

FEDERAL REGISTER



VOLUME 24

NUMBER 160

Washington, Saturday, August 15, 1959

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Department of State

Effective upon publication in the FEDERAL REGISTER, paragraphs (c) (5), (d) (6) and, (10), (e) (3), (f) (4), (h) (3), and (8), (i) (3), (j) (3), (j) (5), (k) (3), (l) (3), (m) (3), (o) (8), and (p) (3) of § 6.302 are revoked.

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] WM. C. HULL,
Executive Assistant.

[F.R. Doc. 59-6780; Filed, Aug. 14, 1959; 8:49 a.m.]

Title 7—AGRICULTURE

Chapter I — Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

SUBCHAPTER C—REGULATIONS AND STANDARDS UNDER THE FARM PRODUCTS INSPECTION ACT

PART 56—GRADING AND INSPECTION OF SHELL EGGS AND UNITED STATES STANDARDS, GRADES, AND WEIGHT CLASSES FOR SHELL EGGS

Miscellaneous Amendments

Notice of the proposed issuance of amendments to the Regulations Governing the Grading and Inspection of Shell Eggs and United States Standards, Grades, and Weight Classes for Shell Eggs was published in the FEDERAL REGISTER of June 19, 1959 (24 F.R. 4997). The regulations hereinafter promulgated are issued pursuant to authority contained in the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U.S.C. 1621 et seq.).

The amendments establish an objective measurement which may be used in evaluating interior egg quality. The Haugh unit measurement is established

as a standard in determining the quality of albumen of broken-out eggs. This measurement is to be used in the new program for the certification of eggs packed with a new grade label designation, "Fresh Fancy Quality". Provisions are made for the use of the measurement for the AA Grade mark but it is not a requirement.

The amendments also establish a program for the certification of A grade eggs with an alternate grade label designation that may be used on eggs packed under the program; requires that all licensed graders must be a Federal or State employee; makes minor changes in the tolerances of Procurement Grades; and establishes new Export Grades that are similar to the Procurement Grades with the exception of the packaging requirements.

After consideration of all relevant material presented, the amendments hereinafter set forth are promulgated to become effective thirty (30) days after publication in the FEDERAL REGISTER.

The amendments are as follows:

§ 56.10 [Amendment]

1. Change paragraph (a) of § 56.10 to read:

(a) Except as otherwise provided in paragraph (c) of this section, any person, who is a Federal or State employee possessing proper qualifications as determined by an examination for competency, and who is to perform grading service, may be licensed by the Secretary as a grader.

2. Change § 56.24 to read:

§ 56.24 When application may be rejected.

An application for grading service, inspection service, or sampling service may be rejected by the Administrator (a) whenever the applicant fails to meet the requirements of the regulations prescribing the conditions under which the service is made available; (b) whenever the product is owned by or located on the premises of a person currently denied the benefits of the act; (c) where any individual holding office or a responsible position with or having a substantial financial interest or share in the applicant is currently denied the benefits of the act or was responsible in whole or

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CFR SUPPLEMENTS

(As of January 1, 1959)

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Titles 1-3 (\$1.00)

General Index (\$0.75)

All other Supplements and revised books have been issued and are now available.

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in part for the current denial of the benefits of the act to any person; (d) where the Administrator determines that the application is an attempt on the part of a person currently denied the benefits of the act to obtain grading or inspection service; (e) whenever the applicant fails to bring the plant facilities, and operating procedures into compliance with the regulations within a reasonable period of time; (f) notwithstanding any prior approval whenever, before inauguration of service, the applicant fails to fulfill commitments concerning the inauguration of the service; (g) when it appears that to perform the services specified in this part would not be to the best interests of the public welfare or of the Government; or (h) when it appears to the Administrator that prior commitments of the Department necessitate rejection of the application. Each such applicant shall be promptly notified by registered mail of the reasons for the rejection. A written petition for reconsideration of such rejection may be filed by the applicant with the Administrator if postmarked or delivered within 10 days after the receipt of notice of the rejection. Such petition shall state specifically the errors alleged to have been made by the Administrator in rejecting the application. Within 20 days following the receipt of such a petition for reconsideration, the Administrator shall approve the application or notify the applicant by registered mail of the reasons for the rejection thereof.

3. Change § 56.37 to read:

§ 56.37 Information required on grade mark.

Except as otherwise authorized, each grade mark which is to be used shall conspicuously indicate the letters "USDA," the U.S. grade of the product it identifies and if not shown prominently elsewhere on the labeling material, the appropriate weight class of the eggs. The plant number of the official plant where the eggs were graded and packed shall be set forth if it does not appear elsewhere on the packaging material. In addition, one of the following terms shall be included: "Graded Under Federal-State Supervision," or "Graded Under U.S. and (State) Supervision," or an appropriate term of similar import. Such grade marks shall be contained within the outline of a shield of such design as may be approved by the Administrator. When eggs have been graded pursuant to this part and are packaged, the grade mark affixed to each such package shall have

stamped thereon either the date of grading or an expiration date not to exceed 10 days from the date of grading, including the day of grading unless such label is printed on the carton, in which case the date of grading shall be legibly applied to the carton in a manner satisfactory to the Administrator.

