must file an application for a farm-storage resale loan with the county committee.

(2) In the case of a farm-storage loan, the producer will be required to apply for extension of his loan before the final date for delivery specified in the delivery instructions issued to him by the county committee.

(3) The producer who signed a purchase agreement on farm-stored barley is required, under the 1956 Barley Price Support Program to notify the county

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CFR SUPPLEMENTS

(As of January 1, 1957)

The following Supplement is now available:

Title 8 (\$0.55)

Previously announced: Title 3, 1956 Supp. (\$0.40); Titles 4 and 5 (\$1.00); Title 7, Parts 1-209 (\$1.75), Parts 900-959 (\$0.50), Part 960 to end (\$1.25); Title 9 (\$0.70); Titles 10-13 (\$1.00); Title 17 (\$0.60); Title 18 (\$0.50); Title 20 (\$1.00); Title 21 (\$0.50); Titles 22 and 23 (\$1.00); Title 24 (\$1.00); Title 26, Parts 1-79 (\$0.35), Parts 80-169 (\$0.50), Parts 170-182 (\$0.35), Parts 183-299 (\$0.30), Part 300 to end, Ch. I, and Title 27 (\$1.00); Title 32, Parts 700-799 (\$0.50), Part 1100 to end (\$0.50); Title 39 (\$0.50); Title 49, Parts 1-70 (\$0.65), Parts 91-164 (\$0.60), Part 165 to end (\$0.70)

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

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committee not later than April 30, 1957, in the case of barley stored in any of the States listed in paragraph (a) of this section if he intends to sell the barley to CCC. If the producer has notified the county committee, on or before April 30, 1957, of his intention to sell the barley to CCC or to participate in this program, he may obtain a farm-storage loan on the barley. The loan documents must be executed by the producer on or before the final date for delivery specified in the delivery instructions, or on or before June 30, 1957, if the producer has not requested or received delivery instructions. Disbursement of the loan proceeds will be made to producers by ASC county offices by means of sight drafts drawn on CCC within 15 days after execution of the loan documents. The drawing of a draft shall constitute disbursement. Disbursement shall not be made unless the barley is in existence and in good condition. If the barley was not in existence and in good condition at the time of disbursement, the total amount disbursed under the loan shall be promptly refunded by the producer. In the event the amount disbursed exceeds the amount authorized under this subpart, the producer shall be personally liable for repayment of the amount of such excess.

(c) *Source.* A producer desiring to participate in the resale loan program should make application to the county committee which approved his loan or purchase agreement. Disbursements of the proceeds of loans completed on barley covered by purchase agreements shall be made to producers by ASC county offices by means of sight drafts drawn on CCC. Any farm-storage loans to be resold and held by approved lending agencies shall be purchased and transferred to county office custody on or before the maturity date for the loan as provided in § 421.1682.

§ 421.1688 *Eligible producer.* An eligible producer shall be an individual, partnership, association, corporation, estate, trust, or other business enterprise, or legal entity, and wherever applicable, a State, political subdivision of a State, or any agency thereof, producing barley in 1956 as landowner, landlord, tenant, or sharecropper, who either completed a farm-storage loan or signed a purchase agreement covering barley of the 1956-crop.

§ 421.1689 *Eligible barley*—(a) *Requirements of eligibility.* The barley must meet the requirements set forth in § 421.1678 (a), (b), and (c).

(b) *Inspection*—(1) *Extended farm-storage loans.* If a producer makes application to extend his farm-storage loan, the commodity loan inspector shall, with the producer, reinspect the barley and the farm-storage structure in which the barley is stored. If recommended by either the commodity loan inspector or the producer, a sample of the barley shall be taken and submitted for grade analysis.

(2) *Barley covered by purchase agreement.* If a producer makes application for a farm-storage loan on barley covered by a purchase agreement, the commodity loan inspector shall inspect the

barley and storage structure, obtain a sample if the barley and structure appear eligible, and proceed in the regular manner for the inspection of a commodity to be placed under loan.

§ 421.1690 *Approved storage.* Barley covered by any loans extended and any new loans completed must be stored in structures which meet the requirements for farm-storage loans as provided in § 421.1606 (a). Consent for storage for any loans extended or new loans completed must be obtained by the producer for the period ending June 30, 1958, if the structure is owned or controlled by someone other than the producer, or if the lease expires prior to June 30, 1958.

§ 421.1691 *Approved forms.* (a) The approved forms, which together with the provisions of this subpart govern the rights and responsibilities of the producer, shall consist of a Producer's Note and Supplemental Loan Agreement, secured by a Commodity Chattel Mortgage and such other forms and documents as may be prescribed by CCC. Notes and chattel mortgages must have State and documentary revenue stamps affixed thereto where required by law. Loan documents executed by an administrator, executor or trustee will be acceptable only where legally valid.

(b) Where required by State law, a new producer's note and chattel mortgage shall be completed when a farm-storage loan is extended.

§ 421.1692 *Quantity eligible for resale.* (a) The quantity of barley eligible for resale on an extended farm-storage loan will be the quantity shown on the original note and chattel mortgage, less any quantity delivered or redeemed.

(b) A producer may obtain a loan on not in excess of the quantity of barley specified in the purchase agreement, minus any quantity of the barley under such purchase agreement (1) which has been previously placed under a loan or (2) on which he exercises his option to sell to CCC.

§ 421.1693 *Additional service charges.* (a) When a farm-storage loan is extended, the producer will not be required to pay an additional service charge.

(b) At the time a farm-storage loan is made to the producer on barley covered by a purchase agreement, the producer shall pay an additional service charge of ½ cent per bushel on the number of bushels placed under loan, or \$1.50, whichever is greater. No refund of service charges will be made, except, if the amount collected is in excess of the correct amount.

§ 421.1694 *Transfer of producer's equity.* The producer shall not transfer either his remaining interest in or his right to redeem the barley mortgaged as security for a loan under this program. A producer who wishes to liquidate all or part of his loan by contracting for the sale of the barley must obtain written prior approval of the county committee on Commodity Loan Form 12 to remove the barley from storage when the proceeds of the sale are needed to repay all or any part of the loan. Any such

approval shall be subject to the terms and conditions set out in Commodity Loan Form 12, copies of which may be obtained by producers or prospective purchasers at the office of the county committee.

§ 421.1695 *Storage and track-loading payments*—(a) *Storage payment.* A resale storage payment will be made as follows:

(1) *Storage payment for full resale period.* A storage payment computed at the rate of 16 cents per bushel will be made to the producer on the quantity involved if he (i) redeems barley from the loan on or after April 30, 1958, (ii) delivers the barley to CCC on or after April 30, 1958, or (iii) delivers the barley to CCC prior to April 30, 1958, pursuant to demand by CCC for repayment of the loan solely for the convenience of CCC, if the barley was not damaged or otherwise impaired due to negligence on the part of the producer.

(2) *Prorated storage payment.* (i) A storage payment computed at the rate of \$0.00053 per bushel a day (but not to exceed 16 cents per bushel) according to the length of time the quantity of barley involved was in store after June 30, 1957, will be made to the producer; (a) in the case of loss assumed by CCC under the provisions of the loan program; (b) in the case of barley redeemed from the loan prior to April 30, 1958, and (c) in the case of barley delivered to CCC pursuant to its demand and not solely for the convenience of CCC, or upon request of the producer and with the approval of CCC, prior to April 30, 1958: *Provided, however,* That no storage payment will be made where the delivered barley is damaged or otherwise impaired due to negligence on the part of the producer. In the case of losses assumed by CCC, the period for computing the storage payment shall end on the date of the loss; and in the case of redemptions, on the date of repayment.

(ii) In no case will any storage payment be made where the producer has made any false representation in the loan documents or in obtaining the loan, or where the barley has been abandoned, or where there has been conversion on the part of the producer.

(b) *Track-loading payment.* A track-loading payment of 3 cents per bushel will be made to the producer on barley delivered to CCC, in accordance with instructions of the county committee, on track at a country point.

§ 421.1696 *Maturity and satisfaction.* (a) Loans will mature on demand but not later than April 30, 1958. The producer must pay off his loan, plus interest, on or before maturity or deliver the mortgaged barley in accordance with the instructions of the county committee. Credit will be given at the applicable settlement value according to grade and/or quality for the total quantity eligible for delivery. Delivery of barley will be accepted only from bin(s) in which the barley under resale loan is stored. The provisions of § 421.1618 (a), (c) and (d) (2) (3) and (f) and of § 421.1685 (a) (1) shall be applicable thereto: *Provided,* That, if upon delivery, the barley con-

tains mercurial compounds or other substances poisonous to man or animals, the barley shall be sold for seed (in accordance with applicable State seed laws and regulations), fuel, or industrial uses where the end product will not be consumed by man or animals, and the settlement value shall be the same as the sales price: *Provided further*, That if CCC is unable to sell such barley for the use specified above, the settlement value shall be the market value, if any, as determined by CCC, as of the date of delivery.

§ 421.472 *Support rate.* (a) The support rate for an extended farm-storage loan shall remain the same as for the original loan. The support rate for barley covered by a purchase agreement placed under a farm-storage loan shall be the same as the support rate established for the barley in § 421.1683 (d) (2). (b) Any discounts established for variation in quality as shown in § 421.1683 (d) (3) shall apply.

Issued this 17th day of April 1957.

[SEAL] WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 57-3278; Filed, Apr. 22, 1957;
8:48 a. m.]

TITLE 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation

PART 420—MULTIPLE CROP INSURANCE

SUBPART—REGULATIONS FOR THE 1956 AND SUCCEEDING CROP YEARS

The following riders, issued pursuant to § 420.7 of the above identified regulations (20 F. R. 3526, 5765, 8071; 21 F. R. 49, 1381, 4473, 5883, 6858, 7314, 7787, 8534, 9397; 22 F. R. 2076) are hereby published:

A Rider No. 1 for the 1957 and succeeding crop years to the Multiple Crop Insurance Policy for the following counties:

Illinois—§ 420.61.
Livingston—§ 420.61-6.
Iowa—§ 420.63.
Delaware—§ 420.63-2.
Iowa—§ 420.63.
Tama—§ 420.63-5.
Iowa—§ 420.63.
Boone, Buena Vista, Calhoun, Carroll, Clay, Floyd, Franklin, Hardin, Mitchell, Story—§ 420.63-6. Supersedes § 420.63-1.
Iowa—§ 420.63.
Emmet, Howard, Humboldt, Ida, Tama—§ 420.63-7. Together with §§ 420.63-5 and 8 supersedes §§ 420.63-3 and 4.
Iowa—§ 420.63.
Union, Warren, Winnebago, Worth—§ 420.63-8. Together with §§ 420.63-5, 7 supersedes §§ 420.63-3 and 4.
Maryland—§ 420.68.
Kent—§ 420.68-1.
Minnesota—§ 420.71.
Big Stone—§ 420.71-1.
Minnesota—§ 420.71.
East Polk—§ 420.71-4.
Minnesota—§ 420.71.
Lac Qui Parle—§ 420.71-5.

¹ Multiple Crop Insurance will not be offered in Tama County under § 420.63-7, but will be offered under § 420.63-5.

Minnesota—§ 420.71.
Lincoln—§ 420.71-6.
Minnesota—§ 420.71.
Pope—§ 420.71-7.
Minnesota—§ 420.71.
Stearns—§ 420.71-8.
Minnesota—§ 420.71.
Stevens—§ 420.71-9.
Minnesota—§ 420.71.
Swift—§ 420.71-10.
Minnesota—§ 420.71.
Chippewa and Yellow Medicine—§ 420.71-12. Supersedes: §§ 420.71-2 and 11.
Minnesota—§ 420.71.
Dakota, Goodhue, Kandiyohi, McLeod—§ 420.71-13. Together with § 420.71-14 supersedes § 420.71-3.
Minnesota—§ 420.71.
Dodge, Faribault, Nicollet—§ 420.71-14. Together with § 420.71-13 supersedes § 420.71-3.
Minnesota—§ 420.71.
Lyon—§ 420.71-15.
Minnesota—§ 420.71.
Meeker—§ 420.71-16.
North Dakota—§ 420.82.
Barnes—§ 420.82-1.
North Dakota—§ 420.82.
Richland—§ 420.82-4.
North Dakota—§ 420.82.
Pierce—§ 420.82-5. Together with § 420.82-6 supersedes §§ 420.82-2, 3.
North Dakota—§ 420.82.
Dickey, Grant Forks, LaMoure, Ransom, Sargent, Steele—§ 420.82-6. Together with § 420.82-5 supersedes §§ 420.82-2, 3.
South Dakota—§ 420.89.
Bon Homme—§ 420.89-1.
South Dakota—§ 420.89.
Deuel, Hamlin, Lake, McCook—§ 420.89-3.
South Dakota—§ 420.89.
Grant—§ 420.89-4.
South Dakota—§ 420.89.
Hutchinson—§ 420.89-5.
South Dakota—§ 420.89.
Kingsbury—§ 420.89-6.
South Dakota—§ 420.89.
Clay—§ 420.89-8.
South Dakota—§ 420.89.
Day, Miner—§ 420.89-9. Supersedes: § 420.89-2 and 7.
Tennessee—§ 420.90.
Obion—§ 420.90-2.
Tennessee—§ 420.90.
Weakley—§ 420.90-3.
Wisconsin—§ 420.97.
Fond du Lac—§ 420.97-1.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U. S. C. 1506, 1516)

[SEAL] F. N. MCCARTNEY,
Manager,
Federal Crop Insurance Corporation.

§ 420.61 *Illinois.*
§ 420.61-6 *Livingston County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Livingston County, Illinois, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the first year of the contract, the insurable crop(s) shall be those of the following designated by name on the application for insurance.

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

Provided, however, when this contract is issued as a continuation of a corn contract in force during the 1956 crop year, corn will be the only insurable crop for the 1957 crop year unless the insured notifies the county office in writing prior to April 30, 1957, of a designation of insurable crops other than corn.

For any subsequent crop year (beginning with the 1958 crop year as to contracts covered by the above proviso) the insurable crops may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. Provided, however, corn or soybeans may be added as an insurable crop(s) under the contract by the insured notifying the county office in writing by April 30 of the calendar year in which the crops are normally harvested.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (11) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production except harvested production of corn from acreage not qualifying as harvested under the definition in item 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s) or (2) allocate commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: April 30.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00, the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.63 Iowa.

§ 420.63-2 Delaware County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Delaware County, Iowa, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the oat crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of oats, and December 10 in the case of corn of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled shall be evaluated at a value per bushel determined by the Corporation.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made, insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an

insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats from acreage initially planted for purposes other than for harvest as grain) except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting

the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. Definitions. (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of oats, means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.63-5 *Tama County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Tama County, Iowa, Beginning with the 1957 crop year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. Coverage per acre. (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Fixed price used for valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel deter-

mined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. Election of type of insurance protection. The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of a combined crop protection.

6. Insurance unit. (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. Claims for loss. (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as

harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: April 30.

(9) Definitions. (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.63-6 *Boone, Buena Vista, Calhoun, Carroll, Clay, Floyd, Franklin, Hardin, Mitchell, Story Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Boone, Buena Vista, Calhoun, Carroll, Clay, Floyd, Franklin, Hardin, Mitchell, and Story Counties, Iowa, Beginning With the 1957 Crop Year)

1. Insurable crops. Notwithstanding any other provisions of the contract, for the first crop year of the contract the insurable crop(s) shall be those of the following designated by name on the application for insurance:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

For any subsequent crop year the designation of insurable crop(s) may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. *Provided*, however, corn or soybeans may be added as an insurable crop under the contract by the insured notifying the county office in writing by April 30, of the

calendar year in which the crop is normally harvested.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year, or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) established the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting there-

from the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*
 Discount date: November 30.
 Cancellation date: February 28.
 Termination date: April 30.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00 the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.63-7 Emmet, Howard, Humboldt, Ida, Tama Counties.

RIDER No. 1 to THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Emmet, Howard, Humboldt, Ida, and Tama Counties, Iowa, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit inter-tilling with a row cultivator. The contract will not provide insurance for: soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for corn and oats shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn and oats shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the oat and soybean crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of oats, and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made, insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the

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time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed; and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats from acreage initially planted for purposes other than for harvest as grain) except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreage involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of oats or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.63-8 *Union, Warren, Winnebago, Worth Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Union, Warren, Winnebago, and Worth Counties, Iowa, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance

with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of a combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any

appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.
Cancellation date: February 28.
Termination date: April 30.

9. Definitions.

(a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.68 Maryland.

§ 420.68-1 Kent County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Kent County, Maryland, Beginning With the 1957 Crop Year)

1. **Insurable Crops.** For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted in the fall for harvest as grain, excluding barley planted with other small grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Wheat planted for harvest as grain, excluding wheat planted with other small grains. (Insurance to attach the first crop year of the contract only if the application is filed on or before September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. **Existing Crop Insurance Contract.** The acceptance of the application upon which this policy is issued shall not cancel any existing wheat crop insurance contract between the insured and the Corporation for the 1957 crop year and such wheat insurance policy shall remain in full force and effect for the 1957 crop year. However, the acceptance of such application shall cancel effective beginning with the 1958 crop year any wheat

crop insurance contract between the insured and the Corporation.

3. **Coverage per acre.** (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

4. **Insurance period.** Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of barley and wheat, and December 10 in the case of corn of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of the submission of a claim for indemnity.

5. **Fixed price used for valuing production.**

In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

6. **Insurance unit.** An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is oper-

ated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

7. **Claims for loss.** (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 5 of this rider) of the total production to be counted for such acreage. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley or wheat from acreage initially planted for purposes other than for harvest as grain) except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 5 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.
Cancellation date: July 31.

Date by which the county minimum participation requirement must be met for the

1958 and succeeding crop years: September 30 following the cancellation date for the crop year.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 5 of this rider) to 10 percent or more of the harvest coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71 *Minnesota.*

§ 420.71-1 *Big Stone County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Big Stone County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Flax seeded for harvest as seed, excluding flax seeded with any other crop except perennial grasses or legumes.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

(c) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for flax and wheat shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for flax and wheat shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of flax and wheat, and December 10 in the case of soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the

lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes, occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested

production (including any harvested production of spring wheat from acreage initially planted for purposes other than for harvest as grain) and in addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* "Harvest" with respect to any acreage of flax, soybeans, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-4 *East Polk County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in East Polk County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(b) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(c) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance

unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for a loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which in-

surance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats or wheat from acreage initially planted for purposes other than for harvest as grain) and in addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

8. *Definitions.*

"Harvest" with respect to any acreage of flax, oats, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

- Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 4201.71-5 *Lac qui Parle County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Lac qui Parle County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Flax seeded for harvest as seed, excluding flax seeded with any other crop except perennial grasses or legumes.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for flax shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for flax shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of flax, and December 10 in the case of soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for a loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance

unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production. In addition production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

8. Definitions. "Harvest" with respect to any acreage of flax or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-6 Lincoln County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Lincoln County, Minnesota, Beginning With the 1957 Crop Year)

1. Insurable crops. Notwithstanding any other provisions of the contract, for the first crop year of the contract the insurable crop(s) shall be those of the following designated by name on the application for insurance:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

Provided, however, that for contracts in force during the 1956 crop year, corn and flax shall be considered the designated insur-

able crops unless the insured notifies the county office in writing prior to March 31, 1957, of a designation of insurable crop(s) other than corn or flax.

For any subsequent crop year (beginning with the 1958 crop year as to contracts covered by the above proviso) the designation of insurable crop(s) may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. Provided, however, corn or flax may be added as an insurable crop under the contract by the insured notifying the county office in writing by March 31 of the calendar year in which the crop is normally harvested.

2. Coverage per acre. (a) The coverage per acre for corn or flax shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn or flax shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of flax, and December 10 in the case of corn of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Fixed price used for valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated by the Corporation at a price not in excess of the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. Insurance unit. An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. Claims for loss. (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

8. Definitions. (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of flax means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals

less than \$20.00 the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71—7 *Pope County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Pope County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley seeded for harvest as grain, excluding barley seeded with flax, other small grains.

(b) Flax seeded for harvest as seed, excluding flax seeded with any other crop except perennial grasses or legumes.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for barley and flax shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for barley and flax shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of barley and flax, and December 10 in the case of soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest

grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley from acreage initially seeded for purposes other than for harvest as grain). In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to

another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* "Harvest" with respect to any acreage of barley, flax or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71—8 *Stearns County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Stearns County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.*

(a) The coverage per acre for barley, corn or oats shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for barley, corn or oats shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of barley and oats, and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

RULES AND REGULATIONS

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated. Any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring with the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation, and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1)

establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley or oats from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage of such acreage.

(b) "Harvest" with respect to any acreage of barley, oats, or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-9 Stevens County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Stevens County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(d) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(e) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop except soybeans shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop except soybeans shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of barley, flax, and oats and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated. Any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of

the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation, and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley or oats from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

- 1. Discount date: November 30.
- 2. Cancellation date: February 28.
- 3. Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, flax, oats, or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION,

§ 420.71-10 *Swift County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Swift County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop except soybeans shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop except soybeans shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of flax and oats and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing

it by such loan rate and multiplying the result by the fixed price.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines

should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of flax, oats or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-12 Chippewa and Yellow Medicine Counties.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Chippewa and Yellow Medicine Counties, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance programs the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Flax seeded for harvest as seed, excluding flax seeded with any other crop except perennial grasses or legumes.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

Provided, however, that for the first crop year of the contract the insured may elect to omit corn as an insurable crop at the time of filing the application for insurance. For any subsequent crop year, the insured may elect to omit corn as an insurable crop by notifying the county office in writing prior to

the cancellation date preceding the crop year the election is to become effective. Such elections once made shall continue in effect for succeeding crop years unless rescinded by the insured notifying the county office in writing by the March 31 preceding the crop year that the rescission is to become effective.

2. *Coverage per acre.* (a) The coverage per acre for corn and flax shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn and flax shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of flax, and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at

the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in item 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with Section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.*

(a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage in amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of flax or soybeans means the mechanical severance from the land of the matured crop

for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00 the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-13 *Dakota, Goodhue, Kandiyohi and McLeod Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Dakota, Goodhue, Kandiyohi and McLeod Counties, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for corn and oats shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn and oats shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of oats and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insur-

able causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation

determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. *Definitions* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of oats, or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-14 *Dodge, Faribault, and Nicollet Counties.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Dodge, Faribault, and Nicollet Counties, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* Notwithstanding any other provisions of the contract, for the first crop year of the contract the insurable crop(s) shall be those of the following designated by name on the application for insurance:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

Provided, however, that for contracts in force during the 1956 crop year, corn and soybeans shall be considered the designated insurable crops unless the insured notifies the county office in writing prior to April 30, 1957, of a designation of insurable crop(s) other than corn and soybeans.

For any subsequent crop year (beginning with the 1958 crop year as to contracts

covered by the above proviso) the designation of insurable crop(s) may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. Provided, however, corn or soybeans may be added as an insurable crop under the contract by the insured notifying the county office in writing by April 30 of the calendar year in which the crop is normally harvested.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, and (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: April 30.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00 the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-15 *Lyon County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Lyon County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the first year of the contract, the insurable crop(s) shall be those of the following designated by name on the application for insurance.

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for

silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Flax seeded for harvest as seed, excluding flax seeded with any other crop except perennial grasses or legumes.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

Provided, however, when this contract is issued as a continuation of a flax contract in force during the 1956 crop year, flax will be the only insurable crop for the 1957 crop year unless the insured notifies the county office in writing prior to March 31, 1957, of a designation of insurable crops other than flax.

For any subsequent crop year (beginning with the 1958 crop year as to contracts covered by the above proviso) the insurable crops may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. Provided, however, corn, soybeans, or flax may be added as an insurable crop(s) under the contract by the insured notifying the county office in writing by March 31 of the calendar year in which the crops are normally harvested.

2. *Coverage per acre.* (a) The coverage per acre for corn and flax shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn and flax shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of flax, and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes oc-

curing within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, When the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production except harvested production of corn from acreage not qualifying as harvested under the definition in item 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s) or (2) allocate commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of flax or soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00, the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.71-16 *Meeker County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Meeker County, Minnesota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the first year of the contract, the insurable crop(s) shall be those of the following designated by name on the application for insurance.

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for the development of hybrid seed or planted in the same row or interplanted in rows with corn.

Provided, however, when this contract is issued as a continuation of a corn contract in force during the 1956 crop year, corn will be the only insurable crop for the 1957 crop year unless the insured notifies the county office in writing prior to April 30 1957, of a designation of insurable crops other than corn.

For any subsequent crop year (beginning with the 1958 crop year as to contracts covered by the above proviso) the insurable crops may be changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. Provided, however, corn or soybeans may be added as an insurable crop(s) under the contract by the insured notifying the county office in writing by April 30 of the calendar year in which the crops are normally harvested.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not

harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting and the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against, during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage ex-

ceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production except harvested production of corn from acreage not qualifying as harvested under the definition in item 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s) or (2) allocate commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: April 30.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

9. Notwithstanding the provisions of subsection (d) of section 6 of the policy, if in any crop year a premium is earned and totals less than \$20.00, the amount shall be increased to \$20.00.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.82 North Dakota.

§ 420.82-1 Barnes County.

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Barnes County, North Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grains.

(d) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(e) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing, or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.*

In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by

dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye, or wheat from acreage initially planted for purposes other than for harvest as grain). In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* "Harvest" with respect to any acreage of barley, flax, oats, rye, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.82-4 *Richland County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Richland County, North Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn normally regarded as field corn. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(d) Oats planted for harvest as grain, excluding oats planted with flax or other small grains.

(e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(f) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

(g) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop except soybeans shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop except corn and soybeans shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting (picking the corn from the stalk either by hand or machine or cutting the corn for fodder or ensilage), all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be

evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats or rye and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the

insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.*

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye, or wheat from acreage initially planted for purposes other than for harvest as grain). In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. However, with respect to any acreage of corn which is not or will not be harvested as corn for grain, the production shall be the appraised production of corn for grain or the appraised or actual production of silage, whichever has the higher total value (on the basis of the price per bushel for corn as provided under section 4 above, or the value per ton for silage as determined by the Corporation): *Provided, however,* That if the appraised or actual production of corn which was or could have been used for silage is one ton or more of silage per acre, the value of such production shall not be less than \$3.00 per acre. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put

to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking the corn from the stalk either by hand or machine or cutting the corn for fodder or silage.

(b) "Harvest" with respect to any acreage of barley, flax, oats, rye, soybeans, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.82-5 *Pierce County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Pierce County, North Dakota Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Winter rye planted for harvest as grain. (Insurance not to attach to the first crop year of the contract.)

(e) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grain.

2. *Coverage per acre.* (a) The coverage per acre for each crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United

States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided,* when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats or rye which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided,* when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring with the insurance period and would not meet these requirements if properly handled; and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided,* when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other informa-

* Notwithstanding the provisions of this section, all insureds in Richland County, North Dakota, who rent land for a share of the crop and who rent other land owned by the same person for cash, were given the privilege of electing for the 1957 crop year only to have all such land which is insurable and planted to insured crops considered as one insurance unit.

tion regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye or wheat from acreage initially planted for purposes other than for harvest as grain). In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, pool farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

8. Definitions. "Harvest" with respect to any acreage of barley, flax, oats, rye or wheat means mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.82-6 Dickey, Grand Forks, La Moure, Ransom, Sargent, Steele, Counties.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Dickey, Grand Forks, La Moure, Ransom, Sargent, and Steele Counties, North Dakota, Beginning With the 1957 Crop Year)

1. Insurable crops. For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. Coverage per acre. (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. Insurance period. Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 of the calendar year, in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. Fixed price used for valuing production. In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States)

because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. Election of type of insurance protection. The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation, and if no election is made insurance will be provided on the basis of combined crop protection.

6. Insurance unit. (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Lend rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. Claims for loss. (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium

computed for the acreage and interest shown on the acreage report the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats or wheat from acreage initially planted for purposes other than for harvest as grain). In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. Definitions. (a) "Harvest" with respect to any acreages of barley, flax, oats, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89 *South Dakota.*

§ 420.89-1 *Bon Homme County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Bon Homme County, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grains.

(d) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(e) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by

the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing, or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of barley, oats, rye or wheat, and December 10 in the case of corn, of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats or rye and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the

time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye and wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. Definitions. (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, oats, rye, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-3 *Deuel, Hamlin, Lake, McCook Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Deuel, Hamlin, Lake, and McCook Counties, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(d) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(f) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

(g) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop except soybeans shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop except soybeans shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (1i) October 31 in the case of barley, flax, oats, rye or wheat, and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any

threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

Any threshed production of oats or rye and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate of No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye or wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, flax, oats, rye, soybeans or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-4 *Grant County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Grant County, South Dakota, Beginning with the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of any crop upon threshing or upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of fix which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in

excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price, the total value of such production, as determined by the Corporation shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, or wheat from acreage

initially planted for purposes other than for harvest as grain) and in addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of the rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* "Harvest" with respect to any acreage of barley, flax, oats or wheat means mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-5 *Hutchinson County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Hutchinson County, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(d) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(e) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

(f) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop except soybeans shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop except soybeans shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of barley, oats, rye or wheat and December 10 in the case of corn and soybeans of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats or rye and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation, at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claim for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye and wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discussed date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, oats, rye, soybeans or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-6 Kingsbury County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Kingsbury County, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(d) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(e) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect, (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of barley, flax, oats, or wheat and December 10 in the case of corn of the calendar year in which the crop is normally harvested unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period

and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent crop years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable

acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, and wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, flax, oats, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.89-8 *Clay County.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Clay County, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

2. *Coverage per acre.* (a) The coverage per acre for corn shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, the soybean crop upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) December 10 of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soy-

beans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of any one insured crop in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of any one insured crop in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all insurable acreage of any one insured crop in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of the insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre, and the result by the insured interest, and (2) subtracting therefrom the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of the insured crop on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreage involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: April 30.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

\$ 420.89-9 *Day, Miner Counties.*

RIDER NO. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Day and Miner Counties, South Dakota, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Flax planted for harvest as seed, excluding flax planted with any other crop except perennial grasses or legumes.

(d) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

(e) Winter rye planted for harvest as grain. (Insurance not to attach the first crop year of the contract.)

(f) Spring wheat planted for harvest as grain, excluding wheat planted with flax or other small grains.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the corn crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (i) when harvest of such crop is generally complete in the county for the crop year, or (ii) October 31 in the case of barley, flax, oats, rye or wheat and December 10 in the case of corn of the calendar year in which the crop is normally harvested unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade

No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of flax which (1) is not eligible for a Commodity Credit Corporation loan because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for the lowest grade of flax eligible for loan, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, When the Commodity Credit Corporation county loan rate for the lowest grade flax eligible for a loan is less than the fixed price, the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

Any threshed production of oats or rye and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a price not in excess of the fixed price. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has

been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley, oats, rye or wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. Date table.

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley, flax, oats, rye or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.90. Tennessee.

§ 420.90-2 Obion County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Obion County, Tennessee Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain, including corn with which soybeans are interplanted. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(c) Oats (fall only) planted for harvest as grain, excluding oats planted with other small grain. (Insurance to attach the first crop year of the contract only if the application is filed on or before the September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

(d) Soybeans planted for harvest as beans, in rows far enough apart to permit inter-tilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

(e) Tobacco, types 23 and 35.

(f) Winter wheat planted for harvest as grain, excluding wheat planted with other small grains. (Insurance to attach the first crop year of the contract only if the application is filed on or before the September 30 preceding the calendar year in which the crop for that crop year is normally harvested.)

2. *Coverage per acre.* (a) The coverage per acre for corn, oats, and wheat shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn, oats, and wheat shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for cotton shall be reduced as follows: (1) 75 percent for any acreage which is destroyed after it is too late to plant cotton but before the first cultivation, (2) 60 percent for any acreage which is destroyed after the first cultivation but prior to laying by the crop, and (3) 25 percent for any acreage on which the crop is laid by and not harvested.

(d) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

(e) The coverage per acre for tobacco shall be reduced 35 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to (a) any portion of the tobacco crop upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, removal of the tobacco from the insurance unit (except for curing, packing, or immediate delivery to the tobacco warehouse), (b) any portion of the corn crop upon harvesting, the cotton crop upon picking, all other insured crops upon threshing, or with respect to any portion of any crop (except tobacco) upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to tobacco later than the March 31 following harvest unless such time is

extended in writing by the Corporation, (b) with respect to any other crop later than the earlier of (i) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of oats and wheat, December 10 in the case of corn and soybeans and December 31 in the case of cotton of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (c) with respect to any insurance unit later than the date of the submission of a claim for indemnity.

4. Fixed price used for valuing production.

In determining any loss under the contract, production of each insurable crop except tobacco shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed production of oats or any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated. Any threshed production of wheat which (1) does not grade No. 3 or better and does not grade No. 4 or 5 on the basis of test weight only (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 5 wheat on the basis of test weight is less than the fixed price the total value of such production, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price.

Notwithstanding any other provision(s) of the contract, in determining any loss the value of tobacco production, to be counted shall be the value of all tobacco, including (a) the gross returns (less warehouse charges) from the tobacco sold on the warehouse floor, (b) the fair market value, as determined by the Corporation, of the tobacco sold other than on the warehouse floor, (c) the fair market value, as determined by the Corporation, of the tobacco harvested and not sold, and (d) the fair market value (as though harvested and cured), as determined by the Corporation, of any unharvested tobacco. Any appraised production of tobacco for uninsured causes of loss, or acreage abandoned, or acreage put to another use without being released by the Corporation shall be valued at a price shown on the county actuarial table for that purpose.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, plus any acreage owned by him and worked for him by a sharecropper(s), or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting or worked by the insured as a sharecropper, or (c) all the in-

surable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of oats or wheat from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn, cotton, or tobacco from acreage not qualifying as harvested under the definition in section 8. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. Any production of soybeans planted in the same row or interplanted in rows with corn shall not be counted as production. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation. To enable the Corporation to determine the fair market value of tobacco not sold through auction warehouses, the Corporation shall be given the opportunity to inspect such tobacco before it is sold, contracted to be sold, or otherwise disposed of by the insured, and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured. Notwithstanding the other provisions of this paragraph regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75

percent of the fixed price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the fixed price.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the coverage for such acreage.

(c) "Harvest" for any acreage of tobacco means cutting or priming an amount of tobacco which equals or exceeds the pounds obtained by dividing 10 percent of the harvested coverage for such acreage by a price stated on the county actuarial table for the purpose of making this determination.

(d) "Harvest" with respect to any acreage of oats, soybeans, or wheat means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL] FEDERAL CROP INSURANCE CORPORATION.

§ 420.90-3 *Weakley County.*

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Weakley County, Tennessee Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purpose of the multiple crop insurance program the insurable crops are:

(a) Corn planted for harvest as grain, including corn with which soybeans are interplanted. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(b) Cotton, restricted to American upland cotton and not including cotton planted primarily for experimental purposes.

(c) Soybeans planted for harvest as beans, in rows far enough apart to permit intertilling with a row cultivator. The contract will not provide insurance for soybeans planted for development of hybrid seed or planted in the same row or interplanted in rows with corn.

(d) Sweet potatoes, excluding acreage of less than one acre on an insurance unit.

(e) Tobacco, types 23 and 35.

2. *Coverage per acre.* (a) The coverage per acre for corn and sweet potatoes shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for corn and sweet potatoes shall be reduced 10 percent for any acreage not harvested and not planted to a substitute crop.

(c) The coverage per acre for cotton shall be reduced as follows: (1) 75 percent for any acreage which is destroyed after it is too late to plant cotton but before the first cultivation, (2) 60 percent for any acreage which is destroyed after first cultivation but prior to laying by the crop and (3) 25 percent for any acreage on which the crop is laid by and not harvested.

(d) The coverage per acre for soybeans shall be reduced 10 percent for any acreage not harvested.

(e) The coverage per acre for tobacco shall be reduced 35 percent for any acreage not harvested.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to (a) any portion of the tobacco crop upon weighing in at the tobacco warehouse, transfer of interest in the tobacco after harvest, removal of the tobacco from the insurance unit (except for curing, packing or immediate delivery to the tobacco warehouse), and (b) any portion of the corn crop upon harvesting, the cotton crop upon picking, the sweet potato crop upon digging, the soybean crop upon threshing, or with respect to any portion of any crop (except tobacco) upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to tobacco later than March 31 following harvest unless such time is extended in writing by the Corporation, (b) with respect to any other crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year or (ii) October 31 in the case of sweet potatoes, December 10 in the case of corn and soybeans and December 31 in the case of cotton of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (c) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop except tobacco, shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation. Any harvested production of soybeans which will not grade No. 4 or better (determined in accordance with the Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be similarly evaluated.

Notwithstanding any other provision(s) of the contract, in determining any loss the value of tobacco production to be counted shall be the value of all tobacco, including (a) the gross returns (less warehouse charges) from the tobacco sold on the warehouse floor, (b) the fair market value, as determined by the Corporation, of the tobacco sold other than on the warehouse floor, (c) the fair market value, as determined by the Corporation, of the tobacco harvested and not sold, and (d) the fair market value (as though harvested and cured), as determined by the Corporation, of any unharvested tobacco. Any appraised production of tobacco for uninsured causes of loss, or acreage abandoned, or acreage put to another use without being released by the Corporation shall be valued at a price shown on the county actuarial table for that purpose.

5. *Insurance unit.* An insurance unit means (a) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, plus any acreage owned by him and worked for him by a sharecropper(s), or (b) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting or worked by the insured as a sharecropper, or (c) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee.

6. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production, except harvested production of corn, cotton or tobacco from acreage not qualifying as harvested under the definition in section 8. In addition, the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. Any production of soybeans planted in the same row or interplanted in rows with corn shall not be counted as production. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation. To enable the Corporation to determine the fair market value of tobacco not sold through auction warehouses, the Corporation shall be given the opportunity to inspect such tobacco before it is sold, contracted to be sold or otherwise disposed of by the insured, and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured. Notwithstanding the other provisions of this paragraph regarding the determination of the total production of cotton, in any case where the quality of any cotton production is reduced solely by insured causes to the extent that the value per pound, as determined

by the Corporation, is less than 75 percent of the fixed price, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of such cotton, as determined by the Corporation, by 75 percent of the fixed price.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

7. *Date table.*

Discount date: November 30.

Cancellation date: February 28.

Termination date: March 31.

8. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of cotton means the removal (by manual or mechanical means) of an amount of cotton from the stalk which is equal in value (determined in accordance with section 4 of this rider) to 10 percent or more of the coverage for such acreage.

(c) "Harvest" for any acreage of tobacco means cutting or priming an amount of tobacco which equals or exceeds the pounds obtained by dividing 10 percent of the harvested coverage for such acreage by a price stated on the county actuarial table for the purpose of making this determination.

(d) "Harvest" with respect to any acreage of soybeans means the mechanical severance from the land of the matured crop for threshing where the crop has been destroyed.

(e) "Harvest" with respect to any acreage of sweet potatoes means digging the potatoes (by manual or mechanical means) where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

§ 420.97 Wisconsin.

§ 420.97-1 Fond du Lac County.

RIDER No. 1 TO THE MULTIPLE CROP INSURANCE POLICY

(Applicable in Fond du Lac County, Wisconsin, Beginning With the 1957 Crop Year)

1. *Insurable crops.* For the purposes of the multiple crop insurance program the insurable crops are:

(a) Barley planted for harvest as grain, excluding barley planted with flax or other small grains.

(b) Corn planted for harvest as grain. The contract will not provide insurance for true type silage corn, corn planted thick for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn.

(c) Oats planted for harvest as grain, excluding oats planted with flax or other small grain.

2. *Coverage per acre.* (a) The coverage per acre for each insured crop shall be reduced 50 percent for any acreage released by the Corporation and planted to a substitute crop.

(b) The coverage per acre for each insured crop shall be reduced 10 percent for

any acreage not harvested and not planted to a substitute crop.

3. *Insurance period.* Insurance shall attach at the time of planting to any insured acreage of any insured crop. Insurance shall cease with respect to any portion of the crop upon harvesting, all other insured crops upon threshing or with respect to any portion of any crop upon removal from the field, whichever is earlier. However, in no event shall insurance remain in effect (a) with respect to any crop later than the earlier of (1) when harvest of such crop is generally complete for the crop year, or (ii) October 31 in the case of barley and oats, and December 10 in the case of corn of the calendar year in which the crop is normally harvested, unless such time is extended in writing by the Corporation, and (b) with respect to any insurance unit later than the date of submission of a claim for indemnity.

4. *Fixed price used for valuing production.* In determining any loss under the contract, production of each insurable crop shall be evaluated at the fixed price established by the Corporation for that crop and shown on the county actuarial table. However, any threshed barley which (1) does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurables causes occurring within the insurance period and would not meet these requirements if properly handled, and (2) has a value per bushel which is less than the lower of the fixed price or the Commodity Credit Corporation county loan rate for No. 4 barley, shall be valued by the Corporation at a price not in excess of the fixed price: *Provided*, when the Commodity Credit Corporation county loan rate for No. 4 barley is less than the fixed price, the total value of such threshed barley, as determined by the Corporation, shall be adjusted by dividing it by such loan rate and multiplying the result by the fixed price. Any threshed production of oats and any corn which will not meet the latest available requirements for a Commodity Credit Corporation loan or support because of poor quality due to insurable causes occurring within the insurance period, and would not meet these requirements if properly handled, shall be evaluated at a value per bushel determined by the Corporation.

5. *Election of type of insurance protection.* The insured may elect to have insurance protection provided on the basis of (a) separate crop protection under which insurance units are determined separately for each insured crop, or (b) combined crop protection under which insurance units include a combination of all insured crops. The insured coverage, the premium, and any indemnity will be determined separately for each insurance unit. For the first crop year of a contract the election must be made at the time the application for insurance is filed. For any subsequent crop year such election may be made or changed by the insured notifying the county office in writing prior to the cancellation date for the crop year the change is to become effective. An election once made shall continue in effect for subsequent years unless changed by the insured or the Corporation and if no election is made insurance will be provided on the basis of combined crop protection.

6. *Insurance unit.* (a) If combined crop protection is provided under the contract an insurance unit means (1) all the insurable acreage of all insured crops in the county in which the insured has 100 percent interest at the time of planting, or (2) all the insurable acreage of all insured crops in the county which is owned by one person and is operated by the insured as a tenant at the time of planting, or (3) all the insurable acreage of all insured crops in the county which is owned by the insured and is rented to one tenant at the time of planting. Land rented for cash or for a fixed commodity pay-

ment shall be considered as owned by the lessee.

(b) If separate crop protection is provided under the contract an insurance unit means the same as in (a) above except that insurance units will be determined separately for each insured crop.

7. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured, (1) establish the production of all insured crops on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and (2) furnish any other information regarding the manner and extent of loss as may be required by the Corporation.

(c) Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the planted acreage of each insured crop on the insurance unit (exclusive of any acreage to which insurance did not attach) by the applicable coverage(s) per acre and the result by the insured interest, and (2) subtracting from the total thereof, the insured interest in the value (determined in accordance with section 4 of this rider) of the total production to be counted for such acreage of all insured crops on the insurance unit. However, if for the insurance unit, the premium computed for the planted acreage exceeds the premium computed for the acreage and interest shown on the acreage report, the amount of loss so determined shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production (including any harvested production of barley or oats from acreage initially planted for purposes other than for harvest as grain), except harvested production of corn from acreage not qualifying as harvested under the definition in section 9. In addition the production to be counted shall include any appraisals which the Corporation determines should be made for potential or unharvested production, poor farming practices, uninsured causes of loss, or acreage abandoned or put to another use without being released by the Corporation. In determining total production, any volunteer small grains growing with an insured small grain crop or any small grains seeded in an insured growing small grain crop on acreage not released by the Corporation shall be counted as the insured small grain crop on a weight basis. An appraisal of not less than the applicable coverage, minus the value (determined in accordance with section 4 of this rider) of any insured crop harvested, shall be made for acreage with a reduced yield due solely to any cause(s) not insured against or acreage abandoned or put to another use without being released by the Corporation.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may (1) deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium(s), or (2) allocate the commingled production in such manner as it determines appropriate.

8. *Date table.*

Discount date: November 30.
Cancellation date: February 28.
Termination date: March 31.

9. *Definitions.* (a) "Harvest" with respect to any acreage of corn means picking from the stalk either by hand or machine or cutting for fodder or silage an amount of corn which is equal in value (determined in

accordance with section 4 of this rider) to 10 percent or more of the harvested coverage for such acreage.

(b) "Harvest" with respect to any acreage of barley or oats means the mechanical severance from the land of the matured crop for threshing where the crop has not been destroyed.

Approved: Beginning with the 1957 crop year.

[SEAL]

FEDERAL CROP INSURANCE CORPORATION.

[F. R. Doc. 57-3279; Filed, Apr. 22, 1957; 8:48 a. m.]

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

PART 906—MILK IN OKLAHOMA METROPOLITAN MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED

Sec. 906.0 Findings and determinations.

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AUTHORITY: §§ 906.0 to 906.101 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c.

§ 906.0 *Findings and determinations.* The findings and determinations herein-after 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 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.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, 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, as amended, regulating the handling of milk in the Oklahoma Metropolitan marketing area (presently the Oklahoma City and Tulsa-Muskogee marketing areas). Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby 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 parity prices of milk produced for sale in the said marketing area 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 of and demand for milk in the marketing area and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid fac-

tors, insure a sufficient quantity of pure and wholesome milk and be in the public interest;

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is 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; and

(4) It is hereby found that the necessary expenses of the market administrator for maintenance and functioning of such agency will require the payment by each handler as his pro rata share of expense, 4 cents per hundredweight, or such amount not exceeding 4 cents per hundredweight, as the Secretary may prescribe with respect to all skim milk and butterfat contained in (i) producer milk (including the handler's own production), and (ii) other source milk in pool plants which is allocated to Class I milk.

(5) All milk and milk products handled by handlers as defined in this order, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order, as amended, effective on May 1, 1957. Any delay beyond May 1, 1957, in the effective date of this order amending the order, as amended, will tend to disrupt the orderly marketing of milk for the Oklahoma Metropolitan marketing area. The provisions of this order are well known to handlers. The public hearing on which this hearing is based was conducted on June 5-8, 1956. The recommended decision of the Deputy Administrator, Agricultural Marketing Service, was published in the FEDERAL REGISTER on January 19, 1957 (22 F. R. 405). The final decision was issued by the Acting Secretary on March 28, 1957, and published in the FEDERAL REGISTER on April 2, 1957 (22 F. R. 2151). The issuance of this order amending the order, as amended, does not require of persons affected, substantial or extensive preparation prior to the effective date. In view of the foregoing, it is hereby found that good cause exists for making this order effective May 1, 1957 (See sec. 4 (c) Administrative Procedure Act, 5 U. S. C. 1003 (c)).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order amending the order, as amended, which is marketed within the Oklahoma Metropolitan marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two thirds of the producers who participated in a referendum on the question of approval of its issuance and who, during the determined representative period (December 1956), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Oklahoma Metropolitan marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order as hereby further amended to read as follows:

DEFINITIONS

§ 906.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

§ 906.2 *Secretary.* "Secretary" means the Secretary of Agriculture or other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture.

§ 906.3 *Department.* "Department" means the United States Department of Agriculture or such other Federal agency authorized to perform the price reporting functions specified in this subpart.

§ 906.4 *Person.* "Person" means any individual, partnership, corporation, association, or any other business unit.

§ 906.5 *Cooperative association.* "Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act";

(b) To have full authority in the sale of milk of its members; and

(c) To be engaged in making collective sales or marketing milk or its products for its members.

§ 906.6 *Oklahoma metropolitan marketing area.* "Oklahoma metropolitan marketing area" hereinafter referred to as the "marketing area" means all the territory within Tulsa County; the city of Sapulpa and the township of Sapulpa in Creek County, that part of Black Dog township in 20 North, Ranges 10, 11 and 12 East in Osage County; the cities of Muskogee, McAlester and Tahlequah; Oklahoma County, except Deer Creek, Deep Fork and Luther townships; Moore, Taylor, Case, Liberty, Norman and Noble townships in Cleveland County; Bales, Davis, Dent, Brinton, Rock Creek, Forest and Earlsboro townships in Pottawa-

tomie County; the city and township of Guthrie in Logan County; and the city and township of Stillwater and Union township including the city of Cushing in Payne County.

§ 906.7 *Pool plant.* "Pool plant" means any milk processing plant, other than one which is exempt pursuant to § 906.61, which is approved by any health authority having jurisdiction in the marketing area (a) from which Class I milk is disposed of on routes in the marketing area, (b) at which there is received, weighed and commingled, milk of dairy farmers holding permits or authorizations issued by a municipal health authority having jurisdiction in the marketing area and from which part or all of the receipts of such milk during the month are transferred to a plant described in paragraph (a) of this section or from which more than one-half of the receipts of such milk or of the butterfat contained therein were so transferred in each of the immediately preceding months of September through December and the operator thereof has not requested that such plant be considered a nonpool plant, or (c) at which milk is received directly from the farms of dairy farmers holding permits or authorizations issued by a municipal health authority having jurisdiction in the marketing area and which is operated by a cooperative association having member producers whose milk is received at the pool plants of other handlers.

§ 906.8 *Nonpool plant.* "Nonpool plant" means any milk plant which is not a pool plant.

§ 906.9 *Handler.* "Handler" means:

(a) Any person in his capacity as the operator of one or more pool plants: *Provided*, That in the case of recognized divisions of a corporation which are operated as separate business units, each such division shall be deemed to be a handler,

(b) A cooperative association which owns or operates a plant described in § 906.7 (c) with respect to the milk of its member producers which is delivered to the pool plant of another handler in a tank truck owned or operated by such cooperative association for the account of such cooperative association (such milk shall be considered as having been received by such cooperative association at the plant to which it is delivered), or

(c) Any cooperative association with respect to the milk of its member producers which is caused by it to be diverted to a nonpool plant for the account of such cooperative association.

§ 906.10 *Producer.* "Producer" means any person, other than a producer-handler, who, under a dairy farm permit, authorization or rating for the production of milk to be disposed of as Grade A milk issued by a duly constituted health authority, produces milk which is received at a pool plant directly from the farm of such person. This definition shall include any person meeting the above requirements whose milk is caused by a handler to be diverted from a pool plant to a nonpool plant for the account of such handler, and milk so diverted

shall be deemed to have been received at the pool plant from which it was diverted for the purpose of determining location differentials pursuant to § 906.81. This definition shall not include a person with respect to milk produced by him which is received at a plant which is regulated by another order issued pursuant to the act.

§ 906.11 *Producer milk.* "Producer milk" means all skim milk and butterfat in milk produced by a producer which is received by a handler either directly from producers or from other handlers.

§ 906.12 *Other source milk.* "Other source milk" means all skim milk and butterfat other than that contained in producer milk.

§ 906.13 *Producer-handler.* "Producer-handler" means any person who produces milk and operates a pool plant, but who receives no milk from producers.

§ 906.14 *Base milk.* "Base milk" means milk received by a handler from a producer during any of the months of February through July which is not in excess of such producer's daily average base computed pursuant to § 906.65 multiplied by the number of days in such month for which such producer delivered milk to such handler.

§ 906.15 *Excess milk.* "Excess milk" means milk received by a handler from a producer during any of the months of February through July which is in excess of the base milk received from such producer during such month, and shall include all milk received from producers for whom no daily average base can be computed pursuant to § 906.65.

§ 906.16 *Route.* "Route" means any delivery (including any delivery by a vendor) or disposition at a plant store of milk, skim milk, buttermilk, flavored milk drinks or cream other than a delivery in bulk to a milk plant.

MARKET ADMINISTRATOR

§ 906.20 *Designation.* The agency for the administration of this subpart shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 906.21 *Powers.* The market administrator shall have the following powers with respect to this subpart:

- (a) To administer its terms and provisions;
- (b) To receive, investigate, and report to the Secretary complaints of violations;
- (c) To make rules and regulations to effectuate its terms and provisions; and
- (d) To recommend amendments to the Secretary.

§ 906.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this subpart, including but not limited to the following:

- (a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond effective as of the date on which he enters upon such duties

and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of funds provided by § 906.88 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses (except those incurred under § 906.87) necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this subpart, and upon request by the Secretary surrender the same to such other person as the Secretary may designate;

(f) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(g) Audit all reports and payments by each handler by inspection of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk or butterfat for such handler depends;

(h) Publicly announce, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the day upon which he is required to perform such acts, has not:

(1) Made reports pursuant to §§ 906.30 to 906.32, inclusive,

(2) Maintained adequate records and facilities pursuant to § 906.33, or

(3) Made payments pursuant to §§ 906.80 to 906.88, inclusive;

(i) On or before the 12th day after the end of each month, report to each cooperative association which so requests the amount and class utilization of milk caused to be delivered by such cooperative association either directly or from producers who are members of such cooperative association, to each handler to whom the cooperative association sells milk. For the purposes of this report, the milk caused to be so delivered by a cooperative association shall be prorated to each class in the proportion that the total receipts of producer milk by such handler were used in each class;

(j) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate the prices determined for each month as follows:

(1) On or before the 12th day of each month the minimum price for Class I milk computed pursuant to § 906.51 (a), and the Class I butterfat differential computed pursuant to § 906.52 (a) both for the current month; and on or before the 5th day of each month, the minimum price for Class II milk pursuant to § 906.51 (b) and the Class II butterfat differential computed pursuant to

§ 906.52 (b), both for the previous month; and

(2) On or before the 12th day of each month the uniform price(s) computed pursuant to § 906.72 or § 906.73, as applicable, and the butterfat differential computed pursuant to § 906.82, both for the previous month; and

(k) Prepare and disseminate to the public such statistics and information as he deems advisable and as do not reveal confidential information.

REPORTS, RECORDS AND FACILITIES

§ 906.30 *Reports of receipts and utilization.* On or before the 7th day after the end of each month each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The quantities of skim milk and butterfat contained in milk received from producers, and, for the months of February through July, the aggregate quantities of base milk and excess milk;

(b) The quantities of skim milk and butterfat contained in (or used in the production of) receipts from other handlers;

(c) The quantities of skim milk and butterfat contained in receipts of other source milk (except Class II products disposed of in the form in which received without further processing or packaging by the handler);

(d) The utilization of all skim milk and butterfat required to be reported pursuant to this section;

(e) The disposition of Class I products on routes wholly outside the marketing area; and

(f) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 906.31 *Reports of payments to producers.* On or before the 20th day of each month, each handler shall submit to the market administrator his producer payroll for deliveries of the preceding month which shall show:

(a) The total pounds of milk received from each producer and cooperative association, the total pounds of butterfat contained in such milk and the number of days on which milk was received from such producers, including for the months of February through July such producer's deliveries of base and excess milk;

(b) The amount of payment to each producer or cooperative association; and

(c) The nature and amount of any deductions or charges involved in such payments.

§ 906.32 *Other reports.* (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe, and

(b) Each handler who causes milk to be diverted to a nonpool plant, shall, prior to such diversion, report to the market administrator and to the cooperative association of which such producer is a member, his intention to divert such milk, the proposed date or dates of such diversion, and the plant to which such milk is to be diverted.

§ 906.33 *Records and facilities.* Each handler shall maintain and make avail-

able to the market administrator or to his representative during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts and utilization of all receipts of producer milk and other source milk;

(b) The weights and tests for butterfat and other content of all milk, skim milk, cream, and milk products handled;

(c) Payments to producers and cooperative association; and

(d) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream, and milk products on hand at the beginning and end of each month.

§ 906.34 *Retention of records.* All books and records required under this subpart to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided*, That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly, upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 906.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received during the month by a handler which is required to be reported pursuant to § 906.30 shall be classified by the market administrator pursuant to the provisions of §§ 906.41 to 906.46, inclusive.

§ 906.41 *Classes of utilization.* Subject to the conditions set forth in §§ 906.43 and 906.44, inclusive, the classes of utilization shall be as follows:

(a) Class I milk shall be all skim milk (including reconstituted skim milk) and butterfat disposed of in the form of milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream, cultured sour cream, any mixture (except bulk ice cream mix) of cream and milk or skim milk, and all skim milk and butterfat not specifically accounted for under paragraph (b) of this section; and

(b) Class II milk shall be all skim milk and butterfat:

(1) Used to produce any product other than those specified in paragraph (a) of this section,

(2) In cream stored and frozen,

(3) Disposed of for livestock feed,

(4) In skim milk dumped, after prior notification to, and opportunity for verification by the market administrator,

(5) In actual shrinkage of producer milk in an amount not to exceed one-

half percent of the total pounds of skim milk and butterfat received directly from producers' farms, plus one and one-half percent of the total pounds of skim milk and butterfat in milk, skim milk and cream in fluid form received at a pool plant from both producers and other pool plants and which were not disposed of in bulk to the pool plant of another handler;

(6) In shrinkage of other source milk, and

(7) In inventory at the end of the month as milk, skim milk, cream (except frozen cream) or any product specified in paragraph (a) of this section.

§ 906.42 *Shrinkage.* The market administrator shall determine the assignment of shrinkage to Class II milk as follows:

(a) Determine the total shrinkage of butterfat and skim milk in each pool plant; and

(b) Assign the shrinkage of skim milk and butterfat pro rata between producer milk and other source milk.

§ 906.43 *Responsibility of handlers and reclassification of milk.* (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat can prove to the market administrator that such skim milk or butterfat should be classified otherwise.

(b) Any skim milk or butterfat classified as Class II milk shall be reclassified if such skim milk or butterfat is later disposed of by such handler or another handler (whether in original or other form) as Class I milk. Any skim milk or butterfat which was classified as Class II in the previous month pursuant to § 906.41 (b) (7) shall be reclassified as Class I milk if it is subtracted in the current month from Class I pursuant to § 906.46 (a) (5).

§ 906.44 *Transfers.* Skim milk or butterfat disposed of by a handler either by transfer or diversion shall be classified:

(a) As Class I milk if diverted or transferred in bulk in the form of milk, skim milk or cream, including milk caused to be delivered to such handler's pool plant(s) from producers' farms by a cooperative association in its capacity as a handler pursuant to § 906.9 (b), to the pool plant of another handler (except a producer-handler) unless utilization in Class II is mutually indicated in writing to the market administrator by both handlers on or before the 7th day after the end of the month within which such transaction occurred: *Provided*, That the skim milk or butterfat so assigned to Class II shall be limited to the amount thereof remaining in Class II in the plant of the transferee-handler after the subtraction of other source milk pursuant to § 906.46, and any additional amounts of such skim milk or butterfat shall be assigned to Class I: *And provided further*, That if either or both handlers have received other source milk, the skim milk or butterfat so transferred or diverted shall be classified at both plants so as to allocate the greatest possible Class I utilization to producer milk;

(b) As Class I milk if transferred to a producer-handler in the form of milk, skim milk or cream;

(c) As Class I milk if diverted or transferred in bulk in the form of milk or skim milk to a nonpool plant located more than 300 miles from either Oklahoma City or Tulsa, Oklahoma, by the shortest hard-surfaced highway distance as determined by the market administrator;

(d) As Class I milk if transferred in the form of cream to a nonpool plant, unless the handler claims classification as Class II milk, establishes the fact that such cream was transferred without Grade A certification, each container was labeled or tagged to indicate that the contents are for manufacturing use only, and the shipment was so invoiced;

(e) (1) As Class I milk, if diverted or transferred in bulk in the form of milk or skim milk to a nonpool plant located not more than 300 miles by shortest hard-surfaced highway distance from either Oklahoma City or Tulsa, Oklahoma, from which fluid milk is disposed of on wholesale or retail routes or to other milk plants, unless all the following conditions are met:

(i) The market administrator is permitted to audit the records of such nonpool plant; and

(ii) Such nonpool plant received milk from dairy farmers who the market administrator determines constitute its regular sources of supply for Class I milk;

(2) If these conditions are met the market administrator shall classify such milk as reported by the handler subject to verification as follows: (i) Determine the use of all skim milk and butterfat at such nonpool plant, and (ii) allocate the skim milk and butterfat so transferred or diverted to the highest use classification remaining after subtracting in series beginning with the highest use classification, the skim milk and butterfat in milk received at the nonpool plant directly from dairy farmers which the market administrator determines constitute its regular sources of supply for Class I milk;

(f) As Class II milk if diverted or transferred in bulk in the form of milk or skim milk to a nonpool plant located not more than 300 miles by shortest hard-surfaced highway distance from either Oklahoma City or Tulsa, Oklahoma, and from which fluid milk is not disposed of on wholesale or retail routes, except that:

(1) If such nonpool plant transfers milk or skim milk to a pool plant, an equal amount of skim milk and butterfat transferred to such nonpool plant from the pool plants of other handlers shall be deemed to have been transferred directly to the second pool plant and shall be classified pursuant to the provisions of paragraph (a) of this section; and

(2) If such nonpool plant transfers milk or skim milk to a second nonpool plant which distributes fluid milk on wholesale or retail routes, skim milk or butterfat transferred from the pool plant to the first nonpool plant shall be Class I milk to the extent of the amount so transferred to such second nonpool plant unless it is established that the milk or skim milk was transferred to the second

nonpool plant without Grade A certification and with each container labeled or tagged to indicate that the contents are for manufacturing use only, and that the shipment was so invoiced.

§ 906.45 *Computation of the skim milk and butterfat in each class.* For each month, the market administrator shall correct for mathematical and for other obvious errors the monthly report submitted by each handler and shall compute the pounds of skim milk and butterfat in Class I milk and Class II milk for such handler.

§ 906.46 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 906.45 the market administrator shall determine the classification of milk received from producers as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk determined pursuant to § 906.41 (b) (5);

(2) Subtract from the total pounds of skim milk in Class I, the pounds of skim milk in other source milk received in bottles or other consumer-type packages from the pool plant of a producer-handler which is located in the marketing area and disposed of as Class I milk in the same package and under the label of such producer-handler without further processing or packaging;

(3) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk received from other handlers in a form other than milk, skim milk or cream according to its classification pursuant to § 906.41;

(4) Subtract from the remaining pounds of skim milk, in series beginning with Class II, the pounds of skim milk in receipts of other source milk;

(5) Subtract from the remaining pounds of skim milk, in series beginning with Class II, the pounds of skim milk in inventory at the beginning of the month in the form of milk, skim milk, cream (except frozen cream) or any product specified in § 906.41 (a);

(6) Subtract from the remaining pounds of skim milk in each class the skim milk received from other handlers in the form of milk, skim milk or cream according to its classification as determined pursuant to § 906.44 (a);

(7) Add to the remaining pounds of skim milk in Class II the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(8) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk received from producers, subtract such excess from the remaining pounds of skim milk in series beginning with Class II milk. Any amount so subtracted shall be called "overage".

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section; and

(c) Determine the weighted average butterfat content of the Class I and Class II milk computed pursuant to paragraphs (a) and (b) of this section.

MINIMUM PRICES

§ 906.50 *Basic formula price to be used in determining Class I prices.* The basic formula price to be used in determining the price per hundredweight of Class I milk shall be the highest of the prices computed pursuant to paragraphs (a) and (b) of this section and § 906.51 (b) for the preceding month.

(a) The average of the basic or field prices per hundredweight reported to have been paid or to be paid 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, divided by 3.5 and multiplied by 4.0:

Present Operator and Location

- Borden Co., Mount Pleasant, Mich.
- Carnation Co., Sparta, Mich.
- Pet Milk Co., Hudson, Mich.
- Pet Milk Co., Wayland, Mich.
- Pet Milk Co., Coopersville, Mich.
- Borden Co., Orfordville, Wis.
- Borden Co., New London, Wis.
- Carnation Co., Richland Center, Wis.
- Carnation Co., Oconomowoc, Wis.
- Pet Milk Co., New Glarus, Wis.
- Pet Milk Co., Belleville, Wis.
- White House Milk Co., Manitowoc, Wis.
- White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the simple average as computed by the market administrator of the daily wholesale selling prices (using the mid-point of any price range as one price) per pound of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the Department during the month, subtract 3 cents, add 20 percent thereof and multiply by 4.0, and

(2) From the simple average as computed by the market administrator of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department, deduct 5.5 cents, multiply by 8.5 and then multiply by 0.96.

§ 906.51 *Class prices.* Subject to the provisions of §§ 906.52 and 906.53, inclusive, the minimum prices per hundredweight to be paid by each handler for milk received at his plant from producers during the month shall be as follows:

(a) *Class I milk.* The basic formula price plus \$1.55 during the months of April, May and June and plus \$1.95 during all other months: *Provided*, That for each of the months of September, October, November and December, such price shall not be less than that for the preceding month, and that for each of the months of April, May and June such price shall be not more than that for the preceding month. To this price add or subtract a "supply-demand adjustment" of not more than 50 cents, computed as follows:

(1) Divide the total receipts of producer milk in the first and second months preceding by the total gross volume of Class I milk (excluding interhandler transfers and sales by producer-handlers and handlers partially exempt from this order pursuant to § 906.61) for the same months, multiply the result by 100, and round to the nearest whole number: *Provided*, That, in making this computation for the first month immediately following the effective date of this subpart, there shall be used the combined receipts of producer milk and the combined applicable gross volumes of Class I milk as reported under Part 905 of this chapter regulating the handling of milk in the Oklahoma City marketing area and as reported under this subpart during the first and second months immediately preceding the effective date of this subpart, and in making such computation for the second month following the effective date of this subpart, there shall be used the applicable combined figures for the two markets for the month immediately preceding the effective date of this subpart. The result shall be known as the Class I utilization percentage;

(2) Compute a "net deviation percentage" as follows:

(i) If the Class I utilization percentage is neither less than the minimum standard utilization percentage specified below nor in excess of the maximum standard utilization percentage specified below, the net deviation percentage is zero,

(ii) Any amount by which the Class I utilization percentage is less than the minimum standard utilization percentage specified below is a "minus net deviation percentage", and

(iii) Any amount by which the Class I utilization percentage exceeds the maximum standard utilization percentage specified below is the "plus net deviation percentage":

| Month for which price applies | Months used in computation | Standard utilization percentage | |
|-------------------------------|----------------------------|---------------------------------|---------|
| | | Minimum | Maximum |
| January..... | November-December... | 113 | 117 |
| February..... | December-January..... | 116 | 120 |
| March..... | January-February..... | 118 | 122 |
| April..... | February-March..... | 121 | 125 |
| May..... | March-April..... | 126 | 130 |
| June..... | April-May..... | 135 | 139 |
| July..... | May-June..... | 135 | 139 |
| August..... | June-July..... | 131 | 135 |
| September..... | July-August..... | 126 | 130 |
| October..... | August-September..... | 119 | 123 |
| November..... | September-October..... | 110 | 114 |
| December..... | October-November..... | 111 | 115 |

(3) For a minus "net deviation percentage" the Class I price shall be increased and for a plus "net deviation percentage" the Class I price shall be decreased as follows:

(i) One cent for each such percentage point of net deviation;

(ii) One cent for the lesser of:
(a) Each such percentage point of net deviation, or

(b) Each percentage point of net deviation of like direction (plus or minus, with any net deviation percentage of opposite direction considered to be zero for purposes of computations of this sub-

paragraph) computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding; plus

(iii) One cent for the least of:

(a) Each such percentage point of net deviation;

(b) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the month immediately preceding, or

(c) Each percentage point of net deviation of like direction computed pursuant to subparagraph (2) of this paragraph for the second preceding month.

(b) *Class II milk.* The average of the basic or field prices reported to have been paid or to be paid for ungraded milk of 4.0 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 Location

American Foods Co., Miami, Okla.
 Eppler Creamery Company, Tulsa, Okla.
 Gilt Edge Dairy, Norman, Okla.
 Muskogee Dairy Products Co., Muskogee, Okla.
 Page Milk Co., Coffeyville, Kans.
 Pet Milk Co., Siloam Springs, Ark.

§ 906.52 *Butterfat differentials to handlers.* If the average butterfat content of the milk of any handler allocated to any class pursuant to § 906.46 is more or less than 4.0 percent, there shall be added to the respective class price, computed pursuant to § 906.51, for each one-tenth of 1 percent that the average butterfat content of such milk is above 4.0 percent or subtracted for each one-tenth of 1 percent that such average butterfat content is below 4.0 percent an amount equal to the butterfat differential computed by multiplying the simple average, as computed by the market administrator, of the daily wholesale selling price per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month specified below by the applicable factor listed and dividing the result by 10:

(a) *Class I milk.* Multiply such price for the preceding month by 1.25; and

(b) *Class II milk.* Multiply such price for the current month by 1.15.

§ 906.53 *Location adjustment credit to handlers.* For that portion of milk which is (a) received directly from producers at a pool plant located 50 or more miles from the City Hall in Oklahoma City by the shortest hard-surfaced highway distance as determined by the market administrator, and (b) is classified as Class I milk, the prices specified in § 906.51 shall be subject to a location adjustment credit to the handler computed as follows:

| Distance from the City Hall in Oklahoma City: | Cents per hundredweight |
|--|----------------------------|
| 50 to 150 miles..... | 10 |
| 150.1 to 165 miles..... | 12 |
| 165.1 to 180 miles..... | 14 |
| 180.1 to 195 miles..... | 16 |
| 195.1 to 210 miles..... | 18 |
| 210.1 to 225 miles..... | 20 |
| 225.1 to 240 miles..... | 22 |

Plus 1 cent for each additional 15 miles or fraction thereof in excess of 240 miles.

Provided, That for the purpose of calculating such adjustment, transfers to a pool plant at which no location adjustment credit is applicable or at which the location adjustment credit is less than at the transferor plant, shall be assigned to Class I milk in a volume not in excess of that by which 105 percent of Class I disposition at the transferee plant exceeds the receipts from producers at such plant. Such assignment to transferor plants is to be made first to plants at which no adjustment credit is applicable and then in the sequence at which the lowest location adjustment credit would apply.

§ 906.54 *Equivalent prices.* If, for any reason, a price quotation required by this subpart for computing class prices or for any other purpose is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

APPLICATION OF PROVISIONS

§ 906.60 *Producer - handlers.* Sections 906.40 through 906.46, 906.50 through 906.53, 906.65, 906.66, 906.70 through 906.73, and 906.80 through 906.89, shall not apply to a producer-handler.

§ 906.61 *Handlers subject to other orders.* In the case of any handler who the Secretary determines disposes of a greater portion of his milk as Class I milk in another marketing area regulated by another milk marketing agreement or order issued pursuant to the act and whose milk is classified and priced under such other order, the provisions of this subpart shall not apply except that the handler shall, with respect to his total receipts of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

DETERMINATION OF BASE

§ 906.65 *Computation of daily average base for each producer.* For the months of February through July of each year, the market administrator shall compute a daily average base for each producer as follows, subject to the rules set forth in § 906.66:

(a) Divide the total pounds of milk received by a handler(s) from such producer during the months of September through December immediately preceding by the number of days, not to be less than ninety, of such producer's delivery in such period: *Provided,* That, for the months of February through July 1957, (1) each producer, for whom a base was computed pursuant to § 906.65 of this chapter regulating the handling of milk in the Oklahoma City marketing area, shall be assigned an identical base under this subpart, and (2) for each person who becomes a producer on the effective date of this subpart by virtue of the plant to which such person delivers his milk having become a pool plant on the effective date of this order, and who was not a producer as defined in Part 905 of this chapter, regulating the handling of milk in the Oklahoma City marketing

area immediately prior to the effective date of this subpart, the market administrator shall compute a base by dividing the total pounds of milk received at such plant from such person during the months of September through December, immediately preceding, by the number of days, not to be less than ninety, of such person's delivery in such period.

§ 906.66 *Base rules.* (a) A base shall apply to deliveries of milk by the producer for whose account that milk was delivered during the base-forming period;

(b) Bases may be transferred only during the period of February through July by notifying the market administrator in writing before the last day of any month that such base is to be transferred to the person named in such notice only as follows:

(1) In the event of the death, retirement, or entry into military service of a producer the entire base may be transferred to a member(s) of such producer's immediate family who carries on the dairy operations.

(2) If a base is held jointly and such joint holding is terminated, the entire base may be transferred to one of the joint holders.

(c) A producer who ceases to deliver milk to a handler for more than 45 consecutive days shall forfeit his base.

DETERMINATION OF UNIFORM PRICES

§ 906.70 *Computation of value of milk.* The value of milk received during each month by each handler from producers shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of such milk in each class by the applicable respective class prices (adjusted pursuant to §§ 906.52 and 906.53) and add together the resulting amounts;

(b) Add an amount computed by multiplying the pounds of any overage deducted from each class pursuant to § 906.46 (a) (8) by the applicable class price(s); and

(c) Add any charges computed as follows:

(1) For any skim milk or butterfat in inventory reclassified pursuant to § 906.43 (b) which is not in excess of the quantity in producer milk classified as Class II milk (other than as shrinkage) in the handler's plant(s) for the preceding month, a charge shall be computed at the difference between its value at the Class I price for the current month and its value at the Class II price of the preceding month;

(2) For any other skim milk or butterfat reclassified pursuant to § 906.43 (b) a charge shall be computed at the difference between its value at the Class I price for the current month and its value at the Class II price for the month in which previously classified as Class II milk.

§ 906.71 *Computation of aggregate value used to determine price(s).* For each month, the market administrator shall compute an aggregate value from which to determine the uniform price(s) per hundredweight for milk of 4.0 percent butterfat content received from producers as follows:

(a) Combine into one total the values computed pursuant to § 906.70 for all handlers who made the reports prescribed in § 906.30 and who made the payments pursuant to §§ 906.80 and 906.84 for the preceding month.

(b) Add the aggregate of the values of all allowable location adjustments to producers pursuant to § 906.81.

(c) Add not less than one-half of the cash balance on hand in the producer-settlement fund less the total amount of the contingent obligations to handlers pursuant to § 906.85.

(d) Subtract if the average butterfat content of the milk included in these computations is greater than 4.0 percent, or add if such average butterfat content is less than 4.0 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 4.0 percent by the butterfat differential computed pursuant to § 906.82 and multiplying the resulting figure by the total hundredweight of such milk.

§ 906.72 *Computation of uniform price.* For each of the months of August through January the market administrator shall compute the uniform price per hundredweight for all milk of 4.0 percent butterfat content received from producers as follows:

(a) Divide the aggregate value computed pursuant to § 906.71 by the total hundredweight of milk included in such computation; and

(b) Subtract not less than 4 cents nor more than 5 cents.

§ 906.73 *Computation of uniform prices for base milk and excess milk.* For each of the months of February through July the market administrator shall compute the uniform prices per hundredweight for base milk and for excess milk, each of 4.0 percent butterfat content, as follows:

(a) Compute the total value on a 4.0 percent butterfat basis of excess milk included in these computations by multiplying the hundredweight of such milk not in excess of the total quantity of Class II milk included in these computations by the price for Class II milk of 4.0 percent butterfat content, multiplying the hundredweight of such milk in excess of the total hundredweight of such Class II milk by the price for Class I milk of 4.0 percent butterfat content, and adding together the resulting amounts;

(b) Divide the total value of excess milk obtained in paragraph (a) of this section by the total hundredweight of such milk, and adjust to the nearest cent. The resulting figure shall be the uniform price for excess milk of 4.0 percent butterfat received from producers;

(c) Subtract the value of excess milk obtained in paragraph (a) of this section from the aggregate value of milk computed pursuant to § 906.71 and adjust by any amount involved in adjusting the uniform price of excess milk to the nearest cent;

(d) Divide the amount obtained in paragraph (c) of this section by the total hundred weight of base milk included in these computations; and

(e) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (d) of this section. The resulting figure shall be the uniform price for base milk of 4.0 percent butterfat content received from producers.

PAYMENTS

§ 906.80 *Time and method of payment.* Each handler shall make payment as follows:

(a) On or before the 15th day after the end of the month during which the milk was received, to each producer to whom payment is not made pursuant to paragraph (c) of this section, at not less than the applicable uniform price(s) for such month computed pursuant to §§ 906.72 and 906.73, adjusted by the butterfat differential computed pursuant to § 906.82, subject to location adjustments to producers pursuant to § 906.81, and less the amount of the payment made pursuant to paragraph (b) of this section: *Provided*, That if by such date such handler has not received full payment pursuant to § 906.85, he may reduce his total payments to all producers uniformly by not more than the amount of reduction in payment from the market administrator; he shall, however, complete such payments pursuant to this paragraph not later than the date for making such payments next following receipt of the balance from the market administrator;

(b) On or before the last day of each month, to each producer for whom payment is not made pursuant to paragraph (d) of this section for milk received from him during the first 15 days of the month at not less than the Class II price for the preceding month;

(c) To a cooperative association with respect to milk for which the cooperative association is a handler on or before the 10th day of each month for milk which is caused to be delivered to such handler during the preceding month at not less than the value of such milk at the applicable class prices; and

(d) (1) Upon receipt of written request from a cooperative association which the market administrator determines is authorized by its members to collect payment for their milk and receipt of a written promise to reimburse the handler for the amount of any actual loss incurred by him because of any improper claim on the part of the cooperative association, each handler shall,

(i) Pay to the cooperative association on or before the 13th and 27th days of each month, in lieu of payments pursuant to paragraphs (a) and (b), respectively, of this section, an amount equal to the gross sum due for all milk received from certified members, less amounts owed by each member producer to the handler for supplies purchased from him on prior written order or as evidenced by a delivery ticket signed by the producer,

(ii) Submit to the cooperative association on or before the 10th day of each month written information which shows for each member producer,

(a) The total pounds of milk received during the preceding month,

(b) The total pounds of butterfat contained in such milk,

(c) The number of days on which milk was received,

(d) For the months of February through July the amount of base and excess milk received, and

(e) The amounts withheld by the handler in payment for supplies sold, and

(iii) Submit to the cooperative association on or before the 25th day of each month, written information which shows for each member producer the total pounds of milk received during the first 15 days of the current month. The foregoing payment and submission of information shall be made with respect to milk of each producer, who the cooperative association certifies is a member, which is received on and after the first day of the calendar month next following the receipt of such certification through the last day of the month next preceding receipt of notice from the cooperative association of a termination of membership or until the original request is rescinded in writing by the association; and

(2) A copy of each such request, promise to reimburse, and certified list of members shall be filed simultaneously with the market administrator by the cooperative and shall be subject to verification at his discretion through audits of the records of the cooperative association pertaining thereto. Exceptions, if any, to the accuracy of such certification by a producer claimed to be a member or by a handler shall be made by written notice to the market administrator and shall be subject to his determination.

§ 906.81 *Location adjustment to producers.* In making payments to producers pursuant to § 906.80 each handler may deduct during the months of August through January for each hundredweight of milk and during the months of February through July for each hundredweight of base milk received from producers at a pool plant which is located 50 or more miles from the City Hall in Oklahoma City by shortest hard-surfaced highway distance, as determined by the market administrator, the applicable amounts set forth below:

| Distance from the City Hall in Oklahoma City: | Cents per hundredweight |
|---|-------------------------|
| 50 to 150 miles..... | 10 |
| 150.1 to 165 miles..... | 12 |
| 165.1 to 180 miles..... | 14 |
| 180.1 to 195 miles..... | 16 |
| 195.1 to 210 miles..... | 18 |
| 210.1 to 225 miles..... | 20 |
| 225.1 to 240 miles..... | 22 |

Plus 1 cent for each additional 15 miles or fraction thereof in excess of 240 miles.

§ 906.82 *Producer butterfat differential.* In making payments pursuant to § 906.80 there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 4.0 percent, an amount computed by multiplying by 1.2 the simple average, as computed by the market administrator, of the daily wholesale selling prices per pound (using the midpoint of any

price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 906.83 *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund", into which he shall deposit all payments made by handlers pursuant to §§ 906.84 and 906.86, and out of which he shall make all payments to handlers pursuant to §§ 906.85 and 906.86, inclusive.

§ 906.84 *Payments to the producer-settlement fund.* On or before the 13th day after the end of the month during which the milk was received, each handler, including a cooperative association which is a handler, shall pay to the market administrator the amount, if any, by which the value of the milk received by such handler from producers as determined pursuant to § 906.70 is greater than the amount required to be paid producers by such handler pursuant to § 906.80.

§ 906.85 *Payment out of the producer-settlement fund.* On or before the 14th day after the end of the month during which the milk was received the market administrator shall pay to each handler, including a cooperative association which is a handler, the amount, if any, by which the value of the milk received by such handler from producers during the month as determined pursuant to § 906.70 is less than the amount required to be paid producers by such handler pursuant to § 906.80: *Provided,* That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available.

§ 906.86 *Adjustments of accounts.* Whenever audit by the market administrator of any handler's reports, books, records or accounts discloses errors resulting on moneys due (a) the market administrator from such handler, (b) such handler from the market administrator, or (c) any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which such error occurred.

§ 906.87 *Marketing services.* (a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers (other than himself) pursuant to § 906.80 shall deduct 5 cents per hundredweight or such amount not exceeding 5 cents per hundredweight as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 15th day after the end of each month. Such moneys shall be used by the market administrator to sample, test, and check the weights of milk received from producers and to provide producers with market information.

(b) In the case of producers for whom a cooperative association is actually performing the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section such deductions from the payments to be made to such producers as may be authorized by the membership agreement or marketing contract between such cooperative association and such producers and on or before the 15th day after the end of each month pay such deduction to the cooperative association rendering such services, identified by a statement showing for each such producer the information required to be reported to the market administrator pursuant to § 906.31. In lieu of such statement a handler may authorize the market administrator to furnish such cooperative association the information with respect to such producers reported pursuant to § 906.31.

§ 906.88 *Expense of administration.* As his pro rata share of the expense of administration of this subpart, each handler shall pay to the market administrator on or before the 15th day after the end of the month, 4 cents per hundredweight, or such amount not exceeding 4 cents per hundredweight as the Secretary may prescribe, with respect to all receipts within the month of (a) other source milk which is classified as Class I milk, and (b) milk from producers including such handler's own production.

§ 906.89 *Termination of obligation.* The provisions of this section shall apply to any obligation under this subpart for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this subpart shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

- (1) The amount of the obligation;
- (2) The month(s) during which the milk with respect to which the obligation exists, was received or handled; and
- (3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this subpart, to make available to the market administrator or his representatives all books and records required by this subpart to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such

obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this subpart to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this subpart shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant to section 8c (15) (A) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 906.90 *Effective time.* The provisions of this subpart or any amendment to this subpart shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 906.91.

§ 906.91 *Suspension or termination.* The Secretary may suspend or terminate this subpart or any provision of this subpart whenever he finds this subpart or any provision of this subpart obstructs or does not tend to effectuate the declared policy of the act. This subpart shall terminate in any event whenever the provisions of the act authorizing it cease to be in effect.

§ 906.92 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this subpart, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 906.93 *Liquidation.* Upon the suspension or termination of the provisions of this subpart, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand

exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 906.100 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this subpart.

§ 906.101 *Separability of provisions.* If any provision of this subpart, or its application to any person or circumstances, is held invalid, the application of such provision and of the remaining provisions of this subpart, to other persons or circumstances shall not be affected thereby.

- Issued at Washington, D. C., this 17th day of April 1957, to be effective on and after the 1st day of May 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-3270; Filed, Apr. 22, 1957; 8:47 a. m.]