4. Change § 56.38 to read:

§ 56.38 Form of official identification symbol and grade mark.

(a) The shield set forth in Figure 1 shall be the official identification symbol for purposes of this part and when used, imitated, or simulated in any manner in connection with shell eggs shall be deemed to constitute a representation that the product has been officially graded or inspected for the purposes of § 56.2a.

(b) Except as otherwise authorized, the grade mark permitted to be used to officially identify cartons containing one dozen shell eggs, which are graded pursuant to the regulations in this part, shall be contained in a shield and in the form and design indicated in examples in Figures 2 and 3 of this section. The information (including the form and arrangement of its wording) which is to be included in such marks shall be: (1) The letters "U.S.D.A."; (2) the U.S. grade, such as, "U.S. A Grade"; (3) one of the following phrases: "Graded Under Federal-State Supervision", "Graded Under U.S. and State Supervision", or a term of similar import, and (4) the size or weight class of the product, such as, "Large": *Provided*, That the size may be omitted from the grade mark if it appears prominently on the main panel of the carton. The grade mark shall be printed on the carton or on a label used to seal the carton. When the size or weight class is included as a part of the grade mark the form of such mark shall be as indicated in Figure 2 of this section and when the size or weight class designation is not included in the grade mark the form of the grade mark shall be as indicated in Figure 3 of this section. The grade mark shall also include the plant number of the official plant where the product was packed if the appropriate plant number does not appear elsewhere on the packaging material. In addition, either the date the eggs were graded or an expiration date not to exceed 10 days from the date of grading, including the day of grading, shall be stamped either on the grade mark used to seal the carton or applied in a legible manner elsewhere on the carton. If the date of grading is used, it shall be expressed as the month and day or as the consecutive day of the year. If the expiration date is used, it shall be stated as the month and day or the number of the month and day, preceded by the letters "Exp." or a statement such as "Not to be Sold After". The grade mark shall be not less than 1 1/8 inches in height and should not exceed 1 3/4 inches in height. The size of the letters designating the grade shall be not less than 1/4 inch in height. The size of the print and the arrangement of the other in-

formation within the shield shall be in approximately the same proportion as shown in the examples in Figures 2 and 3 of this section.

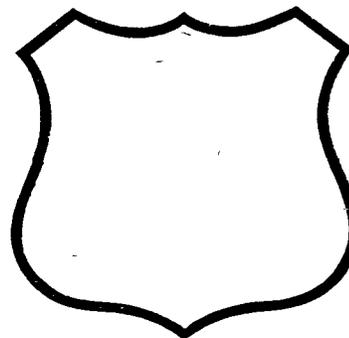


FIGURE 1.



FIGURE 2.



FIGURE 3.

5. Add a new § 56.38a

§ 56.38a Fresh Fancy Quality or AA grade mark.

Eggs which are packaged pursuant to § 56.44 and are to be grade marked shall be labeled with one of the following grade marks:



FIGURE 4.

RULES AND REGULATIONS



PRODUCED and MARKETED
under FEDERAL - STATE
QUALITY CONTROL PROGRAM

FIGURE 5.



FIGURE 6.

6. Add a new § 56.38b.

§ 56.38b Alternate Grade A mark.

Eggs which are packaged pursuant to § 56.44a and are to be grade marked shall be labeled with the grade mark shown in Figures 2 or 3 of § 56.38, or with the following grade mark:



PRODUCED and MARKETED
under FEDERAL - STATE
QUALITY CONTROL PROGRAM

FIGURE 7.

7. Change § 56.40 to read:

§ 56.40 Supervisor of packaging required.

The official identification of any graded or inspected product as provided in §§ 56.36 to 56.44a, inclusive, shall be done only under the supervision of a grader, inspector, or supervisor of packaging. The grader, inspector, or supervisor of packaging shall have supervision over the use and handling of all material bearing any official identification.

8. Change § 56.41 to read:

§ 56.41 Candling and grading requirements of shell eggs for packaging with grade identification labels.

Shell eggs shall not be packaged with any grade identification label unless such eggs are first candled and graded (a) by a grader, or (b) by a limited licensee, pursuant to § 56.11 and there-

after check-graded by a grader. Notwithstanding the foregoing, eggs may be cartoned or bulk packaged and officially identified under the provisions of §§ 56.44 and 56.44a.

9. Add a new § 56.44:

§ 56.44 Requirements for eggs packaged under Fresh Fancy Quality grade mark or AA grade mark as shown in Figures 4, 5, and 6 of § 56.38a.

(a) *Minimum requirements of procurement and distribution program.* Each packing station or plant must have a satisfactory procurement and distribution program including, but not being limited to, the following requirements at the farm and retail store level as applicable:

(1) Eggs from each flock shall be packed separately and the shipping cases marked so as to facilitate segregation at the packing station. A flock consists of birds not varying in age by more than 60 days. In operations with a continuous replacement procedure, such as in cage operations, birds shall be grouped together in accordance with the above requirement.

(2) Eggs should be gathered from the nest at least twice, and preferably, three times a day.

(3) Eggs which require cleaning should be cleaned in accordance with the applicable provisions of § 56.76. Eggs may be treated by oil dipping, oil spraying, or oil-emulsion spraying: *Provided*, That methods used are such as will not cause objectionable cloudiness in the whites. Oil treating and cleaning operations must be in compliance with the sanitary requirements as provided in § 56.76.

(4) Eggs shall be cooled immediately after gathering to 60° F. or below and held at a reasonable constant temperature not to exceed 60° F., and a relative humidity of approximately 70 percent.

(5) Eggs shall be transported and handled under such conditions as will prevent sweating and so as to reach the packing plant or store with an internal temperature of 60° F. or below.

(6) The temperature at which the eggs are held and displayed at the retail store shall not exceed 60° F.

(7) Periodic checks to determine the adequacy of the production and distribution programs shall be made by governmentally employed graders.

(b) *Minimum requirements at time of packaging.* (1) Quality of eggs shall be determined by the broken-out score, measured in Haugh units, and the condition of the yolk. The break-out test shall be accomplished at the assembly plant or at the farm in the event the eggs go directly from the farm to the store. Eggs that do not meet the requirements of AA quality with respect to shell texture or shape shall not be selected as part of any sample that is to be broken-out and scored.

(2) The internal temperature of the eggs shall not exceed 60° F. at the beginning of the packaging operations.

(3) A flock may be eligible for entry under the program when a sample of 25 eggs drawn at random averages 76 Haugh units or higher; or when two

samples of 25 eggs each drawn at random (one sample per week for two consecutive weeks) each averages 73 Haugh units or higher. Notwithstanding the foregoing, a flock shall not be eligible if any sample contains more than one egg measuring less than 55 Haugh units, and the yolk of all eggs in the sample shall have a well-rounded appearance with a reasonably uniform color.

(4) A flock may remain on the program: *Provided*, That (i) a moving average of 72 Haugh units or higher is maintained; (ii) that no individual weekly average is below 68 Haugh units; (iii) that not more than one of any two consecutive weekly averages falls below 70 Haugh units; (iv) that the yolks of all eggs have a well-rounded appearance with a reasonably uniform color; and (v) that not more than one egg in any sample of 10 eggs or more measures less than 55 Haugh units.

(5) The weekly average shall be computed by averaging the results obtained when testing eggs in accordance with either subparagraph (i) or (ii) of this paragraph. Samples shall be drawn at random once a week per flock from a single shipment, and the yolk of all eggs in the sample shall have a well-rounded appearance with a reasonably uniform color.

(i) A sample of 10 eggs shall be tested when the moving average is below 78 Haugh units and not more than one egg in the sample shall measure less than 55 Haugh units.

(ii) A sample of 5 eggs shall be tested when the moving average is 78 Haugh units or above and the sample shall contain no eggs which measure less than 55 Haugh units. If only one egg measures less than 55 Haugh units, an additional 5 eggs shall be tested. If this second 5-egg sample contains no eggs below 55 Haugh units, the average of the 10 eggs shall be used in determining the weekly average.

(6) The moving average shall be computed by averaging the results of the latest four weekly Haugh unit entries of a flock, except that during the second and third weeks after admission to the program, the average shall be computed by averaging the latest entry with the previous weekly entries.

(7) Any flock which has been on the program and is excluded for failure to meet the requirements may be reinstated by the same procedures used to originally enter a flock on the program.

(8) Eggs from flock that meet the provisions of this section may be packaged and officially labeled after the blood spots, meat spots, checks, loss, and eggs with shell failing to meet the requirements for AA quality have been removed. The packaged product shall be identified with the proper size and packed in accordance with the regulations.

(9) Packages or sealing tapes shall bear in distinctly legible form a date, stated as the month and day or the number of the month and day, preceded by the letters "Exp.", or a statement such as "Not to be sold after". The date shall not exceed 10 days from date of Haugh unit test, including the day of testing. Upon expiration of the 10 days, the eggs shall be removed from the labeled pack-

ages or the official grade mark shall be completely obliterated.

(10) Sampling, break-out testing, and maintenance of records of break-out tests shall be done by or under the immediate supervision of a governmentally employed grader. Such graders shall make examinations of all packaged product to observe compliance with U.S. Grade AA standards for shell conditions, loss and foreign material, such as blood and meat spots. The size of the samples shall be on the basis of the requirements of § 56.4.

10. Add a new § 56.44a to read:

§ 56.44a Requirements for eggs packaged under the U.S. Grade A mark, as shown in Figure 7 of § 56.38b.

Eggs packaged with the grade label designation specified in § 56.38b shall meet all of the provisions of § 56.44, except for the following:

(a) A flock shall consist of birds located on the same farm and managed under identical supervision.

(b) A flock may be eligible for entry under the program when a sample of 25 eggs drawn at random averages 64 Haugh units or higher; or when two samples of 25 eggs each drawn at random (one sample per week for two consecutive weeks) each averages 61 Haugh units or higher. Notwithstanding the foregoing, a flock shall not be eligible if any sample contains more than four eggs measuring less than 55 Haugh units, and the yolk of all eggs in the sample shall have a well-rounded appearance with a reasonably uniform color.