PART 925—MILK IN PUGET SOUND, WASH.,
MARKETING AREA

ORDER SUSPENDING CERTAIN PROVISIONS

Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), hereinafter referred to as the "act", and of the order, as amended (7 CFR Part 925), regulating the handling of milk in the Puget Sound, Washington, marketing area, hereinafter referred to as the "order", it is hereby found and determined that:

(a) The following provisions of § 925.13 (b) will not tend to effectuate the declared policy of the act for the period May 1, 1957 through June 30, 1957: "(b) Producer milk which: (1) Was qualified under paragraph (a) of this section in one price district in each month during any August-December period, or (2) Was not qualified under subparagraph (1) of this paragraph but which was delivered to a plant(s) in one price district on not less than 60 percent of the days of delivery from the date of first delivery of such milk through March 31, shall be priced during the next following April-June period as if received in such price district; and"

(b) Notice of proposed rule making, public procedure thereon, and 30 days' notice of the effective date hereof, are found to be impracticable, unnecessary, and contrary to the public interest in that:

(1) The information on which this action is based is the record of a public hearing held at Seattle, Washington, April 5, 1957, at which evidence was received on proposed amendments of the provisions herein suspended;

(2) Time does not permit the detailed analysis of this record and public procedures incident to an appropriate

amendment of the order to be effective for the delivery periods of May and June 1957;

(3) Petition for suspension of these provisions was filed by producer organizations representing a substantial majority of the producers whose milk is regulated and evidence was received at the hearing;

(4) It is found necessary to issue and make effective this suspension order to reflect current marketing conditions and to facilitate, promote, and maintain orderly marketing conditions in the marketing area;

(5) The effect of this action will be to prevent abuse of the diversion privilege in the months of May and June 1957, by requiring handlers to receive producer milk at District No. 1 plants on not less than 60 percent of the days of delivery in May and June 1957, in order for such milk to be priced in such district for the full month, pending a detailed analysis of the hearing evidence, and public procedures required for appropriate amendment of the order, based on the record of the April 5, 1957, hearings; and

(6) This suspension order does not require of persons affected substantial or extensive preparation prior to its effective date.

It is therefore ordered, That the following provisions of § 925.13 (b) of the order be and hereby are suspended for the months of May and June 1957:

(b) Producer milk which: (1) Was qualified under paragraph (a) of this section in one price district in each month during any August-December period, or (2) was not qualified under subparagraph (1) of this paragraph but which was delivered to a plant(s) in one price district on not less than 60 percent of the days of delivery from the date of first delivery of such milk through March 31, shall be priced during the next following April-June period as if received in such price district; and

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

Done at Washington, D. C., this 18th day of April 1957.

[SEAL] EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-3275; Filed, Apr. 22, 1957; 8:48 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 16]

PART 610—MINIMUM EN ROUTE IFR ALTITUDES

MISCELLANEOUS AMENDMENTS

The minimum en route IFR altitudes appearing hereinafter have been coordinated with 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 inter-

est, and therefore is not required. Part 610 is amended as follows: (Listed items to be placed in appropriate sequence in the sections indicated).

Section 610.6600 *VOR Civil Airway 1500* is added to read:

From Half Moon Bay INT, Calif.; to Oakland, Calif., VOR; MEA 4,000.

From Oakland, Calif., VOR; to Sacramento, Calif., VOR; MEA 4,000.

From Bay Point, Calif., FM; to Sacramento, Calif., VOR, eastbound only; MEA 2,000.

From Sacramento, Calif., VOR; to Folsom INT, Calif.; MEA 3,000.

From Folsom INT, Calif.; to *Coloma INT, Calif.; northeastbound, MEA 9,500; southwestbound; MEA 5,000. *9,500—MCA Coloma INT, northeastbound.

From Coloma INT, Calif.; to Tahoe INT, Calif., northeastbound, MEA 13,000; southwestbound, MEA 9,500.

From Tahoe INT, Calif.; to *Reno, Nev., VOR; MEA 13,000. *12,000—MCA Reno VOR, southwestbound.

From Reno, Nev., VOR; to Lovelock, Nev., VOR; MEA 10,000.

From Burley, Idaho, VOR; to Pocatello, Idaho, VOR; MEA 7,000.

From Watertown, S. Dak., VOR; to Madison INT, Minn.; MEA *3,700. *3,000—MOCA.

From Madison INT, Minn.; to Litchfield INT, Minn.; MEA *6,600. *2,300—MOCA.

From Litchfield INT, Minn.; to Minneapolis, Minn., VOR; MEA *3,000. *2,300—MOCA.

From Minneapolis, Minn., VOR; to Houlton INT, Wis.; MEA 2,500.

From Houlton INT, Wis.; to Eau Claire, Wis., VOR; MEA 2,800.

From Eau Claire, Wis., VOR; to *Cadott INT, Wis.; MEA 2,400. *2,400—MRA.

From Cadott INT, Wis.; to *Wausau, Wis., VOR; MEA 3,200. *3,200—MCA Wausau, VOR, westbound.

From Wausau, Wis., VOR; to Green Bay, Wis., VOR; MEA 2,400.

From Green Bay, Wis., VOR; to Pentwater INT, Mich.; MEA 2,900.

From Pentwater INT, Mich.; to White Cloud, Mich., VOR; MEA 2,000.

From Erie, Pa., VOR; to Bradford, Pa., VOR; MEA 4,000.

From Bradford, Pa., VOR; to Selinsgrove, Pa., VOR; MEA 4,000.

From Selinsgrove, Pa., VOR; to *East Texas INT, Pa.; MEA *10,000. *10,000—MRA. **4,000—MOCA.

From East Texas INT, Pa.; to Ringoes INT, N. J.; MEA *6,000. *2,500—MOCA.

From Ringoes INT, N. J.; to Colts Neck, N. J., VOR; MEA 2,000.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6602 *VOR Civil Airway 1502* is added to read:

From Half Moon Bay INT, Calif.; to Oakland, Calif., VOR; MEA 4,000.

From Oakland, Calif., VOR; to Sacramento, Calif., VOR; MEA 4,000.

From Bay Point, Calif., FM; to Sacramento, Calif., VOR, eastbound only; MEA 2,000.

From Sacramento, Calif., VOR; to Folsom INT, Calif.; MEA 3,000.

From Folsom INT, Calif.; to *Coloma INT, Calif.; Northeastbound, MEA 9,500; Southwestbound, MEA 5,000. *9,500—MCA Coloma INT, Northeastbound.

From Coloma INT, Calif.; to Tahoe INT, Calif.; Northeastbound, MEA 13,000; Southwestbound, MEA 9,500.

From Tahoe INT, Calif.; to *Reno, Nev., VOR; MEA 13,000. *12,000—MCA Reno VOR, Southwestbound.

From Reno, Nev., VOR; to Lovelock, Nev., VOR; MEA 10,000.

From Burley Idaho, VOR; to Pocatello, Idaho, VOR; MEA 7,000.

From Rapid City, S. Dak., VOR; to Philip, S. Dak., VOR; MEA 4,500.

From Philip, S. Dak., VOR; to Pierre, S. Dak., VOR; MEA 3,400.

From Pierre, S. Dak., VOR; to Huron, S. Dak., VOR; MEA 3,400.

From Huron, S. Dak., VOR; to Oakwood INT, S. Dak.; MEA *3,900. *2,800—MOCA.

From Oakwood INT, S. Dak.; to Redwood Falls, Minn., VOR; MEA *3,900. *3,000—MOCA.

From Lone Rock, Wis., VOR; to Milwaukee, Wis., VOR; MEA 2,500.

From Lansing, Mich., VOR; to Salem, Mich., VOR; MEA 2,900.

From Erie, Pa., VOR; to Bradford, Pa., VOR; MEA 4,000.

From Bradford, Pa., VOR; to Selingsgrove, Pa., VOR; MEA 4,000.

From Selingsgrove, Pa., VOR; to *East Texas INT, Pa.; MEA **10,000. *10,000—MRA. **4,000—MOCA.

From East Texas INT, Pa.; to Ringoes INT, N. J.; MEA *6,000. *2,500—MOCA.

From Ringoes INT, N. J.; to Colts Neck, N. J., VOR; MEA 2,000.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6604 VOR Civil Airway 1504, is added to read:

From Half Moon Bay, INT, Calif.; to Oakland, Calif. VOR; MEA 4,000.

From Oakland, Calif., VOR; to Sacramento, Calif., VOR; MEA 4,000.

From Bay Point, Calif., FM; to Sacramento, Calif., VOR, eastbound only; MEA 2,000.

From Sacramento, Calif., VOR; to Folsom INT, Calif.; MEA 3,000.

From Folsom INT, Calif.; to *Coloma INT, Calif.; northeastbound, MEA 9,500; southwestbound, MEA 5,000. *9,500—MCA Coloma INT, northeastbound.

From Coloma INT, Calif.; to Tahoe INT, Calif.; northeastbound, MEA 13,000; southwestbound, MEA 9,500.

From Tahoe INT, Calif.; to *Reno, Nev. VOR; MEA 13,000. *12,000—MCA Reno VOR, southwestbound.

From Reno, Nev., VOR; to Lovelock, Nev., VOR; MEA 10,000.

From Lovelock, Nev., VOR; to Battle Mountain, Nev., VOR; MEA 12,000.

From Battle Mountain, Nev., VOR; to Elko, Nev., VOR; MEA 11,000.

From Elko, Nev., VOR; to Wells, Nev., VOR; MEA 13,000.

From Lone Rock, Wis., VOR; to Milwaukee, Wis., VOR; MEA 2,500.

From Milwaukee, Wis., VOR; to Sun Fish INT, (Lake Michigan); MEA 2,300.

From Sun Fish INT, (Lake Michigan); to Pullman, Mich., VOR; MEA *2,700. *2,000—MOCA.

From Pullman, Mich., VOR; to *LeRoy INT, Mich.; MEA 2,200. *2,500—MRA.

From LeRoy INT, Mich.; to Litchfield, Mich., VOR; MEA 2,200.

From Litchfield, Mich., VOR; to Milan INT, Mich.; MEA 2,300.

From Milan INT, Mich.; to Carleton, Mich., VOR; MEA 2,000.

From Cleveland, Ohio, VOR to Chippewa INT, Ohio; MEA 2,200.

From Chippewa INT, Ohio; to Bergholz INT, Ohio; MEA 2,500.

From Bergholz INT, Ohio; to Wheeling, W. Va., VOR; MEA 3,000.

From Wheeling, W. Va., VOR; to Millsboro INT, Pa., MEA 3,000.

From Millsboro INT, Pa.; to Grantsville, Md., VOR; MEA 5,000.

From Grantsville, Md., VOR; to Front Royal, Va., VOR; MEA 5,000.

From Front Royal, Va., VOR; to Plains INT, Va.; MEA 4,000.

From Plains INT, Va.; to Springfield INT, Va.; MEA 3,000.

From Springfield INT, Va.; to Washington, D. C., TVOR; MEA 1,800.

Section 610.6606 VOR Civil Airway 1506, is added to read:

From Half Moon Bay INT, Calif.; to Oakland, Calif., VOR; MEA 4,000.

From Oakland, Calif., VOR; to Modesto, Calif., VOR; MEA 4,000.

From Bonneville, Utah, VOR; to *Timpie INT, Utah; westbound, MEA 10,000; eastbound, MEA 11,000. *15,000—MRA.

From Timpie INT, Utah; to *Stansbury INT, Utah; westbound, MEA 10,000; eastbound, MEA 11,000. *12,000—MRA.

From Stansbury INT, Utah; to *Salt Lake City, Utah, VOR; westbound, MEA 10,000; eastbound, MEA 11,000. *12,000—MCA Salt Lake City VOR, eastbound.

From Salt Lake City, Utah, VOR; to *Henefer INT, Utah; MEA **13,000. *14,000—MRA. **12,000—MOCA.

From Henefer INT, Utah; to Fort Bridger, Wyo., VOR; MEA *13,000. *12,000—MOCA.

From Fort Bridger, Wyo., VOR; to Rock Springs, Wyo., VOR; MEA 10,000.

From Rock Springs, Wyo., VOR; to Cherokee, Wyo., VOR; MEA 10,000.

From Cherokee, Wyo., VOR; to Rock River, Wyo., VOR; MEA 12,000.

From Rock River, Wyo., VOR; to Wheatland INT, Wyo., MEA 11,000.

From Wheatland INT, Wyo.; to Chadron, Nebr., VOR; MEA *10,000. *8,000—MOCA.

From Sioux City, Iowa., VOR; to Alden INT, Iowa; MEA *7,000. *2,800—MOCA.

From Alden INT, Iowa; to Waterloo, Iowa, VOR; MEA *3,000. *2,300—MOCA.

From Waterloo, Iowa, VOR; to Dubuque INT, Iowa; MEA *6,000. *3,100—MOCA.

From Dubuque INT, Iowa; to Freeport INT, Ill.; MEA *6,000. *2,500—MOCA.

From Freeport INT, Ill.; to Rockford, Ill.; VOR; MEA 2,500.

From Rockford, Ill., VOR; to Elgin INT, Ill.; MEA 2,500.

From Elgin INT, Ill.; to Wheeling, Ill., VOR; MEA 2,200.

From Wheeling, Ill., VOR; to *White Fish INT, Ill.; MEA 2,000. *3,500—MRA.

From White Fish INT, Ill.; to Keeler, Mich., VOR; MEA 2,000.

From Keeler, Mich., VOR; to *Le Roy INT, Mich.; MEA **2,500. *2,500—MRA. **2,100—MOCA.

From Le Roy INT, Mich.; to Litchfield, Mich., VOR; MEA 2,200.

From Litchfield, Mich., VOR; to Hudson INT, Mich.; MEA 2,600.

From Hudson INT, Mich.; to Waterville, Ohio, VOR; MEA 2,200.

From Waterville, Ohio, VOR; to Republic INT, Ohio; MEA 2,000.

From Republic INT, Ohio; to Mansfield, Ohio, VOR; MEA 2,500.

From Mansfield, Ohio, VOR; to Baltic INT, Ohio; MEA 2,500.

From Baltic INT, Ohio; to *Moorefield INT, Ohio; MEA **3,000. *3,000—MRA. **2,500—MOCA.

From Moorefield INT, Ohio; to Cameron INT, W. Va.; MEA 3,000.

From Cameron INT, W. Va.; to Morgantown, W. Va., VOR; MEA 4,000.

From Morgantown, W. Va., VOR; to Front Royal, Va., VOR; MEA 5,000.

From Front Royal, Va., VOR; to Plains INT, Va.; MEA 4,000.

From Plains INT, Va.; to Springfield INT, Va.; MEA 3,000.

From Springfield INT, Va.; to Washington, D. C., TVOR; MEA 1,800.

Section 610.6608 VOR Civil Airway 1508, is added to read:

From *Los Angeles, Calif. VOR; to Alhambra INT, Calif.; northeastbound, MEA 12,000; southwestbound, MEA 3,000. *9,000—MCA Los Angeles VOR, northeastbound.

From Alhambra INT, Calif.; to Hawkins INT, Calif., northeastbound, MEA 12,000; southwestbound, MEA 9,000.

From Hawkins INT, Calif.; to Daggett, Calif., VOR; MEA 12,000.

From Daggett, Calif., VOR; to *Silver Lake INT, Calif.; MEA 9,500. *13,000—MRA.

From Silver Lake INT, Calif.; to Las Vegas, Nev., VOR; MEA 9,500.

From Las Vegas, Nev., VOR; to Mormon Mesa, Nev., VOR; MEA 8,000.

From Logandale, Nev., FM; to Las Vegas, Nev., VOR, southwestbound only; MEA 6,500.

From Mormon Mesa, Nev., VOR; to Milford, Utah, VOR; MEA 10,000.

From Sioux City, Iowa; to Alden INT, Iowa; MEA *7,000. *2,800—MOCA.

From Alden INT, Iowa; to Waterloo, Iowa, VOR; MEA *3,000. *2,300—MOCA.

From Waterloo, Iowa, VOR; to Dubuque INT, Iowa; MEA *6,000. *3,100—MOCA.

From Dubuque INT, Iowa; to Freeport INT, Ill.; MEA *6,000. *2,500—MOCA.

From Freeport INT, Ill., to Rockford, Ill., VOR; MEA 2,500.

From Rockford, Ill., VOR; to Elgin INT, Ill.; MEA 2,500.

From Elgin INT, Ill.; to Wheeling, Ill., VOR; MEA 2,200.

From Wheeling, Ill., VOR; to *White Fish INT, Ill.; MEA 2,000. *3,500—MRA.

From White Fish INT, Ill.; to Keeler, Mich., VOR; MEA 2,000.

From Keeler, Mich., VOR; to *Le Roy INT, Mich.; MEA **2,500. *2,500—MRA. **2,100—MOCA.

From Le Roy INT, Mich.; to Litchfield, Mich., VOR; MEA 2,200.

From Litchfield, Mich., VOR; to Milan INT, Mich.; MEA 2,300.

From Milan INT, Mich.; to Carleton, Mich., VOR; MEA 2,000.

From Jefferson, Ohio, VOR; to Meadville INT, Pa.; MEA 3,000.

From Meadville INT, Pa.; to Fitzgerald, Pa., VOR; MEA 3,500.

From Fitzgerald, Pa., VOR; to Phillipsburg, Pa., VOR; MEA 4,000.

From Phillipsburg, Pa., VOR; to Selingsgrove, Pa., VOR; MEA 4,000.

From Selingsgrove, Pa., VOR; to *East Texas INT, Pa.; MEA **10,000. *10,000—MRA. **4,000—MOCA.

From East Texas INT, Pa.; to Ringoes INT, N. J.; MEA *6,000. *2,500—MOCA.

From Ringoes INT, N. J.; to Colts Neck, N. J., VOR; MEA 2,000.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6610 VOR Civil Airway 1510, is added to read:

From *Los Angeles, Calif., VOR; to Alhambra INT, Calif., northeastbound, MEA 12,000; southwestbound, MEA 3,000. *9,000—MCA Los Angeles VOR, northeastbound.

From Alhambra INT, Calif.; to Hawkins INT, Calif., northeastbound, MEA 12,000; southwestbound, MEA 9,000.

From Hawkins INT, Calif.; to Daggett, Calif., VOR; MEA 12,000.

From Daggett, Calif., VOR; to *Silver Lake INT, Calif.; MEA 9,500. *13,000—MRA.

From Silver Lake INT, Calif.; to Las Vegas, Nev., VOR; MEA 9,500.

From Las Vegas, Nev., VOR; to Mormon Mesa, Nev., VOR; MEA 8,000.

From Logandale, Nev., FM; to Las Vegas, Nev., VOR; southwestbound only; MEA 6,500.

From Mormon Mesa, Nev., VOR; to Bryce Canyon, Utah, VOR; MEA 13,000.

From Bryce Canyon, Utah, VOR; to Hanks-ville, Utah, VOR; MEA 13,000.

From Hanksville, Utah, VOR; to Grand Junction, Colo., VOR; MEA 10,000.

From Grand Junction, Colo., VOR; to Kremmling, Colo., VOR; MEA 14,000.

From Kremmling, Colo., VOR; to Ward INT, Colo.; MEA 16,000.

From Ward INT, Colo.; to Longmont INT, Colo.; MEA 16,500.

From *Longmont INT, Colo.; to Roggen INT, Colo.; MEA 10,500. *16,500—MCA Longmont INT, westbound.

From Roggen INT, Colo.; to Akron, Colo., VOR; MEA 7,000.

From Akron, Colo., VOR; to Imperial, Nebr., VOR; MEA 5,600.

From Imperial, Nebr., VOR; to Grand Island, Nebr.; VOR; MEA *6,000. *4,300—MOCA.

From Grand Island, Nebr., VOR; to Omaha, Nebr., VOR; MEA *3,700. *3,200—MOCA.

From Omaha, Nebr., VOR; to *Lyman INT, Iowa; MEA 2,600. *5,500—MRA.

From Lyman INT, Iowa; to *Middle River INT, Iowa; MEA 2,600. *3,000—MRA.

From Middle River INT, Iowa; to Des Moines, Iowa, VOR; MEA 2,600.

From Des Moines, Iowa, VOR; to Iowa City, Iowa, VOR; MEA 2,200.

From Iowa City, Iowa, VOR; to Moline, Ill., VOR; MEA 2,000.

From Moline, Ill., VOR; to *Shabbona INT, Ill.; MEA 2,100. *3,500—MRA.

From Shabbona INT, Ill.; to Sugar Grove INT, Ill.; MEA 2,100.

From Sugar Grove INT, Ill.; to Naperville, Ill., VOR; MEA 2,000.

From Naperville, Ill., VOR; to South Bend, Ind., VOR; MEA 2,300.

From South Bend, Ind., VOR; to Elmira INT, Ohio; MEA *3,000. *2,300—MOCA.

From Elmira INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

From Iowa City, Iowa, VOR via S alter.; to Buffalo INT, Iowa, via S alter.; MEA 2,100.

From Buffalo INT, Iowa, via S alter.; to *Annawan INT, Ill., via S alter.; MEA **4,000. *4,000—MRA. *2,100—MOCA.

From Annawan INT, Ill., via S alter.; to Triumph INT, Ill., via S alter.; MEA *6,000. *2,000—MOCA.

From Triumph INT, Ill., via S alter.; to Joliet, Ill., VOR, via S alter.; MEA 2,000.

From Joliet, Ill., VOR, via S alter.; to Chicago Heights, Ill., VOR, via S alter.; MEA 2,300.

From Chicago Heights, Ill., VOR via S alter.; to *Westville INT, Ind., via S alter.; MEA 2,000. *2,400—MRA.

From Westville INT, Ind., via S alter.; to Goshen, Ind., VOR via S alter.; MEA 2,100.

From Goshen, Ind., VOR via S alter.; to Millersburg INT, Ind., via S alter.; MEA 2,000.

From Millersburg INT, Ind., via S alter.; to Bryan INT, Ohio, via S alter.; MEA 3,000.

From Bryan INT, Ohio, via S alter.; to Waterville, Ohio, VOR via S alter.; MEA 2,000.

From Waterville, Ohio, VOR; to Cleveland, Ohio, VOR; MEA 2,000.

From Cleveland, Ohio, VOR; to Chagrin Falls INT, Ohio; MEA 3,000.

From Brecksville, Ohio, FM; to Chagrin Falls INT, Ohio, eastbound only; MEA 2,500.

From Chagrin Falls, INT, Ohio; to Youngstown, Ohio, VOR; MEA 2,500.

From Youngstown, Ohio, VOR; to *Mercer INT, Pa.; MEA 2,600. *4,000—MRA.

From Mercer INT, Pa.; to *Brookville INT, Pa.; MEA 4,000. *4,000—MRA.

From Brookville INT, Pa.; to Philipsburg, Pa., VOR; MEA *4,000.

From Philipsburg, Pa., VOR; to Selinsgrove, Pa., VOR; MEA 4,000.

From Selinsgrove, Pa., VOR; to *East Texas INT, Pa.; **10,000. *10,000—MRA. **4,000—MOCA.

From East Texas INT, Pa.; to Ringoes INT, N. J.; MEA *6,000. *2,500—MOCA.

From Ringoes INT, N. J.; to Colts Neck, N. J., VOR; MEA 2,000.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6612 VOR Civil Airway 1512, is added to read:

From *Los Angeles, Calif., VOR; to Alhambra INT, Calif., northeastbound, MEA 12,000; southwestbound, MEA 3,000. *9,000—MCA Los Angeles VOR, northeastbound.

From Alhambra INT, Calif.; to Hawkins INT, Calif., northeastbound, MEA 12,000; southwestbound, MEA 9,000.

From Hawkins INT, Calif., to Daggett, Calif., VOR; MEA 12,000.

From Russell, Kans., VOR; to Salina, Kans., VOR; MEA 3,000.

From Salina, Kans., VOR; to Topeka, Kans., VOR; MEA 3,000.

From Topeka, Kans., VOR; to Kansas City, Mo., VOR; MEA 2,400.

From Kansas City, Mo., VOR; to Excelsior INT, Mo.; MEA 2,400.

From Excelsior INT, Mo.; to Tina INT, Mo.; MEA *3,000. *2,400—MOCA.

From Tina INT, Mo.; to Excello INT, Mo.; MEA *5,000. *2,000—MOCA.

From Excello INT, Mo.; to Warren INT, Mo.; MEA *2,500. *2,000—MOCA.

From Warren INT, Mo.; to Quincy, Ill., VOR; MEA 2,000.

From Quincy, Ill., VOR; to Springfield, Ill., VOR; MEA 2,000.

From Kansas City, Mo., VOR via S alter.; to *Marshall INT, Mo., via S alter.; MEA **3,400. **2,400—MOCA.

From Marshall INT, Mo., via S alter.; to Columbia, Mo., VOR via S alter.; MEA *3,400. *2,400—MOCA.

From Columbia, Mo., VOR via S alter.; to *New Florence INT, Mo., via S alter.; MEA 2,100. *3,000—MRA.

From New Florence INT, Mo., via S alter.; to *Monroe INT, Mo., via S alter.; MEA 2,100. *3,000—MRA.

From Monroe INT, Mo., via S alter.; to St. Louis, Mo., VOR via S alter.; MEA 2,100.

From St. Louis, Mo., VOR via S alter.; to Vandalia, Ill., VOR via S alter.; MEA 2,000.

From Vandalia, Ill., VOR via S alter.; to *Union Center INT, Mo., via S alter.; MEA 2,000. *2,400—MRA.

From Union Center INT, Mo., via S alter.; to Terre Haute, Ind., VOR via S alter.; MEA 2,000.

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

From Indianapolis, Ind., VOR; to *Maxwell INT, Ind.; MEA 2,400. *4,000—MRA.

From Maxwell INT, Ind.; to Dayton, Ohio, VOR; MEA 2,300.

From Dayton, Ohio, VOR; to *Mechanicsburg INT, Ohio; MEA 2,500. *3,500—MRA.

From Mechanicsburg INT, Ohio; to *West Jefferson INT, Ohio; MEA 2,500. *3,500—MRA.

From West Jefferson INT, Ohio; to Appleton, Ohio, VOR; MEA 2,500.

From Appleton, Ohio, VOR; to *Moorefield INT, Ohio; MEA 2,500. *3,000—MRA.

From Moorefield INT, Ohio; to *Adena INT, Ohio; MEA 2,500. *3,500—MRA.

From Adena INT, Ohio; to Wheeling, W. Va., VOR; MEA 2,500.

From Wheeling, W. Va., VOR; to Pittsburgh, Pa., VOR; MEA 2,500.

From Pittsburgh, Pa., VOR; to *Latrobe INT, Pa.; MEA 3,000. *4,000—MCA Latrobe INT, eastbound.

From Latrobe INT, Pa.; to Johnstown, Pa., VOR; MEA 4,500.

From Selinsgrove, Pa., VOR; to *East Texas INT, Pa.; MEA **10,000. *10,000—MRA. **4,000—MOCA.

From East Texas INT, Pa.; to Ringoes INT, N. J.; MEA *6,000. *2,500—MOCA.

From Ringoes INT, N. J.; to Colts Neck, N. J., VOR; MEA 2,000.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6614 VOR Civil Airway 1514, is added to read:

From Half Moon Bay, INT, Calif.; to Oakland, Calif., VOR; MEA 4,000.

From Oakland, Calif., VOR; to Modesto, Calif., VOR; MEA 4,000.

From Pueblo, Colo., VOR; to Lamar, Colo., VOR; MEA 6,000.

From Russell, Kans., VOR; to Salina, Kans., VOR; MEA 3,000.

From Salina, Kans., VOR; to Topeka, Kans., VOR; MEA 3,000.

From Topeka, Kans., VOR; to Kansas City, Mo., VOR; MEA 2,400.

From Kansas City, Mo., VOR; to Excelsior INT, Mo.; MEA 2,400.

From Excelsior INT, Mo.; to Tina INT, Mo.; MEA *3,000. *2,400—MOCA.

From Tina INT, Mo.; to Excello INT, Mo.; MEA *5,000. *2,000—MOCA.

From Excello INT, Mo.; to Warren INT, Mo.; MEA *2,500. *2,000—MOCA.

From Warren INT, Mo.; to Quincy, Ill., VOR; MEA 2,000.

From Quincy, Ill., VOR; to Springfield, Ill., VOR; MEA 2,000.

From Kansas City, Mo., VOR via S alter.; to *Marshall INT, Mo., via S alter.; MEA **3,400. *4,000—MRA. **2,400—MOCA.

From Marshall INT, Mo., via S alter.; to Columbia, Mo., VOR via S alter.; MEA *3,400. *2,400—MOCA.

From Columbia, Mo., VOR via S alter.; to *New Florence INT, Mo., via S alter.; MEA 2,100. *3,000—MRA.

From New Florence INT, Mo., via S alter.; to *Monroe INT, Mo., via S alter.; MEA 2,100. *3,000—MRA.

From Monroe INT, Mo., via S alter.; to St. Louis, Mo., VOR via S alter.; MEA 2,100.

From St. Louis, Mo., VOR via S alter.; to Vandalia, Ill., VOR via S alter.; MEA 2,000.

From Vandalia, Ill., VOR via S alter.; to *Union Center INT, Mo., via S alter.; MEA 2,000. *2,400—MRA.

From Union Center INT, Mo., via S alter.; to Terre Haute, Ind., VOR via S alter.; MEA 2,000.

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

From Indianapolis, Ind., VOR; to *Maxwell INT, Ind.; MEA 2,400. *4,000—MRA.

From Maxwell INT, Ind.; to Dayton, Ohio, VOR; MEA 2,300.

From Dayton, Ohio, VOR; to *Mechanicsburg INT, Ohio; MEA 2,500. *3,500—MRA.

From Mechanicsburg INT, Ohio; to *West Jefferson INT, Ohio; MEA 2,500. *3,500—MRA.

From West Jefferson INT; to Appleton, Ohio, VOR; MEA 2,500.

From Appleton, Ohio, VOR; to *Moorefield INT, Ohio; MEA 2,500. *3,000—MRA.

From Moorefield INT, Ohio; to *Adena INT, Ohio; MEA 2,500. *3,500—MRA.

From Adena INT, Ohio; to Wheeling, W. Va., VOR; MEA 2,500.

From Wheeling, W. Va., VOR; to Pittsburgh, Pa., VOR; MEA 2,500.

From Pittsburgh, Pa., VOR; to *Latrobe INT, Pa.; MEA 3,000. *4,000—MCA Latrobe INT, eastbound.

From Latrobe INT, Pa.; to Johnstown, Pa., VOR; MEA 4,500.

From Altoona INT, Pa.; to Harrisburg, Pa., VOR; MEA 4,000.

From Harrisburg, Pa., VOR; to Reinhold INT, Pa.; MEA *4,500. *2,500—MOCA.

From Reinhold INT, Pa.; to Pottstown, Pa., VOR; MEA 2,000.

From Pottstown, Pa., VOR; to Columbus INT, N. J.; MEA 2,000.

From Columbus INT, N. J.; to Colts Neck, N. J., VOR; MEA 1,500.

From Colts Neck, N. J., VOR; to Red Bank INT, N. J.; MEA 2,000.

From Red Bank INT, N. J.; to Idlewild, N. Y., VOR; MEA 1,500.

Section 610.6616 VOR Civil Airway 1516 is added to read:

From Half Moon Bay INT, Calif.; to Oakland, Calif., VOR; MEA 4,000.

From Oakland, Calif., VOR; to Modesto, Calif., VOR; MEA 4,000.

From Modesto, Calif., VOR; to Fresno, Calif., VOR; MEA 2,000.

From Capron INT, Okla.; to Ponca City, Okla., VOR; MEA *3,500. *2,500—MOCA.

From Ponca City, Okla., VOR; to *Waco INT, Mo.; MEA **7,000. *6,500—MRA. **2,500—MOCA.

From Waco INT, Mo.; to Avilla INT, Mo.; MEA *6,500. *2,600—MOCA.

From Avilla INT, Mo.; to Springfield, Mo., VOR; MEA 2,600.

From Joplin, Mo., LOM to Avilla INT, Mo.; MEA #2,600. #Utilizing Joplin LOM.

From Springfield, Mo., VOR; to Farmington, Mo., VOR; MEA *4,600. *2,800—MOCA.

From Farmington, Mo., VOR; to Evansville, Ind., VOR; MEA 2,500.

From Evansville, Ind., VOR; to Apalona INT, Ind.; MEA 2,500.

From Apalona INT, Ind.; to *Elizabeth INT, Ind.; MEA 2,500. *4,200—MRA.

From Elizabeth INT, Ind.; to Louisville, Ky., VOR; MEA 2,500.

From Louisville, Ky., VOR; to *Georgetown INT, Ky.; MEA **3,000. *3,000—MRA. **2,500—MOCA.

From Georgetown INT, Ky., to York, Ky., VOR; MEA 5,000.

From York, Ky., VOR; to Eureka INT, Ky.; MEA 2,500.

From Eureka INT, Ky.; to *Gay INT, W. Va.; MEA **4,000. *4,000—MRA. **2,500—MOCA.

From Gay INT, W. Va.; to *Clara INT, W. Va.; MEA **4,000. *5,000—MRA. **3,000—MOCA.

From Clara INT, W. Va.; to Elkins, W. Va., VOR; MEA 5,000.

From Elkins, W. Va., VOR; to *Petersburg INT, W. Va.; MEA 6,800. *6,000—MCA Petersburg INT, westbound.

From Petersburg INT, W. Va.; to Front Royal, Va., VOR; MEA 5,300.

From Front Royal, Va., VOR; to Plains INT, Va.; MEA 4,000.

From Plains INT, Va.; to Springfield INT, Va.; MEA 3,000.

From Springfield INT, Va.; to Washington, D. C., TVOR; MEA 1,800.

Section 610.6618 VOR Civil Airway 1518 is added to read:

From *Los Angeles, Calif., VOR; to Alhambra INT, Calif.; northeastbound, MEA 12,000; southwestbound, MEA 3,000. *9,000—MCA Los Angeles VOR, northeastbound.

From Alhambra INT, Calif.; to Hawkins INT, Calif.; northeastbound, MEA 12,000; southwestbound, MEA 9,000.

From Hawkins INT, Calif.; to Daggett, Calif., VOR; MEA 12,000.

From Daggett, Calif., VOR; to Needles, Calif., VOR; MEA 9,000.

From Needles, Calif., VOR; to Prescott, Ariz., VOR; MEA 10,000.

From Prescott, Ariz., VOR to Winslow, Ariz., VOR; MEA 10,000.

From Winslow, Ariz., VOR; to Zuni, N. Mex., VOR; MEA 10,000.

From Zuni, N. Mex., VOR; to Grants, N. Mex., VOR; MEA 11,000.

From Grants, N. Mex., VOR; to *Albuquerque, N. Mex., VOR; MEA 10,000. *10,700 MCA Albuquerque, VOR, eastbound.

From Albuquerque, N. Mex., VOR; to *Otto, N. Mex., VOR; MEA 12,000. *10,000—MCA Otto VOR, westbound.

From Otto, N. Mex., VOR; to Anton Chico, N. Mex., VOR; MEA 10,000.

From Anton Chico, N. Mex., VOR; to Tucumcari, N. Mex., VOR; MEA 7,500.

From Tucumcari, N. Mex., VOR; to Amarillo, Tex., VOR; MEA 5,500.

From Amarillo, Tex., VOR; to Sayre, Okla., VOR; MEA 4,700.

From Sayre, Okla., VOR; to Weatherford INT, Okla.; MEA *3,500. *3,300—MOCA.

From Crescent INT, Okla.; to Shell Lake INT, Okla.; MEA *3,500. *3,100—MOCA.

From Shell Lake INT, Okla.; to Tulsa, Okla., VOR; MEA 3,100.

From Tulsa, Okla., VOR; to Pryor INT, Okla.; MEA 2,000.

From Pryor INT, Okla.; to Fayetteville, Ark., VOR; MEA 2,600.

From Fayetteville, Ark., VOR; to Flippin, Ark., VOR; MEA 3,100.

From Flippin, Ark., VOR; to Walnut Ridge, Ark., VOR; MEA 2,100.

From Walnut Ridge, Ark., VOR; to Dyersburg, Tenn., VOR; MEA 1,700.

From Dyersburg, Tenn., VOR; to Nashville, Tenn., VOR; MEA *3,500. *3,000—MOCA.

From Nashville, Tenn., VOR; to *Hartsville INT, Tenn.; MEA **5,000. *5,000—MRA. **3,400—MOCA.

From Hartsville INT, Tenn.; to Corbin, Ky., VOR; MEA *5,000. *3,400—MOCA.

From Corbin, Ky., VOR; to Daley INT, Ky.; MEA *6,000. *4,000—MOCA.

From Daley INT, Ky.; to Gap Mills INT, W. Va.; MEA *8,000. *6,000—MOCA.

From Gap Mills INT, W. Va.; to Montebello, Va., VOR; MEA 6,000.

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

From Gordonsville, Va., VOR; to *Locustgrove INT, Va.; MEA 3,000. *2,000—MRA.

From Locustgrove INT, Va.; to Doncaster INT, Md.; MEA 1,500.

From Doncaster INT, Md.; to Washington, D. C., TVOR; MEA 2,000.

Section 610.6620 VOR Civil Airway 1520 is added to read:

From *Los Angeles, Calif., VOR; to Alhambra INT, Calif.; northeast bound, MEA 12,000; southwest bound, MEA 3,000. *9,000—MCA Los Angeles VOR, northeastbound.

From Alhambra INT, Calif.; to Hawkins INT, Calif.; northeastbound, MEA 12,000; southwestbound, MEA 9,000.

From Hawkins INT, Calif.; to Daggett, Calif., VOR; MEA 12,000.

From Daggett, Calif., VOR; to Needles, Calif., VOR; MEA 9,000.

From Needles, Calif., VOR; to Prescott, Ariz., VOR; MEA 10,000.

From Little Rock, Ark., VOR; to Biscoe INT, Ark.; MEA 1,500.

From Biscoe INT, Ark.; to Memphis, Tenn., VOR; MEA *2,500. *1,700—MOCA.

From Memphis, Tenn., VOR; to *Fisher-ville INT, Tenn.; MEA 2,000. *2,500—MRA.

From Fisherville INT, Tenn.; to *Williston INT, Tenn.; MEA 2,000. *2,500—MRA.

From Williston INT, Tenn.; to Jackson, Tenn., VOR; MEA 2,000.

From Crossville, Tenn., VOR; to Sweetwater INT, Tenn.; MEA 5,000.

From Sweetwater INT, Tenn.; to Knoxville, Tenn., VOR; MEA 3,000.

From Knoxville, Tenn., VOR; to *Telford INT, Tenn.; MEA 6,000. *9,000—MRA.

From Telford INT, Tenn.; to Tri-City, Tenn., VOR; MEA 6,000.

From Tri-City, Tenn., VOR; to Pulaski, Va., VOR; MEA 7,700.

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

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

From Gordonsville, Va., VOR; to *Locustgrove INT, Va.; MEA 3,000. *2,000—MRA.

From Locustgrove INT, Va.; to Doncaster INT, Md.; MEA 1,500.

From Doncaster INT, Md.; to Washington, D. C., TVOR; MEA 2,000.

Section 610.6622 VOR Civil Airway 1522 is added to read:

From Los Angeles, Calif., VOR; to Ontario, Calif., VOR; MEA 4,000.

From La Habra, Calif., FM; to Los Angeles, Calif., VOR, westbound only; MEA 3,000.

From *Ontario, Calif., VOR; to Palm Springs INT, Calif.; MEA 13,000. *8,000—MCA Ontario VOR, eastbound.

From Banning, Calif., FM; to Ontario, Calif., VOR, westbound only; MEA 8,000.

From *Palm Springs INT, Calif.; to Blythe, Calif., VOR; MEA 8,000. *13,000—MCA Palm Springs INT, westbound.

From Blythe, Calif., VOR; to Hassayampa, Ariz., VOR; MEA 6,000.

From *Tucson, Ariz., VOR; to Cochise, Calif., VOR; MEA 11,000. *9,000—MCA Tucson VOR, eastbound.

From Hilltop, Ariz., FM; to Animas INT, N. Mex.; MEA 12,000.

From Animas INT, N. Mex.; to Columbus, N. Mex.; VOR, eastbound, MEA 8,600; westbound, MEA 10,000.

From Hilltop, Ariz., FM; to Animas INT, N. Mex., eastbound only; MEA 10,000.

From Columbus, N. Mex., VOR; to *Harrington Ranch INT, N. Mex.; MEA 8,500. *10,000—MRA.

From Harrington Ranch INT, N. Mex.; to El Paso, Tex., VOR; MEA 8,500.

From El Paso, Tex., VOR; to *Salt Flat, Tex., VOR; MEA 8,000. *8,900—MCA Salt Flat VOR, eastbound.

From Salt Flat, Tex., VOR; to *Gore INT, Tex.; MEA 10,000. *7,200—MCA Gore INT, westbound.

From Gore INT, Tex.; to Wink, Tex., VOR; MEA 6,000.

From Wink, Tex., VOR; to Midland, Tex., VOR; MEA 4,500.

From Midland, Tex., VOR; to Big Spring, Tex., VOR; MEA 4,400.

From Big Spring, Tex., VOR; to Abilene, Tex., VOR; MEA 4,000.

From Abilene, Tex., VOR; to Mineral Wells, Tex., VOR; MEA *3,500. *3,100—MOCA.

From Mineral Wells, Tex., VOR; to Lake Worth INT, Tex.; MEA 2,300.

From Lake Worth INT, Tex.; to Dallas, Tex., VOR; MEA 2,700.

From Dallas, Tex., VOR; to Sulphur Springs, Tex., VOR; MEA 2,000.

From Birmingham, Ala., VOR; to Anniston, Ala., VOR; MEA 3,000.

From Anniston, Ala., VOR; to Temple INT, Ga.; MEA 4,000.

From Temple INT, Ga.; to Chattahoochee INT, Ga.; MEA 2,700.

From Chattahoochee INT, Ga.; to Atlanta, Ga., ILS loc.; MEA 2,200.

From Atlanta, Ga., ILS loc.; to Rex INT, Ga.; MEA 2,200.

From Rex INT, Ga.; to Royston, Ga., VOR; MEA 2,700.

From Royston, Ga., VOR; to Spartanburg, S. C., VOR; MEA 2,300.

From Spartanburg, S. C., VOR; to Mooresville INT, N. C.; MEA 2,500.

From Mooresville INT, N. C.; to Greensboro, N. C., VOR; MEA 3,000.

From Greensboro, N. C., VOR to *Reid INT, N. C.; MEA 2,300. *3,500—MRA.

From Reid INT, N. C.; to South Boston, Va., VOR; MEA 2,300.

From South Boston, Va., VOR; to Gordonsville, Va., VOR; MEA 3,000.

From Gordonsville, Va., VOR; to *Locustgrove INT, Va., MEA 3,000. *2,000—MRA.

From *Locustgrove INT, Va.; to Doncaster INT, Md.; MEA 1,500.