(c) A flock may remain on the program: *Provided*, That (1) a moving average of 60 Haugh units or higher is maintained; (2) no individual weekly average is below 55 Haugh units; (3) the yolks of all eggs have a well-rounded appearance with a reasonably uniform color; (4) not more than two eggs in any sample of 10 eggs measure less than 55 Haugh units.

(d) The weekly average shall be computed by averaging the results obtained by testing 10 eggs per flock per week. Samples shall be drawn at random once a week.

§ 56.200 [Amendment]

11. Change paragraph (b) of § 56.200 to read:

(b) Interior egg quality specifications for these standards are based on the apparent condition of the interior contents of the egg as it is twirled before the candling light, except as otherwise provided in § 56.44 or § 56.44a. Any type or make of candling light may be used that will enable the particular grader to make consistently accurate determination of the interior quality of shell eggs. It is desirable to break out an occasional egg and by determining the Haugh unit value of the broken-out egg, compare the broken-out and candled appearance, thereby aiding in correlating candled and broken-out appearance.

§ 56.210 [Amendment]

12. Change paragraphs (b), (c), (d) and (e) of § 56.210 to read:

(b) *Firm*. A white that is sufficiently thick or viscous to permit but limited movement of the yolk from the center of the egg, thus preventing the yolk outline from being more than slightly defined or indistinctly indicated when the egg is twirled. With respect to a broken-out egg, a firm white has a Haugh unit value of 72 or higher.

(c) *Reasonably firm*. A white that is somewhat less thick or viscous than a firm white. A reasonably firm white permits the yolk to move somewhat more freely from its normal position in the center of the egg and approach the shell more closely. This would result in a fairly well defined yolk outline when the egg is twirled. With respect to a broken-out egg, a reasonably firm white has a Haugh unit value of 55 to 72.

(d) *Slightly weak*. A white that is lacking in thickness or viscosity to an extent that permits the yolk to move quite freely from its normal position in the center of the egg. A slightly weak white will cause the yolk outline to appear well defined when the egg is twirled. With respect to a broken-out egg, a slightly weak white has a Haugh unit value of 31 to 55.

(e) *Weak and watery*. A white that is thin and generally lacking in viscosity. A weak and watery white permits the yolk to move freely from the center of the egg and to approach the shell closely, thus causing the yolk outline to appear plainly visible and dark when the egg is twirled. With respect to a broken-out egg, a weak and watery white has a Haugh unit value lower than 31.

13. Change § 56.221 to read:

§ 56.221 Grades.

(a) "U.S. Procurement Grade I" shall consist of eggs of which at least 80 percent are A Quality or better. Within the maximum of 20 percent which may be below A Quality, not more than 5 percent may be of the qualities below B. Said maximum tolerance of 5 percent may consist of C Quality, not more than 3 percent Checks, and not more than 3/10 percent Dirties, Leakers, and Loss combined. Loss other than meat spots and blood clots and spots shall not exceed 0.15 percent at origin and 0.20 percent at destination.

(b) "U.S. Procurement Grade II" shall consist of eggs of which at least 60 percent are A Quality or better. Within the maximum of 40 percent which may be below A Quality, not more than 10 percent may be of the qualities below B. Said maximum tolerance of 10 percent may consist of C Quality, not more than 3 percent Checks, and not more than 3/10 percent Dirties, Leakers, and Loss combined. Loss other than meat spots and blood clots and spots shall not exceed 0.15 percent at origin and 0.20 percent at destination.

(c) "U.S. Procurement Grade III" shall consist of eggs of which at least 40 percent are A Quality or better. Within the maximum of 60 percent which may be below A Quality, not more than 11.7 percent may be of the qualities below B. Said maximum tolerance of 11.7 percent may consist of C Quality, not more than 3 percent Checks, and not more than 3/10

percent Dirties, Leakers, and Loss combined. Loss other than meat spots and blood clots and spots shall not exceed 0.15 percent at origin and 0.20 percent at destination.

(d) "U.S. Procurement Grade IV" shall consist of eggs of which at least 20 percent are A quality or better. Within the maximum of 80 percent which may be below A quality, not more than 11.7 percent may be of the qualities below B. Said maximum tolerance of 11.7 percent may consist of C quality, not more than 3 percent Checks, and not more than 3/10 percent Dirties, Leakers, and Loss combined. Loss other than meat spots and blood clots and spots shall not exceed 0.15 percent at origin and 0.20 percent at destination.

(e) Individual case tolerance within a lot applying to each of the procurement grades: (1) Individual cases may contain not over 10 percent less A quality eggs than specified for any procurement grade provided the average percentage of A quality eggs for the lot is not less than the percentage specified. In lots of 200 cases or more, one case in each 10 examined may contain not over 20 percent less A quality eggs than the minimum percentage specified for the grade.

(2) Individual cases of Procurement Grades I, II, III, and IV may contain not over 10 percent, 15 percent, 18 percent and 18 percent respectively, of qualities below Grade B provided the average for the lot does not exceed the tolerance permitted in the grade.

14. Change § 56.222 to read:

§ 56.222 Summary of grades.

The summary of the U.S. Procurement Grades for Shell Eggs follows as Table I of this section:

TABLE I—SUMMARY OF U.S. PROCUREMENT GRADES FOR SHELL EGGS

U.S. Procurement Grade	A quality or better (lot average) at least ¹	Maximum tolerance permitted ² (lot average)	
	Percent	Percent	Quality
I-----	80	15 to 20..... (Not over 5.....)	B. C, Check, Dirty, Leaker, and Loss.
II-----	60	30 to 40..... (Not over 10.....)	B. C, Check, Dirty, Leaker, and Loss.
III-----	40	48.3 to 60..... (Not over 11.7.....)	B. C, Check, Dirty, Leaker, and Loss.
IV-----	20	68.3 to 80..... (Not over 11.7.....)	B. C, Check, Dirty, Leaker, and Loss.

¹ Individual cases may contain not over 10 percent less A quality eggs than permitted for the lot: *Provided*, That the average for the lot is not more than the tolerance permitted in any grade. In lots of 200 cases or more, one case in each 10 examined may contain not over 20 percent less A quality eggs than is permitted in any grade.

² Within each tolerance for qualities below B, each of the grades may contain not over 3 percent Checks, and a combined total of not over 3/10 percent Dirties, Leakers and Loss. Loss other than meat spots and blood clots and spots shall not exceed 0.15 percent at origin and 0.20 percent at destination. Individual cases of Procurement Grades I, II, III, and IV may contain not over 10 percent, 15 percent, 18 percent and 18 percent respectively, of qualities below Grade B provided the average for the lot does not exceed the tolerance permitted in the grade.

15. Add a new title "United States Export Grades and Weight Classes for Shell Eggs", followed immediately by new §§ 56.230 through 56.234 to read:

UNITED STATES EXPORT GRADES AND WEIGHT CLASSES FOR SHELL EGGS

§ 56.230 General.

(a) These export grades are applicable only to shell eggs in lot quantities packaged in accordance with the requirements set forth in § 56.234. A lot may contain any quantity of one or more cases. Reference to the term "case" means a 30-dozen egg case as used in commercial practices in the United States.

(b) All terms in the United States Standards for Quality of Individual Shell Eggs (§ 56.200 et seq.) shall, when used in this part have the same meaning as is given to them in such standards.

(c) Substitution of higher qualities for the lower qualities specified is permitted.

§ 56.231 Grades.

(a) "U.S. Export Grade I" or "U.S. Export Grade A" shall consist of eggs of which at least 80 percent are A quality or better. Within the maximum of 20 percent which may be below A quality, not more than 5 percent may be of the qualities below B. Said maximum tolerance of 5 percent may consist of C quality, not more than 3 percent Checks, and not more than $\frac{3}{10}$ percent Dirties, Leakers, and Loss combined. Loss shall not include inedible eggs as defined in § 56.212(b).

(b) "U.S. Export Grade II" shall consist of eggs of which at least 60 percent are A quality or better. Within the maximum or 40 percent which may be below A quality, not more than 10 percent may be of the qualities below B. Said maximum tolerance of 10 percent may consist of C quality, not more than 3 percent Checks, and not more than $\frac{3}{10}$ percent Dirties, Leakers, and Loss combined. Loss shall not include inedible eggs as defined in § 56.212(b).

(c) "U.S. Export Grade III" shall consist of eggs of which at least 40 percent are A quality or better. Within the maximum of 60 percent which may be below A quality, not more than 11.7 percent may be of the qualities below B. Said maximum tolerance of 11.7 percent may consist of C quality, not more than 3 percent Checks, not more than $\frac{3}{10}$ percent Dirties, Leakers, and Loss combined. Loss shall not include inedible eggs as defined in § 56.212(b).

(d) "U.S. Export Grade IV" shall consist of eggs of which at least 20 percent are A quality or better. Within the maximum of 80 percent which may be below A quality, not more than 11.7 percent may be of the qualities below B. Said maximum tolerance of 11.7 percent may consist of C quality, not more than 3 percent Checks, and not more than $\frac{3}{10}$ percent Dirties, Leakers, and Loss combined. Loss shall not include inedible eggs as defined in § 56.212(b).

(e) Individual case tolerance within a lot applying to each of the export grades: (1) Individual cases may contain not over 10 percent less A quality eggs than specified for any export grade: *Provided*,

That the average percentage of A quality eggs for the lot is not less than the percentage specified. In lots of 200 cases or more, one case in each 10 examined may contain not over 20 percent less A quality eggs than the minimum percentage specified for the grade.

(2) Individual cases of U.S. Export Grades I or A, II, III, and IV may contain not over 10 percent, 15 percent, 18 percent and 18 percent respectively, of qualities below B provided the average for the lot does not exceed the tolerance permitted in the grade.

§ 56.232 Summary of grades.

The summary of the U.S. Export Grades for Shell Eggs follows as Table I of this section:

TABLE I—SUMMARY OF U.S. EXPORT GRADES FOR SHELL EGGS

U.S. export grade	A quality or better (lot average) at least ¹	Maximum tolerance permitted ² (lot average)	
	Percent	Percent	Quality
I or A	80	15 to 20 (Not over 5)	B. Edible eggs below B quality.
II	60	30 to 40 (Not over 10)	B. Edible eggs below B quality.
III	40	49.3 to 60 (Not over 11.7)	B. Edible eggs below B quality.
IV	20	68.3 to 80 (Not over 11.7)	B. Edible eggs below B quality.