From Doncaster INT, Md.; to Washington, D. C., TVOR; MEA 2,000.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

These rules shall become effective May 9, 1957.

[SEAL] JAMES T. PYLE,
Administrator of Civil Aeronautics.

APRIL 12, 1957.

[F. R. Doc. 57-3134; Filed, Apr. 22, 1957;
8:45 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6705]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

ECONOMY PRODUCTS CORP. ET AL.

Subpart—*Advertising falsely or misleadingly*: § 13.30 *Composition of goods*: Wool Products Labeling Act; § 13.155 *Prices*: Fictitious Marking; § 13.205 *Scientific or other relevant facts*. Subpart—*Misbranding or mislabeling*: § 13.1190 *Composition*: 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, 68-68c) [Cease and desist order, Economy Products Corporation et al., Chicago, Ill., Docket 6705, Apr. 4, 1957]

In the Matter of Economy Products Corporation, a Corporation, and Harry Wagner, Vernon M. Wagner, and Arnold W. Behrstock, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a Chicago manufacturer of wool products with advertising and labeling as "All new material consisting of mothproofed all wool", "100 percent wool", and "100 percent New Wool", comforters which contained significant amounts of other fibers; with representing falsely that "Nylon is warmer than wool by actual test"; and with preticketing the comforters with fictitious prices, all in violation of the Wool Products Labeling Act and the Federal Trade Commission Act.

Following entry of an agreement between the parties for a consent order, the hearing examiner made his initial decision and order to cease and desist which became on April 4 the decision of the Commission.

The order to cease and desist is as follows:

It is ordered, That the respondents Economy Products Corporation, a corporation, and its officers, and Harry Wagner, Vernon M. Wagner, and Arnold W. Behrstock, 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 introduction of 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 bed comforters or other "wool products", as such products are defined in and subject to said Wool Products Labeling Act, which products contain, purport to contain, or in any way are represented as containing "wool", "reprocessed wool", or "reused wool" as those terms are defined in said act, do forthwith cease and desist from:

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

2. Misbranding such products by falsely or deceptively identifying them, directly and by implication, as to prices at which they are sold by retailers in their usual and regular course of business;

3. Misbranding such products by 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 non-fibrous 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 Economy Products Corporation, a corporation, and its officers, and Harry Wagner, Vernon M. Wagner, and Arnold W. Behrstock, 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 bed comforters or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly:

1. Misrepresenting in any way the constituent fiber or material used in their merchandise or the respective percentages thereof;

2. Representing in any manner that a certain amount is the usual and regular retail price for their products when such amount is in excess of the price at which such products are usually and regularly sold at retail;

3. Furnishing means or instrumentalities to others by and through which they may misrepresent the usual and regular retail price of respondents' products;

4. Making false and misleading comparisons of the relative merits of woolen and non-woolen fibers;

5. Abbreviating the generic name of the fibers contained in wool products.

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: April 4, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F. R. Doc. 57-3266; Filed, Apr. 22, 1957;
8:46 a. m.]

[Docket 6657]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

AMERICAN FURRIERS ET AL.

Subpart—*Advertising falsely or misleadingly*: § 13.30 *Composition of goods*: Fur Products Labeling Act; § 13.73 *Formal regulatory and statutory requirements*: Fur Products Labeling Act; § 13.155 *Prices*: Usual as reduced, special, etc.; § 13.285 *Value*. Subpart—*Invoicing products falsely*: § 13.1108 *Invoicing products falsely*: Fur Products Labeling Act. Subpart—*Misbranding or mislabeling*: § 13.1190 *Composition*: Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements*: Fur Products Labeling Act; § 13.1280 *Price*. Subpart—*Neglecting, unfairly or deceptively, to make material disclosure*: § 13.1852 *Formal regulatory and statutory requirements*: Fur Products Labeling Act. Subpart—*Using misleading name—Goods*: § 13.2280 *Composition*: 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, Samuel Barth doing business as American Furriers (Hartford, Conn.) et al., Docket 6657, Apr. 6, 1957]

In the Matter of Samuel Barth, an Individual Doing Business as American Furriers; Bernard Axelrod, an Individual Doing Business as Bernard Axelrod & Company; and Morris Miller, an Individual

This proceeding was heard by a hearing examiner on the complaint of the Commission charging three associated furriers in Hartford, Conn., and New York City, with violating the Fur Products Labeling Act by preticketing fur products with fictitious prices, deceptively naming the animal producing the fur in certain products, and otherwise failing to conform to labeling requirements; by invoicing products falsely; in advertising which failed to disclose the name of animals producing the fur and misrepresented prices, savings, and val-

ues; and by failing to maintain adequate records as a basis for the pricing claims.

Following entry of an agreement for a consent order with two respondents, the hearing examiner made his initial decision and order to cease and desist which became on April 6 the decision of the Commission. The complaint is still pending as to the third respondent.

The order to cease and desist is as follows:

It is ordered, That respondent Bernard Axelrod, an individual trading as Bernard Axelrod & Company or under any other name or names, and respondent Samuel Barth an individual trading as American Furriers or under any other name or names 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 or offering for sale, or the transportation or distribution of any fur product in commerce, 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. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;
2. 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 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.

3. Setting forth on labels attached to fur products:

a. Non-required information mingled with required information;

b. Required information in handwriting;

c. Prices represented to be the regular or usual price of any fur products which are amounts in excess of the prices at

which the respondent has usually or customarily sold such fur products in the recent regular course of his business.

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 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 furs contained in the fur product.

2. Setting forth required information in abbreviated form.

C. Falsely or deceptively advertising fur products through the use of any advertisement, 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:

1. Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the rules and regulations.

2. Represents, directly or by implication:

a. That the regular or usual price of any fur product is any amount which is in excess of the price at which the respondent has usually and customarily sold such products in the recent regular course of his business.

b. The value of fur products, when such claims and representations are not true in fact.

3. Makes use of comparative prices or percentage savings claims unless such compared prices or claims are based upon the current market value of the fur product or upon a bona fide compared price at a designated time.

4. Makes price claims and representations of the type referred to in subparagraphs a and b and paragraph 3 above, unless there is maintained by respondent full and adequate records disclosing the facts upon which such claims or representations are based.

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

It is ordered, That respondent Samuel Barth, doing business as American Furriers and Bernard Axelrod, doing business as Bernard Axelrod & Company, 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: April 5, 1957.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F. R. Doc. 57-3267; Filed Apr. 22, 1957; 8:46 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter 1—Internal Revenue Service, Department of the Treasury

[T. D. 6229]

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

EXEMPTION FROM WITHHOLDING AMOUNTS OF PER DIEM FOR SUBSISTENCE RECEIVED BY CERTAIN NONRESIDENT ALIEN TRAINEES

In order to conform the Income Tax Regulations (26 CFR Part 1) to the provisions of section 544 (f) of the Mutual Security Act of 1954, as added by section 11 (a) of the Mutual Security Act of 1956, approved July 18, 1956, exempting from withholding under chapter 3 of the Internal Revenue Code of 1954 amounts of per diem for subsistence received by certain nonresident alien trainees, such regulations are hereby amended as follows:

PARAGRAPH 1. Section 1.1441 is amended—

(A) By adding at the end of section 1441 (c) the following new paragraph:

(6) *Per diem of certain aliens.* No deduction or withholding under subsection (a) shall be required in the case of amounts of per diem for subsistence paid by the United States Government (directly or by contract) to any nonresident alien individual who is engaged in any program of training in the United States under the Mutual Security Act of 1954, as amended.

(B) By adding at the end of the section following historical note:

(Sec. 1441, I. R. C. 1954, as amended by sec. 544 (f) of Mutual Security Act 1954 added by sec. 11 (a), Mutual Security Act 1956)

Par. 2. Section 1.441-4 is amended by adding after paragraph (d) the following new paragraph:

(e) *Per diem of certain alien trainees.* Effective with respect to payments made on and after July 18, 1956, withholding is not required under section 1441 (a) or § 1.1441-1 in the case of amounts of per diem for subsistence paid by the United States Government (directly or by contract) to any nonresident alien individual who is engaged in any program of training in the United States under the Mutual Security Act of 1954, as amended (22 U. S. C. ch. 24). This rule shall apply even though such amounts are subject to tax under section 871.

Because this Treasury decision merely exempts from withholding amounts of per diem for subsistence received by certain nonresident aliens, it is hereby found that it is unnecessary to issue this Treasury decision with notice and public pro-

cedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 4 (c) of said act.

(68A Stat. 917; 26 U. S. C. 7805)

[SEAL] O. GORDON DELK,
Acting Commissioner
of Internal Revenue.

Approved: April 18, 1957.

DAN THROOP SMITH,
Deputy to the Secretary.

[F. R. Doc. 57-3271; Filed, Apr. 22, 1957;
8: 47 a.m.]

TITLE 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

Subchapter C—Claims and Accounts

PART 833—DEATH GRATUITY

- Sec.
833.1 Scope.
833.2 General.
833.3 Definitions.
833.4 Determination of beneficiary.
833.5 Determinations affecting entitlement.
833.6 Settlement of accounts.
833.7 Responsibilities of commanders.

AUTHORITY: §§ 833.1 to 833.7 issued under 70A Stat. 488; 10 U. S. C. 8012. Interpret or apply 70 Stat. 857, 868.

SOURCE: Change 26, AFM 173-20, January 21, 1957.

§ 833.1 *Scope.* Sections 833.1 to 833.7 contain the authority and procedure for payment of death gratuity to eligible beneficiaries of Air Force members who die on or after January 1, 1957, and whose deaths create entitlement thereto. It is applicable to:

(a) Members of the United States Air Force who die while on active duty, active duty for training, or inactive duty training, and while traveling to and from such duty.

(b) Members or former members of the United States Air Force who die during the 120-day period beginning on the day following date of discharge or release from active duty, active duty for training, or inactive duty training, upon determination that death resulted:

- (1) From disease or injury incurred or aggravated while on active duty, active duty for training, or while in authorized travel to or from such duty; or
- (2) From injury incurred or aggravated while on inactive duty training or while traveling directly to or from such duty.

§ 833.2 *General provisions.* (a) Immediately upon the official notification of the death, or presumptive finding of death, of any member as listed in § 833.1 (a), a death gratuity is payable to the eligible beneficiary as determined under the provisions of § 833.4. The death gratuity is authorized in an amount equal to six months' basic pay (plus special and incentive pays) at the rate to which the decedent was entitled on date of death, but not less than \$800.00 nor more than \$3,000.00.

(b) Immediately upon the official determination that the death of members or former members occurred under cir-

cumstances as stated in § 833.1 (b), a death gratuity in an amount as prescribed in paragraph (a) of this section is payable to the eligible beneficiary as determined in § 833.4. For purposes of computing the amount of death gratuity payable, the decedent will be considered as entitled on date of death to basic pay (plus special and incentive pays) at the rate to which he was entitled on his last day of active duty, active duty for training, or inactive duty training.

(c) No amounts of death gratuity are payable under the provisions of paragraph (b) of this section unless the deceased member was discharged or released under conditions other than dishonorable from such period of active duty, active duty for training or inactive duty training.

(d) No amounts of death gratuity are payable where the deceased member suffered death as a result of lawful punishment for a crime or for a military offense, except when death was so inflicted by any hostile force with which the Armed Forces of the United States have engaged in armed conflict.

§ 833.3 *Definitions.*—(a) *Spouse.* A man or woman will be considered to be the spouse of a member of the Air Force if legally married to the member at the time of the member's death.

(b) *Child.* The term "child" includes the following, without regard to age or marital status:

- (1) A legitimate child.
- (2) A child legally adopted.
- (3) A stepchild, if such child is a member of the Air Force member's household.
- (4) An illegitimate child, but as to the father only if:
 - (i) Acknowledged in writing signed by him; or
 - (ii) He has been judicially ordered or decreed to contribute to the child's support; or
 - (iii) He has prior to his death been judicially decreed or otherwise shown by satisfactory evidence to be the father of the child.

(c) *Parent.* The term "parent" includes a father or mother; father or mother through adoption; and any person who for a period of not less than one year has stood in loco parentis to the Air Force member at any time prior to entry into active service. Not more than one father or mother will be recognized in any case. Preference will be given to the father or mother who actually exercised parental relationship at the time of, or most nearly prior to, the date of the member's entry into active service.

(d) *Brother and sister.* The term "brother" and "sister" includes those of the half blood and those through adoption.

(e) *Active duty.* The term "active duty" means:

- (1) Full-time duty performed by an Air Force member in the active military service, other than active duty for training;
- (2) Service as a cadet at the United States Air Force Academy; and
- (3) Authorized travel to or from such duty or service.

(f) *Active duty for training.* The term "active duty for training" means:

(1) Full-time duty performed by a member of a Reserve component of the Air Force in the active military service for training purposes;

(2) Annual training duty performed for a period of fourteen days or more by a member of the Air Force Reserve Officers Training Corps; and

(3) Authorized travel to or from such duty.

(g) *Inactive duty training.* The term "inactive duty training" means any of the training, instruction, duty, appropriate duties, or equivalent training, instruction, duty, appropriate duties, or hazardous duty, performed with or without compensation by a member of a Reserve component of the Air Force, pursuant to law. The term does not include work or study performed by a member of a Reserve component in connection with correspondence courses of the Air Force, or attendance at an educational institution in an inactive status under the sponsorship of the Air Force.

(h) *Member of the United States Air Force.* The term "member of the United States Air Force" means a person appointed, enlisted or inducted in a component of the Air Force including a Reserve component or without specification of component, and any person serving in the Air Force under call or conscription. The term includes:

(1) A cadet at the United States Air Force Academy;

(2) A member of the Air Force Reserve Officers' Training Corps, when ordered to annual training duty for fourteen days or more, and while performing authorized travel to and from that duty; and

(3) Any person while en route to or from, or at, a place for final acceptance or for entry upon active duty in the Air Force, who has been provisionally accepted for duty; or who under current law has been selected for active military service; and has been ordered or directed to proceed to such place. Any such person who suffers an injury or disease resulting in disability or death while en route to or from, or at, a place for final acceptance or entry upon active duty shall be considered to be on active duty when the incident occurs, and entitled to the basic pay of the grade which he would have received upon final acceptance or entry upon active duty.

(i) *Reserve component of the Air Force.* The term "Reserve component of the Air Force" includes the Air Force Reserve and Air National Guard of the United States.

(j) *Death report.* The death report is a teletype message originating at base level, directed to the attention of Casualty Branch, Director of Military Personnel, Headquarters, USAF, furnishing the name, grade, service number, and facts surrounding the member's death.

(k) *Casualty report.* The casualty report is AFHQ Form 0-529, issued by Casualty Branch, Director of Military Personnel, Headquarters USAF, reporting a member missing, captured, or deceased, and furnishing complete facts.

§ 833.4 *Determination of beneficiary.* Determination of the proper beneficiary or beneficiaries to receive the death gratuity will be made in accordance with the following:

(a) Payment will be made to or for the living survivor or survivors of the decedent first listed below:

(1) If a lawful spouse survives the decedent, payment will be made to such person only.

(2) If a lawful spouse does not survive the decedent, payment will be made to the decedent's child or children, if any, in equal shares.

(3) Each member is required to execute DD Form 93, Record of Emergency Data, designating the relative or relatives to receive the death gratuity in the event he is not survived by a spouse or child. The designation may consist of one or more of the member's parents, brothers or sisters, or any combination thereof. If the decedent is not survived by a spouse or child, payment will be made to the person or persons designated.

(4) If there is no surviving beneficiary under the provisions of subparagraphs (1), (2), or (3) of this paragraph, payment will be made to the decedent's surviving parent or parents, if any, in equal shares.

(5) If there is no surviving beneficiary under the provisions of subparagraphs (1), (2), (3) or (4) of this paragraph, payment will be made to the decedent's surviving brothers and sisters, if any, in equal shares.

(b) If a survivor dies before he receives the amount to which he is entitled under the provisions of paragraph (a) of this section, such amount will be paid to the then living survivor or survivors first listed under paragraph (a) of this section.

(c) If there are no survivors under the provisions of paragraph (a) of this section, no death gratuity is payable to any other person.

§ 833.5 *Determinations affecting entitlement—(a) Absence without leave, absence over leave, and desertion—(1) Absence without leave or absence over leave.* A member absent without leave, or absent over leave, including cases where the absence is because of detention by civil authorities, will continue in a pay status but will forfeit all pay and allowances during such periods unless the absence is excused as unavoidable. Therefore, if the deceased was absent without leave or absent over leave and the date of death was prior to the date of expiration of the decedent's normal term of service, the absent-without-leave status is not a bar to payment of the death gratuity. Death gratuity is not payable if death is reported to have occurred when the deceased was absent without leave and the date of death was subsequent to the date of the expiration of the decedent's normal term of service.

(2) *Desertion.* A member does not continue in a pay status after he becomes a deserter. Therefore, if death occurs after the member has been dropped from the rolls as a deserter, the Settlements Division, Air Force Finance Center, will obtain from the Air Adjutant General, Headquarters, USAF, an initial adminis-

trative determination or any corrected administrative determination as may have been made subsequent thereto showing whether the member was in a desertion status at the time of death. Payment of the death gratuity will be dependent upon the status of the member as reflected in the final administrative determination.

(b) *Stepparent-stepchild relationships.* A relationship between a member and stepchild may be regarded as surviving the termination of the marriage from which it arose where the close family ties of the relationship have continued in fact.

(1) Relationship between a member and stepchild, created by a marriage which terminated by death—as distinguished from divorce—may be considered as continuing in the absence of evidence to the contrary.

(2) Where the marriage was terminated by divorce—as distinguished from death—the relationship may be considered as ended, unless clear and convincing affirmative evidence is furnished to establish the maintenance of close family ties and an intention to continue the prior relationship.

(c) *Waiver by lawful spouse.* A waiver by the lawful spouse of a deceased member of his (her) statutory right to the death gratuity payment is without force or effect, and does not operate to entitle the designated beneficiary to payment of the gratuity.

(d) *Will—not a designation.* A will is not a designation with the meaning of the act providing the death gratuity pay since the gratuity payment is not a debt or money due the officer or airman, and cannot become part of the decedent's estate.

(e) *Inclusion of flying pay in death gratuity.* (1) If a member dies while assigned to flying duty and has not met flight requirements during the three calendar month period succeeding the quarter in which he last complied with the flight requirements, his rate of pay for the payment of death gratuity includes the increased pay for flying although no flying pay had accrued to him on the date of his death, providing sufficient time remains in which flight requirements could have been met.

(2) If a member dies while under suspension from flying duty, pay for flying will not be included in the rate of pay at date of death for the purpose of payment of the death gratuity since the member would not be entitled to flying pay while so suspended.

(f) *Advance in grade after date of death.* The statutory provision which entitles any member in active service officially reported as missing, missing-in-action, interned in a foreign country, captured by a hostile force, beleaguered or besieged to continue to receive or have credited to his account, the pay and allowances to which he was then, or thereafter becomes entitled, does not authorize computation of the death gratuity payment on the basis of pay for a grade to which the member was advanced after being officially reported missing, where it was later determined that the member died prior to the advancement in grade.

(g) *Death gratuity exempt from indebtedness.* The amount of the death gratuity payment may not be used to satisfy indebtedness, including overpayments, to the officer or airman.

§ 833.6 *Settlement of accounts.* Settlement of death gratuity claims under the provisions of §§ 833.1 to 833.7 will be effected as follows:

(a) *Payments made by finance officers.* The finance officer serving the organization or installation to which the decedent was assigned at time of death will settle the death gratuity claim provided:

(1) He is in possession of the member's DD Form 113, Military Pay Record, at the time of death;

(2) An eligible beneficiary has been established as one of those listed in paragraph (a) (1), (2) or (3) of § 833.4; and

(3) The decedent was stationed within the United States and the eligible beneficiary resides within the United States, or

(4) The beneficiary resides in the same overseas area or country, or in an overseas area or country which may be served expeditiously by the finance officer who is in possession of the decedent's Military Pay Record.

(b) *Payments made by the Air Force Finance Center.* Action toward payment of the death gratuity will be taken by Settlements Division, Air Force Finance Center, in the following cases:

(1) Where the decedent was stationed outside the United States and the beneficiary resides within the United States, or in a different overseas command, or where the decedent was stationed within the United States and the beneficiary resides outside the United States, except as otherwise specifically authorized in each individual case under the provisions of paragraph (c) (2) of this section.

(2) Where the decedent is not survived by a spouse, child or designated beneficiary.

(3) Where death occurs under unusual circumstances such as self-inflicted injuries, or where an otherwise qualified beneficiary has taken the life of the decedent.

(4) In any case where doubtful entitlement exists, or where the proper beneficiary to receive the death gratuity cannot be determined by the commander. Such cases include, but are not limited to, those where the potential beneficiary is:

(i) A common-law widow or widower.

(ii) An adopted child where there are no properly certified court adoption papers.

(iii) An illegitimate child.

(iv) Any person claiming in loco parentis relationship, and the relationship has not been previously determined for basic allowance for quarters purposes.

(5) Where there is no court-appointed guardian of a minor child or children, and payment is to be made to the natural custodian.

(c) *Payments made by finance officers in specific cases.* (1) If a member is declared dead within a period of ten days after being reported in a missing status, or within the same pay period, settlement of the death gratuity payment will be effected as prescribed in

paragraph (a) or (b) of this section, as applicable. If declaration of death is not made within a period of ten days from the date the member is reported missing, or within the same pay period, settlement will be effected by the office which maintained the member's pay account while in a missing status.

(2) Payment of death gratuity will be effected by the finance officer in any case where specifically directed to do so by Settlements Division, Air Force Finance Center, due to financial hardship to eligible beneficiaries, or for any other sufficient reason.

(d) *Reserve members on active duty training or inactive duty training.* The dependents of members of an Air Force Reserve component who die as the result of disease incurred while on active duty in excess of 30 days or as a result of injuries after compliance with a call or order to active military service, active duty for training, or inactive duty for training for any period of time are entitled to 6 months' death gratuity.

§ 833.7 *Responsibilities of commanders.* Immediately upon official notification of the death of a member under his jurisdiction, the commander of the organization or installation which maintains the member's field personnel records will take action as follows toward settlement of the death gratuity payment. All actions will be expedited in order that settlement may be effected within 24 hours if at all possible.

(a) *Determination of proper beneficiary.* Determination will be made as to whether there is an eligible beneficiary or beneficiaries within categories listed in paragraph (a) (1), (2) or (3) of § 833.4 to receive the death gratuity payment. Full use will be made of the legal assistance officer available to the organization or installation in determining eligibility in instances where a question of law arises in connection with entitlement.

(1) *Lawful spouse.* (i) All members who prior to their deaths had established entitlement to basic allowance for quarters on behalf of a lawful spouse, will be considered as having established the relationship for purposes of payment of the death gratuity, and further evidence will not be required.

(ii) Where a member was not receiving basic allowance for quarters because he and his spouse occupied Government quarters, copy of the assignment document will be utilized, without further evidence, in determining the lawful spouse to receive the death gratuity payment.

(iii) In any case where the member had not established entitlement to basic allowance for quarters, and was not occupying Government quarters with his spouse, the existence of a lawful spouse will be established on the basis of documentary evidence of marriage and proof of termination of any prior marriage entered into by either the beneficiary or decedent. Documentary evidence of marriage includes the original, a certified copy, or photostat of a certified copy of the original marriage certificate, or a public or church record of marriage, issued over the signature and seal of the

custodian of the records. Documentary proof of termination of a prior marriage includes the original or certified copy of the original divorce or annulment decree or death certificate.

(2) *Children.* Where a decedent is survived by a child or children and no spouse, documentary evidence of the termination of any marriage the decedent may have entered into will be required. Documentary evidence includes a certified copy of the spouse's death certificate, divorce or annulment decree. Eligibility of the child or children will be determined as follows:

(i) Any child whose relationship has been established by the member for basic allowance for quarters purposes, or who occupied Government quarters with the member prior to his death, will be considered an eligible beneficiary for death gratuity purposes.

(ii) Documentary proof of relationship will be required to establish entitlement to death gratuity of any child not specifically named on DD Form 137, Dependency Certificate—Wife or Child Under 21 Years, or DD Form 137-2, Dependency Certificate—Unmarried Child Over 21 Years, or not occupying Government quarters with the member prior to his death. Documentary proof of relationship includes the original, a certified copy or photostat of a certified copy of the original birth certificate.

(iii) If a child is a legally adopted child, a certified court order of adoption will be required.

(iv) If a guardian of minor child(ren) has been appointed by court, a certified copy of the appointment paper is required.

(3) *Designated beneficiary.* Where a decedent is not survived by spouse or child, but has been designated on DD Form 93 a father, mother, brother or sister to receive the death gratuity, the fact of designation will be considered as sufficient evidence to establish the relationship, and further proof will not be required of the beneficiary, except in "loco parentis" cases. Documentary evidence of the termination of any marriage the decedent may have entered into, and a notarized statement that there are no living children, will be required of the beneficiary. In "loco parentis" cases, any person on whose behalf the decedent, prior to his death, satisfactorily established the relationship for basic allowance for quarters purposes, will be considered an eligible beneficiary, if designated, for the death gratuity payment, without further evidence. In any case where the relationship has not been established, determination of relationship will be made by the Settlements Division as prescribed in paragraph (b) (4) of § 833.6.

(4) *Mentally incompetent beneficiary.* If the beneficiary is mentally incompetent, a photostat or certified copy of the court order of appointment of the guardian, trustee, committee, or other person legally appointed as custodian of the beneficiary will be required.

(b) *Substantiating document.* Upon determination of the proper beneficiary to receive the death gratuity, or that there are no eligible beneficiaries within

categories listed in paragraph (a) (1), (2) or (3) of § 833.4, to receive death gratuity, the commander will furnish the finance officer having custody of the member's Military Pay Record with a Military Pay Order, DD Form 114. The Military Pay Order will contain one of the following certificates, as appropriate:

(1) I certify that (name of beneficiary or beneficiaries), (relationship to decedent), is (are) the eligible beneficiary(ies) to receive (all) (equal shares) (if other, attach copy of DD Form 93) of the death gratuity payable incident to the death of (name, grade, and service number of decedent).

(Name, grade, organization and signature of commander)

(2) I certify that available records reveal that (name, grade, and service number of decedent) was not survived by a lawful spouse, child or designated beneficiary.

(Name, grade, organization and signature of commander)

[SEAL]

J. L. TARR.
Colonel, U. S. Air Force.
Air Adjutant General.

[F. R. Doc. 57-3261; Filed, Apr. 22, 1957; 8:45 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 211—REAL ESTATE ACTIVITIES OF THE CORPS OF ENGINEERS IN CONNECTION WITH CIVIL WORKS PROJECTS

SALE OF LANDS IN RESERVOIR AREAS UNDER JURISDICTION OF DEPARTMENT OF THE ARMY FOR COTTAGE SITE DEVELOPMENT AND USE

New §§ 211.71 to 211.81 are prescribed to read as follows:

| | |
|--------|---|
| Sec. | |
| 211.71 | Statutory provisions. |
| 211.72 | Definitions. |
| 211.73 | Determination of land available for sale. |
| 211.74 | Public notice of the availability of land for sale. |
| 211.75 | Price. |
| 211.76 | Costs of surveys. |
| 211.77 | Sale procedure. |
| 211.78 | Maintenance and conveyance of access roads. |
| 211.79 | Contract for sale. |
| 211.80 | Conveyance. |
| 211.81 | Reservoir areas. |

AUTHORITY: §§ 211.71 to 211.81 issued under sec. 2, 70 Stat. 1065; 16 U. S. C. 460f.

§ 211.71 *Statutory provisions.* The Act of Congress approved August 6, 1956 (70 Stat. 1065).

§ 211.72 *Definitions.*—(a) *The act.* The act of Congress approved August 6, 1956 (70 Stat. 1065; Public Law 999, 84th Congress).

(b) *Cottage site.* Cottage site, as used in §§ 211.71 to 211.80, includes:

(1) *Individual cottage site.* A parcel of land developed or to be developed by the construction of a private cottage thereon and used, or to be used, for private recreational purposes.

(2) *Group cottage site.* A parcel of land containing multiple cottage sites developed or to be developed individually by members of an organization to which the land is currently leased by the con-

RULES AND REGULATIONS

struction on each site of a private cottage owned individually and used, or to be used, for private recreational purposes.

(3) *Colony cottage site.* A parcel of land containing (i) multiple cottage sites developed or to be developed individually by members of an organization to which the land is currently leased by the construction on each site of a private cottage owned individually and used or to be used for private recreational purposes, and (ii) a site or sites developed or to be developed by the lessee by construction of community recreational facilities for joint use by all members of the lessee organization incident to occupancy of their privately owned cottages on the leased premises and/or an area of land to be preserved in an undeveloped state for such joint use by all members of the lessee organization.

§ 211.73 *Determination of land available for sale.* The Chief of Engineers or the Assistant Chief of Engineers for Civil Works is hereby delegated authority to determine that lands in reservoir areas under the jurisdiction of the Department of the Army, other than lands withdrawn or reserved from the public domain, (a) are not required for project purposes or for public recreational use, and (b) are being used for or are available for cottage site development and use, and to determine that such lands are available for sale for cottage site development and use. The Chief of Engineers or the Assistant Chief of Engineers for Civil Works is authorized to withdraw any lands determined available for sale for cottage site development and use at any time prior to the execution of a contract of sale for such lands, provided, he determines that such withdrawal will facilitate the administration of the reservoir area or will otherwise be in the public interest.

§ 211.74 *Public notice of the availability of land for sale.* Upon determination in accordance with the regulations of §§ 211.71 to 211.81 that land is available for sale for cottage site development and use, the appropriate District Engineer, U. S. Army Engineer District (hereinafter referred to as the District Engineer) will give public notice of the availability of such land for sale, subject to such conditions, reservations and restrictions as are required by the act and such other conditions, reservations and restrictions as the Chief of Engineers or the Assistant Chief of Engineers for Civil Works may determine to be necessary for the management and operation of the project, or for the protection of lessees or owners of cottage sites within the area. Public notice of the availability of such land for sale will be by: (a) Publication at least twice, at not less than 15-day intervals, in two newspapers having general circulation in the vicinity in which the land is located; (b) written notification to any persons or organizations known to be interested in acquiring a cottage site in the area; (c) posting of notices in public places; and, (d) in addition, where any site on which a lease for cottage site purposes existed on August 6, 1956, is available, notice will be given by registered letter to the lessee at his last known address.

§ 211.75 *Price.* The Chief of Engineers, or his designee, is authorized to determine the fair market value of any site determined available for sale for cottage site development and use based on an appraisal thereof by a qualified appraiser. Sale of a cottage site to a lessee holding a lease on the date of the act will be made for a price equal to the fair market value of the site at the time of the sale.

§ 211.76 *Costs of surveys.* The costs of any surveys or the relocation of boundary markers deemed necessary by the District Engineer as an incident of the conveyance of lands under the regulations of §§ 211.71 to 211.81 shall be borne by the grantee.

§ 211.77 *Sale procedure.* Any individual cottage site offered for sale generally will not contain more than approximately one acre. Not more than one site at any one reservoir will be sold to any person or organization. Sales to lessees of lands determined available for sale for cottage site development and use, who have a priority to purchase under the provisions of the act, will be accomplished by negotiation. Sales to lessees who do not have a priority to purchase under the provisions of the act may be accomplished by negotiation in the discretion of the Chief of Engineers or the Assistant Chief of Engineers for Real Estate. Sales to persons other than lessees will be accomplished by public auction, or sealed bids, in accordance with procedure prescribed by the Chief of Engineers. If no acceptable bid or offer is received as a result of a public auction or solicitation for sealed bids, sale may be accomplished by negotiation in accordance with procedure prescribed by the Chief of Engineers.

§ 211.78 *Maintenance and conveyance of access roads.* The Government will not construct any roads for the sole purpose of providing access to lands sold or to be sold for cottage site development and use. The Government shall be under no obligation to service or maintain existing roads used primarily for access to lands sold for cottage site development and use. Any lands determined by the Chief of Engineers, or the Assistant Chief of Engineers for Civil Works as being used or to be used for roads primarily to serve any cottage site area sold under the authority of the act may be offered by the District Engineer for transfer to the State, any political subdivision thereof, or organization in accordance with the provisions of the act.

§ 211.79 *Contract for sale.* The agreement between the purchaser and the Government will be evidenced by a contract of sale. Authority is hereby delegated to the Chief of Engineers or the District Engineer to accept any offer which meets the requirements of the act and the regulations of §§ 211.71 to 211.81 and to execute the contract of sale on behalf of the United States of America.

§ 211.80 *Conveyance.* The conveyance of land for cottage site development and use or for access roads will be by quitclaim deed executed by the Secretary of the Army.

§ 211.81 *Reservoir areas.* Delegations, rules and regulations in §§ 211.71 to 211.80 are applicable to:

- (a) Fort Gibson Reservoir Area, Oklahoma.
- (b) Lake Texoma and the Denison Reservoir Area, Oklahoma and Texas.
- (c) Tenkiller, Ferry Reservoir Area, Oklahoma.

[Regs. April 1, 1957, 602 ENGLT]

[SEAL] HERBERT M. JONES,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 57-3262; Filed, Apr. 22, 1957;
8:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

Appendix—Public Land Orders

[1878190]

[Anchorage 031764]

[Public Land Order No. 1404, Corr.]

ALASKA

TRANSFERRING A PORTION OF THE LANDS RESERVED BY EXECUTIVE ORDER NO. 8877 OF AUGUST 29, 1941, FROM THE DEPARTMENT OF THE ARMY TO THE DEPARTMENT OF THE NAVY; PARTIALLY REVOKING AND AMENDING EXECUTIVE ORDER NO. 8877; CORRECTION

APRIL 17, 1957.

The land description contained in paragraph 1 of Public Land Order No. 1404 appearing as Federal Register Document 57-2703 at page 2346 of the issue for April 9, 1957, so far as such description refers to longitude 153°13' W., is corrected to read longitude 152°13' W.

E. J. THOMAS,
Associate Director.

[F. R. Doc. 57-3264; Filed, Apr. 22, 1957;
8:45 a. m.]

TITLE 47—TELECOMMUNICATIONS

Chapter I—Federal Communications Commission

[Docket No. 10239; FCC 57-386]

[Amdt. 2-30]

PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

FREQUENCY ALLOCATIONS

1. At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 17th day of April 1957;

2. The Commission having under consideration its proposal in the above-mentioned matter, which would allocate the Atlantic City coast telegraph bands exclusively to the maritime mobile service for use by coast telegraph stations in the Commission's table of frequency allocations; and

3. It appearing that in accordance with the requirements of section 4 (a) of the Administrative Procedure Act, the above notice, which made provision for the submission of written comments by interested parties, was duly published in the FEDERAL REGISTER (17 F. R. 7097) on August 2, 1952 and the period for the filing of comments has now expired; and

4. It further appearing that the Commission adopted a report and order in this proceeding on December 15, 1954, making its proposal final for all coast telegraph bands except 4238-4368 kc and 8476-8745 kc; and

5. It further appearing that the report and order stated, in part, that as soon as the remaining bands were cleared of out-of-band non-Government assignments the Commission intended to issue a separate order in this proceeding to finalize the allocation of these remaining bands; and

6. It further appearing that all out-of-band services have now been removed from the band 4238-4368 kc and need no longer be provided for by § 2.104 (a) (3) (i) of the rules; and

7. It further appearing that the public interest, convenience and necessity will be served by the amendments contained and ordered herein, the authority for which is contained in section 4 (i), 303 (c) and (r) of the Communications Act of 1934, as amended;

8. *It is ordered*, That, effective June 1, 1957, Part 2 of the rules is amended as set forth below.

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

Released: April 18, 1957.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] MARY JANE MORRIS, Secretary.

Part 2 of the Commission's rules is amended, effective June 1, 1957, in the following particulars:

Amend § 2.104 (a) (3) (i) to read as follows:

(i) Stations assigned, as of January 1, 1955, on frequencies in the band 8476-8745 kc, operating in a service other than indicated in column 8 for the frequency concerned, but operating in accordance with the Cairo table of frequency allocations, may continue to be authorized to use these frequencies only until the Atlantic City table of frequency allocations comes into force.

[F. R. Doc. 57-3280; Filed, Apr. 22, 1957; 8:48 a. m.]

[Docket No. 11717; FCC 57-397]

[Rules Amdt. 9-10]

PART 9—AVIATION SERVICES

MISCELLANEOUS AMENDMENTS

1. Notice of proposed rule making in the above-entitled matter was released by the Commission on May 25, 1956. This proposal was intended to clarify existing rules by differentiating between Alaskan aeronautical enroute frequencies available for operations along the routes of

scheduled certificated air carriers and those available for the off-route operations of such carriers, thus assuring more efficient frequency utilization. In addition, the proposal defined more precisely the circumstances under which fixed frequencies are available to aeronautical fixed stations in Alaska. The notice, which made provision for the filing of comments by July 27, 1956, was duly published in the FEDERAL REGISTER on May 30, 1956 (21 F. R. 3700).

2. Comments in this proceeding were filed by Aeronautical Radio, Inc. (ARINC), Reeve Aleutian Airways, Inc., Alaska Airlines, Alaska Aviation Radio, Inc., and Northern Consolidated Airlines, Inc.

3. All respondents favored the proposal in principle; however, minor changes in the text were suggested. Specifically, ARINC suggested that the first sentence of § 9.443 (b) (1) be expanded by adding the words "except as provided in paragraph (2) of this section." Alaska Aviation Radio made a similar comment. The suggested proviso improves the clarity of the section and therefore has been adopted.

4. While Northern Consolidated Airlines offered no substantive objection to the proposed rules, concern was expressed that the language of §§ 9.434 (b) and 9.443 (b) (1) would preclude certificated air carriers from using air carrier frequencies for extra-section and charter flights along established routes. Alaska Aviation Radio concurred in this comment. Since it would be impracticable for certificated air carriers to employ separate frequencies in connection with extra-section and charter operations along their established routes, §§ 9.443 (b) (1) and 9.434 (b) have been modified.

5. In view of the foregoing: *It is ordered*, Pursuant to the authority contained in sections 303 (b), (c), (f), and (r) of the Communications Act of 1934, as amended, that, effective May 24, 1957, Part 9 of the Commission's Rules is amended as set forth below, and

6. *It is further ordered*, That the proceedings in Docket No. 11717 are hereby terminated.

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

Adopted: April 17, 1957.

Released: April 18, 1957.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] MARY JANE MORRIS, Secretary.

Amend Part 9, rules governing Aviation Services as follows:

1. The text of § 9.434 (b) preceding subparagraph (1) and paragraph (d) are amended to read as follows:

(b) The following frequencies are available for assignment to aeronautical en route stations in Alaska, only when serving scheduled certificated air carriers as defined by the Civil Aeronautics Board. In filing an application for the use of these frequencies, the applicant must show that in addition to complying with the provisions of § 9.431 the station

will provide communications only along the routes served by the scheduled operations of such carriers. A copy of the contractual arrangement made with each of the air carriers to be served must be submitted with the application.

(d) The following frequencies are available for assignment to aeronautical en route stations in Alaska subject to the provisions of paragraph (b) of this section.

| Mc | Mc | Mc |
|-------|-------|-------|
| 127.1 | 127.5 | 129.3 |
| 127.3 | 127.9 | 129.9 |

2. Delete present § 9.443 and substitute therefore the following:

§ 9.443 Assignment of frequencies—

(a) *United States (except Alaska)*. Only those frequencies which are in accordance with § 2.104 (a) of this chapter may be authorized for use by aeronautical fixed stations. The applicant shall request specific frequencies within such bands when making an application for an aeronautical fixed station. The availability for assignment of such frequencies will be determined in the Commission by study of the probabilities of interference to and from existing services assigned on the same or adjacent frequencies, and, if necessary, by appropriate coordination with other agencies. All new assignments of frequencies will be subject to such conditions as may be required to minimize the possibility of harmful interference to existing services.

(b) *Alaska*. In the authorization of frequencies for use by aeronautical fixed stations in Alaska, the following conditions, in addition to those in paragraph (a) of this section, shall apply:

(1) Except as provided in subparagraph (2) of this paragraph, frequencies will be authorized to aeronautical fixed stations in Alaska, only when such stations serve scheduled certificated air carriers as defined by the Civil Aeronautics Board. When filing applications for such frequencies, the applicant must show that the station will provide communications only along the routes served by the scheduled operations of such carriers. A copy of the contractual arrangements made with each of the air carriers to be served must be submitted with the application.

(2) The frequency 4645 kc is available for assignment to aeronautical fixed stations in the Territory of Alaska. This frequency will only be authorized in conjunction with authorizations for use of the aeronautical en route frequencies specified in § 9.434 (a).

[F. R. Doc. 57-3281; Filed, Apr. 22, 1957; 8:48 a. m.]

[Docket No. 11903; FCC 57-393]

[Rules Amdt. 16-14]

PART 16—LAND TRANSPORTATION RADIO SERVICES

AUTOMOBILE EMERGENCY RADIO SERVICE

The Commission having under consideration amendment of its Automobile Emergency Radio Service Rules (Subpart

K of Part 16) to specifically provide for assignment of either frequency, 35.70 or 35.98 Mc, but not both, to a single licensee; and

It appearing that the Commission on January 10, 1957, adopted a Notice of Proposed Rule Making in this matter which was published in the FEDERAL REGISTER on January 17, 1957 (22 F. R. 354) in accordance with section 4 (a) of the Administrative Procedure Act; and

It further appearing that the period in which interested persons were afforded an opportunity to submit comments with respect thereto has expired without any comments being received by the Commission; and

It further appearing that the Commission's intent in the proposed amendment under consideration was not to apply the limitation in such a way as to restrict a licensee having separate radio facilities in different operating areas from using one frequency in one area and the other frequency in the other area when such assignment would permit more efficient

utilization of the frequencies. Therefore the amendment proposed has been modified to clarify this intent; and

It further appearing that the public interest, convenience and necessity will be served by the amendment as modified and herein ordered, that authority therefor is contained in sections 4 (i) and 303 of the Communications Act of 1934, as amended;

It is ordered, That effective June 3, 1957 paragraph (a) of § 16.503 of Part 16 of the Commission's rules is amended as set forth below.

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

Adopted: April 17, 1957.

Released: April 18, 1957.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

Amend paragraph (a) of § 16.503 to read as follows:

§ 16.503 *Frequencies available for base and mobile stations.* (a) The frequencies 35.70 Mc and 35.98 Mc are primarily available for assignment to base stations and to mobile stations other than those aboard aircraft, which are operated by or on behalf of public garages. Only one of these two frequencies will be assigned to a single licensee in a given area. At the discretion of the Commission, these frequencies may be assigned to base stations and to mobile stations other than those aboard aircraft, which are operated by or on behalf of associations of owners of private automobiles upon a showing that: (1) The same applicant has previously held an authorization for the operation of a station or stations in the same area on the frequencies requested, or (2) one or both of the frequencies specified in paragraph (b) of this section are currently assigned to stations operated in the same area by or on behalf of another such association with which the applicant is not directly affiliated.

[F. R. Doc. 57-3282; Filed, Apr. 22, 1957; 8:49 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[25 CFR Part 130]

OPERATION AND MAINTENANCE CHARGES BLACKFEET INDIAN IRRIGATION PROJECT, MONTANA

Reference is made to the notice of intention to amend §§ 130.130, 130.131 and 130.132 of Title 25 CFR published March 28, 1957 (22 F. R. 2048). Time for submitting views, data or arguments relative to the proposal contained therein is hereby extended for twenty days from date of this publication in the FEDERAL REGISTER.

HATFIELD CHILSON,
Acting Secretary of the Interior.

APRIL 17, 1957.

[F. R. Doc. 57-3263; Filed, Apr. 22, 1957; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1015]

[AO-281]

CUCUMBERS GROWN IN FLORIDA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

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 governing proceedings to formulate marketing agreement and marketing orders (7 CFR Part 900), a public hear-

ing was opened at Fort Myers, Florida, May 28, 1956, pursuant to notice thereof which was published in the FEDERAL REGISTER (21 F. R. 2689), upon proposed Marketing Agreement No. 118 and Order No. 115, regulating the handling of cucumbers grown in Florida south or east of the Suwannee River. The hearing was recessed June 1, 1956, and reopened at Ft. Myers, Florida, November 5, 1956, following notice of such reopening published in the FEDERAL REGISTER (21 F. R. 7957, 7992, 8368). The hearing was adjourned November 9, 1956, and continued at West Palm Beach, Florida, November 12-13, 1956.

Upon the basis of the evidence introduced at the aforesaid hearing and record thereof, the Acting Deputy Administrator, Agricultural Marketing Service on March 13, 1957, filed with the Hearing Clerk, United States Department of Agriculture the recommended decision in this proceeding. The notice of the filing of such recommended decision affording opportunity to file written exception thereto was published March 19, 1957 in the FEDERAL REGISTER (22 F. R. 1757, 2137).

Rulings. Within the period provided therefor, exceptions were filed by W. Terry Gibson and Paschal C. Reece, Attorneys at law, West Palm Beach, Florida, in behalf of the Winter Cucumber Farmers Association, referred to as the opponents, protesting the adoption of a marketing agreement and order program for cucumbers grown in Florida south or east of the Suwannee River. Exceptions are taken generally to the entire recommended decision of the Acting Deputy Administrator for reasons of economic principles, and except specifically to certain findings and conclusions on the

basis that they are not supported by evidence in the record. Each point covered in the exceptions filed by the attorneys for the opponents was given careful consideration in conjunction with the evidence pertaining thereto in arriving at the findings and conclusions set forth herein.

One exception pertains to the relative importance of the Lower East Coast of Florida as a cucumber producing section. Counsel for the opponents stressed the importance of District No. 1 (Lower East Coast) of the production area during the winter-crop season (January, February, and March). Counsel refer to a University of Florida publication (Exhibit 11) which shows, in table 8, monthly shipments in carlot equivalents by producing districts in Florida for the 1954-55 season. During the 1954-55 winter season, table 8 shows that shipments from District No. 1 accounted for a high proportion (76.7 percent) of total shipments from the production area. However, counsel neglected to add that a major portion of the shipments from District No. 1 during the winter season are imported cucumbers that enter the United States principally at West Palm Beach, Fort Lauderdale, and Miami, all within District No. 1. Table 6 in said Exhibit 11 shows that total domestic (Florida only) shipments of cucumbers during January, February, and March 1955 amounted to 628 carlot equivalents (including trucks) which represented only 32 percent of the total crop movement from Florida during the winter months. Imports accounted for approximately 68 percent of such movement. Table 7 (Exhibit 11) also indicates that only 957 carlots out of a total movement from Florida of 2,648 carlots originated in the

production area during January, February, and March 1956. If imports are deducted from cucumber shipments reported as leaving the production area, District No. 1 as a domestic winter cucumber shipping section is established on a more factual basis for proper comparison with District No. 2 and the subject of consideration, cucumbers grown in Florida south or east of the Suwannee River.

Counsel for the opponents appear to be laboring under the impression that only high grade cucumbers would be permitted to move to market should a marketing order be issued. The proposed program merely provides authority for the imposition of grade and other regulation and any mention of grades to be withheld from shipment in the event of regulation at the hearing and in the subsequent findings and conclusions contained in the recommended decision were by way of examples of the types of regulations which could, with appropriate justification, be issued.

Opponent's counsel are in error in their contention that there would be no control over shipments from the production area to West Florida (west of the Suwannee River). According to the terms of the proposed program, every shipment leaving the production area (irrespective of its mode of transportation), whether destined to Florida points outside of the production area, Georgia, New York, or any other point, could be subject to regulation under the order (except those shipments specifically exempt). Also, imported cucumbers would be subject, whenever any grade, size, quality, or maturity requirements are imposed on cucumbers grown in the production area, to the authority of the Secretary under section 8e of the act, regardless of the United States port of entry of such cucumbers.

No provision is contained in the proposed regulatory sections which would in any way prohibit, or authorize the prohibition of the use of brands, labels, or brand names. The use of brand names has often proved to be an effective means for the merchandising of produce, including cucumbers. The reputation of brand names is established on the basis of the quality of the product in the container. The United States Standards and the grades and sizes set forth therein used in conjunction with established brand names would not destroy the value of a shipper's brands or labels.

The remainder of the points raised in behalf of the opponents are at variance with the findings and conclusions decided upon herein, and they are hereby overruled.

Material issues. The material issues presented on the record of the hearing are as follows:

- (1) The existence of the right to exercise Federal jurisdiction;
- (2) The need for the proposed regulatory program to effectuate the declared purposes of the act;
- (3) The definition of the commodity and determination of the production area to be affected by the order;

(4) The identity of the persons and transactions to be regulated; and

(5) The specific terms and provisions of the marketing agreement and order including:

(a) Definitions of terms used therein which are necessary and incidental to attain the declared objectives of the act, and including all those set forth in the notice of hearing, among which are those applicable to the following additional terms and provisions;

(b) The establishment, maintenance, composition, powers, duties, and operation of a committee, which shall be the administrative agency for assisting the Secretary in administration of the program;

(c) The authority for the committee to incur expenses and to levy assessments on shipments;

(d) The need for authority to establish cucumber marketing research and development projects;

(e) The method for limiting the handling of cucumbers grown in the production area;

(f) The methods for establishing minimum standards of quality and maturity, and pack specifications;

(g) The methods for authorizing special regulations applicable to the handling of cucumbers for specified purposes or to specified outlets which may be handled under special regulations that are modifications or amendments to grade, size, and quality regulations;

(h) The necessity for inspection and certification of shipments;

(i) The relaxation of regulation in hardship cases and the methods and procedures applicable thereto;

(j) The procedure for establishing reporting requirements upon handlers;

(k) The requirements of compliance with all provisions of the order and with regulations issued pursuant thereto; and

(l) Additional terms and conditions as set forth in §§ 1015.70 through 1015.73 and §§ 1015.81 through 1015.91 and published in the FEDERAL REGISTER (21 F. R. 2689; April 26, 1956), which are common to marketing agreements and orders.

Findings and conclusions. The findings and conclusions on the aforementioned material issues, all of which are based on the evidence introduced at the hearing and the record thereof, are as follows:

(1) The major portion of the cucumbers grown in the Florida production area enter commercial market channels with the great bulk of such movement going to destinations outside Florida. The 1955-56 Florida cucumber production has been estimated at 2,978,000 bushels. The 1954-55 Florida crop of cucumbers was estimated at 3,158,000 bushels. During the 1954-55 season, truck and carlot shipments, representing 7,519 carlot equivalents or approximately 3,383,550 bushels were shipped out of Florida into interstate or foreign commerce. However, included in total shipments are Cuban imports apparently equivalent to about 1,390 cars of cucumbers which were moved in trucks and a lesser quantity moved in cars, most of which were presumed to have left the

production area. The distribution of the 1954-55 cucumber crop was widespread. Shipments from this crop were made to 45 States, the District of Columbia, Canada and to points both within and outside the production area in the State of Florida. The major portion of the market for cucumbers in fresh form lies outside the production area.

Naturally, all cucumber growers and shippers seek to obtain the highest possible return for their cucumbers. In assessing the market and in making sales, sellers survey all available markets with a view to accepting the most advantageous opportunities and offers to market their cucumbers. Successful shippers and packers are forced by their competition to keep fully informed with respect to all possible market information, especially the level and trend of prices in specific markets both within the production area and outside of Florida. There are sales opportunities within Florida as well as outside the State. The opportunity for advantageous sales are eagerly sought by handlers and such opportunities are accepted regardless of whether the cucumbers are sold at shipping point, or at destination, or in consuming markets within Florida, or in Boston, New York, Chicago, Los Angeles, or any other market beyond the production area. Both buyers and sellers use the latest and most modern forms of communication, not only to keep up with their competitors, but also to maintain the closest possible contact with market conditions at every point where there may be a potential sale. The sales manager would be lost without the telephone in contacting buyers in terminal markets and in talking to their customers. Many of the cucumber handlers in the production area make constant use of teletype reports which show such information as to supplies and prices in terminal markets and in the various producing sections as well as track holdings, and weather reports and forecasts. All of this type of information aids handlers in evaluating their opportunities for sale of their supply of cucumbers and in arriving at price.

Governmental and private market agencies supply daily information to all cucumber factors relative to prices at all levels of distribution, car and truck shipments and unloads, production data, weather reports, and any other market information which may affect the cucumber market and tend to influence prices. Such daily market news information is issued in the form of radio reports, newspaper and trade paper releases, and via the mail. All Florida cucumber factors keep informed, not only with respect to market conditions at Florida shipping points and markets, but also in terminal markets and in competing areas of production, both domestic and foreign. Both shipping point handlers and receivers are well aware of market conditions at all levels through their close attention to and use of modern communications. Such handlers with the use of their market information quote, offer, bargain, buy, and sell cucumbers and thereby create an institu-

tion commonly referred to in the trade as the "cucumber market." The cucumber market is a combination of all of the factors that relate to the supply of and demand for cucumbers in the various producing sections in Florida, the supply that is available for immediate marketing, the supply for later marketing, the quality of such supply, the supply of cucumbers in competing areas, with consideration of qualities and availability, prices quoted by sellers at shipping point, in terminal or other receiving markets, as well as at intermediate points, and many other factors which influence both buyers and sellers in helping them to arrive at a meeting of minds which culminates in the sale and transfer of a particular quantity and quality of cucumbers.

The aforementioned factors are interdependent as between shipping points and receiving markets. Any factor which influences the market at shipping point is almost immediately reflected in prices in terminal markets; and in turn, the converse is also true. For example, cold weather or frost at shipping point may slow down the rate of grading and loading to such an extent that buyers will experience difficulty in filling orders and they will bid higher than they otherwise would for remaining supplies. Such resulting increase in shipping point prices will soon be reflected in terminal markets outside the production area. However, should supplies of cucumbers in competing areas be ample and available to fill any temporary shortage created in Florida supplies, prices in terminal markets and, in turn, at Florida shipping points may not change appreciably. Because of modern communication, the complete coverage of market information, and the large number of factors, shippers and receivers, buyers and sellers, in the cucumber business, sales prices for given qualities and packs of cucumbers soon become common knowledge. As a result, and it is well recognized, that a sale of a particular quantity of cucumbers in a market within the Florida production area influences or tends to influence all other sales of cucumbers in Florida as well as in markets outside of the State.

Changes in the supply of cucumbers being marketed at any particular time and changes in estimates of cucumber supplies available for market affect the price of cucumbers. Changes in the supply of cucumbers grown in the Florida production area, or any part thereof, have a direct effect on both terminal market and shipping point prices for all cucumbers. Cucumbers grown in any portion of the production area and marketed at any given season compete with any other cucumbers marketed at the same time no matter whether such cucumbers are grown in another producing section within Florida, or outside the State.

Few cucumbers grown in the production area are produced for any other outlet than the tablestock market. A few cucumbers, principally of the Kirby variety, are produced specifically for

processing. Production of such varieties is largely dependent on prior contracts with processors since they are not of an acceptable table stock shape and color. A relatively small quantity of tablestock cucumbers (136,000 bushels during the 1954-55 season) was delivered to processors. Such latter quantity consists generally of cucumbers which have been picked over, having been discarded as culls in the tablestock grading operation. Such sales of cull tablestock cucumbers to processors is a salvage operation by the packer and the prices paid him are extremely low as are any subsequent returns to growers.

It is a common practice for handlers to load cucumbers at shipping points within the State and to ship such cucumbers to markets within the State such as Tampa or Jacksonville and then, before or on arrival at such markets, to divert the shipments to markets outside the production area. Conversely, shipments originally destined to markets outside the State may be diverted and disposed of within the State. This practice of diverting shipments from the originally intended destination occurs frequently, especially among truckers who are able to divert quickly in response to local price opportunities and offers. It is impossible in many cases, at the time cucumbers are sold to a trucker to determine finally whether such cucumbers will be transported and sold within the production area or to a point, or even several points outside the production area.

Many truckers haul mixed loads which include cucumbers and the destination of the several commodities being transported may be entirely dependent upon prices quoted and offered at a number of different locations. Truckers and other truckers commonly make cash purchases of low quality cucumbers from packing houses. The final destination of such sales is not ordinarily known, but they become part of the cucumber market and either move to markets outside Florida or they directly burden interstate markets for cucumbers.

A considerable quantity of Cuban cucumbers is imported into the United States through Florida ports. On arrival, a large portion of these imported cucumbers are repacked in Florida packing houses, then loaded aboard cars or trucks and transshipped to markets outside of the production area. Such cucumbers are repacked in the same markets, and in the same packing houses within the production area as Florida cucumbers, and both are frequently loaded on the same cars or trucks, follow identical routes, and are sold in the same markets. A number of Florida shippers and packers handle both Florida and imported cucumbers. Some imported cucumbers are sold for disposition within Florida at the time the Florida cucumber deal is active.

The phenomena of sale and movement constitute the market for cucumbers and the interdependence of markets both within and outside the State directly burdens, obstructs and affects interstate commerce. Factors making up the market for cucumbers constitute commerce

which is so completely interspersed that all sale and movement of such cucumbers are either in the current of interstate or foreign commerce or directly burden, obstruct, or affect such commerce and therefore all such movement and sale of cucumbers grown in the State should be subject to the authority of the act and of the marketing agreement and order which may be issued pursuant thereto except where specifically excluded.

(2) Prices for cucumbers grown in Florida have fluctuated rather widely during the past several years, reflecting marketing conditions which generally have resulted in returning season average prices to growers below parity equivalent prices. Production and price statistics for Florida cucumbers are reported by the Agricultural Marketing Service, United States Department of Agriculture, on the basis of three seasons within each crop year; namely, late fall, winter, early spring. For the past 11 late fall crops, the average price received by growers for Florida cucumbers has ranged from 40 to 129 percent of the parity equivalent price, exceeding 90 percent only in 1945 and 1951. The average price of the 1955 late fall crop, \$2.25 per bushel, reflected 70 percent of the parity equivalent price. During the last 7 winter-crop seasons since 1950, the season average price for cucumbers has ranged from 49 to 131 percent of parity. Winter crop prices have exceeded parity in 1951 and 1952 and reached 98 percent of parity in 1954.

In 1956, the ratio of average price for the winter crop of \$4.42 per bushel to the parity equivalent price reflected 71 percent which is the second lowest ratio in the short 7-year winter crop price series.

Early spring cucumber prices have, on the average for a season, exceeded the parity equivalent price in only 1946 and 1956. During the past eleven seasons, season average prices of early spring crops have reflected from 60 to 127 percent of parity with the 1956 average price of \$3.65 per bushel the latter figure.

When data for the three crop seasons are combined, the average price-parity price ratio has, for the last eleven seasons, exceeded 100 percent only during the 1945-46 crop season or immediately subsequent to World War II. During three other of the combined seasons, including the most recent (1955-56), the average price has reflected 97-98 percent of the parity equivalent price.

Another indicator of the unstable farm price structure for Florida cucumbers is set out in a Florida Agricultural Experiment Station report (Exhibit 11) which shows net returns to growers in seven selected producing areas in Florida during the five seasons, 1950-51 to 1954-55. The report shows that, in the Immokalee area, the costs of producing and harvesting a bushel of cucumbers have exceeded the returns from sales in four of the above five seasons; in the Manatee-Ruskin and Sumter areas, net returns show a loss in three of the five seasons; losses are shown for two of five seasons in the Alachua and Fort Myers areas

(Negligible gains were reported in two of the remaining seasons in the Fort Myers area); and losses are reported for one season in the Pompano section. (The data reported from the Sumter area is applicable only to sales of trough-grown cucumbers).

Cucumber growers and shippers do not, for the most part, sell their produce on the basis of the U. S. Standards. It is common practice throughout the proposed production area to pack and sell cucumbers under such terminology indicating quality as "fancy," "choice," or "plains." The term fancy (or extra fancy) when applied to a cucumber package merely means that the contents of such package were the best quality available for packing at a given time; that if the general level of quality should improve on the succeeding day, yesterday's "fancies" might be called choice on the basis of today's packout. Nevertheless, there is no doubting the fact that sales of the best quality produce provide the highest returns to growers, while sales of less acceptable grades and sizes are discounted. This is clearly borne out by packing house records submitted by growers, shippers, a cooperative, and substantiated by market news reports.

Returns paid to growers by a cooperative illustrate both the wide fluctuation in cucumber prices over a short period and the price differentials based on quality. For example, on October 29, 1953, the cooperative returned \$4.89 per bushel to its members for fancy quality (the peak for the fall season), \$2.77 for choice, and \$1.08 for plains. On November 16, the return for fancies was \$2.07 per bushel and by the 27th of November, 1953, reached a low of \$0.31 per bushel. In the spring of 1954, fancies returned a high of \$5.05 on April 8; choice, \$2.55; and plains, \$1.05. Fall crop cucumbers in 1954 reached a peak of \$6.10 per bushel return to growers on October 13; choice returned \$3.10, with plains \$1.00 less. In two weeks the returns for fancies had dropped more than \$4.00 per bushel to \$1.99, and on November 7 the cooperative paid growers \$0.97 per bushel for fancy quality. Data for both the spring and fall seasons of 1955 indicate similar experience. In numerous instances during periods of low prices, growers actually received a bill from the cooperative for packing choice and plains, and, in one case, the price of fancies did not cover packing house charges.

On a number of occasions, the prices received by growers for their cucumbers did not cover harvesting costs. Frequently, during each season as indicated by the price data submitted by the cucumber growers' cooperative, there were no returns to growers for plains which were dumped for lack of sales. However, this usually occurred too late to help improve prices of better quality cucumbers.

The advantages derived from the sale of high quality cucumbers can be readily ascertained from an analysis of the sales and receipts of a number of growers who submitted such data at the hearing. During the 1954-55 season, the records of two growers reveal that the 68.2 percent

of their volume of marketings which were sold as fancy (including cartons) cucumbers returned 78.7 percent of their total receipts. For the eight growers who submitted 1955-56 sales data, the fancy (including cartons) cucumbers which constituted 71.0 percent of total cucumber marketings accounted for 82.9 percent of total receipts. To put it another way, 21.7 percent of the crop (that portion of less than fancy, including carton, quality) accounted for only 13.8 percent of total sales receipts. Choice quality which represented 17.1 percent of the 1955-56 sales volume for eight growers, realized 12.1 percent of their returns.

Florida cucumber growers and shippers have not made extensive use of the grade terminology in the U. S. Standards for Cucumbers as a basis for trading. Also, only a relatively minor portion of total shipments have been subject to inspection and certification by the Federal-State Inspection Service in the past. The use of non-standard grade terms in the cucumber industry has resulted in demoralizing marketing practices creating the need for an order. Inspection coupled with grade and size regulation would help immeasurably to restore confidence in the cucumber trade as to commerce in this commodity.

The proponents of the proposed order have shown that an agreement, when properly administered, would serve to limit the volume by restricting size, grades, and qualities of cucumbers marketed thereby benefiting growers' returns. Their position is that poor or undesirable grades and sizes should be restricted when prices are low. Growers generally are critical of the present lack of standardization of grades and packs as a marketing practice which is injurious or depressing to growers' returns. The lack of standardization results in lack of confidence on the part of buyers and unduly depresses prices and returns to those growers whose cucumbers are graded and packed according to acceptable standards. A large portion of Florida cucumbers are sold by wire or over the phone. That portion of the industry which sells poor grades and packs can and does underquote others and, by doing so, forces the general level of prices down.

The proponents of the proposed order take the position that cucumbers of quality below the U. S. No. 2 grade should never be shipped. Any cucumbers below "plains" should not be permitted to enter fresh market channels under any circumstances because each unit of low quality cucumbers tends to substitute a lower value unit for a higher quality, higher value unit of cucumbers. Substitution of low quality cucumbers for produce of higher quality tends to depress prices of and returns to growers for the better quality produce. Also, consumers do not receive full value from their expenditures for low quality cucumbers. The general manager of a cucumber growers' cooperative stated that, during mid-April 1956 when cucumber prices were relatively high, the lowest grade shipped were the so-called

"plains." "Plains" are considered by the trade as roughly corresponding to the U. S. No. 2 grade.

During the fall of 1953, growers who were members of the cooperative would have received higher returns had they shipped no plains, and possibly nothing but fancies, during and after the middle of November. There were instances when the grower received a bill for packing charges for choice, plains, and even fancies. During the spring of 1954, prices of cucumbers started off at a fairly high level, but prices dropped rapidly so that the cooperative's packing house was closed in the first week of May during that season. Not more than one-half of the crop of the members of the cooperative had been harvested at the time of closing. Other shippers actually dumped carloads of cucumbers that had already been packed and loaded.

During the fall of 1954, growers frequently lost money when plains and other less desirable grades and sizes were packed and sold. Even during the spring of 1955, considered a good season, losses were reported for some of the low grades, including plains. During the fall of 1955 the price level for cucumbers was so low that almost every grower lost money.

The Florida cucumber industry needs standardization of grades and packs. As a constructive improvement in orderly marketing practices, the United States Standards for Cucumbers are available and, in general, are satisfactory. However, unless a purchaser specifically requests inspection, the service is not customarily used in the case of cucumbers. The proponents have established the need for standard grades and packs. However, not all of the industry will support voluntarily a program of this type. Those persons who insist on continuing the present system can, by packing other than standard packages, upset the whole marketing price structure for cucumbers. As high as 90 percent of the cucumbers are sold by wire or telephone. Those shippers who pack and sell a standard pack which contains good quality throughout individual packages, or a constant quality within a package, are at a temporary disadvantage in quoting prices to their customers, in seeking new customers, and in conducting business over the telephone in trying to compete with those individuals who, for example, put up a choice package and label it as fancy, or who top off a package with fancy cucumbers when the remainder of the package might be of lower quality. The substantial variation in quality of that quantity marketed as a given grade, such as "fancy," has created a wide range in prices for "fancy" cucumbers. The wide price range makes difficult price agreement between buyers and sellers for a particular quality of cucumbers and such wide range can be and often is used to force the price of better quality cucumbers to the lower limits of the price range to the ultimate detriment of growers' returns. Recently the term "extra-fancy" has come into

common use. In order to gain temporary price advantage, some shippers have adopted this term, stamping it on the lids of their fancy packages. In order to compete, other shippers have followed with the use of the term "extra-fancy" without necessarily increasing the quality of the cucumbers in these packages.

The fact that there is no standardization of grades commonly in use and that there is no limit on minimum and maximum quality factors for a particular grade, such as "fancy," has enabled some shippers to undercut prevailing prices of their competitors' produce. It is common practice in the cucumber industry for a shipper to sell a lower quality cucumber than one of his competitor's while, at the same time, stamping the same grade on the package. He then represents his produce as fancy, the same as his competitor, but because he is selling a lower quality, he either underprices his competitor or forces the price of his competitor's better merchandise down to the level of the price he is asking for his produce. This, of course, is reflected back to the grower of the higher quality cucumbers whose returns are discounted as a result of this practice.

The quantity of cucumbers available on the market at any given time, either daily or seasonally, has a direct effect upon the price which producers receive for their cucumber crops. Florida producers grow a major portion of the domestically grown cucumbers during the late fall, winter, and early spring seasons covering the period November through May. The quantity of cucumbers put on the market by Florida producers or handlers also has a direct effect upon the price of all cucumbers, particularly the price which Florida growers receive for their crop. The price of cucumbers in the market is a direct result not only of the total quantity of cucumbers being marketed, but also of the quality of cucumbers as reflected by the different prices paid by grades and sizes for such cucumbers. Certain grades and sizes of cucumbers return higher prices to producers than other grades and sizes. For example, U. S. No. 1 quality cucumbers normally return a higher price than U. S. No. 2 grade cucumbers, and a considerably higher price than cucumbers which are of lower quality than U. S. No. 2. Such low quality cucumbers are commonly referred to in trade circles as culls and sometimes as "cootertails."

Shipments of underdeveloped and overripe cucumbers have the same detrimental effect on returns to growers as do other poor quality or undesirable sizes or shapes of cucumbers.

It is common and usual practice among the great majority of handlers to eliminate the low grades, off-shapes, and overripe stock, and in many cases even the "plains" also, when they are grading cucumbers for market. Such poor quality cucumbers and discounted sizes and shapes and undesirable maturity are removed. Experienced handlers have found that it pays them to do so because the adulteration of the

better packs, which constitute the bulk of their crop, with the poorer grades, maturity, and sizes forces the price down on all of their sales. However, some handlers continue to sell culls and off-sizes because they frequently are able to buy them at exceptionally low prices from the grower and to sell them at a small discount from average prices, thereby giving the handler as much or even a greater margin than they could expect from handling usual good quality and the more desirable sizes of cucumbers. The withholding of poor grades and undesirable maturities and sizes of cucumbers from markets in effect reduces the available market supply of such cucumbers. By reducing the quantity being marketed as well as eliminating discounts from average price, growers' prices for cucumbers are thereby improved.

The sale of cull cucumbers tends not only to return discounted prices to growers, but also give only limited satisfaction to consumers and such sale operates against repeat sales. It is not in the public interest to sell cull cucumbers under normal conditions because the evidence shows that consumers fail to obtain proper value for their expenditures as compared with purchases of good quality cucumbers.

Prices to Florida cucumber producers and total returns of such producers could be augmented by handling only the more preferred grades, sizes, and maturities of such cucumbers. Voluntary efforts have been made and practiced by individual producers and handlers in Florida to eliminate some of the culls especially when the average price level to Florida cucumber producers was low, but such voluntary efforts did not raise producers' prices and returns appreciably, since other handlers continued to ship culls and off-sizes to the detriment of all other cucumber producers and handlers and contrary to the public interest of the Florida cucumber industry.

The orderly marketing of cucumbers grown in Florida has been disrupted and the purchasing power of the producers thereof has been impaired by reason of the handling of certain grades, sizes, qualities, and maturities of such cucumbers which have adversely affected prices returned to cucumber producers.

A marketing agreement and order is necessary to authorize regulation of the sale and transportation of cucumbers grown in Florida so that more orderly marketing conditions for such cucumbers may be established. The establishment of more orderly marketing conditions as brought about by marketing agreement and order regulations will tend to establish parity prices for cucumbers grown in Florida. A marketing agreement and order authorizing regulation of the handling of cucumbers will assist the Florida industry in establishing and maintaining such minimum standards of quality and maturity and such grading and inspection requirements for cucumbers grown in the production area which will effectuate such orderly marketing of such cucumbers as will be in the public interest. The adoption of a marketing agreement and order

program by handlers of Florida cucumbers and the approval of such an order by Florida cucumber producers will tend to promote more orderly marketing of such cucumbers and it will be in the public interest. It is hereby found that the marketing agreement and order as hereinafter set forth will promote more orderly marketing of Florida cucumbers and the operation of such a program will tend to establish and maintain such orderly marketing conditions for Florida cucumbers as will establish, as the price to farmers, parity prices for such cucumbers.

It is alleged in the brief on the evidence filed on behalf of the opponents that: (1) When Cuban cucumbers are coming in during the winter months, practically all of the U. S. production is in District No. 1; and (2) the principal competition of District No. 1 is from Cuba and not from proposed Districts 2, 3, and 4.

The importance to the United States of District No. 1 (Lower East Coast) as a winter cucumber crop producing section has been overrated by the opponents. During the past 11 crop years, 1945-46 through 1955-56, District No. 1 has been the most important producing section for Florida cucumbers in four winter seasons; District No. 2 (Immokalee—Ft. Myers) has been the most important cucumber producing section in five seasons. On two other occasions, acreage in each of these two districts was approximately equal.

The Lower East Coast, on the average, has accounted for about 12 to 25 percent of total cucumber acreage for an entire season for the production area as a whole. During the past 11 seasons, total acreage for fresh market in District No. 1 has ranged from 1,490 to 3,300 acres of cucumbers. For the production area, fresh market acreage has ranged from 10,170 to 16,355 acres. At no time during the 11 seasons cited has the Lower East Coast been the most important producing section in the production area.

In addition to the above, the fall and spring crops of cucumbers in District No. 1 have been greater than the winter crop in the majority of seasons. During 8 of 11 seasons and 6 of 11 seasons, respectively, the acreage of the fall and spring cucumber crops grown in District No. 1 have been greater than the winter crop. This fact is supported by exhibits introduced by opposition witnesses at the hearing which indicate that approximately 10 percent of their 1955-56 crop sales occurred during January, less than one percent in February, and slightly more than 17 percent in March, or a total of less than 28 percent of their total sales volume occurred during winter of 1956. Their volume of sales was high during December 1955 which accounted for 29 percent, and reached a peak in April 1956 when about 40 percent was sold.

(3) The term "cucumbers," as used in the proposed order, identifies the agricultural commodity to be regulated and distinguishes it from other agricultural commodities. The term "cucumbers" should be defined to mean all varieties of the edible fruit (*cucumis sativus*).

which are commonly referred to as cucumbers and which are grown in the production area. Cucumbers are one of the principal vegetable crops grown by producers in the production area. Reference to "cucumbers" has a common and specific meaning to all growers and handlers in the production area as well as in other parts of the country. However, the definition should be limited to those grown in the production area, since cucumbers produced in other portions of the United States are not proposed to be regulated. The definition of cucumbers, as set forth in the marketing agreement and order, establishes the identity of the agricultural commodity for which regulation is authorized. It includes all varieties of cucumbers grown in the State of Florida, south or east of the Suwannee River, whether produced for fresh market or other outlets.

Some testimony was introduced at the hearing to the effect that all cucumbers imported into the production area from Cuba, from Florida points outside of the production area, or from any other domestic or foreign source, as well as those grown within the production area, should be included within the definition of "cucumbers" and thereby made subject to the authority of the order.

The maximum limitation as to the area of coverage in connection with the present proceeding was fixed in the notice of hearing, which was specified as the presently proposed production area. Cucumber producers and shippers in other portions of the continental United States were not, therefore, afforded the necessary advance warning that they might be included under the regulation and thereby afforded notice and opportunity to appear and testify and otherwise represent their respective interests. It would, therefore, be legally impermissible to include any additional portion of the domestic cucumber production in any event. This contention as to the inclusion of additional domestic production seemed to be related to the contested addition under regulation of the remaining portion of Florida not presently proposed to be included, which portion lies west or north of the Suwannee River. As is developed more fully below, it is concluded that the portion last referred to should not be covered under the presently proposed regulation in any event.

Although regulation of the grade, size, quality, and maturity of imported cucumbers on the same or comparable basis as Florida cucumbers will be mandatory as provided in section 8e of the act as added by the Agricultural Act of 1954 (68 Stat. 906, 1047) should the proposed order be issued, such regulation of the imported commodity would not only be incidental to, but would also be beyond the scope of the authority of the proposed order. In other words, any such regulation of imports would be wholly within the province of the Secretary, except that he would impose on imports the same or comparable restrictions as to grade, size, quality, and maturity as are imposed under the order.

This definition establishes the commodity to which the handling activities

related thereto are subject to the authority of the order. The act authorizes marketing agreements and orders applicable to cucumbers, or to any regional or market classification thereof. Cucumbers of all varieties which are grown in the proposed production area constitute a regional classification of cucumbers and regulation of the handling of such cucumbers as authorized by the order will tend to effectuate the declared policy of the act. Cucumbers therefore should be defined in the order to mean all varieties of cucumbers grown in the production area.

The term "production area" should be incorporated in the order as a means of specifying the area within which cucumbers must be produced before the handling thereof is subject to regulation thereunder. Production area should be defined to include all territory within the State of Florida south or east of the Suwannee River.

According to the 1954 census of Agriculture, 63 percent of the Florida farmers reporting cucumber production and 90 percent of the cucumber acreage grown within the State is contained in the production area delineated in the proposed marketing agreement and order. During the eight seasons from 1947-48 to 1954-55, rail and truck shipments from the production area accounted for more than 99 percent of commercial cucumber shipments from the State of Florida.

Considerable controversy developed at the hearing as to the exclusion of west Florida (the area within the State west of the Suwannee River) from the production area. It was testified that a large portion of the production grown in west Florida is disposed of in processing, mainly pickling, outlets. Also, the relatively small production in west Florida is for the most part noncompetitive with sales of cucumbers grown in the production area in that they are marketed late in the spring, late May and June, following the cucumber deal in the production area or in the early fall, in a small way, prior to fall crop marketings in the production area. West Florida cucumbers compete more with those grown in Georgia and other nearby States.

The production area thus defined contains most of the major table stock cucumber producing counties of commercial importance within Florida. Although cucumbers are not now grown commercially in some of the counties within the production area, such counties contain land areas capable of supporting commercial production of cucumbers and, as such, are potential growing areas on a competitive basis.

There may be minor variations in practices and methods of production, harvesting, and marketing of cucumbers from growing section to growing section within the production area. Nevertheless, grade and size terminology, packing operations, and sales methods are similar or basically the same throughout the production area. For example, cash sales are predominant in the Pompano market area, while most of the business in cucumbers is conducted on a telephone basis in the Wauchula or Fort Myers sections. However, both sales methods

are not unusual in any of the producing sections in the proposed area where cucumbers are sold. No producing section has a marketing season which is entirely separate and apart from the other sections' marketing seasons as shown by the tabulation of monthly rail and truck shipments for the various Florida cucumber producing areas. Each section within the production area has to share and compete in common markets at the same time as one or more other sections.

Natural geographic and political boundaries favor the establishment of the proposed production area as defined. The production area consists largely of the peninsula portion of the State of Florida bounded on the east, south, and west by the Atlantic Ocean and the Gulf of Mexico, on the northwest by the Suwannee River, and on the north by the State of Georgia. The Suwannee River and the State boundary do not bisect an important cucumber producing area. In addition, enforcement of regulations is favored by the fact that road guard stations, operated by the Citrus and Vegetable Division, Florida State Department of Agriculture, are strategically located at a number of highway outlets, generally at highway intersections or river crossings, leading out of the production area. Also, the number of rail outlets from such area is limited. There is no reasonable method or basis for dividing the production area into two or more areas for purposes of separate marketing agreements and orders. All territory included within the boundaries of the proposed production area constitutes the smallest regional production area that is practicable, consistent with carrying out the declared policy of the act, and the production area, therefore, should be defined as hereinafter set forth.

(4) "Handler", synonymous with "shipper", should mean any person except a common or contract carrier of cucumbers owned by another person who handles cucumbers or causes cucumbers to be handled. Handler should be defined in the proposed marketing agreement and order because regulation is at the handler level. The act authorizes the regulation of handlers only, specifically excluding producers in their capacities as producers. Any person engaged in the act or acts of handling or shipping cucumbers, or who causes cucumbers to be handled or shipped, should be considered to be a handler. Such persons are responsible for the grade, size, quality, maturity, and packs of cucumbers delivered to transportation agencies, or which are sold or transported in the current of interstate or foreign commerce, or otherwise so as directly to burden, obstruct, or affect such commerce, and such persons are handlers.

Common or contract carriers transporting cucumbers which are owned by another person are performing a handling function, but such handling should not be regulated under the order because they are not responsible for the grade, size, quality, maturity, or pack of the cucumbers being transported. Neither are they responsible for the introduction of such cucumbers into the stream of interstate or foreign commerce. Also, the

sole interest of common or contract carriers in such is to transport the cucumbers for a service charge to destinations selected by others. The responsibility for the grade, size, quality, maturity, and pack of such cucumbers delivered to a common, or contract carrier should be borne solely by the person or persons responsible for delivering such cucumbers to the carriers.

Of course, the usual packers and shippers would be considered as handlers because they are directly responsible for the preparation for market of cucumbers, and for the sale and transportation. A person who is merely complying with the orders issued by a superior should not be considered as a handler. A packing house foreman who is following instructions in issuing orders to graders and packers is not a handler. A truck driver for a packer is not a handler if he is transporting cucumbers on someone else's orders. However, a trucker who buys cucumbers and subsequently transports such cucumbers out of the production area is a handler because of the act of transporting such cucumbers in trade channels. Therefore, the term handler or shipper should be defined to mean any person (except a common or contract carrier of cucumbers owned by another person) who handles cucumbers or causes cucumbers to be handled.

"Handle" (or "ship") should be defined in the proposed order to spell out activities or transactions by handlers which come within the scope of the regulatory authority of the proposed program.

The great bulk of cucumbers grown in the production area normally are prepared for market in established packing houses, whether of the so-called small "bath tub" type, farmer packing houses, or commercial packing plants.

The running of such cucumbers over a mechanical grader, or the preparation of such cucumbers for market by any other means, should come within the definition of handle, because such activities determine the various outlets to which cucumbers go and they have a direct effect upon the price which cucumber growers shall receive for their crop. The matter of compliance with regulations which are authorized by the order can be determined by the handler who is grading or preparing such cucumbers for market. The primary responsibility for the grade, size, and quality of cucumbers in any given unit, or in any given lot rests with the person or persons responsible for the grading operation and for the kind of cucumbers which are put in the basket or other shipping unit.

The act of selling such cucumbers makes the person who effects the sale a handler because such sale directly affects the market for cucumbers. The transportation of cucumbers also has a direct bearing on the market and the movement and sale of cucumbers, regardless of whether such sale or movement is within or outside the production area, is so mixed that such activities cause such cucumbers to become a part of the stream of interstate commerce.

Handle should include all shipping activities. The handling of cucumbers

under the order should begin when cucumbers start their movement from the field where grown and continue until such cucumbers leave the production area. However, there are exceptions to this general rule as spelled out in the definition of handle. Handle should also mean the sale of cucumbers grown in the production area at any point between the time that they begin to move from the field (usually immediately subsequent to harvesting) until they leave the production area.

There was testimony against authority for regulation within the production area. The general tenor of the testimony was to the effect that the objectives of the act and a program of the proposed nature could be accomplished through the regulation of that portion of the cucumbers which are shipped out of the production area. This latter quantity constitutes a high proportion of the total volume of shipments. The quantity of cucumbers shipped to and consumed in Florida markets within the production area is of minor importance as compared to the portion leaving the area. The non-regulation within the production area would also obviate what would be an otherwise difficult problem of enforcement and a burden on handlers. The deletion of the words "within the production area or" from the definition of handle as set forth in the notice of hearing would accomplish the above intent.

The growing and harvesting of cucumbers in the production area are properly producer functions and, as such, are exempt from regulatory authority of the proposed program. Picking cucumbers is normally considered part of harvesting and therefore a grower function. However, picking is an essential preliminary to the preparation for market of cucumbers. For example, it is a practice of itinerant truckers to buy cucumbers directly at the field where grown. The grower who sells cucumbers in this fashion should be considered as a handler, because he has made a sale of cucumbers which were prepared for market to the extent that some of the poorest quality, have been removed in picking and filling of the burlap sacks, baskets, crates, or cartons. Such cucumbers, even though they have not been over a grader, or through washers and waxers, are in an acceptable form as far as the buyer is concerned, whether itinerant trucker or other person. Also, the trucker who buys such cucumbers is a handler, because he is responsible for the transportation. Both the grower, who in this case is a handler, as well as the trucker should be held responsible for compliance with any regulatory obligations of the marketing agreement and order.

With two exceptions, all grading or preparation for market, transportation or sale of cucumbers should come within the scope of the meaning of handle. The two exceptions, set forth in the definition of handle, are contained in other marketing agreement and order programs and should provide a reasonable basis for the placing of the responsibility for compliance with regulations which relate to grade, size, quality, ma-

turity, pack, inspection, or assessments. Cucumbers being transported, sold, or delivered to registered packing houses or to auction markets within the production area designated by the committee should be exempt from handling and from all regulation under the marketing agreement and order. In the case of the two exceptions, cucumbers are not being transported to market for immediate consumption and such cucumbers are subject to washing, waxing, grading, and packing following their sale at auction or their delivery to packing houses. The auction buyers and the packing house operator are handlers because each is responsible for preparation for market. Such persons determine the grade, size, and pack of cucumbers entering market channels. No useful purpose would be served by attempting to include within the definition of handle the activities leading up to and including sale of cucumbers at auction markets or delivery of cucumbers to registered packing houses within the production area because such cucumbers are not in the usual form in which the bulk of the crop is marketed. Since they have not been through the grading process most sellers and buyers do not consider them as usual or appropriate products for commercial trade and, as such, they have not yet entered the channels of commerce. In order to maintain control of such handling, it is necessary that grading be performed within the production area.