¹ Individual cases may contain not over 10 percent less A quality eggs than permitted for the lot: *Provided*, That the average for the lot is not more than the tolerance permitted in any grade. In lots of 200 cases or more, one case in each 10 examined may contain not over 20 percent less A quality eggs than is permitted in any grade.

² Within each tolerance for qualities below B, each of the grades may contain not over 3 percent Checks, and a combined total of not over $\frac{3}{10}$ percent Dirties, Leakers, and Loss. Loss shall not include inedible eggs as defined in § 56.212(b). Individual cases of U.S. Export Grades I or A, II, III, and IV may contain not over 10 percent, 15 percent, 18 percent and 18 percent respectively, of qualities below B provided the average for the lot does not exceed the tolerance permitted in the grade.

§ 56.233 Weight classes.

(a) The weight classes for United States Export Grades for Shell Eggs shall be as indicated in Table I of this section and shall apply to all export grades:

TABLE I—WEIGHT CLASSES FOR UNITED STATES EXPORT GRADES

Weight classes	Average net weight on lot basis 30-dozen case	Minimum net weight individual 30-dozen case	Minimum weight of individual eggs, at net rate per dozen	Maximum average percent of individual eggs below minimum weight lot average ¹
	Pounds	Pounds	Ounces	Percent
Extra large	50.5	50	26	3.33
Large	45	44.5	23	3.33
Medium	39.5	39	20	3.33
Small	34	33.5	17	3.33

¹ Individual cases may contain not over 10 percent of individual eggs below minimum weight specified in any weight class, but such eggs shall weigh not less than the minimum specified for the next lower weight class.

§ 56.234 Packaging material.

(a) Eggs graded and labeled as an export grade shall be packed in new stand-

ard cases and new standard packing material. New standard wood cases shall comply with the requirements of paragraph 5.2.1.2 of Interim Federal Specification C-E-00271c "Eggs Shell", dated November 12, 1958. New standard fiber cases shall be of one of the following types:

Type C Case

- (1) Solid or double-faced corrugated fiber.
- (2) 65-pound box with 220 pounds per square inch bursting strength.
- (3) The fiberboard of which the box is made must be scored and folded so as to provide double thickness over entire area of ends and sides. Also, the bottoms and center partitions must consist of at least 2 thicknesses of such fiberboard.
- (4) The center partitions must be held firmly in position in center of case.

Type D Case

- (1) Cases made of double-faced corrugated fiberboard with not less than 200 pounds bursting strength and must have, in addition, an asphalted corrugating sheet not less than 0.013 inches thick.
- (2) The fiberboard of which the box is made must be scored and folded so as to provide double thickness over entire area of bottom and ends. Center partition must consist of at least 2 thicknesses of such fiberboard and must be held firmly in position in center of case.

Type E Case

- (1) Double-faced corrugated fiberboard of at least 4-ply solid fiberboard.
- (2) 90-pound box.
- (3) The fiberboard of which the box is made must be scored and folded so as to provide double thickness over entire areas of at least 2 of the 4 following parts: bottoms, ends, sides and center partition.
- (4) Center partition must be held in position in center of case.

Type F Case

- (1) Double-faced corrugated fiberboard.
- (2) 65-pound box with 220 pounds per square inch of bursting strength.
- (3) Center partition must be of double thickness and not less than 200 pounds per square inch bursting strength. Also, a flange on each side not less than $\frac{1}{8}$ of an inch wide which must be fastened to sidewalls with at least 5 staples equally spaced between top and bottom.
- (4) The two thicknesses forming center partition must be stapled together.
- (5) Fiberboard forming center partition must extend over entire area of bottom providing double thickness.
- (6) Ends must be double wall corrugated fiberboard, testing not less than 350 pounds with flanges not less than $\frac{1}{8}$ of an inch forming recessed ends. Ends must be stapled to sidewalls and bottom with not less than 6 staples.

(b) Each case must bear the certificate of the box maker that the box conforms to all construction requirements of the Uniform or Consolidated Freight Classification; also, this mark should show the bursting test (200 to 220 pounds per square inch) and the gross weight (65 or 90 pounds) of box.

(c) Sealing: The tops of all cases must be closed securely so they will not open during transportation, by applying a 3-inch gummed tape over all seams (made by the closing of the case). The tape shall extend down the sides and ends of the cases not less than 3 inches.

(d) Marking. Each case shall be plainly marked in English and in the

language of the importing country to show the name of the product, the quantity, and the size. When the importing country requires marking on the individual egg, such marking shall be legible. (Sec. 205, 60 Stat. 1090, as amended; 7 U.S.C. 1624; 19 F.R. 74)

Issued at Washington, D.C. this 12th day of August 1959.

ROY W. LENNARTSON,
Deputy Administrator,
Agricultural Marketing Service.

[F.R. Doc. 59-6786; Filed, Aug. 14, 1959;
8:50 a.m.]

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

[Valencia Orange Reg. 178]

PART 922 — VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 922.478 Valencia Orange Regulation 178.