Some growers who sell picked cucumbers from the field are handlers and, as such, should be held responsible for compliance with any rules and regulations issued pursuant to the order. If a grower sells his unharvested crop of cucumbers in the field, he should not, under any circumstances, be considered a handler of those particular cucumbers because he has no connection with the grading and marketing of them. If, however, a grower should make a sale of picked cucumbers from the field to a handler registered with the committee, such registered handler should be the first handler of cucumbers and the grower would have no obligations under the order. Such registered handler should assume any regulatory burdens with respect to such items as payment of assessments, inspection and certification, and compliance with grade and size regulations.

It is common practice for producers not having packing facilities of their own to sell or deliver their cucumbers to persons having facilities for packing and otherwise preparing the commodity for market, i. e., to persons who are generally recognized as cucumber handlers. The producers, in such instances, properly rely on the persons preparing the cucumbers for market to see that, when they are shipped, they meet all applicable requirements for marketing. Thus, there should be excepted, in such instances, the movements of cucumbers from the fields to the places where they will be prepared for market. It will be necessary, however, to limit the scope of this exception in order to insure compliance with the regulations established

under the program. Hence, it should be recognized that the facilities where the cucumbers are to be prepared for market must be located within the production area. Otherwise it would not be practicable for the committee to check effectively on the disposition of the cucumbers delivered to the packing facilities which did not meet the program requirements. Also, this exception should apply only in case the person engaged in the preparation of cucumbers for market has registered with the committee in accordance with such rules as it may, with the approval of the Secretary, prescribe. It is intended that the committee, under its rules, will register all handler-applicants whom it is reasonable to believe will conduct their packing and handling operations in accordance with the program requirements. It is also intended that all recognized handlers and other prospective handlers desiring to conduct their business in the usual or customary manner will register with the committee in order to enable them to obtain cucumbers without their having to meet program requirements at the times of deliveries by producers or others.

It is anticipated that the registration action, with its attendant benefit, will be of primary importance to handlers who handle cucumbers which are delivered to them by other persons as the producers. In the cucumber industry, there are, particularly in proposed District No. 1, a number of cucumber producers who pack and sell their own production. Many of such producers have packing facilities and machinery which compare favorably with the facilities of persons who are engaged in handling production of other producers as well as their own. Any such handlers of the type last referred to who might desire to register as such with the committee should be permitted to do so, provided, of course, they meet the other requirements for eligibility which are indicated above as being necessary.

In the brief filed on behalf of the opponents, it was contended that the proposed registration "would force the growers in District No. 1 with packing facilities on their farms to abandon their own facilities and use one of the seven or eight packing houses operating around District No. 1 area". Such a result is not contemplated or intended. Insofar as equipment is concerned any person, including the so-called "bathtub" operator, who has reasonably adequate facilities for preparing cucumbers for market should be entitled to be registered with the committee as a handler. Of course, registration with the committee should not be a necessary prerequisite to handling. In other words, any person who desires to do so should be permitted to handle, the only purpose of registration being, that a registered handler would obtain the extra benefits outlined above.

The picking, packing, loading, hauling, or any other handling or movement of cucumbers from the spot where grown places them in commerce by virtue of such movement and, in addition, such activities, with the exception of the activities heretofore indicated, cause the cucumbers to become a part of the visible supply of cucumbers which are

available for market, and directly burdens, obstructs, or affects interstate commerce. The sale of such cucumbers at any time during these initial marketing activities continues such cucumbers in commerce, because such sale constructively moves the cucumbers in the stream of commerce from the seller to the buyer or consignee and actual movement of such cucumbers in the stream of commerce pursuant to the instructions to the buyer or consignee constitutes sale or transportation, or both.

All cucumbers grown in the production area, which are produced for fresh market, are graded or prepared for market and such processing activities are handler functions in the marketing of such cucumbers which are included in the definition of handle.

With the exception of the processes or activities specifically excluded from the definition of the term handle, all such activities, from the time cucumbers grown in the production area are picked until they move outside of the production area, should be included in the process of handling. The proposed definition of handle in the order does not include the sale at retail of cucumbers by a person in his capacity as a retailer. The activities of a producer, including the growing and the harvesting of cucumbers, are not included in the definition of handle, because such activities are construed as falling within the capacity of a producer as such.

(5) (a) Certain terms applying to specific individuals, agencies, legislation, concepts, or things are used throughout the order. Those terms should be defined for the purpose of designating specifically their applicability, and establishing the approximate limitations of their respective meanings wherever they are used.

The definition of "Secretary" should include not only the Secretary of Agriculture of the United States, the official charged by law with the responsibility for programs of this nature, but also, in order to recognize the fact that it is physically impossible for him to perform personally all of the functions and duties which are imposed upon him by law, any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to act in his stead.

The proposed definition of "act" provides the correct legal citation for the statute pursuant to which this proposed regulatory program is to be operative, and makes it unnecessary to refer to such citations thereafter.

The proposed definition of "person" follows the definition of that term as set forth in the act, and will ensure that it will have the same meaning as used in the act.

"Producer" should be defined to mean any person who is engaged in a proprietary capacity in the production of cucumbers within the production area and who is producing such cucumbers for market. A definition of that term is necessary for appropriate determinations as to eligibility to vote for, and to serve as, a member or alternate member of the committee, and for other reasons.

The term should be limited to those who have an ownership interest in cucumbers produced in the production area. It should not include laborers or others who perform work for a fee or for hire in producing cucumbers.

Numerous credit and financial arrangements are currently existent among persons connected with the growing and marketing of cucumbers in the production area which complicates the problem of determining who is a producer and who is not a producer for the purposes of the order. A producer should be any "person" who, in a proprietary capacity, produces cucumbers for market. "Person" is proposed to be defined as an individual, partnership, corporation, association, or any other business unit—each of which should be considered a legal entity. Each legal entity, whether an individual, a partnership, "joint venture", or a corporation, so engaged in the production of cucumbers for market should have, for example, one voice in selecting committee members and alternates in one district.

The appropriate test for determining whether or not a person is entitled to be called a producer is whether he has the title to the particular cucumbers. A person who owns and farms land resulting in his ownership of the cucumbers produced on such land should clearly be considered as the producer of such cucumbers. The same is true with respect to a person who rents and farms land resulting in his ownership of all or a portion of the cucumbers produced thereon. Likewise, a person who owns land which he does not farm but, as rental for such land, obtains the ownership of a portion of the cucumbers produced thereon, should be regarded as the producer of that portion, and the tenant on such land should be regarded as the producer of the remaining portion produced on such land. In each of the above situations, where the person acquires ownership of all of the particular cucumbers, such person, regardless of whether an individual, partnership, association, corporation, or other business unit, should be considered as one producer and entitled to one vote. However, in cases where the ownership is divided, i. e., where one person obtains ownership and physical possession of a portion of the particular production and another person obtains ownership of the other portion of such production, each such person should be considered as a producer and entitled to one vote.

There are considerable variations in the area of types of partnerships, and "joint ventures" whereunder the crop is owned jointly. The most common type appears to be an arrangement whereby one person puts up all or a part of the capital and another contributes machinery and/or skill. Another arrangement provides that one person is responsible for selling the crop, and the other with growing and harvesting the cucumbers. Capital, machinery, and labor may be contributed in varying degrees by each of the partners. Nevertheless, the partnership in its entity is a producer, and thus should have only one vote the same

as an individual or corporation. Any action with respect to such an organization regarding voting matters depends, therefore, on the partnership agreement and action by the partners pursuant thereto, irrespective of whether the partnership is composed of individuals, corporations, or combinations thereof.

Numerous persons are engaged in cucumber growing operations who are paid for their services on a wage or per unit of production basis. As heretofore indicated, if such persons do not have title to any of the cucumbers, they are merely laborers working for a stated fee and as such should not have a producer status under the marketing agreement and order.

"Grading" and "preparation for market" are synonymous and mean the sorting of cucumbers by hand or mechanical means, or both, so that such cucumbers are separated into grade, size, maturity, and pack. Such classifications are determined by the handler who directs, in person or through his agent, how and in what number of classes the particular lot of cucumbers shall be separated. "Grading" or "preparation for market" is an activity which properly falls within the scope of "handle". Grading may vary from an operation performed entirely by hand in which certain cucumbers are picked out when they are being loaded at the field to a production line operation whereby cucumbers are carried by mechanical conveyor for washing and waxing and thence to a series of moving belts and tables, where sizes are determined and good quality, as represented by grades, sizes, and maturities, or any combination thereof, is separated from bad so that the cucumbers which are to go to preferred price outlets are separated from those going to discounted price outlets. The grading or preparation for market is an operation which applies to all cucumbers grown in the production area, even though the extent to which cucumbers are separated into market classes may vary considerably among the types of ultimate outlets. For example, sales of cucumbers in some fresh market outlets usually result in a lot of cucumbers being carefully graded so that only the preferred qualities and sizes are shipped to such outlets, while the off grades, off sizes, and off shapes may go to less discriminating markets or processing plants which do not require such careful separation into market classifications.

Definitions of "grade" and "size" should be incorporated in the order to enable persons affected thereby to determine the basis for application of grade and size limitations to the product they handle. Grade and size, the essential terms in which regulations are issued, should be defined as encompassing the equivalents of the meanings assigned to these terms in (i) the official United States Standards for Cucumbers issued by the United States Department of Agriculture, and (ii) to modifications or amendments of such standards, and to variations of such standards by regulations under the marketing agreement and order. Regulations under the order could then use such terms (grade, size,

and maturity) with the constant meaning assigned to them in such standards, or in such modified or amended standards, or such regulation can vary such terms by prescribing, for example, a percentage of grade, as may be required at the time of issuing such regulation. Official inspectors are qualified to certify to the grade, size, and maturity of cucumbers grown in the proposed production area, in terms of any one of the aforesaid standards, or modifications, amendments, or variations thereof.

"Pack" should be defined as a basis for distinguishing among the various units in which cucumbers are prepared for market and shipped. That term is commonly used throughout the cucumber trade and refers to a combination of factors relating to grade, size, and maturity of the cucumbers and to the quantities and types of containers. For example, fancy quality cucumbers when put in bushel tubs or baskets is a common or usual pack. Choice quality produce in a wire-bound crate is a specific pack. Another example of a pack is the placing of small fancy cucumbers in a carton. Of course, there are numerous combinations of quality designations (both in terms of current trade usage and the official standards), sizes, maturities, varieties (to a minor extent), and containers. "Pack" should mean and include any of the above mentioned combinations as well as any other pack of cucumbers recommended by the committee and approved by the Secretary. The committee should be permitted, under appropriate rules and regulations, to establish such packs in terms of size tolerances, grades allowed, and weight of contents in their relationship to the unit being marketed.

"Container" should be defined in the order as a basis for differentiating among the numerous shipping units in which cucumbers move to market and for the permissive application of different regulation to such different shipping units. Authority for regulation by type of container was enacted by the 83d Congress, in the Agricultural Act of 1954, as an amendment to the Agricultural Marketing Agreement Act of 1937, as amended. The Florida cucumber industry, as represented by growers and shippers at the hearing, indicated that certain undesirable practices in the marketing of cucumbers relating to net weights and to numerous container types and sizes tend toward market disturbances. Use of the authority enacted in the recent container amendment to the act will provide a basis for alleviation of the problems associated with containers. The principal containers used in marketing cucumbers at the present time, in order of importance, are: (i) The hard-bottom "export" tub (capacity one bushel); (ii) the cartons—"senior", "regular", and "junior" (capacity of the "senior" carton is about one-third bushel, others proportionately smaller); and (iii) the wire-bound crate (capacity 1½ bushels). A few containers of other types are used to a minor extent. It is estimated that more than one-half of the cucumbers shipped out of the proposed production area move in bushel tubs.

It is common practice in the production area for cucumbers to be moved

from the field where grown to packing houses within the area in partially filled burlap sacks. In most instances, such movement would be free of regulation in that the transportation thereof would be to registered handlers. A minor quantity of cucumbers may be moved in "bulk loads". Such bulk loads usually consist of low grades or culls which are collected at the end of the packing house grading operation and are trucked to processing outlets or the cull pile.

The definition of "committee" is incorporated in the proposed order to identify the administrative agency, the Florida Cucumber Committee, which would be responsible for assisting the Secretary in the administration of the program. Such a committee is authorized by the act and the definition of it would minimize the use of words in the order.

A definition of "fiscal period" should be incorporated in the order to establish the beginning and ending of an operating period. The establishment of such a period, which should comprise a full twelve months, is necessary for business-like administration of the marketing agreement and order and is desirable as a basis for establishing the term of office of committee members and alternates. The date marking the end of one fiscal period and the beginning of the new should fall at a time of little or no activity in the marketing of the cucumber crop and should allow sufficient time for the committee to organize and be prepared to function prior to the start of the new marketing season. The date July 31 is after the end of the spring cucumber deals in Florida and the fall planting season begins after August 1. There are no reported commercial shipments of cucumbers being made from Florida during this between-season time of year. It is, therefore, appropriate that fiscal period should be defined as set forth in the order.

"District" should be defined in the order as referring to each of the geographical sections or divisions of the production area, either as initially established or as later reestablished, in order to provide a basis for the nomination and selection of committee members and for regulatory purposes. The presently proposed division into districts is adequate and equitable from the standpoint of the present situation and should provide a practical basis for the purposes intended.

"Export" should be defined in the order as including all shipments of cucumbers beyond the boundaries of the continental United States. Separate treatment for export shipments may be desirable and necessary, because the nature of the demand for cucumbers in export markets may differ from the requirements in the domestic markets and, therefore, different or special regulations, or even no regulations might be justified with respect to such shipments.

Canada is the most important export market for Florida cucumbers. Canadian consumers may prefer different packs than are sold in many domestic markets. Also, the import requirements of Canada or other foreign countries may vary from regulations

recommended by the committee applicable to domestic handling of cucumbers. In order that handlers of Florida cucumbers may be able to meet competition in export markets, and especially in Canada, sufficient flexibility should be allowed the committee in the regulation of such exports, or to provide that relaxation of, or no regulations, be applicable to shipments destined to export outlets.

Territories and possessions of the United States should be included under the term "export" because shipments to such markets would tend to satisfy a different type of demand than domestic shipments. Also there is an insignificant quantity of cucumbers shipped to off-shore possessions which are considered as analogous to shipments to foreign countries.

(b) The order should provide for the selection by the Secretary of an administrative committee, called the Florida Cucumber Committee, composed of eight producer members and four handler members. Establishment of this committee would be desirable and necessary to aid the Secretary in carrying out the declared policy of the act. The establishment of such a committee is authorized by the act. The proposed membership would give cucumber producers and handlers in the production area fair and equitable representation on the committee. The order should also provide for the selection of alternate members, who should be required to qualify on the same basis as the particular individual member for whom he is an alternate.

The proposed committee membership of eight producer members and four handler members was generally supported by the industry as equitable and practicable. Evidence supports the finding that this plan of representation has received intensive study by the industry and that, after thorough consideration, such division of responsibility among 12 such individuals is appropriate.

In order to be eligible for committee membership, each person selected should be a producer or a handler or an officer or employee of a producer or handler (depending on the capacity for which selected). Each such person should produce or handle cucumbers in the district for which selected and reside in the production area.

Some well qualified persons may not reside in the district where their principal interest lies. If such person can otherwise qualify for committee membership, this fact alone should not prevent his selection to represent a particular district, even though his residence is outside of such district but within the production area. Producers and handlers who have the above qualifications should be intimately acquainted with the problems of producing or marketing cucumbers grown in such district and each may reasonably be expected to present accurately the problems incident to production or marketing of cucumbers grown in such district. For obvious reasons, the qualifications for each alternate should be the same as for the respective member for whom he may act. Such qualifications should

help to assure that the interests of the group from which each is selected will be adequately represented in committee deliberations.

Each committee member and his respective alternate should serve a one year term of office ending July 31, and for any additional period needed for the selection and qualification of his successor. Such term of office would be reasonable and would allow the cucumber industry to express its approval or disapproval of the committee's membership at the end of any season and prior to the opening of a new season. At the same time, a one year term of office would not preclude the renomination and reselection of able and popular incumbents. Committee members and alternates should be selected for the fiscal period during which they are to serve and until their successors have been selected and have qualified.

Districts should be established to provide a basis for selection of committee members. The districts as initially proposed and as recommended herein for adoption were worked out by industry spokesmen, and they apparently represent the best basis which could be devised at this time for providing a fair, adequate, and equitable representation on the committee.

The proposed districts as set forth in the order constitute what are generally known and recognized by the cucumber trade as separate and distinct production sections. For example, District No. 1, which included the Pompano market area and Dade County, is referred to as the "Lower East Coast"; District No. 2 contains the "Immokalee-Fort Myers area"; District No. 3 is commonly known as the "Wauchula Section"; and District No. 4 includes the "Alachua-Gainesville Area".

There was some discussion at the hearing as to the advisability of including Okeechobee County in District No. 1. The nearest State Farmers' Market is at Fort Pierce, in adjacent St. Lucie County. Also, The Florida Crop and Livestock Reporting Service in its reports includes the small acreage of Okeechobee County cucumbers with that reported for St. Lucie County, a part of District No. 1. Total shipments reported as originating from Okeechobee County were the equivalent of two carloads during the 1954-55 season.

The provision for redistricting would be desirable because it would allow the committee to consider, from time to time, whether the basis for representation could be improved and how such improvements should be made. The guides set forth in the proposed order which the committee should keep in mind in considering redistricting are appropriate and desirable factors which relate directly to the welfare of cucumber producers and handlers.

The notice of hearing provided, in the section relating to redistricting, that, in addition to the authority for changing boundaries of districts, the committee membership could be reapportioned among the districts. However, testimony at the hearing supports the finding that authority to change the presently pro-

posed representation of two producers and one handler from each district be excluded from the proposed order.

The Florida vegetable industry is a dynamic activity with constant changes in the production pattern. Production of cucumbers and other vegetables in the important Immokalee area reached commercial proportions only a few years ago. A new cucumber production section near Naples appears to be developing. In order to take cognizance of such changes in the future and to provide equitable representation for producers and handlers on the committee, the authority for redistricting should be contained in the proposed order. The provision for redistricting appears adequate to take care of the above eventualities without the additional authority for reapportionment of the committee membership among the several districts. A requirement that any recommendation for redistricting be forwarded to the Secretary on or before February 1, and that he approve such recommendation not later than March 15 in order to become effective at the beginning of the next term of office, is necessary so that producers will have ample time to consider their nominations for committee membership on the basis of realigned districts prior to nomination meetings, which it is intended will be held before July 1 of each year.

The selection of committee members and alternates on the basis of districts as provided for in the proposed order would provide a practical and equitable basis for selection of such members. Such proposed geographical basis should be, and has been, related to the number of producers and the production of cucumbers within the production area so that a practical basis for establishing equity has been reached. Although a preponderance of cucumber acreage or production may exist in one or two districts, other districts may contain a numerical superiority of producers. The evidence at the hearing indicates that, in view of the above, a balanced administrative committee would be selected should each district be provided with the same number of committee members. In this manner, both small and large producers and handlers would receive equitable treatment. The provision that two producers and one handler should be selected as committee members and two producers and one handler should be selected as committee alternates from each district is equitable and meets with the wishes of the industry, as shown by the evidence. The provision that there should be two producers and one handler selected as alternate committee members would provide a practical working basis for having full representation when any member from a district is absent.

A procedure for the election by producers of nominees for membership on the committee should be prescribed in the marketing agreement and order. Such provision is intended to provide for assistance by the cucumber industry to the Secretary in his selection of members and alternates on the committee. It is customary in the Florida cucumber industry for producers to conduct meet-

ings to establish their preferences for positions of trust and responsibility in the industry. The nomination of prospective members and alternates at meetings of producers in the respective districts is a customary and practical method of providing the Secretary with the names of the persons which the industry desires to serve on the committee.

The notice of hearing provides for the nomination of committee members and alternates at a meeting or meetings of producers in each district. Testimony offered with respect to the nomination procedure was quite clear that only producers should participate in the nomination of committee members, regardless of whether they are producer members or handler members. It was argued that, because of the principal objective of a marketing agreement and order program is on behalf of producers, only such persons should have a voice in choosing the individuals nominated to represent their interests. There was general expression that the marketing experience of well qualified handlers, who may not also be producers, should not be denied such an industry group as the Florida Cucumber Committee in its deliberations relating to grade, size and other regulations. For that reason, a minority handler representation should be provided on the committee. It is anticipated that practically all handlers will be qualified to participate in nomination meetings, since it was testified that handlers also generally produce cucumbers.

In order to obtain an indication of the industry's preference for membership on the initial committee, it should be provided that meetings of producers may be sponsored by the United States Department of Agriculture, or by any agency or group requested to do so by the Department. This should afford a practical and appropriate means of initiating movement whereby the industry might express its wishes and preferences with respect to committee membership. Producers should be given reasonable notice that nomination meetings have been scheduled so that they can make plans to attend. Such notice should be given by the committee or other agency requested to do so by the Department. At the start, no committee would be in existence and, hence, would not be available to assume such responsibilities.

Nomination meetings for the purpose of electing nominees for members or alternates on the committee after the initial committee should be held prior to July 1 of each year. Such meetings should be held by the committee or by persons or groups requested by it to hold such meetings.

At least two nominees should be designated for each position as member and each position as alternate so that the Secretary may have a choice in making his selection. In addition, if a selectee should decline to serve, the Secretary would have the name of another prospective member or alternate from which to make a selection. It is the desire of the industry, and it is appropriate, that producers voting at such industry meetings ballot for nominees to indicate the

ranking of their choices for each position to be filled. Nominee lists should be supplied to the Secretary in the form and manner prescribed by him so as to establish administrative uniformity in the handling of such matters. Such nominations for committee members and alternates should be supplied to the Secretary not later than July 15 of each year in order to afford him sufficient time in which to make his selections.

If a person should produce cucumbers in more than one district, such person should select the district in which he wishes to cast his vote for nominees on the committee. Any other procedure would tend to give such person a greater voice than other producers in the nomination of committee members.

Each producer participating in the industry meetings for the election of nominees to the committee should be limited to one vote on behalf of himself, his agents, subsidiaries, affiliates, or representatives in designating nominees. Voting on any other basis would not provide for equitable representation, because it would give the producers with interests in more than one district a greater voice in election of nominees than producers operating in only one district. The plan of one vote for each producer should be so construed that the person eligible to vote in a nomination meeting should be allowed to cast one vote for each position which is to be filled in the district in which he elects to vote. For example, at meetings for the election of nominees to the initial committee, each person voting as a producer in a given district would be allowed to cast one vote each for each of the three member nominees and one vote for each of the three alternate member nominees. Not more than one officer or employee of a producer or a handler should be eligible for nomination and selection as a committee member or alternate during a term of office, because this would tend to give a single organization unfair influence in committee business.

In order that there might be an administrative agency in existence at all times to administer the order, the Secretary should be authorized to select committee members and alternates without regard to nomination if, for any reason, nominations are not submitted to him in conformance with the procedure prescribed therein. Such selection should, of course, be on the basis of the representation provided in the order so that the composition of the committee would, at all times, continue as prescribed therein.

In the event the committee should neglect or fail to call nomination meetings by July 1, the Secretary should have the authority to select the above procedure in selecting committee members or to issue a call for nomination meetings on his own motion after reasonable notice to the cucumber producers in the production area.

Each person selected by the Secretary as a committee member or alternate should qualify by filing with the Secretary a written acceptance of his willingness and intention to serve in such capacity. This requirement will be neces-

sary so that the Secretary will know whether or not the position has been filled. Such acceptance should be filed within 10 days after the notification of appointment so that the composition of the committee would not be delayed unduly. In order that a well intentioned selectee would not be disqualified by his failure to accept his appointment promptly, the date of notification should be the first date on which the selectee receives the notification of appointment in person. Initial acceptance of appointment by telegram would be satisfactory, provided it is followed within a short time by written acceptance.

It would also be desirable and necessary that the Secretary be authorized to fill a committee vacancy without regard to nominations if the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs. The Secretary should have recourse to such means of filling vacancies in order to maintain continuity of administrative agency operations and to insure that all portions of the production area are adequately represented in the conduct of committee business. Incumbent alternate members should be considered by the Secretary as among those qualified for vacant positions on the committee.

Nomination meetings might be called in the district which is represented by the vacated position on the committee so that producers might elect nominees for the Secretary's consideration. The vacant position should be occupied by the respective alternate member from the district involved until filled by a properly qualified selectee.

Each alternate should be authorized to act in the place and stead of the member for whom he is an alternate during such member's temporary absence. Continuity of operation of the marketing agreement and order is best assured by such authorization. An alternate should also be authorized to act in a member's absence when such absence is due to death, removal, resignation, or disqualification of the member. Alternates acting in the place and stead of members should continue to act in such capacity until a successor for the member has been selected and has qualified.

A quorum of the committee should consist of at least eight members. This would not only insure that one more than a majority of the members would be in attendance at committee meetings, but also would require that representation be present from at least three of the four districts. Committee decisions should, therefore, reflect an accurate and representative cross section of industry thought and attitudes.

Not less than eight members of the committee should be required to concur in any committee action in order for it to pass. Such a voting requirement, constituting a minimum of two-thirds of the membership, is deemed reasonable and adequate. This requirement would also assure that producer representation at committee meetings would, at no time, be less than one-half of those present.

The committee should be authorized to vote by telephone, telegram, or other

means of communication when a matter to be considered is so routine that it would be unreasonable to call an assembled meeting or when rapid action is necessary because of an emergency. Any vote cast at other than an assembled meeting should be confirmed promptly in writing to provide a written record of the votes so cast. In case of an assembled meeting, however, all votes should be cast in person.

Committee members and alternates should be reimbursed for necessary and reasonable expenses incurred in the performance of service to the committee. Expenses for services by committee members should be allowed only for those specifically requested or directed by the committee. Such expenses might include travel, hotel accommodations, and meals. Reimbursement for reasonably necessary expenses is required to offset actual out-of-pocket expenses incurred in performing duties in connection with the marketing agreement and order.

In determining a reasonable basis for reimbursement of members and alternates for necessary expenses incurred on committee business, the committee should consider schedules of expense allowances established by the State of Florida or the Federal Government, or by other administrative committees as a guide. However, it is not believed that the following of any such schedule should be made mandatory. Instead, the appropriateness of such expenditures should be judged on the basis of whether they are reasonable and necessary in the light of the attendant circumstances. Reimbursement should be made to cover the "out-of-pocket" costs only and, in no event, should it be in lieu of salary or compensation.

The committee should be given those specific powers which are set forth in section 8c (7) (C) of the act, because such powers are authorized to be granted by the enabling statutory authority and they are necessary so that an agency of the character set forth in the marketing agreement and order could function.

The committee's duties, as set forth in the marketing agreement and order, will be necessary for the discharge of its responsibilities. Such duties are generally similar to those specified for administrative agencies under other programs of this character. It is intended that any activities undertaken by members or alternates of the committee will be necessary for the committee to carry out its responsibilities as prescribed in the order. It should be recognized that these specified duties are not necessarily all inclusive, in that it may develop that there are other duties which are incidental to, and not inconsistent with, the terms and conditions of the order which the committee might need to perform.

(c) The committee should be authorized to incur such expenses as the Secretary should find are reasonable and likely to be incurred by it during each fiscal period for the maintenance and functioning of such committee and for such other purposes as the Secretary might, pursuant to the provisions of the order, determine to be appropriate. The

expenses so incurred should be shared by handlers on the basis of the ratio of each handler's total shipments to the total shipments by all handlers during specified fiscal periods. The basis for determination of the ratio of shipments by individual handlers should be based upon the total shipments by first handlers thereof. The above formula is believed to be the fairest method of obtaining operating revenues on an equitable basis from handlers.

The committee should be required to prepare a budget at the beginning of each fiscal period, and as often as may be necessary thereafter, showing estimates of income and expenditures necessary for the administration of the order for such period. Each such budget should be presented to the Secretary with an analysis of its components and an explanation thereof in the form of a report on such budget. It would be desirable that the committee recommend a rate of assessment to the Secretary which should be designed to bring in during each fiscal period sufficient income to cover expenses incurred by the committee. There should not be any increase made in the budget without prior recommendation of the committee and approval of the Secretary.

The funds to cover the expenses of the committee should be obtained through the levying of assessments on handlers. The act specifically authorizes the Secretary to approve the incurring of such expenses by administrative agencies, such as the proposed Florida Cucumber Committee, and the statute also requires that each marketing order issued pursuant to the act contain provisions requiring handlers to pay their pro rata shares of the necessary expenses. Moreover, in order to assure continuance of the committee, the payment of assessments by handlers should be permitted to be required irrespective of whether particular provisions of the marketing agreement and order are suspended or become inoperative.

Each handler should pay the committee, upon demand, his pro rata share of such reasonable expenses which the Secretary finds will be incurred necessarily by the committee during each fiscal period. Such pro rata share of expenses should be equal to the ratio between the total quantity of cucumbers handled by him as the first handler thereof during a specified fiscal period and the total quantity of cucumbers so handled by all handlers during the same fiscal period. It will be necessary that responsibility for the payment of the assessment on each lot of cucumbers be fixed and it will be logical to impose such liability on the first handler of such cucumbers. In most instances, the first handler and the applicant for inspection are the same person. However, in the event the first handler fails to apply for, and obtain, inspection, this does not in any way cancel his obligation with respect to the payment of assessments. Except in the case of movements to registered handlers and to designated auction markets, first handling should apply to cucumbers when they have been subjected to grading or

preparation for market. Assessment rates should be recommended by the committee and applied by the Secretary to a specific unit of shipment. For example, assessment rates might apply to carlot shipments or they might be applied on a bushel basis, or by any other unit of shipment commonly used in marketing cucumbers grown in the production area. However, such assessments for a fiscal period should be applied on a uniform rate basis.

It was argued at the hearing and in the brief filed on behalf of the opponents that administrative assessments should not only be imposed on all cucumbers which would be subject to regulation under the proposed order but also on all other cucumbers which move into and out of the production area, such as those cucumbers which are imported into Florida from foreign countries and then move from Florida into other States. Cucumbers which fall into the latter category would, as has been set forth heretofore, not be included under the regulation of the proposed order and it would not be appropriate to impose assessments against them for operational expenses of the program. It is necessary that only cucumbers which would be regulated under the program be assessed to cover the costs of such program.

The committee should be authorized at any time during or subsequent to a given fiscal period, to recommend the approval of an amended budget and the fixing of an increased rate of assessment to balance necessary committee expenses and revenues. Upon the basis of such recommendations, or other available information, the Secretary should be authorized to approve amended budgets and, if he should find that the then current rate of assessment is insufficient to cover committee administration of the order, he should be authorized to increase the rate of assessment. The order should also authorize the application of such increased rate of assessment to all cucumbers previously handled by first handlers during the specified fiscal period so as to avoid inequities among handlers.

Should grade, size, or other regulations be temporarily suspended, the committee should have the authority to recommend the continuation of the collection of assessments from handlers. Once established, the committee should not be required to suspend its manager and other personnel or otherwise to interrupt its office operations merely because of a suspension of regulations which usually are associated with revenue producing assessments. Subsequent reestablishment of committee operations at a later date might prove more costly to the cucumber industry than continued operations provided by uninterrupted revenue.

Funds received by the committee pursuant to the levying of assessments should be used solely for the purpose of administration of the order, including appropriate research and development projects. The committee should be required to maintain books and records clearly reflecting the true up-to-date operations of its affairs, so that its ad-

ministration might be subject to inspection at any time by appropriate parties during regular hours of business.

Each member and each alternate, as well as employees, agents, and other persons working for or on behalf of the committee should be required to account for all receipts and disbursements, funds, property, or records for which they are responsible and the Secretary should have the authority, at any time, to ask for such accounting. The committee might wish to require the bonding of certain of its members or employees entrusted with the custody of funds or property and this should be permitted.

Whenever any person should cease to be a member or alternate of the committee, he should be required to account for all receipts, disbursements, funds, property, books, records, and other committee assets for which he is responsible. Such persons should also be required to execute assignments or such other instruments as may be appropriate to vest in their successor or any agency or person designated by the Secretary, the right to all such property and all claims vested in such person.

If the committee should recommend that the operations of the marketing agreement and order should be suspended, or if no regulation should be in effect for a part or all of a marketing season, the committee should be authorized to recommend, as a practical measure, that one or more of its members, or any other person, should be designated by the Secretary to act as a trustee or trustees during such period. This would provide a practical method whereby the committee's business affairs could be taken care of during periods of relative inactivity with a minimum of difficulty and expense. If the circumstances would warrant the designation of trustees, the committee and its personnel would continue to operate, possibly in a curtailed fashion, as usual during periods of suspension or relative inactivity.

The committee should provide periodic reports on its fiscal operations. It is expected that audit reports would be requested by the Secretary at appropriate times, such as at the end of each marketing season, or at such other times as might be necessary to maintain appropriate supervision and control of the committee's affairs. Also financial statements which reflect the current fiscal position of the committee should be furnished members and alternates and the Secretary at the close of each month. Audit reports and monthly financial statements should be supplied on request to persons such as producers and handlers, having a valid interest in the contents of such reports. In no case should data of a nature which could prove detrimental to the interests of an individual handler or producer be disclosed in copies of fiscal reports released.

Except as indicated below, handlers should be entitled to a proportionate refund of the excess assessments collected which should remain at the end of a fiscal period, or at the end of such other period as might be deemed appropriate by reason of suspension or termination.

Refunds should be credited to respective contributory handlers against the operations of the following fiscal period, unless payment should be demanded, in which event proportionate refunds should be paid.

If and when the committee should be required to liquidate its affairs upon termination of a marketing agreement and order authorizing such agency, considerable expense would be involved in the liquidation process. The affairs of the committee which are to be liquidated would usually result from a number of years' operations. It would be appropriate, therefore, for the maintenance and functioning of the committee that the funds remaining at the end of a fiscal period, which are in excess of those necessary for payment of expenditures during such period, should be carried over into subsequent fiscal periods as a reserve for possible liquidation. Such reserve should be maintained for the purpose of helping to cover the expenses of final liquidation in the event of the termination of the order.

It is generally considered to be good business practice to provide for unforeseen contingencies. For example, it is possible that a severe freeze or freezes might result in a total or partial crop failure during a fiscal period. Also, the anticipated crop for any season might conceivably be reduced by such other factors as frost, high winds not amounting to a hurricane, and drought. The net effect of such a crop failure would be to reduce greatly or stop shipments, and could cause the discontinuance of regulation and the collection of assessments. In order to continue and maintain the nucleus of a committee organization and to assure the performance of a minimum of basic services, the committee should have authority to secure needed extra funds to cover the expenses of operation during such a fiscal period. Such funds might reasonably be drawn from the same reserve accrued for purposes of liquidation.

The above reserve might also properly serve another purpose. At the beginning of each fiscal period, there will be a need for operating monies at a time when there will usually be little, if any, revenue from assessments. It is customary and sensible budgetary practice, and the committee should be so authorized, to borrow operating funds from the above reserve until such time as assessment collections provide adequate revenue to meet current expenses. It is contemplated that any such reserve having a threefold use; namely, (i) liquidation, (ii) crop failure advance, and (iii) fiscal year expense advance, will be built up over a period of years (possibly five years) to equalize the burden among handlers. It was testified that the reserve which would be accrued from excess assessments, should be for an amount roughly equivalent to the average budget for one fiscal period. In the event funds should be borrowed from the reserve (except liquidation) such funds would need to be returned to the reserve as soon as practicable, in order that it might be maintained at an ade-

quate amount to meet the specified purposes as the need should arise.

Any funds remaining after liquidation, including any balance which might remain in the reserve fund, has been effected should be refunded to handlers on a pro rata basis. In some cases, however, individual handler's accounts will be of such small amounts as to make impracticable the return thereof. Funds of such insignificant nature should be permitted for use by the committee for purposes of liquidation after such other uses as the Secretary might consider to be the most appropriate in the circumstances.

(d) The establishment or provision for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of cucumbers was authorized by amendments to the act in Public Law 690, known as the Agricultural Act of 1954, enacted by the 83d Congress. Such authorization should be included in the marketing agreement and order.

Through the medium of research investigation, the committee might be able to evaluate in detail the grade and size composition of the cucumber crop in each of the various producing sections of the proposed production area. More complete data in this regard would enable the committee and the Secretary to determine with a greater degree of accuracy the effect of specific regulations on the market.

Projects designed to evaluate preferences among markets and localities in terms of grades, sizes, qualities, maturities, packs, containers, and other factors could be of considerable value in determining what regulations in those regards should be established for such markets and localities. The aid of marketing research and development projects might assist in a determination as to the effect and value of private and industry promotion of Florida cucumbers.

Research into market development, transportation, handling methods, containers, and rates of planting are examples of aspects which the committee might at some time, consider worthy of investigation.

As the cucumber industry and the committee become more aware of the value of and need for marketing research and development, other projects will undoubtedly be initiated, the need for which will not have been foreseen early in committee operations. Therefore, the committee should have the authority to recommend and the Secretary should have the right to approve the establishment of such projects which are in the best interest of cucumber marketing and which would assist, improve, and promote the marketing, distribution, and consumption of Florida cucumbers. After approval, the committee should be empowered to engage in or contract for such projects, to spend funds for that purpose, and to consult and cooperate with other agencies with regard to their establishment. All such projects should receive the prior approval of the Secretary.

(e) The declared policy of the act is to establish and maintain such orderly marketing conditions for cucumbers, among other commodities, as will tend to establish parity prices for them. The regulation of the handling of cucumbers by grade, size, quality, or maturity as authorized in the proposed marketing agreement and order should provide a means of carrying out such policy and is one of the ways authorized by the act (in section 8c (6)) for achieving that objective.

The procedures and methods which are outlined in the order for the development and institution of marketing policies relating to grade, size, quality, or maturity regulations should provide a practical basis for the committee to obtain appropriate and adequate information relating to cucumber marketing problems. A marketing policy would be essential each season to provide an overall plan or policy for the committee and the industry to follow with respect to the marketing of cucumbers. Also members of the industry, including both growers and handlers, should be provided with the information regarding the policies and regulations which might be recommended by the committee. The factors set forth in the order which the committee should take into consideration in developing its marketing policies are the ones commonly and usually taken into account by growers and handlers in their day to day evaluation of the market outlook with respect to cucumbers. They are adequate and proper for the intended purposes.

In order that the Secretary might carry out effectively his responsibilities in connection with the order, the committee should prepare and submit to the Secretary a report on each proposed marketing policy, or amendments thereof, relating to the marketing of cucumbers during each season.

The initial marketing policy offered each season by the committee should be prepared and submitted to the Secretary prior to, or simultaneously with, its initial recommendations for regulations. This would give all interested parties the maximum notice of probable regulations. Reports on marketing policy and regulations recommended should be submitted to the Secretary and presented to the industry by the committee.

The committee, which would have responsibility for recommending grade, size, and quality regulations, as well as modifications, suspensions, amendments, or terminations, should be authorized to consider and recommend any or all methods of regulations which are authorized by the order for the Secretary to issue thereunder. Evidence shows that authority should be established in the order to issue regulations with respect to grade, size, quality, maturity, variety, or packs during any period.

The limitation of the handling of poorer grades, off qualities, and less desirable sizes and maturities of cucumbers grown in the production area should tend to increase the prices of more desirable grades, qualities, sizes, and maturities and to promote more orderly marketing and increase the returns to producers of such cucumbers. The standards for

cucumbers issued by the United States Department of Agriculture would provide a common and acceptable means of determining grades, sizes, qualities and maturities of cucumbers grown in the production area. Such standards are used throughout the production area, and both producers and handlers, as well as buyers, are generally acquainted with such standards and frequently use them in their market transactions. Authority should also be provided for limiting the grade and size of cucumbers which may be placed in any given pack or container. The poorer grades and qualities include not only the unclassified cucumbers set forth in the Federal standards for cucumbers, but also the commonly referred to "culls" as well as other cucumbers which show defects as set forth and described in such standards, and in any modifications or amendments thereto which may be considered desirable by the Secretary. The limitation of the handling by prohibiting movement of poorer grades, off qualities, and less desirable sizes of cucumbers would help to improve orderly marketing conditions for such cucumbers by enhancing the long run demand for and competitive position of cucumbers grown in the production area.

The orderly marketing of cucumbers grown in the production area, with the objective of increasing returns to producers of such cucumbers, would be promoted by authorizing the regulation of handling of particular grades, sizes, qualities, or packs of cucumbers, differently for different varieties, differently for different stages of maturity, differently for different portions of the production area, differently for different containers, differently for different purposes to which modification or suspension of regulation may be applied, or differently for any combination of these factors, during any period. Demand for different varieties of cucumbers establishes price preferences for different grades or sizes, or both, of such varieties.

Cucumbers are marketed or merchandised in a number of ways. The combination of various factors such as grades, sizes, maturities, containers, and others determine market preferences expressed in price differentials. Some of these market factors which contribute to resultant price differentials, such as maturity, shape, color, and, to some extent, size are a part of the definitions and the delineation of the various grades set forth in the United States Standards for Cucumbers. The committee usually may recommend regulation in terms of the grades set forth in the standards in which case separate consideration of the various grade factors should be unnecessary. However, the committee should have authority to recommend, and the Secretary to issue, regulations in terms of any or all of the factors set forth in the standards. For example, maturity is not considered as an important market factor in cucumber merchandising as is the case with many other vegetables. However, many "jumbos," which are large overgrown cucumbers, are sold and have the same

depressing price effect as poor quality cucumbers. The order should, therefore, provide authority for different regulation on a maturity basis.

Size requirements are also set forth in the cucumber grade standards. Each of the cucumber grades, with the exception of the U. S. No. 1 Small grade, provide for maximum diameters and minimum lengths of cucumbers. The U. S. No. 1 Small grade requires a minimum diameter of 1½ inches and a maximum diameter of 2 inches. The committee, however, should have authority to specify any range of minimum and maximum diameters and/or lengths in its recommendations for regulation. The committee should have authority to recommend, and the Secretary to issue, different size requirements for different packs. For example, when U. S. No. 1 grade cucumbers are shipped, the size requirements of this grade set forth a maximum diameter of 2¾ inches and a minimum length of 6 inches. The committee should be authorized to recommend the issuance of a regulation which might require a U. S. No. 1 minimum grade applicable to bushel tubs and U. S. No. 1 with more restrictive size requirements on premium packs, such as cartons of 24's. Such permissive authority would allow flexibility of operations and would permit of size uniformity where desirable to protect certain premium packs while not severely restricting other packs.

At the present time, variety is not a particularly important part of the marketing picture for Florida cucumbers. The Marketeer variety is currently the most popular slicing variety of cucumbers grown in Florida. However, with the exception of the Kirby variety, there is little if any market distinction made on a varietal basis. The Kirby variety of cucumber, produced and marketed mainly for pickling, does not have characteristics which warrant its sale on the table stock market. New varieties are being constantly tested and developed and, if in the future, the characteristics bred into certain of these new varieties should be so distinctive as to make them obviously different from cucumbers now being marketed, the committee should have authority to regulate in terms of these distinctions.

Unusual weather conditions might arise during a crop year in one portion of the production area as compared with other portions of such area. This possibility is particularly true with respect to such things as hail, wind, sand damage, violent rain storms, cold weather and freezes. Hazards of these natures would obviously be beyond the control or reasonable expectation of the cucumber growers in such localities. To provide equity among producers and handlers insofar as any regulation under the order are concerned, authority should be provided for the committee to consider such differences, to make appropriate recommendations to the Secretary, and for the Secretary to issue different regulations to accommodate any such differences in the crop arising out of actions beyond human control. It is contemplated, however, that any such regulation

for the portion of the production area in those circumstances will still require that the cucumbers shipped will be the best quality available. Other than unforeseen weather hazards, no reasons were advanced by witnesses testifying at the hearing which would justify different regulations for different portions of the production area. In the event weather hazards jeopardize the position of only a few growers, not a large area, such growers might seek equity through the provisions relating to exemption procedures.

It has been a common practice in the production area for some years to prepare specific packs of cucumbers for market, as indicated in the definition of "pack." Place packing and jumble packing are both common with respect to cucumber marketing. A common place pack is the so-called carton in which usually a specified number of cucumbers are hand packed in the carton. Some packs are prepared with a combination of jumble packing and place packing. Frequently bushel tubs are filled by dumping cucumbers loosely into the container, then the pack is faced with cucumbers of a uniform size that are hand placed prior to putting a cover on the container. Some packers frequently top the package with good quality cucumbers to deceive buyers by disguising the contents of the package which might consist largely of poorer quality than appears, at a glance to be the case. Some of the low price packs are merely jumble packs in which there is no placing of individual cucumbers within the container. It is presumed that the establishment and definition of such packs which can be set forth in rules and regulations will prescribe the grades and ranges of sizes permitted to be handled in conjunction with specified containers. Certain combinations of grades, sizes, and containers, which factors constitute packs, should be kept out of specified market channels, at the discretion of the committee with the approval of the Secretary, because such packs contribute to depressing of cucumber prices. For example, the committee should have authority to protect premium packs, such as the carton packs, by preventing the packing of certain undesirable grades, sizes, and maturities in cartons. The carton packs of cucumbers usually contain superior merchandise and many shippers have established a good reputation for them. The adulteration of carton and other premium packs with low grade produce would tend to damage the reputation of, and contribute to demoralized prices for, such packs. The order should authorize different regulations for different packs so that this part of the marketing program may help to assist the industry in advancing present sound merchandising approaches.

The order should permit regulation differently for different types of containers. Such regulation is authorized by virtue of an amendment to the act in Public Law 690, known as the Agricultural Act of 1954, enacted by the 83rd Congress. Numerous types and sizes of containers are in current use in the han-

dling of cucumbers within the production area. Types of shipments may range from the bulk load of loose cucumbers to the premium-pack carton. Should the use of certain of the containers, when moved into commercial channels, be deemed by the committee with the approval of the Secretary as contributing to lower prices for Florida cucumbers, the Secretary should be empowered to fix the size, weight, capacity, dimensions, or pack of the container or containers which may be used in the packaging, transportation, sale, shipment, or other handling of such cucumbers. For similar reasons, the committee should be permitted to recommend and the Secretary to issue different regulations for different containers. For example, the committee might desire to prohibit the sale or shipment of cucumbers in burlap field-sacks to markets outside of the production area.

Methods of misrepresenting net weight or the grade and size of contents of containers are misleading merchandising practices which have tended to confuse buyers and disrupt orderly marketing of cucumbers grown in the production area. Variation in the size of bulge on bushel tubs, the use of second-hand or used containers, and other such practices tend to deceive buyers, which would ultimately and adversely affect growers returns. Certain types of containers are unsuited for the handling of premium packs because such containers tend to depress the prices of established premium packs. Authority for container regulation should also be provided to permit standardization of containers where deemed feasible and in the best interests of the cucumber industry. At the same time, container regulation should not stifle the development of or research in new containers. The authority to fix the size, weight, capacity, dimensions, or pack of containers should allow the committee and the Secretary, when necessary and justified, to minimize or eliminate deceptive practices which a few members of the cucumber industry might be inclined to follow. Therefore, the provisions relating to container regulation should be included in the order as set forth.

No evidence was introduced to substantiate the proposal relating to different regulation for different markets. Therefore, no further consideration can be given to it in this proceeding.

Cucumber marketing conditions change rapidly and constantly. Adverse weather might reduce the quality or size of the crop or otherwise might curtail supply. Also, the quality or yield might change as harvest progresses from season to season or moves into new producing sections. The marketing agreement and order should authorize different regulations during any period so that the committee and the Secretary might take account of different supply and demand conditions as they should arise and become apparent.

(f) The committee should be authorized to recommend, and the Secretary to establish, such minimum standards of quality and maturity, and such grading and inspection requirements, during any

and all periods when cucumber prices should be above parity as will be in the public interest. Some cucumbers are of such low quality that they do not give consumer satisfaction at any time because of the large amount of waste and the time consumed in their preparation. Although the flavor of the edible portion of misshapen culls or "cootertails" might be satisfactory, consumers do not receive proper value for their expenditures for such low quality. Even when prices are above parity, it would not be in the public interest, of the producers, handlers, or of consumers to permit shipments of such poor quality. A shipment of "cootertails," "jumbos," or other culls also tends to disrupt general market conditions for the commodity and the discounted prices received for such underdeveloped or over-grown cucumbers adversely affect growers returns. The order should authorize the establishment of minimum standards of quality and maturity as would be in the public interest. It would also be necessary that such authority include grading and inspection requirements, as well as pack specifications, for the several commercially recognized grades of equal or better quality or size than the minimum standards of cucumbers which may be handled.

The proposed order should provide authority which would permit the issuance of pack specification regulations based upon the committee's approval and recommendation. This would place limitations on minimum grades and sizes which might be packed in given containers. For example, any lot which a handler sells should be of the quality and size which the handler represents it to be and such quality and size should, as an aid to enforcement and to insure that the buyer will know what he is getting, be plainly marked on the container of such lot. This type of a regulation, however, should not prevent the use of the commonly used "combination" grade. Regulation of this type in conjunction with inspection and the United States Standards for Cucumbers should, to a large extent, eliminate the practice of misrepresenting quality, such as the harmful practice of selling choice cucumbers as fancies on the basis of a false label.

If a cull regulation should be in effect (i. e., prohibiting the shipment of less than U. S. No. 2 grade cucumbers) pursuant to authority contained in the order, a pack specification regulation would permit the shipment of U. S. No. 2's, U. S. No. 1's, or U. S. Fancies. It should, however, prohibit the mixing of lower grades in a container or in a given pack in excess of the tolerance for the grade marked on the container.

Another example which the committee should have authority to consider is the combination of grade and size in pack specifications. If a pack specification regulation were issued which prohibited the packing of any cucumbers of less than U. S. No. 1 quality in cartons, either U. S. No. 1 or U. S. Fancy cucumbers could be packed in such cartons. The committee should have authority to recommend that a restriction could be placed on minimum and maximum sizes of cucumbers which could be packed in

U. S. Fancy cartons to provide for uniformity of size as well as uniformity of grades of cucumbers packed in the container. The examples merely indicate the type of action the committee should have authority to recommend and the Secretary to issue pursuant to the marketing agreement and order. Pack specifications are, according to the hearing record one of the pressing needs of the cucumber industry in Florida. For many years cucumber packers and shippers have been using terms to indicate grade or quality which do not have a uniform or constant meaning with the result that the trade generally (growers, shippers, or buyers, receivers, and retailers) has little confidence in these terms. The cucumber trade makes every day use of such terms as "plains," "choice," "fancy" and "extra fancy" in order to indicate grade. Only the person who thoroughly examines the contents of the container stamped with one of these terms can, with certainty and with confidence, know the quality of the pack indicated by the stamp. It is a common practice throughout most of the production area for packers to stamp covers of containers, whether a basket, a carton, or a wire bound crate with a term supposed to indicate grade. However, the common trade terms have little meaning, and, in fact, contribute to wide ranges in price for a given trade grade designation as well as reduced returns to growers, because of the manner in which they are used. It is accepted practice to label the best quality as "extra fancy" or "fancy," mid-quality as "choice," and the poorest quality, "plains." However, the quality available at a given packing house from day to day will vary from grower to grower, depending on weather conditions or whether the cucumbers are from the first or the tenth picking. If the price should be low, the "fancies" labelled as such by packers will, in fact, be top quality. Should prices be at high levels, the so-called "extra fancy" and "fancy" packs will contain some "choice" or poorer quality cucumbers, the proportion depending on the packer involved. Frequently the freedom exercised in labeling containers is used to undercut a competitor's price to the detriment of growers' returns. Top quality cucumbers placed in one market and graded and stamped as "fancies" have been undercut in price by other cucumbers of lower quality but also labelled as "fancy" cucumbers. Buyers are able to "beat down" the price of the higher quality produce because they can always point to other produce in the same market represented to be of similar quality but at a lower price. In instances of this kind, the lack of grade uniformity and standardization has been responsible for reduced growers' returns, penalizing the grower and the shipper who prepared the high quality pack. To discourage and eliminate the aforementioned harmful practices now so prevalent in the cucumber industry, the committee should have authority to recommend and the Secretary should have authority to issue pack specification regulations on the basis of the committee's recommendation or other available information.

Most shipments of Florida cucumbers are made in car lots or truck lots. Although some small shipments are made, they constitute only a minor percentage of total production. Small shipments, such as individual household purchases, convenience purchases by friends or tourists and similar "nuisance" purchases would present real operating problems if inspection were required on each. Similarly, if each such sale or shipment were required to meet grade and size regulation or to bear assessments, the nuisance factor might outweigh the advantage of these controls on small transactions. On the other hand, the committee should have the authority to require that any such shipments meet grade and size requirements while waiving other requirements such as inspection and assessment. The committee should have authority flexible enough to meet local conditions, including authority to permit changing the minimum quantity exempt from various rules and regulations for different parts of the production area and from season to season.

(g) The Secretary should be authorized, upon the basis of recommendations and information submitted by the committee, or other available information, to modify, suspend, or terminate grade, size, or maturity regulations with respect to the handling of cucumbers for purposes other than disposition in normal domestic fresh markets. The committee should be well qualified, because of the experience and knowledge of its individual members, to recommend such modifications, suspensions, or terminations as would be in the best interests of the Florida cucumber industry and which would tend to effectuate the declared policy of the act. Cucumbers moving to or sold in certain outlets, such as those specified in proposed § 1015.54 of the marketing agreement and order, are usually handled in a different manner, or such outlets usually accept different grades, sizes, qualities, maturities, packs, containers, for which different prices are returned, or combinations of such considerations may apply. Ordinarily cucumbers sold or shipped to such outlets would not be competitive with tablestock cucumbers. The sale of cucumbers to these outlets would, in most instances, provide returns which would tend to supplement farm income realized from the sale of tablestock cucumbers rather than depressing tablestock cucumber prices. The order should provide authority for the committee and the Secretary to give appropriate consideration to the handling of cucumbers for such purposes differently from the market for the bulk of tablestock cucumbers so that this program might offer opportunity to improve orderly marketing conditions for cucumbers thereby promoting the tendency to increase total returns to cucumber growers in the production area.

Some export markets may prefer certain grades, sizes, and packs of cucumbers which normally are discounted in some domestic markets. Canada is the principal foreign market for Florida cucumbers. The order should provide

sufficient flexibility to permit the committee and the industry to cope with competitive producing areas in supplying foreign markets while, at the same time, maintaining relatively higher standards in its domestic shipments. The order should provide that modification, suspension, or termination of regulations may be applied to movement to export outlets so that this demand could be met and the sale of cucumbers grown in the production area will continue in such markets.

The order should provide that special consideration may be given to the handling of cucumbers for relief or for charitable purposes. Such shipments are intended for special outlets and usually the shipments are by way of donation or due to some special consideration between the shippers and the receivers.

The committee and the Secretary should have authority to give special consideration, in the form of relaxing grade and size regulation or no regulation (but providing for the reporting of handling), to cucumbers which move to pickling or relish plants. It is desirable to permit the committee authority to assure that such cucumbers do, in fact, reach the outlet for which intended. In other words, to assure that they are not sold or shipped for use in fresh form in violation of the order. It was generally agreed at the hearing that shipments of cucumbers for the purpose of having such cucumbers pickled should be exempted from all regulation under the order except, as a safeguard measure, a requirement that such shipments for conversion into pickles or relishes be reported to the committee for the sole purpose of assuring the committee and the cucumber industry that such shipments are, in fact, moved to the outlet for which intended. No other regulation or restriction is intended on cucumbers for pickling. It is believed that such an exemption also would be in accordance with the intent of the statutory prohibition against the regulation of a vegetable such as cucumbers intended for canning purposes.

Shipments of hydroponically grown cucumbers and shipments of cucumbers for research purposes should also be permitted to be handled pursuant to the provisions of the order which provide for modification, suspension, or termination of regulations applicable to usual table stock movement. Such cucumbers usually supply special types of outlets which are not competitive with table stock cucumbers.

The committee should be empowered to provide special treatment, through modification, suspension, or termination of regulation, applicable to shipments for other purposes or products which later may be specified by the committee with the approval of the Secretary.

The requirement that the Secretary should notify the committee of any regulations or of any modifications, suspensions, or terminations of regulations is appropriate and necessary to enable the committee to be informed of such actions and for proper and efficient administra-

tion of the marketing agreement and order.

The authority for modifying, suspending, or terminating grade, size, quality, assessment, or inspection regulations should be accompanied by the additional administrative authority for the committee to recommend, and the Secretary to prescribe, adequate safeguards to prevent shipments for such purposes from entering market channels contrary to the provisions of such special regulations. Such safeguards should be recommended by the committee and they should be administered by the committee. The authority for establishment of safeguards should include such limitations or appropriate qualifications on shipments as might be necessary and incidental to the proper and efficient administration of the order. Such safeguards, among others, might include inspection so that the committee might have an accurate record of the grade, size, and quality of cucumbers shipped to special outlets, applications to make such special shipments, requirements for the payment of assessments in connection with such shipments, reports by handlers on the number of such shipments and the amounts of cucumbers shipped, and assurances by purchasers that the cucumbers would be used for the purpose designated.

In order to maintain appropriate identification of shipments of cucumbers to special outlets, the safeguards authorized herein should provide for the issuance of certificates of privilege to handlers of such cucumbers and, in addition, require that such handlers should obtain such certificates on all shipments by them to such special outlets. Certificates of Privilege might be issued by the committee as an indication of the authority for the handlers to make such shipments and as a means of identifying specific shipments. Such Certificates of Privilege should be issued in accordance with rules and regulations established by the Secretary on the basis of committee recommendations, or other available information, so that the issuance of such certificates might be handled in an orderly and efficient manner which can be made known to all handlers. The committee should be authorized by the order to deny or rescind Certificates of Privilege when such action would be necessary to prevent abuse of the privileges conferred thereby. The committee should be authorized to exercise the authority necessary and incidental to the proper administration of the order, which should include the authority to rescind or deny certificates upon evidence satisfactory to it that a handler to whom a Certificate of Privilege has been issued has handled cucumbers contrary to the provisions of a certificate previously issued to him. If the committee should rescind or deny a Certificate of Privilege to any handler, such action should be in terms of a specified period of time. Handlers affected by the denial of a certificate or the rescinding of such a certificate should have the right of appeal to the committee for a reconsideration. They should, of course, also have the right to request the Secretary to review such ac-

tion and such right is hereby recognized and confirmed.

The Secretary should have the right to modify, change, alter, or rescind any safeguards prescribed or any Certificates of Privilege issued by the committee in order that the Secretary might retain all rights necessary to carry out the declared policy of the act. The Secretary should give prompt notice to the committee of any action taken by him in connection therewith and the committee should currently notify all persons affected by the indicated action.

The committee should maintain records relevant to safeguards and to Certificates of Privilege and should submit reports thereon to the Secretary, when requested, in order to supply pertinent information requisite for him to discharge his duties under the act and the order.

(h) Inspection of cucumbers grown in the production area by the Federal-State Inspection Service would be desirable for the purpose of determining officially the grade, size, quality, and maturity of such cucumbers. Federal-State Inspection Service has operated in the State of Florida for a number of years. The cucumber growers and handlers throughout the production area are generally acquainted with the service and with the inspection which it offers on shipments of cucumbers. Federal-State inspection is available throughout the entire production area and reasonably prompt inspection can be given at all points within the production area at a reasonable time prior to the anticipated shipment of the cucumbers to be inspected.

Provision is made in the proposed order for inspection by the Federal-State Inspection Service, or such other inspection service as the Secretary might approve, of the handling of cucumbers grown in the production area during any period in which handling of cucumbers should be regulated under the program. Such inspection requirements should apply to all cucumbers handled under regulations issued under the order, except when any such handling should be relieved from inspection requirements pursuant to § 1015.53 or § 1015.54 of the order. Provision for inspection of handling subject to regulation would establish a means for providing the handler, the buyer, the committee, the Secretary, and other interested parties with opportunities for determining whether such handling of cucumbers complies with the requirements of any particular grade, size, quality, maturity, or pack regulation which might be in effect under the proposed order. Effective regulation of the handling of cucumbers grown in the production area would require that the grade, size, quality, maturity, or pack of each sale or shipment of such cucumbers would be established authoritatively so that the administration of the program would be efficient and effective. The provision for inspection and the certificates which are issued pursuant to inspection would offer an appropriate and practical means of establishing and identifying the grade, size, quality, maturity, and pack of cucumbers handled

pursuant to the terms and conditions of the proposed order.

Copies of inspection certificates issued pursuant to the requirements of the order should be supplied to the committee promptly, so that it can discharge properly its administrative responsibilities under the program.

Provision should be made in the order for authority to inspect cucumbers, not only by personnel of the Federal-State Inspection Service, but also by personnel of such inspection service as the Secretary might designate, so that sufficient flexibility for successful operation would be provided through appropriate inspection if Federal-State inspection should not be available.

The requirement that no handler shall handle cucumbers unless each lot of cucumbers is inspected by an authorized inspection service approved under the marketing agreement and order would be reasonable and is necessary for the proper administration of the program. Such requirements should apply except to those cucumbers which might be relieved of inspection requirements pursuant to § 1015.53 or § 1015.54, or both.

Responsibility for obtaining inspection should fall primarily on the handler who first handles regulated cucumbers after they have been prepared for market because each lot of such cucumbers must be identified and certified with respect to grade, size, quality, and maturity. Each handler, regardless of whether the first or a subsequent handler, should be required to bear responsibility for determining that each of his shipments is inspected and certified. Identification and certification would be essential to proper administration of the order so that a determination could be made as to whether each shipment accords with the grade, size, quality, maturity, and pack regulations issued under the order. The handler who first handles cucumbers should be required to obtain inspection, but subsequent handlers should not be permitted to handle cucumbers unless a properly issued inspection certificate valid under the terms of the order applies to such shipments. If a handler should receive cucumbers which have not been inspected, he should be responsible for having them inspected before selling or transporting them. This requirement would be necessary so that the committee could obtain evidence in the form of inspection certificates which it needs to carry out its appropriate functions in determining if specific shipments have been inspected and if they otherwise meet requirements of the order and regulations issued pursuant to the order.

Some concern was expressed at the hearing and in the brief filed on behalf of the opponents to the effect that double inspection fees might be imposed in connection with each lot of cucumbers handled from the standpoint that, in addition to the regular inspection fee which would be charged by the official inspection service, an additional inspection fee on the same lot would be charged by the committee. Such a result is not contemplated or intended.

It is contemplated that the only inspection fee charged would be that by the official inspection service.

Whenever any shipment of cucumbers subject to the terms and provisions of the order have been inspected at the time of first shipment, but should later be dumped from the containers in which they were inspected, or if the lot on which the inspection certificate was issued should be broken up, the cucumbers might lose their identity insofar as the original inspection certificate for them was concerned. If any such lot of cucumbers should thereafter be repacked, the repacked cucumbers might have a new identity and the subsequent handling of the cucumbers should be in compliance with regulations issued under the order. This requirement would be necessary to effectuate the declared policy of the act. Therefore, the order should provide that the committee might require any person who handles Florida cucumbers after they have been repacked, resorted, or regraded to have such cucumbers reinspected and recertified before they are handled again. A reinspection and recertification of regraded, resorted, or repacked cucumbers might be necessary, in certain cases, so that the shipper thereof, as well as subsequent handlers, and the committee might determine if such shipments comply with the regulations then in effect and applicable thereto.

When pack specifications are in effect, the proposed order should include authority for requiring the marking of containers of cucumbers as to the exact grade and size of the contents. It is common practice followed by handlers in the production area, and an accepted merchandising approach, to stamp cucumber containers with the grade of the contents of the package. When pack specifications and compulsory inspection are in effect, no unnecessary burden will be imposed on handlers to require that they, under the direction and supervision of the inspection service, mark each container with the applicable grade and/or size permitted to be shipped, much the same as most do at the present time using non-standard grade terms. This practice would also facilitate the administration and enforcement of the proposed order. It would be difficult to ascertain whether or not handlers are complying with pack specification regulation unless each container of cucumbers was properly identified as to its contents in terms of grades set forth in the U. S. Standards for Cucumbers. Unless the contents of a package of cucumbers might be required to be marked, stamped, or otherwise identified, the purpose of a pack specification regulation, which would include the building of trade confidence in the quality of Florida cucumbers with the attendant improvement of growers' prices, could not be properly accomplished.

The committee, with the approval of the Secretary, should be authorized to determine the length of time the inspection certificate is valid insofar as the requirements of the proposed order are concerned. Such requirement would be appropriate and necessary, especially

with respect to lot inspections which might be administratively desirable to accommodate handlers and truckers, because cucumbers are an extremely perishable commodity. It would not be practical and feasible for the committee to recognize inspection certificates which might have been issued several days previously when the cucumbers so inspected and certified would have since deteriorated and no longer would meet regulations in effect at the time of shipment and no longer would conform to the description on the inspection certificate.

(i) Certain hazards are encountered in the production of cucumbers grown in the production area which are beyond the control or reasonable expectation of the producers of such cucumbers. Because of these circumstances, and to provide equity among producers and handlers insofar as any regulations under the marketing agreement and order are concerned, the committee should be given authority to issue exemption certificates to producer applicants to permit them to sell their equitable proportion of all shipments from the production area. It is contemplated, however, that each exemption granted would require the approved applicant to sell his best quality cucumbers.

The committee, by reason of its knowledge of the conditions and problems applicable to the production of cucumbers in the production area and the information which it will have available in each case, should be well qualified to judge each applicant's case in a fair and equitable manner and to fix the quantity of exempted cucumbers which each applicant might sell.

The provisions contained in the notice of hearing relevant to the procedure to be followed in issuing exemption certificates, in investigating exemption claims, in appealing exemption claim determinations, and in recording and reporting exemption claim determinations to the Secretary would be necessary to the orderly and equitable operation of the marketing agreement and order and they should, therefore, be incorporated in the proposed order.

Provision should be made for the Secretary to modify, change, alter, or rescind any procedure established by the committee for granting of exemptions and of exemptions granted pursuant to such procedure. This would be desirable to guard against inequities in the granting of exemptions and to preclude the issuance of exemption certificates in unjustifiable cases.

(j) The committee should have authority, with the approval of the Secretary, to require that handlers submit to the committee such reports and information which are needed to perform such agency's functions under the order. It is difficult to anticipate every type of report, or kind of information, which the committee might need in administering the program, but it should have the authority, subject to the approval of the Secretary, to request reports and information if needed, of the type set forth in the proposed order. The standards which should be followed by the committee in requesting handlers to furnish re-

ports should be along the lines set forth in § 1015.70 of the proposed order, and such report should be those necessary for operation of the committee in carrying out the terms and conditions of the order. Reports furnished to the committee should be submitted in such manner and at such times as might be designated by the committee. Such reporting procedures should accord with the needs and requirements of the committee which are essential to administration of the proposed order, because changing conditions might warrant changes in the forms and methods of reporting to the committee. The Secretary should retain the right to approve, also to modify, change, or rescind any requests by the committee for information in order to protect handlers from unreasonable requests for reports.

Permissible use of the specified reporting requirements, and verifications of such reports and records by the committee would provide a means for the committee to check on compliance with, and operation of, the order.

Since it is possible that a question might arise with respect to compliance with the proposed order, handlers should maintain complete records on their handling and disposition of cucumbers for not less than two years subsequent to the termination of each fiscal period.

Any and all reports and records submitted for committee use by handlers should remain under appropriate protective classifications and be disclosed to none other than persons authorized by the Secretary.

(k) Except as provided in the marketing agreement and order, no handler should be permitted to handle cucumbers, the handling of which is prohibited pursuant to the order, and no handler should be permitted to handle cucumbers except in conformity with the order. If the program is to be effective, no handler should be permitted to evade its provisions since such action on the part of one handler, although possibly of small impact on the industry measured by the proportion of cucumbers handled by him, would be demoralizing to other handlers and would tend to impair operation of the program.

(l) The provisions of proposed §§ 1015.75 through 1015.91 are common to marketing agreements and orders now operating. Each of such sections sets forth certain rights, obligations, privileges, or procedures which are necessary and appropriate for the effective operation of the marketing agreement and order. These provisions are incidental to, and not inconsistent with, sections 8c (6) and (7) of the act, and are necessary to effectuate the declared policy of the act. The substance of such provisions, therefore, should be included in the order.

General findings. Upon the basis of the evidence introduced in the hearing and the record thereof it is found that:

(1) The marketing agreement and order as hereinafter set forth, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to cucumbers produced in the production area, by establishing and maintaining such orderly

marketing conditions therefor as will tend to establish, as prices to the producers thereof, parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such cucumbers above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such cucumbers as will be in the public interest;

(2) Such marketing agreement and order authorizes regulation of the handling of cucumbers grown in the production area in the same manner as, and is applicable only to, persons in the respective classes of industrial and commercial activities specified in a proposed marketing agreement and order upon which the hearing has been held;

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

(4) The said marketing agreement and order prescribe, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to the differences in the production and marketing of cucumbers grown in the production area; and

(5) All handling of cucumbers, as defined in the said marketing agreement and order, is in the current of interstate or foreign commerce, or directly burdens, obstructs or affects such commerce.

The marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Cucumbers Grown in Florida South or East of the Suwannee River" and "Order Regulating the Handling of Cucumbers Grown in Florida South or East of the Suwannee River" which have been decided upon as the appropriate and detailed means of effecting the foregoing conclusions. The aforesaid marketing agreement and the aforesaid order shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

It is hereby ordered, That all of this decision except the attached agreement be published in the FEDERAL REGISTER. The regulatory provision of the said marketing agreement and order are identical

with those contained in the annexed order which will be published with this decision.

Dated: April 18, 1957.

[SEAL]

EARL L. BUTZ,
Assistant Secretary.

Order Regulating the Handling of Cucumbers Grown in Florida South or East of the Suwannee River

Sec. 1015.0 Findings and determinations.

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AUTHORITY: §§ 1015.0 to 1015.88 issued under sec. 5, 48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047.

§ 1015.0 *Findings and determinations.* (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 rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was opened at Fort Myers, Florida, on May 28, 1956, upon a proposed marketing agreement and a proposed marketing order regulating the handling of cucumbers grown in Florida south or east of the Suwannee River. The hearing was recessed June 1, 1956, and reopened at Fort Myers, Florida, November 5-9, 1956, and continued at West Palm Beach, Florida, November 12-13, 1956. Upon the basis of the evidence introduced at such hearing and the record thereof it is found that:

(1) This order, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to cucumbers produced in the production area by establishing and maintaining such orderly marketing conditions therefor as will tend to establish, as the prices to the producers thereof, parity prices, and by protecting the interests of the consumer (i) by approaching the level of prices which is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such cucumbers above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of cucumbers as will be in the public interest;

(2) This order authorizes regulation of the handling of cucumbers grown in the production area in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activities as specified in, a proposed marketing agreement and order upon which a hearing has been held;

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

(4) This order prescribes, so far as practicable, such different terms applicable to the different parts of the production area, as are necessary to give due recognition to the differences in the production and marketing of cucumbers grown in the production area; and

(5) All handling of cucumbers, as defined in this order, is in the current of interstate or foreign commerce, or directly burdens, obstructs, or affects such commerce.

Order relative to handling. It is, therefore, ordered that, on and after the effective time hereof the handling of cucumbers grown in Florida south or east of the Suwannee River shall be in conformity to and in compliance with the terms and conditions of this order; and such terms and conditions are as follows:

DEFINITIONS

§ 1015.1 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

§ 1015.2 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 68 Stat. 906, 1047).

§ 1015.3 *Person.* "Person" means an individual, partnership, corporation, association, or any other business unit.

§ 1015.4 *Production area.* "Production area" means all territory in the State of Florida south or east of the Suwannee River.

§ 1015.5 *Cucumbers.* "Cucumbers" means all varieties of the edible fruit (*Cucumis sativus*) commonly known as cucumbers and grown within the production area.

§ 1015.6 *Handler.* "Handler" is synonymous with "shipper" and means any person (except a common or contract carrier of cucumbers owned by another person) who handles cucumbers or causes cucumbers to be handled.

§ 1015.7 *Handle.* "Handle" or "ship" means to transport, sell, or in any other way to place cucumbers in the current of the commerce between the production area and any point outside thereof: *Provided,* That such terms shall not include: (a) The transportation, sale, or delivery of cucumbers by a producer to a handler registered as such with the committee and who has adequate facilities within the production area for grading; or (b) the transportation to and sale of cucumbers at auction markets designated by the committee. In the event a producer sells cucumbers other

than as indicated in paragraphs (a) and (b) of this section, such producer shall be the first handler of such cucumbers.

§ 1015.8 *Producer.* "Producer" means any person engaged in a proprietary capacity in the production of cucumbers for market.

§ 1015.9 *Grading.* "Grading" is synonymous with "preparation for market" and means the sorting or separation of cucumbers into grades, sizes, and packs for market purposes.

§ 1015.10 *Grade and size.* "Grade" means any one of the established grades of cucumbers and "Size" means any one of the established sizes of cucumbers set forth for each grade in U. S. Standards for Cucumbers (§§ 51.2220 to 51.2238 of this title) issued by the United States Department of Agriculture, or amendments thereto, or modifications thereof, or variations based thereon recommended by the committee and approved by the Secretary.

§ 1015.11 *Pack.* "Pack" means a unit of cucumbers in any type of container which falls within specific weight limits or within specific grade, or size limits, or both, recommended by the committee and approved by the Secretary.

§ 1015.12 *Container.* "Container" means a box, bag, crate, hamper, tub, basket, package, carton, or any other type of unit used in the packaging, transportation, sale, shipment, or handling of cucumbers.

§ 1015.13 *Committee.* "Committee" means the Florida Cucumber Committee, established pursuant to § 1015.22.

§ 1015.14 *Fiscal period.* "Fiscal period" means the period beginning August 1 and ending July 31 following.

§ 1015.15 *District.* "District" means each of the geographic divisions of the production area initially established pursuant to § 1015.24, or as reestablished pursuant to § 1015.25.

§ 1015.16 *Export.* "Export" means the shipment of cucumbers beyond the boundaries of the continental United States.

COMMITTEE

§ 1015.22 *Establishment and membership.* (a) The Florida Cucumber Committee consisting of twelve members, of whom eight shall be producers and four shall be handlers, is hereby established. For each member of the committee there shall be an alternate who shall have the same qualifications as the member.

(b) Persons selected as committee members or alternates to represent producers or handlers shall be producers or handlers, respectively, or officers or employees of a producer or handler, respectively, in the district for which selected, and a resident of the production area.

§ 1015.23 *Terms of office.* (a) The term of office of committee members, and their respective alternates, shall be for one year and shall begin as of August 1 and end as of July 31 of the following year.

(b) Committee members and alternates shall serve during the term of office

for which they are selected and have qualified, or during that portion thereof beginning on the date on which they qualify during such term of office and continuing until the end thereof, and until their successors are selected and have qualified.

§ 1015.24 *Districts.* For the purpose of determining the basis for selecting committee members the following districts of the production area are hereby initially established:

District No. 1. The counties of Dade, Broward, Palm Beach, St. Lucie, Indian River, Martin and Okeechobee in the State of Florida;

District No. 2. The counties of Lee, Collier, Charlotte, Hendry, Monroe and Glades in the State of Florida;

District No. 3. The counties of Hardee, Manatee, DeSoto, Highlands, Hillsborough, Polk, Sarasota and Pinellas in the State of Florida; and

District No. 4. All of the remaining counties within the production area not included in Districts 1, 2, and 3.

§ 1015.25 *Redistricting.* The committee may recommend, and pursuant thereto the Secretary may approve, the reestablishment of districts within the production area. In recommending any such changes, the committee shall give consideration to: (a) Shifts in cucumber acreage within districts and within the production area during recent years; (b) the importance of new production in its relation to existing districts; (c) the equitable relationship of committee membership and districts; (d) economies to result for producers in promoting efficient administration due to redistricting; and (e) other relevant factors. In order to provide for nomination and selection of committee members and alternates on the basis of a redistricted production area, the committee shall make such recommendation for redistricting no later than February 1, and, if approved by the Secretary on or before March 15, such redistricting shall become effective at the beginning of the succeeding term of office.

§ 1015.26 *Selection.* The Secretary shall select two producer members and one handler member of the committee with their respective alternates from each district.

§ 1015.27 *Nomination.* The Secretary may select the members of the committee and alternates from nominations which may be made in the following manner:

(a) A meeting or meetings of producers shall be held in each district to nominate members and alternates for the committee. For nominations to the initial committee, the meetings may be sponsored by the United States Department of Agriculture or by any agency or group requested to do so by such Department. For nominations for succeeding members and alternates on the committee, the committee shall hold such meetings or cause them to be held prior to July 1 of each year, after the effective date of this subpart;

(b) At each such meeting at least two nominees shall be designated for each position as member and for each position as alternate member on the commit-

tee and eligible voters at such meetings may ballot to indicate the ranking of their choice for each nominee;

(c) Nominations for committee members and alternates, shall be supplied to the Secretary in such manner and form as he may prescribe, not later than July 15 of each year;

(d) Only producers may participate in designating nominees for committee members and alternates. In the event a person is engaged in producing cucumbers in more than one district, such person shall elect the district within which he may participate as aforesaid in designating nominees; and

(e) Regardless of the number of districts in which a person produces cucumbers, each such person is entitled to cast only one vote on behalf of himself, his agents, subsidiaries, affiliates, and representatives in designating nominees for committee members and alternates. An eligible voter's privilege of casting only one vote as aforesaid shall be construed to permit a voter to cast one vote for each position to be filled in the respective district in which he elects to vote.

§ 1015.28 *Failure to nominate.* If nominations are not made within the time and in the manner specified in § 1015.27, the Secretary may, without regard to nominations, select the committee members and alternates, which selection shall be on the basis of the representation provided for in §§ 1015.24 through 1015.26, inclusive.

§ 1015.29 *Acceptance.* Any person selected as a committee member or alternate shall qualify by filing his acceptance with the Secretary within ten days after being notified of such selection.

§ 1015.30 *Vacancies.* To fill committee vacancies, an incumbent alternate member may be selected by the Secretary to fill the position on the committee vacated by the respective member for whom he was alternate, or the Secretary may select such members or alternates from unselected nominees on the current nominee list from the district involved, or from nominations made in the manner specified in § 1015.27. If the names of nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, such vacancy may be filled without regard to nominations, which selection shall be made on the basis of the representation provided for in §§ 1015.24 through 1015.26, inclusive.

§ 1015.31 *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. 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.

§ 1015.32 *Procedure.* (a) Eight members of the committee shall be necessary to constitute a quorum and eight concurring votes shall be required to pass any motion or approve any committee action.

(b) The committee may provide for meeting by telephone, telegraph, or other means of communication, and any vote cast at such a meeting shall be confirmed promptly in writing: *Provided*, That if any assembled meeting is held, all votes shall be cast in person.

§ 1015.33 *Expenses and compensation.* Committee members and alternates may be reimbursed for reasonable expenses necessarily incurred by them in the performance of duties and in the exercise of powers under this part.

§ 1015.34 *Powers.* The committee shall have the following powers:

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

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

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

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

§ 1015.35 *Duties.* It shall be, among other things, the duty of the committee:

(a) As soon as practical after the beginning of each term of office, to meet and organize, to select a chairman and such other officers as may be necessary, to select subcommittees of committee members and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(b) To act as intermediary between the Secretary and any producer or handler;

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

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

(e) To investigate from time to time and to assemble data on the growing, harvesting, shipping, and marketing conditions with respect to cucumbers;

(f) To prepare marketing policies from time to time;

(g) To recommend marketing regulations to the Secretary;

(h) To recommend rules and procedures for, and to make determinations in connection with, issuance of certificates of privilege or exemptions, or both;

(i) To investigate an applicant's claim for exemption;

(j) To keep minutes, books, and records which clearly reflect all of the acts and transactions of the committee and such minutes, books, and records shall be subject to examination at any time by the Secretary or his authorized agent or representative. Minutes of each committee meeting shall be reported promptly to the Secretary;

(k) At the beginning of each fiscal period, to prepare a budget of its expenses for such fiscal period, together with a report thereon;

(l) To cause the books of the committee to be audited by a competent accountant at least once each fiscal period, and at such other time 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 part; a copy of each report shall be furnished to the Secretary and a copy of each report shall be made available at the principal office of the committee for inspection by producers and handlers;

(m) To prepare and submit to the Secretary at the close of each fiscal period an annual report on operations; and

(n) To consult, cooperate, and exchange information with other marketing agreement committees and other individuals or agencies in connection with all proper committee activities and objectives under this part.

EXPENSES AND ASSESSMENTS

§ 1015.40 *Expenses.* The committee is authorized to incur such expenses as the Secretary may find are reasonable and likely to be incurred during each fiscal period for its maintenance and functioning, and for such purposes as the Secretary, pursuant to this subpart, determines to be appropriate. Handlers shall share expenses upon the basis of a fiscal period. Each handler's share of such expense shall be proportionate to the ratio between the total quantity of cucumbers handled by him under regulation as the first handler thereof during a fiscal period and the total quantity of cucumbers handled by all handlers under regulation as first handlers thereof during such fiscal period.

§ 1015.41 *Budget.* At the beginning of each fiscal period and as may be necessary thereafter, the committee shall prepare an estimated budget of income and expenditures necessary for the administration of this part. The committee may recommend a rate of assessment calculated to provide adequate funds to defray its proposed expenditures. The committee shall present such budget to the Secretary with an accompanying report showing the basis for its calculations.

§ 1015.42 *Assessments.* (a) The funds to cover the committee's expenses shall be acquired by the levying of assessments upon handlers as provided in this subpart. Each handler who first handles cucumbers shall pay assessments to the committee upon demand, which assessments shall be in payment of such handler's pro rata share of the committee's expenses.

(b) Assessments shall be levied upon handlers at rates established by the Secretary. Such rates may be established upon the basis of the committee's recommendations or other available information. Such rates may be applied to specified containers used in the production area.

(c) At any time during, or subsequent to, a given fiscal period the committee may recommend the approval of an amended budget and an increase in the rate of assessment. Upon the basis of such recommendations, or other available information, the Secretary may approve an amended budget and increase the rate of assessment. Such increase shall be applicable to all cucumbers which were regulated under this part and which were shipped by the first handler thereof during such fiscal period.

(d) The payment of assessments for the maintenance and functioning of the committee may be required under this part throughout the period it is in effect irrespective of whether particular provisions thereof are suspended or become inoperative.

§ 1015.43 *Accounting.* (a) All funds received by the committee pursuant to the provisions of this subpart shall be used solely for the purposes specified in this part.

(b) The Secretary may at any time require the committee, its members and alternates, employees, agents and all other persons to account for all receipts and disbursements, funds, property, or records for which they are responsible. Whenever any person ceases to be a member of the committee or alternate, he shall account to his successor, the committee, or to the person designated by the Secretary, for all receipts, disbursements, funds and property (including, but not being limited to, books and other records) pertaining to the committee's activities for which he is responsible, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, committee, or designated person, the right to all of such property and funds and all claims vested in such person.

(c) The committee may make recommendations to the Secretary for one or more of the members thereof, or any other person, to act as a trustee for holding records, funds, or any other committee property during periods of suspension of this subpart, or during any period or periods when regulations are not in effect and, if the Secretary determines such action appropriate, he may direct that such person or persons shall act as trustee or trustees for the committee.

§ 1015.44 *Refunds.* At the end of each fiscal period, monies arising from the excess of assessments collected over expenses shall be accounted for as follows:

(a) Except as provided in paragraph (b) of this section, each handler entitled to a proportionate refund of the excess assessments collected shall be credited at the end of a fiscal period with such refund against the operations of the following fiscal period unless he demands payment thereof, in which event such proportionate refund shall be paid to him; or

(b) The Secretary, upon recommendation of the committee, may determine that it is appropriate for the maintenance and functioning of the committee that the funds remaining at the end of a fiscal period which are in excess of the expenses necessary for committee operations during such period may be carried over into following periods as a reserve. Upon approval by the Secretary, such reserve may be established and maintained in an amount not to exceed one fiscal period's operating expenses and may be used to cover the necessary expenses of liquidation in the event of termination of this part and to cover the expenses incurred for the

maintenance and functioning of the committee during any fiscal period when there is a crop failure and during any period of suspension of any or all of the provisions of this part. Such reserve may also be used by the committee to finance its operations during any fiscal period prior to the time that assessment income is sufficient to cover such expenses but any of the reserve funds so used shall be returned to the reserve as soon as assessment income is available for this purpose. Upon termination of this part, any funds not required to defray the necessary expenses of liquidation shall be disposed of in such manner as the Secretary may determine to be appropriate: *Provided*, That to the extent practicable such funds shall be returned pro rata to the persons from whom such funds were collected.