(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recom-

mendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on August 13, 1959.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., August 16, 1959, and ending at 12:01 a.m., P.s.t., August 23, 1959, are hereby fixed as follows:

- (i) District 1: Unlimited movement;
- (ii) District 2: 693,000 cartons;
- (iii) District 3: Unlimited movement.

(2) All Valencia oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

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

Dated: August 14, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-6875; Filed, Aug. 14, 1959;
11:45 a.m.]

PART 939 — BEURRE D'ANJOU, BEURRE BOSC, WINTER NELIS, DOYENNE DU COMICE, BEURRE EASTER, AND BEURRE CLAIRGEAU VARIETIES OF PEARS GROWN IN OREGON, WASHINGTON, AND CALIFORNIA

Expenses and Rate of Assessment for 1959-60 Fiscal Period

On July 29, 1959, notice of proposed rule making was published in the FEDERAL REGISTER (24 F.R. 6055) that consideration was being given to proposals regarding the expenses and the fixing of the rate of assessment for the 1959-60 fiscal period under the marketing agreement, as amended, and Order No. 39, as amended (7 CFR Part 939), regulating the handling of Beurre D'Anjou, Beurre Bosc, Winter Nelis, Doyenne du Comice,

Beurre Easter, and Beurre Clairgeau varieties of pears grown in Oregon, Washington, and California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice which were submitted by the Control Committee (established pursuant to said amended marketing agreement and order), it is hereby found and determined that:

§ 939.212 Expenses and rate of assessment for the 1959-60 fiscal period.

(a) *Expenses.* Expenses that are reasonable and likely to be incurred by the Control Committee, established pursuant to the provisions of the aforesaid amended marketing agreement and order, to enable such committee to perform its functions, in accordance with the provisions thereof, during the fiscal period beginning July 1, 1959, and ending June 30, 1960, both dates inclusive, will amount to \$37,535.40.

(b) *Rate of assessment.* The rate of assessment, which each handler who first handles pears shall pay as his pro rata share of the aforesaid expenses in accordance with the applicable provisions of said amended marketing agreement and order, is hereby fixed at eight and one-half mills (\$0.0085) per standard western pear box of pears, or its equivalent of pears in other containers or in bulk, shipped by such handler during said fiscal period.

It is hereby further found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001-1011) in that (1) in accordance with the provisions of said amended marketing agreement and order, the rate of assessment is applicable to all pears shipped during the 1959-60 fiscal period; (2) shipments of such pears are now being made; and (3) it is essential that the specification of the assessment rate be issued immediately so that the aforesaid assessments may be collected and thereby enable said Control Committee to perform its duties and functions in accordance with said amended marketing agreement and order.

Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order. The terms hereof shall become effective upon publication in the FEDERAL REGISTER.

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

Dated: August 12, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Market-
ing Service.

[F.R. Doc. 59-6767; Filed, Aug. 14, 1959;
8:47 a.m.]

[Lemon Reg. 805]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA**Limitation of Handling****§ 953.912 Lemon Regulation 805.**

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based become available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as herein-after set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on August 12, 1959.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., August 16, 1959, and ending at 12:01 a.m., P.s.t., August 23, 1959, are hereby fixed as follows:

- (i) District 1: Unlimited movement;
(ii) District 2: 325,500 cartons;

(iii) District 3: Unlimited movement.
(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

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

Dated: August 13, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-6833; Filed, Aug. 14, 1959;
9:19 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter III—Farmers Home Adminis- tration, Department of Agriculture

SUBCHAPTER B—FARM OWNERSHIP LOANS

[FHA Instruction 428.1]

PART 331—POLICIES AND AUTHORITIES

Average Values of Farms; South Carolina

On July 31, 1959, for the purposes of Title I of the Bankhead-Jones Farm Tenant Act, as amended, average values of efficient family-type farm-management units for the counties identified below were determined to be as herein set forth. The average values heretofore established for said counties, which appear in the tabulations of average values under § 331.17, Chapter III, Title 6 of the Code of Federal Regulations, are hereby superseded by the average values set forth below for said counties.

County	Average value
Abbeville	\$35,000
Aiken	40,000
Allendale	35,000
Anderson	40,000
Banberg	40,000
Barnwell	35,000
Beaufort	40,000
Berkeley	35,000
Calhoun	40,000
Charleston	40,000
Cherokee	40,000
Chester	40,000
Chesterfield	40,000
Clarendon	40,000
Colleton	40,000
Darlington	40,000
Dillon	40,000
Dorchester	40,000
Edgefield	40,000
Fairfield	35,000
Florence	40,000
Georgetown	35,000
Greenville	40,000
Greenwood	40,000
Hampton	35,000
Horry	35,000
Jasper	35,000
Kershaw	35,000
Lancaster	35,000
Laurens	40,000
Lee	40,000
Lexington	35,000
McCormick	35,000
Marion	40,000
Marlboro	40,000
Newberry	40,000

SOUTH CAROLINA—Continued

County	Average value
Oconee	\$40,000
Orangeburg	40,000
Pickens	40,000
Richland	40,000
Saluda	40,000
Spartanburg	40,000
Sumter	40,000
Union	35,000
Williamsburg	35,000
York	40,000

(Sec. 41, 50 Stat., as amended; 7 U.S.C. 1015;
Order of Acting Sec. of Agric. 19 F.R. 74, 77,
22 F.R. 8188)

Dated: August 7, 1959.