RESEARCH AND DEVELOPMENT

§ 1015.48 *Research and development.* The committee, with the approval of the Secretary, may establish or provide for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of cucumbers. Such projects shall be financed from assessments collected.

REGULATION

§ 1015.50 *Marketing policy.* Prior to or at the same time as initial recommendations are made pursuant to § 1015.51, the committee shall submit to the Secretary a report setting forth the marketing policy it deems desirable for the industry to follow in handling cucumbers during the ensuing season. Additional reports shall be submitted from time to time if it is deemed advisable by the committee to adopt a new or modified marketing policy because of changes in the demand and supply situation with respect to cucumbers. The committee shall publicly announce the submission of each such marketing policy report and copies thereof shall be available at the committee's office for inspection by any producer or any handler. In determining each such marketing policy the committee shall give due consideration to the following:

(a) Market prices of cucumbers including prices by grades, sizes, and quality in different packs, in the production area and in competing areas;

(b) Supply of cucumbers, by grade, size, and quality in the production area, and in other production areas;

(c) Trend and level of consumer income;

(d) Marketing conditions affecting cucumber prices; and

(e) Other relevant factors

§ 1015.51 *Recommendations for regulations.* The committee, upon complying with the requirements of §§ 1015.32 and 1015.50, may recommend regulations to the Secretary whenever it finds that such regulations, as are provided for in this subpart, will tend to effectuate the declared policies of the act.

§ 1015.52 *Issuance of regulations.* The Secretary shall limit the handling of cucumbers whenever he finds from the recommendations and information sub-

mitted by the committee, or from other available information, that such regulation would tend to effectuate the declared policy of the act. Such regulation may:

(a) Limit, in any or all portions of the production area, the handling of particular grades, sizes, qualities, maturities, varieties, or packs of cucumbers during any period; or

(b) Limit the handling of particular grades, sizes, qualities, maturities, or packs of cucumbers differently, for different varieties, for different portions of the production area, for different containers, for different purposes specified in § 1015.54, or any combination of the foregoing, during any period; or

(c) Limit the handling of cucumbers by establishing, in terms of grades, or sizes, or both: (1) Minimum standards of quality and maturity which shall be effective irrespective of whether the seasonal average price of cucumbers is in excess of the parity level specified in section 2 (1) of the act; and/or (2) pack specifications for the several commercially recognized grades of equal or better quality than the said minimum standards of cucumbers which may be handled pursuant to subparagraph (1) of this paragraph; or

(d) Fix the size, weight, capacity, dimensions, or pack of the container or containers which may be used in the packaging, transportation, sale, shipment, or other handling of cucumbers.

§ 1015.53 *Minimum quantities.* The committee, with the approval of the Secretary, may establish, for any or all portions of the production area, minimum quantities below which handling will be free from regulations issued or effective pursuant to §§ 1015.42, 1015.52, 1015.54, 1015.60, or any combination thereof.

§ 1015.54 *Shipments for special purposes.* Upon the basis of recommendations and information submitted by the committee, or other available information, the Secretary, whenever he finds that it will tend to effectuate the declared policy of the act, shall modify, suspend, or terminate regulations issued pursuant to §§ 1015.42, 1015.52, 1015.53, or § 1015.60 or any combination thereof, in order to facilitate handling of cucumbers for the following purposes:

(a) For export;

(b) For relief or for charity;

(c) For conversion into pickles or relishes; or

(d) For other purposes or products which may be specified by the committee, with the approval of the Secretary.

§ 1015.55 *Notification of regulation.* The Secretary shall notify the committee of any regulations issued or of any modification, suspension, or termination thereof. The committee shall give reasonable notice thereof to handlers.

§ 1015.56 *Safeguards.* (a) The committee, with the approval of the Secretary, may prescribe adequate safeguards to prevent handling of cucumbers pursuant to § 1015.54 from entering channels of trade for other than the specific purpose authorized therefore, and rules governing the issuance and the contents of

PROPOSED RULE MAKING

Certificates or Privilege if such certificates are prescribed as safeguards by the committee. Such safeguards may include any or all requirements that:

(1) Handlers shall file applications with the committee to ship cucumbers pursuant to § 1015.54; or

(2) Handlers shall obtain inspection provided by § 1015.60, or pay the assessment levied pursuant to § 1015.42, or both, in connection with shipments made under § 1015.54; or

(3) Handlers shall obtain Certificates of Privilege from the committee to handle cucumbers pursuant to the provisions of § 1015.54.

(b) The committee may rescind or deny Certificates of Privilege to any handler if proof is obtained that cucumbers handled by him for the purposes stated in § 1015.54 were handled contrary to the provisions of this part.

(c) The Secretary shall have the right to modify, change, alter, or rescind any safeguards prescribed and any certificates issued by the committee pursuant to the provisions of this section.

(d) The committee shall make reports to the Secretary, as requested, showing the number of applications for such certificates, the quantity of cucumbers covered by such applications, the number of such applications denied and certificates granted, the quantity of cucumbers handled under duly issued certificates, and such other information as may be requested.

INSPECTION

§ 1015.60 *Inspection and certification.*

(a) During any period in which handling of cucumbers is regulated pursuant to § 1015.52 or § 1015.54, or any combination thereof, no handler shall handle cucumbers unless each such handling is inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate, except when relieved from such requirements pursuant to § 1015.53 or § 1015.54, or both.

(b) Regrading, resorting, or repacking any lot of cucumbers shall invalidate any prior inspection certificates insofar as the requirements of this section are concerned. In such event, the person responsible shall be considered the first handler of the regraded, resorted, or repacked quantity and liable for the payment of assessments thereon pursuant to § 1015.42. No handler shall handle cucumbers after they have been regraded, resorted, repacked, or in any other way further prepared for market, unless each lot of such cucumbers is inspected by an authorized representative of the Federal-State Inspection Service, or such other inspection service as the Secretary shall designate: *Provided*, That the committee, with approval of the Secretary, may provide for waiving inspection requirements on any cucumbers in circumstances where it appears reasonably certain that, after regrading, resorting, or repacking, such cucumbers meet the applicable quality and other standards then in effect.

(c) Prior to handling any lot of cucumbers, the handler shall obtain an inspection certificate for such lot from

the Federal-State Inspection Service. Upon recommendation of the committee with approval of the Secretary, every such inspection certificate shall show, in addition to such other information as the committee may specify, the name and address of the handler, the quantity, grade, size, and pack of the cucumbers in the lot, and that the cucumbers conform to the pack specifications, if any, and the minimum standards of quality and maturity prescribed pursuant to § 1015.52. Each lot so inspected and certified shall, upon recommendation of the committee with approval of the Secretary, be identified by appropriate seals, stamps, or tags affixed to each of the containers by the handler under the direction and supervision of the committee or the inspection service, showing that the minimum standards of quality and maturity have been met and, in addition, the particular pack specifications of the lot, if such pack specifications are then in effect.

(d) Insofar as the requirements of this section are concerned, the length of time for which an inspection certificate is valid may be established by the committee with the approval of the Secretary.

(e) When the cucumbers are inspected in accordance with the requirements of this section a copy of each inspection certificate issued shall be made available to the committee by the inspection service.

EXEMPTIONS

§ 1015.65 *Procedure.* The committee may adopt, with approval of the Secretary, the procedures pursuant to which certificates of exemption will be issued to producers or handlers.

§ 1015.66 *Granting exemptions.* The committee shall issue certificates of exemption to any producer who applies for such exemption and furnishes adequate evidence to the committee, that, by reason of a regulation issued pursuant to § 1015.52, he will be prevented from handling as large a proportion of his production as the average proportion of production handled during the entire season, or such portion thereof as may be determined by the committee, by all producers in said applicant's immediate production area and that the grade, size, or quality of the applicant's cucumbers have been adversely affected by acts beyond the applicant's control and by acts beyond reasonable expectation. Each certificate shall permit the producer to handle the amount of cucumbers specified thereon. Such certificate shall be transferred with such cucumbers at time of transportation or sale.

§ 1015.67 *Investigation.* The committee shall be permitted at any time to make a thorough investigation of any producer's or handler's claim pertaining to exemptions.

§ 1015.68 *Appeal.* If any applicant for exemption certificates is dissatisfied with the determination by the committee with respect to his application, said applicant may file an appeal with the committee. Such an appeal must be taken promptly after the determination by the committee from which the appeal is taken. Any ap-

plicant filing an appeal shall furnish evidence satisfactory to the committee for a determination on the appeal. The committee shall thereupon reconsider the application, examine all available evidence, and make a final determination concerning the application. The committee shall notify the appellant of the final determination, and shall furnish the Secretary with a copy of the appeal and a statement of considerations involved in making the final determination.

§ 1015.69 *Records.* (a) The committee shall maintain a record of all applications submitted for exemption certificates, a record of all exemption certificates issued or denied, a record of the quantity of cucumbers covered by such exemption certificates, a record of the amount of cucumbers handled under exemption certificates, a record of appeals for reconsideration of applications, and such other information as may be requested by the Secretary. Periodic reports on such records shall be compiled and issued by the committee upon request of the Secretary.

(b) The Secretary shall have the right to modify, change, alter, or rescind any procedure and any exemptions granted pursuant to §§ 1015.65, 1015.66, 1015.67, or § 1015.68, or any combination thereof.

REPORTS

§ 1015.70 *Reports.* Upon request of the committee, made with approval of the Secretary, each handler shall furnish to the committee, in such manner and at such time as it may prescribe, such reports and other information as may be necessary for the committee to perform its duties under this part.

(a) Such reports may include, but are not necessarily limited to, the following: (1) The quantities of cucumbers received by a handler; (2) the quantities disposed of by him, segregated as to the respective quantities subject to regulation and not subject to regulation; (3) the date of each such disposition and the identification of the carrier transporting such cucumbers; and (4) the identification of the inspection certificates and the exemption certificates, if any, pursuant to which the cucumbers were handled, together with the destination of each exempted disposition, and of all cucumbers handled pursuant to § 1015.53, or § 1015.54, or both.

(b) All such reports shall be held under appropriate protective classification and custody by the committee, or duly appointed employees thereof, so that the information contained therein which might adversely affect the competitive position of any handler in relation to other handlers will not be disclosed. Compilations of general reports from data submitted by handlers is authorized, subject to prohibition of disclosure of individual handlers identities or operations.

(c) Each handler shall maintain for at least two succeeding years after the particular fiscal period such records of the cucumbers received and disposed of by such handler as may be necessary to verify the reports he submits to the committee pursuant to this section.

EFFECTIVE TIME AND TERMINATION

§ 1015.75 *Effective time.* The provisions of this subpart, or any amendment thereto, shall become effective at such time as the Secretary may declare and shall continue in force until terminated in one of the ways specified in this subpart.

§ 1015.76 *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 operations 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 period whenever he finds that such termination is favored by a majority of producers, who, during a representative period, have been engaged in the production for market of cucumbers: *Provided*, That such majority has, during such representative period, produced for market more than fifty percent of the volume of such cucumbers produced for market.

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

§ 1015.77 *Proceedings after termination.* (a) Upon the termination of the provisions of this subpart the then functioning members of the committee shall continue as joint 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 trustees 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 person 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.

§ 1015.78 *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 amendments 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 regulations issued 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 violations.

COMPLIANCE

§ 1015.80 *Compliance.* Except as provided in this part, no handler shall handle cucumbers, the handling of which has been prohibited by the Secretary in accordance with the provisions of this part, and no handler shall handle cucumbers except in conformity to the provisions of this part.

MISCELLANEOUS PROVISIONS

§ 1015.82 *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 approve or disapprove of the same at any time. Upon such disapproval, the disapproved section 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.

§ 1015.83 *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.

§ 1015.84 *Agents.* The Secretary may, by designation in writing, name any person, including any officer or employee of the United States, or name any agency in the United States Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this subpart.

§ 1015.85 *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.

§ 1015.86 *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, agent, or employee, except for acts of dishonesty, willful misconduct, or gross negligence.

§ 1015.87 *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.

§ 1015.88 *Amendments.* Amendments to this subpart may be proposed, from time to time, by the committee or by the Secretary.

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

Pursuant to 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.; 68 Stat. 906, 1047), it is hereby directed that a referendum be conducted among producers who during the period August 1, 1955, to July 31, 1956 (which period is hereby determined to be a representative period for the purpose of such referendum), were engaged in Florida south or east of the Suwannee River, in the production of cucumbers for market to determine whether such producers approve or favor the issuance of an order regulating the handling of cucumbers grown therein; and said order is annexed to the decision of the Secretary of Agriculture filed simultaneously herewith.

The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda Among Producers in Connection with Marketing Orders (Except Those Applicable to Milk and Its Products) to Become Effective Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (15 F. F. 5176).

M. F. Miller, W. R. Cleveland, K. W. Schaible, and R. L. Hawes, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, are hereby designated as agents of the Secretary of Agriculture to conduct said referendum jointly or severally.

Copies of the text of the aforesaid annexed order may be examined in the office of the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D. C., at the office of the agents of the Secretary, Florida Citrus Mutual Building, Lakeland, Florida, and at the office of each county agricultural agent within the proposed production area.

Ballots to be cast in the referendum and copies of the text of said order may be obtained from any referendum agent and any appointee hereunder.

Dated: April 18, 1957.

[SEAL]

EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-3277; Filed, Apr. 22, 1957; 8:48 a. m.]

DEPARTMENT OF LABOR
Wage and Hour Division
I 29 CFR Part 720 I

[Administrative Order No. 482]

SPECIAL INDUSTRY COMMITTEE NO. 1
FOR AMERICAN SAMOA

EXTENSION OF TIME FOR FILING STATEMENTS

Pursuant to authority under the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended; 29 U. S. C. 201 et seq.) and Reorganization Plan No. 6 of 1950 (5 U. S. C. 611), Administrative Order No. 478 (22 F. R. 1991) is hereby amended to extend the time for filing prehearing statements to not later than April 25, 1957.

Signed at Washington, D. C., this 19th day of April 1957.

STUART ROTHEMAN,
Acting Secretary of Labor.

[F. R. Doc. 57-3303; Filed, Apr. 22, 1957;
 8:51 a. m.]

FEDERAL COMMUNICATIONS
COMMISSION

I 47 CFR Part 2 I

[Docket No. 10239; FCC 57-387]

ALLOCATION OF CERTAIN FREQUENCIES TO
STATIONS IN THE MARITIME MOBILE
SERVICE

FURTHER NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of further proposed rule making in the above-entitled matter.

2. The Commission has had under consideration its proposal in the above-entitled matter, which would allocate the Atlantic City coast telegraph bands exclusively to the maritime mobile service for use by coast telegraph stations in the Commission's Table of Frequency Allocations.

3. All these bands, with the exception of the 8 Mc band, have been cleared of non-Government out-of-band assignments and, pursuant to orders issued in this docket, have been finally allocated for use by coast telegraph stations.

4. The Administrative Council of the ITU has set the date of November 1, 1957, as the date upon which all out-of-band assignments in the 8 Mc coast telegraph band shall have been transferred to in-band frequencies and this has been agreed to by the United States.

5. In view of the foregoing, the Commission proposes to make effective, in its Table of Frequency Allocations in Part 2, the Atlantic City allocation for the band 8476-8745 kc for coast telegraphy only. The effective date of this amendment would be November 1, 1957.

6. The proposed amendments to the rules are intended as a part of the Commission's plan for bringing into force the International Radio Regulations Atlantic City 1947) in accordance with the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva 1951).

7. The proposed amendments to the rules are set forth below and are issued

pursuant to the authority of sections 303 (c), (f) and (r) of the Communications Act of 1934, as amended, the Final Acts of the International Telecommunication Radio Conference (Atlantic City 1947) and the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva 1951).

8. Any interested person who is of the opinion that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before June 3, 1957, written data, views or arguments setting forth his comments. Comments in support of the proposed amendments may also be filed on or before the same date. Comments in reply to the original comments may be filed within 10 days from the last day for filing said original data, views or arguments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established. The Commission will consider all such comments prior to taking final action in this matter, and if comments are submitted warranting oral argument, notice of the time and place of such oral argument will be given.

9. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: April 17, 1957.

Released: April 18, 1957.

FEDERAL COMMUNICATIONS
 COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

It is proposed to amend Part 2 of the Commission's rules effective November 1, 1957, in the following particulars:

1. Delete §§ 2.104 (a) (3) (i) and (iii).
 2. Redesignate § 2.104 (a) (3) (ii) as § 2.104 (a) (3) to read as follows:

(3) In the table of frequency allocations below 25,000 kc (25 Mc), stations in services shown in column 8, in bands for which the Atlantic City table of frequency allocations is not yet in force, shall observe the provisions with respect to non-interference contained in paragraph 79 to the Cairo, 1938, Radio Regulations.

3. Delete footnote NG 33 and delete the NG 33 designation from the band 3240-3400 kc.

[F. R. Doc. 57-3283; Filed, Apr. 22, 1957;
 8:49 a. m.]

I 47 CFR Parts 7, 8 I

[Docket No. 10377; FCC 57-388]

STATIONS ON LAND AND SHIPBOARD IN THE
MARITIME SERVICES

EIGHTH AND FINAL FURTHER NOTICE OF
PROPOSED RULE MAKING

In the matter of amendment of Parts 7 and 8 of the Commission's rules to delete authority for operation by coast stations, ship stations and aircraft stations on currently assignable frequencies

for telephony in the band 4000 kc to 18000 kc; and to include authority for operation of such stations on other frequencies for telephony within the same band.

1. On May 6, 1953, the Commission adopted a report and order in the above designated docket finalizing a plan of assignment for all areas other than the Mississippi River and connecting inland waters (except the Great Lakes), which would serve as a basis for carrying out the maritime mobile radiotelephone portion of the Geneva Agreement (1951) in the frequency bands between 4000 and 18000 kc. However, the effective dates of deletion of existing frequencies and the availability of new frequencies were to be made the subject of later proceedings. First to Seventh Notices of Proposed Rule Making, respectively, in this Docket, specifying dates for many of the frequencies under the above-referred-to plan have heretofore been promulgated and finalized.

2. This Eighth and Final Further Notice of Proposed Rule Making is issued because it is now deemed feasible to propose a specific date for the availability of the public coast station radiotelephone frequency 8761.8 kc at Hawaii and for the deletion of the public coast station radiotelephone frequency 8550 kc which is currently available at that location. It is proposed to make the effective date of the availability and deletion of the frequencies coincide with the effective date of the order finalizing this proposal. This notice is issued under authority recited in the original Notice of Proposed Rule Making in this docket.

3. Any interested person who is of the opinion that the proposed amendment should not be adopted or should not be adopted in the form set forth herein may file with the Commission on or before May 29, 1957, written data, views or briefs setting forth his comments. Comments in support of the proposed amendments may be filed on or before the same date. Comments may be filed within ten days from the last day for filing said original data, views or briefs. The Commission will consider all such comments prior to taking final action in this matter.

4. In accordance with the provisions of § 1.764 of the Commission's rules, an original and fourteen copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: April 17, 1957.

Released: April 18, 1957.

FEDERAL COMMUNICATIONS
 COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

A. Part 7 is amended as follows:

1. Section 7.304 (a) is amended by deleting from the table in this paragraph the frequency 8550 kc, and by adding thereto the frequency 8761.8 kc.

2. In § 7.304 (d) (6) delete the text of the subparagraph and substitute therefor the word "[Reserved]".

3. Section 7.306 (a) (2) is amended by deleting the frequency 8550 kc, which appears in the first column of the table in this subparagraph opposite the location Hawaii, and substituting therefor the

frequency 8761.8 kc. As amended subparagraph 2 reads as follows:

(2) Working frequencies between 5000 kc and 30 mc:

| Coast station transmitting frequency ¹ (kc) | Coast station located in the vicinity of— | Coast station receiving carrier frequency (kc) |
|--|---|--|
| 8761.8 | Hawaii..... | 8212.6 |
| 8747.6 | San Francisco, Calif..... | 8198.4 |
| 8311.5 | New York, N. Y..... | 8262.3 |
| 8768.9 | do..... | 8219.7 |
| 13196.0 | do..... | 12395.8 |
| 13157.5 | do..... | 12357.3 |
| 13180.6 | San Francisco, Calif..... | 12380.4 |
| 13172.9 | Hawaii..... | 12372.7 |
| 17302.1 | do..... | 16471.9 |
| 17317.5 | New York, N. Y..... | 16487.3 |
| 17356.0 | do..... | 16525.8 |
| 17340.6 | San Francisco, Calif..... | 16510.4 |
| 22677.5 | New York, N. Y..... | 22027.3 |
| 22692.9 | San Francisco, Calif..... | 22042.7 |
| 22716 | New York, N. Y..... | 22065.8 |

¹ These frequencies are those which may be specified in applications for coast station authorizations.

tained therein so that the frequency 8550 kc, which appears in the 3d column of the table opposite Hawaii, is deleted and the frequency 8761.8 kc is substituted therefor. As amended, the table of frequencies reads as follows:

| Ship station transmitting carrier frequency ¹ (kc) | For communication with coast stations located in the vicinity of— | Ship station receiving carrier frequency (kc) |
|---|---|---|
| 8193.4 | San Francisco, Calif..... | 8747.6 |
| 8212.6 | Hawaii..... | 8761.8 |
| 8219.7 | New York, N. Y..... | 8768.9 |
| 8262.3 | do..... | 8311.5 |
| 12357.3 | do..... | 13157.5 |
| 12372.7 | Hawaii..... | 13172.9 |
| 12380.4 | San Francisco, Calif..... | 13180.6 |
| 12395.8 | New York, N. Y..... | 13196.0 |
| 16471.9 | Hawaii..... | 17302.1 |
| 16487.3 | New York, N. Y..... | 17317.5 |
| 16510.4 | San Francisco, Calif..... | 17340.6 |
| 16525.8 | New York, N. Y..... | 17356.0 |
| 22027.3 | do..... | 22677.5 |
| 22042.7 | San Francisco, Calif..... | 22692.9 |
| 22065.8 | New York, N. Y..... | 22716.0 |

¹ These frequencies are those which may be designated in applications for ship station authorizations.

[F. R. Doc. 57-3284; Filed, Apr. 22, 1957; 8:49 a. m.]

B. Part 8 is amended as follows:

1. Section 8.355 (a) (1) is amended by changing the table of frequencies con-

1. The land described in paragraph 1 (a) under Juneau Area Part 2, Tee Harbor Unit, and consisting of Lots 34 and 35 of U. S. Survey 3058 (Lot 39 deleted by Amendment No. 1) and Lot 30 of U. S. Survey 3059 were classified for disposal for Business Sites. These tracts (exclusive of Lot 39 of U. S. Survey 3058) are hereby re-classified for disposal for Business Sites and/or Residence Sites.

2. This amendment shall become effective immediately.

L. T. MAIN,
Acting Operations Supervisor.

[F. R. Doc. 57-3273; Filed, Apr. 22, 1957; 8:47 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 6584; 6585; FCC 57M-372]
ALBUQUERQUE BROADCASTING CO. (KOB)

ORDER SCHEDULING HEARING CONFERENCE

In re applications of Albuquerque Broadcasting Company (KOB), Albuquerque, New Mexico; Docket No. 6584, File No. BMP-1738; for modification of construction permit. Albuquerque Broadcasting Company (KOB), Albuquerque, New Mexico; Docket No. 6585, File Nos. BL-1799 BZ-1583; for license to cover construction permit as modified and authority to determine operating power by direct measurement.

It is ordered, This 17th day of April 1957, on the hearing examiner's own motion, that a hearing conference in the above-entitled proceeding will be held at 10:00 o'clock a. m., on Friday, April 19, 1957, in the offices of this Commission, Washington, D. C., for the purpose of considering a pleading filed therein on April 16, 1957, which requests that the period within which proposed findings of fact and conclusions shall be filed by the parties thereto be extended from April 19, 1957, to and including May 21, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3285; Filed, Apr. 22, 1957; 8:49 a. m.]

NOTICES

DEPARTMENT OF JUSTICE

Office of Alien Property

OTTO AND OTTILIE STREUBEL

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Otto and Ottilie Streubel, Graz, Austria, Claim No. 62995; Vesting Order Nos. 8617 and 9693; \$10.00 in the Treasury of the United States. Two (2) Kingdom of the Serbs, Croats and Slovenes National External Gold Loan of 1922, 8 percent 40-year Secured External Gold Bonds due May 1, 1962 with coupon 11/1/39 and subsequent coupons attached as evidenced by Certificate Nos. M3648 in the face amount of \$1,000 and D1309 in the face amount of \$500.00.

Three (3) Kingdom of Yugoslavia 5 percent Funding Bonds due November 1, 1956, with coupon 5/1/41 and subsequent coupons attached as evidenced by Certificate Nos. C3849, C13276 and C7161, each in the face amount of \$100.

One (1) Kingdom of Yugoslavia 5 percent Funding Bond, 2d Series, due November 1, 1956, with coupon 5/1/41 and subsequent coupons attached as evidenced by Certificate No. C7454 in the face amount of \$100.

Two (2) Fractional Certificates of Kingdom of Yugoslavia 5 percent Funding Bonds due November 1, 1956, as evidenced by Certificate Nos. E2078 in the face amount of \$18.00 and F1937 in the face amount of \$1.50.

One (1) Fractional Certificate of Kingdom of Yugoslavia 5 percent Funding Bond, 2d

Series, due November 1, 1956 as evidenced by Certificate No. H3637 in the face amount of \$32.00.

All of the above described securities are presently in the custody of the Federal Reserve Bank of New York.

Executed at Washington, D. C., on April 15, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-3237; Filed, Apr. 19, 1957; 8:49 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

SHORESPACE RESTORATION ORDER NO. 499 AND SMALL TRACT CLASSIFICATION ORDER NO. 70; AMDT. 3

By virtue of the authority contained in the act of June 1, 1938 (52 Stat 609; 43 U. S. C. 682a) as amended and pursuant to Delegation of Authority contained in section 2.9 (o) Order No. 541 of April 21, 1954, Bureau of Land Management, Shorespace Restoration Order No. 499 and Small Tract Classification Order No. 70 dated March 10, 1953; as amended by Amendment No. 1 dated April 1, 1953; and by the General Amendment to Small Tract Classification Orders No. 1 to 96, Inclusive dated June 20, 1955, and by Amendment No. 2 dated November 20, 1956; and by General Amendment to Small Tract Classification Orders No. 1 to 112, Inclusive, dated February 19, 1957 is hereby further amended as follows:

[Docket No. 11924; FCC 57M-368]

BELOIT BROADCASTERS, INC. (WBEL)

ORDER CONTINUING CONFERENCE AND HEARING

In re application of Beloit Broadcasters, Incorporated, (WBEL) Beloit, Wisconsin; Docket No. 11924, File No. BP-10531; for construction permit.

The Examiner, having under consideration a Petition for Extension of Time, filed by Beloit Broadcasters, Incorporated, on April 12, 1957, requesting that the dates for exchange of exhibits, further prehearing conference and hearing, now designated as April 15, 22, and 29, 1957, respectively, be postponed to April 29, May 7, and May 15, 1957, respectively; and

It appearing, that counsel for the Chief, Broadcast Bureau, has consented

to a grant of the instant petition; and that good cause for the same has been shown;

It is ordered, This 16th day of April 1957, that the above referenced Petition for Extension of Time is granted; and that the dates for exchange of exhibits, further prehearing conference and hearing are hereby extended to April 29, May 7, and May 15, 1957, respectively.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3286; Filed, Apr. 22, 1957; 8:49 a. m.]

[Docket No. 11943; FCC 57M-371]

PARISH BROADCASTING CORP. (KAPK)
ORDER SCHEDULING PREHEARING CONFERENCE

In re application of Parish Broadcasting Corporation (KAPK), Minden, Louisiana; Docket No. 11943, File No. BP-10749; for construction permit.

The Hearing Examiner having under consideration the above-entitled proceeding;

It is ordered, This 16th day of April 1957, that all parties, or their attorneys, are directed to appear for a pre-hearing conference, pursuant to the provisions of § 1.813 of the Commission's rules, at the Commission's offices in Washington, D. C., at 10:00 a. m., April 23, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3287; Filed, Apr. 22, 1957; 8:49 a. m.]

[Docket No. 11953; FCC 57M-369]

WESTERN UNION TELEGRAPH CO.
STATEMENT AFTER PREHEARING CONFERENCE AND ORDER OF CONTINUANCE

In the matter of The Western Union Telegraph Company, Docket No. 11953; complaint and petition for new and revised divisions of charges for the landline handling of international message telegraph traffic.

A prehearing conference in the above-entitled proceeding was held on April 12, 1957. In the interest of expedient disposition of the matter, all parties agreed that the following timetable should govern future proceedings:

Exchange of exhibits: On or before May 15, 1957.
Hearing: June 10, 1957.

Accordingly, it is ordered, This 16th day of April 1957, that the date now scheduled for hearing in the above matter, May 15, 1957, is hereby extended to June 10, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3288; Filed, Apr. 22, 1957; 8:50 a. m.]

[Docket Nos. 11973, 11974; FCC 57M-370]
PALM SPRINGS TRANSLATOR STATION, INC.

ORDER SCHEDULING PREHEARING CONFERENCE

In re applications of Palm Springs Translator Station, Inc., Palm Springs, California; Docket No. 11973, File No. BPTT-12; Palm Springs Translator Station, Inc., Palm Springs, California; Docket No. 11974, File No. BPTT-13; for construction permits for new television broadcast translator stations.

The Hearing Examiner having under consideration the above-entitled proceeding;

It is ordered, This 16th day of April 1957, that all parties, or their attorneys, are directed to appear for a pre-hearing conference, pursuant to the provisions of § 1.813 of the Commission's rules, at the Commission's offices in Washington, D. C., at 10:00 a. m., April 25, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3289; Filed, Apr. 22, 1957; 8:50 a. m.]

[Docket No. 11975; FCC 57M-377]

TELRAD, INC. (WESH-TV)

ORDER SCHEDULING PREHEARING CONFERENCE

In re application of Telrad, Inc. (WESH-TV), Daytona Beach, Florida; Docket No. 11975, File No. BMPCT-4150; for modification of construction permit.

It is ordered, This 17th day of April 1957, that a prehearing conference in the above-entitled proceeding will be held in the offices of the Commission, Washington, D. C., commencing at 10:00 a. m., Friday, April 26, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3290; Filed, Apr. 22, 1957; 8:50 a. m.]

[Docket No. 12000; FCC 57-375]

REVISED TENTATIVE ALLOCATION PLAN FOR CLASS B FM BROADCAST STATIONS

NOTICE OF PROPOSED ALLOCATION

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. It is proposed to amend the Revised Tentative Allocation Plan for Class B FM Broadcast Stations in the following manner:

| General area | Channels | |
|----------------------------|----------|-----|
| | Delete | Add |
| Oxnard, Calif.----- | | 234 |
| Santa Barbara, Calif.----- | 234 | 236 |
| Santa Maria, Calif.----- | 236 | 273 |

3. The purpose of the proposed amendment is to provide a Class B chan-

nel in Oxnard, California, to facilitate consideration of a pending application, File No. BPH-2196, submitted by the Oxnard Broadcasting Corporation, for a new Class B FM broadcast station in that city.

4. Authority for the adoption of the proposed amendment is contained in sections 4 (i), 301, 303 (c), (d), (f), and (r), and 307 (b) of the Communications Act of 1934, as amended.

5. Any interested party who is of the opinion that the proposed amendment should not be adopted or should not be adopted in the form set forth herein, may file with the Commission on or before May 27, 1957, a written statement or brief setting forth his comments. Comments in support of the proposed amendment also may be filed on or before that same date. Comments or briefs in reply to the original comments may be filed within 10 days from the last day for filing said original comments or briefs. The Commission will consider all such comments that are submitted before taking action in this matter, and if any comments appear to warrant the holding or a hearing or oral argument, notice of the time and place of such hearing or oral argument will be given.

6. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished to the Commission.

Adopted: April 17, 1957.

Released: April 18, 1957.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F. R. Doc. 57-3291; Filed, Apr. 22, 1957; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 8-5440]

OTTO ARTHUR WALDINGER AND AMERICAN SECURITIES CO.

ORDER DENYING BROKER-DEALER REGISTRATION

APRIL 17, 1957.

In the matter of Otto Arthur Waldinger, doing business as American Securities Co., 520 South 5th Street, Las Vegas, Nevada.

A proceeding having been instituted pursuant to section 15 (b) of the Securities Exchange Act for 1934 to determine whether to deny the application for registration as a broker and dealer of Otto Arthur Waldinger, doing business as American Securities Co.

A hearing having been held after appropriate notice, and a recommended decision by the hearing examiner having been waived;

The Commission having this day issued its Findings and Opinion, on the basis of said Findings and Opinion

It is ordered, That the application of Otto Arthur Waldinger, doing business as American Securities Co., for registra-

tion as a broker and dealer be, and it hereby is, denied.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 57-3265; Filed, Apr. 22, 1957;
8:46 a. m.]

UNITED STATES TARIFF COMMISSION

[Investigation 60]

WOOL FELTS, NON-WOVEN

INVESTIGATION INSTITUTED

Investigation instituted. Upon application of the American Felt Company, Glenville, Connecticut, and others, received April 8, 1957, the United States Tariff Commission, on the 12th day of April 1957, under the authority of section 7 of the Trade Agreements Extension Act of 1951, as amended, and section 332 of the Tariff Act of 1930, instituted an investigation to determine whether felts, not woven, wholly or in chief value of wool, provided for in paragraph 1112 of the Tariff Act of 1930, are, as a result in whole or in part of the duty or other customs treatment reflecting concessions granted thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

"*Domestic industry producing like or directly competitive products.*" The Commission will determine the scope of the domestic industry producing products like or directly competitive with the above-described articles in the course of the investigation, in accordance with the provisions of section 7, above.

Inspection of application. The application filed in this case is available for public inspection at the office of the Secretary, United States Tariff Commission, 8th and E Streets, N. W., Washington, D. C., and at the New York office of the Tariff Commission, located in Room 437 of the Custom House, where it may be read and copied by persons interested.

By order of the Commission.

Issued: April 18, 1957.

[SEAL] DONN N. BENT,
Secretary.

[F. R. Doc. 57-3272; Filed, Apr. 22, 1957;
8:47 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

APRIL 18, 1957.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 33584: *Coal—Lake Superior Docks in Wisconsin to Minnesota Points.* Filed by W. J. Frueter, Agent, for interested rail carriers. Rates on anthracite and bituminous coal, including bituminous fine coal, and anthracite dust, carloads, from Allouez, Ashland, Central Ave. (Superior), Itasca, Pokegama, Superior, Superior (East End), and Washburn, Wis., to Bayport, Minneapolis, St. Paul, Minn., and other specified points in Minnesota.

Grounds for relief: Market competition with Duluth, Minn., and other specified points in Minnesota.

Tariffs: Supplement 1 to Chicago, Milwaukee, St. Paul and Pacific Railroad Company's tariff I. C. C. B-7711 and other schedules listed in part A of exhibit 1 of the application.

FSA No. 33585: *Substituted Service—Motor-Rail-Motor, M-K-T Lines and Pennsylvania Railroad.* Filed by Middle-west Motor Freight Bureau, Agent, for interested rail and motor carriers. Rates on freight of various kinds loaded in or on highway trailers and transported on railroad flat cars between Cleveland, Ohio, and Indianapolis, Ind., on the one hand, and Oklahoma City, Okla., and Dallas, Tex., on the other.

Grounds for relief: Motor truck competition.

Tariff: Supplement 46 to Middle-west Motor Freight Bureau, Agent, tariff MF-I. C. C. 223.

FSA No. 33586: *Scrap Iron and Steel—Louisville, Ky., To Huntington, W. Va.* Filed by O. E. Schultz, Agent, for interested rail carriers. Rates on scrap iron and steel (not copper clad), carloads from Louisville, Ky., to Huntington, W. Va.

Grounds for relief: Barge-truck competition, and circuitous routes.

Tariffs: Supplement 48 to Agent H. R. Hinsch's tariff I. C. C. 4251 and Supplement 5 to Chesapeake & Ohio Railway tariff I. C. C. 13487.

FSA No. 33587: *Carbon Fire Brick and Related Articles—Eastern Points to Corpus Christi, Tex.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on carbon fire brick, carbon fire brick shapes, and carbon furnace or kiln lining or high temperature bonding mortar or cement, straight or mixed carloads from Clarksburg, W. Va., Niagara Falls and Suspension Bridge, N. Y., and Worcester, Mass., to Corpus Christi, Tex.

Grounds for relief: Modified short-line distance formula and circuitous routes.

Tariff: Supplement 73 to Agent Kratzmeir's tariff I. C. C. 4204.

FSA No. 33588: *Woodpulp—Foley, Fla., to Groos, Mich.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on woodpulp, not powdered, noibn, carloads from Foley, Fla., to Groos, Mich.

Grounds for relief: Circuitous routes.

Tariff: Supplement 18 to Agent Spaninger's tariff I. C. C. 1555.

FSA No. 33589: *Woodpulp—Southern Points to Kingston, N. Y.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on woodpulp, not powdered,

noibn, carloads from specified points in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Virginia to Kingston, N. Y.

Grounds for relief: Modified short-line distance formula and circuitous routes.

Tariff: Supplement 18 to Agent Spaninger's tariff I. C. C. 1555.

FSA No. 33590: *Woodpulp—Foley, Fla., to Official Territory.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on woodpulp, not powdered; noibn, carloads from Foley, Fla., to points in official (including Illinois) territory.

Grounds for relief: Circuitous routes.

Tariff: Supplement 18 to Agent Spaninger's tariff I. C. C. 1555.

FSA No. 33591: *Woodpulp—Foley, Fla., to New York Points.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on woodpulp, not powdered, noibn, carloads from Foley, Fla., to Black Rock, Buffalo, Harriet, Lockport, Niagara Falls, North Tonawanda and Suspension Bridge, N. Y.

Grounds for relief: Circuitous routes.

Tariff: Supplement 18 to Agent Spaninger's tariff I. C. C. 1555.

FSA No. 33592: *Liquefied Petroleum Gas From Gallup, N. Mex.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on liquefied petroleum gas, tank-car loads from Gallup, N. Mex., to points in southwestern and western trunk line territories and lower Mississippi River crossings, Memphis, Tenn., and south.

Grounds for relief: Competition with other producing points in New Mexico and Texas and circuitous routes.

Tariffs: Supplement 306 to Agent Kratzmeir's tariff I. C. C. 3825 and two other schedules.

FSA No. 33593: *T. O. F. C. Service—Carbon Blacks Between Western Points and Points in Southwest.* Filed by F. C. Kratzmeir, Agent, for interested rail carriers. Rates on carbon blacks loaded in trailers and transported on railroad flat cars between specified points in Illinois, Minnesota and Wisconsin on one hand, and points in Arkansas, Louisiana, New Mexico and Texas, on the other.

Grounds for relief: Motor truck competition and circuitous routes.

Tariff: Supplement 46 to Agent Kratzmeir's tariff I. C. C. 4181.

FSA No. 33594: *Citrus Pomace Syrup—Florida Points to Cincinnati, Ohio.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on citrus pomace final syrup, carloads from specified points in Florida to Cincinnati, Ohio.

Grounds for relief: Circuitous routes.

Tariff: Supplement 53 to Agent Spaninger's tariff I. C. C. 1240.

FSA No. 33595: *Limestone—Ohio to Central and Trunk Line Territories.* Filed by H. R. Hinsch, Agent, for interested rail carriers. Rates on agricultural limestone, in bulk, carloads from specified points in Ohio to points in New York, Pennsylvania and West Virginia named in the application.

Grounds for relief: Short-line distance formulas and circuitous routes.

FSA No. 33596: *Cement, From and To Points in Minnesota and Wisconsin.* Filed by Northern Pacific Railway Company, for itself and on behalf of the Duluth, Missable and Iron Range Railway Company. Rates on cement (hydraulic, masonry, mortar, natural or portland), straight or mixed carloads from Duluth, Minneapolis, Minnesota Transfer, St. Paul and Steelton (Duluth), Minn., and Superior, Wis., to specified points in Minnesota and Wisconsin on the Northern Pacific Railway.

Grounds for relief: Short-line distance formula, motor truck competition and circuitous routes.

Tariff: Supplement 3 to Northern Pacific Railway Tariff I. C. C. 9927.

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F. R. Doc. 57-3268; Filed, Apr. 22, 1957;
8:46 a. m.]

[Rev. S. O. 562, Taylor's I. C. C. Order 82]

DULUTH, WINNIPEG AND PACIFIC
RAILWAY CO.

DIVERSION OR REROUTING OF TRAFFIC

In the opinion of Charles W. Taylor,
Agent, the Duluth, Winnipeg and Pacific

Railway Company, because of work stoppage, is unable to transport traffic routed over and to points on its lines.

It is ordered, That:

(a) *Rerouting traffic:* The Duluth, Winnipeg and Pacific Railway Company, and its connections, is hereby authorized to divert or reroute such traffic over any available route to expedite the movement, regardless of routing shown on the waybill. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) *Concurrence of receiving roads to be obtained:* The railroads desiring to divert or reroute traffic under this order shall confer with the proper transportation officer of the railroad or railroads to which such traffic is to be diverted or rerouted, and shall receive the concurrence of such other railroads before the rerouting or diversion is ordered.

(c) *Notification to shippers:* The carriers rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided

for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) *Effective date:* This order shall become effective at 3:00 p. m., April 16, 1957.

(g) *Expiration date:* This order shall expire at 11:59 p. m., April 30, 1957, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., April 16, 1957.

INTERSTATE COMMERCE
COMMISSION,
CHARLES W. TAYLOR,
Agent.

[F. R. Doc. 57-3274; Filed, Apr. 22, 1957;
8:47 a. m.]