H. C. SMITH,
Acting Administrator,
Farmers Home Administration.

[F.R. Doc. 59-6789; Filed, Aug. 14, 1959;
8:50 a.m.]

Chapter IV—Commodity Stabilization Service and Commodity Credit Cor- poration, Department of Agricul- ture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[C.C.C. Grain Price Support Bulletin 1, 1959
Supp. 2, Wheat]

PART 421—GRAINS AND RELATED COMMODITIES

Subpart—1959-Crop Wheat Loan and Purchase Agreement Program

Correction

In F.R. Doc. 59-6398, appearing at page 6232 of the issue for Tuesday, August 4, 1959, the following changes should be made in § 421.4047(b):

- Under the counties for Missouri, "Benton" should read "Butler."
- Under Virginia, the entry for "Anne" following "Princess Anne" should be deleted.

[1959 CCC Cotton Bulletin 1, Amdt. 2]

PART 427—COTTON

Subpart—1959 Cotton Loan Program Regulations

CUSTODIAL OFFICES

The regulations issued by Commodity Credit Corporation and Commodity Stabilization Service, published in 24 F.R. 3475 as 1959 CCC Cotton Bulletin 1 and containing the terms and conditions with respect to the 1959 Cotton Loan Program, are hereby amended to make certain changes in custodial offices and the districts served by each such custodial office.

Section 427.1028 is hereby amended to read as follows:

§ 427.1028 Custodial offices.

The custodial offices referred to in this subpart and the district served by each are shown below:

Federal Reserve Bank, Atlanta, Ga.: Ala-
bama, Florida, Georgia, North Carolina, South
Carolina, Virginia.

Federal Reserve Bank, Dallas, Tex.: Arizona, California, Kansas, Nevada, New Mexico, Oklahoma, Texas.

Federal Reserve Bank, Memphis, Tenn.: Arkansas, Illinois, Kentucky, Missouri, Tennessee, and the following counties in Mississippi: Alcorn, Attala, Benton, Bolivar, Calhoun, Carroll, Chickasaw, Choctaw, Clay, Coahoma, De Soto, Grenada, Holmes, Humphreys, Itawamba, Lafayette, Lee, Leflore, Lowndes, Marshall, Monroe, Montgomery, Noxubee, Oktibbeha, Panola, Pontotoc, Prentiss, Quitman, Sunflower, Tallahatchie, Tate, Tippah, Tishomingo, Tunica, Union, Washington, Webster, Winston, Yalobusha.

New Orleans CSS Commodity Office: Louisiana and counties in Mississippi not assigned to Memphis.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 102, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714c, 7 U.S.C. 1441, 1443, 1421)

Issued this 11th day of August 1959.

WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 59-6788; Filed, Aug. 14, 1959;
8:50 a.m.]

[1959 CCC Cotton Bulletin 2, Amdt. 2]

PART 427—COTTON

Subpart—1959 Cotton Purchase Program Regulations

PREPARATION OF DOCUMENTS

The regulations issued by Commodity Credit Corporation and Commodity Stabilization Service, published in 24 F.R. 3482 as 1959 CCC Cotton Bulletin 2 and containing the terms and conditions with respect to the 1959 Cotton Purchase Program, are hereby amended to make minor language changes and to provide for the use of Marketing Certificate for Penalty Free Upland Cotton, Form MQ-91—Cotton (Upland), in the 1959 Cotton Purchase Program.

Section 427.1062 (a) and (b) are hereby amended to read as follows:

§ 427.1062 Preparation of documents.

(a) A producer desiring to sell eligible warehouse-stored or bill of lading cotton may obtain the necessary forms from county offices, approved purchasing agencies, and approved warehouses. The purchasing agency will assist the producer in the preparation and execution of the Form SA, except as provided below. All applicable blanks on the purchase forms must be filled in with ink, indelible pencil, or typewriter in the manner indicated therein, and documents containing additions, alterations, or erasures may be rejected by CCC. All copies should be clearly legible. The spaces provided on Form SA for the producer to request and direct payment of the sales proceeds must be completed in every instance. All disbursements made from the proceeds of a sale must be shown, and the total must agree with the amount of the sale. No deduction may be made from the sales proceeds by the purchasing agency as a charge for preparing (or handling) the documents.

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Care should be exercised by the purchasing agency to determine that the producer and the cotton are eligible and that the warehouse receipts or bills of lading are genuine. Before a purchasing agency prepares documents for a producer, it must require the producer to present his marketing card so the purchasing agency can determine whether the producer is eligible to sell his cotton to CCC. The marketing card for Choice (A) cotton (Form MQ-76—Upland Cotton) will be a green card. The county committee, in preparation of the producer's marketing card, will indicate the producer's eligibility. If neither of the boxes following the words "Eligible Only if Sales Agreement Approved by ASC County Committee" and "Ineligible for Price Support" contains an "X," the purchasing agency will use this as evidence that the producer is eligible to sell his cotton to CCC. If the box following the words "Eligible Only if Sales Agreement Approved by ASC County Committee" contains an "X," or if the marketing card shows evidence of any alteration or erasure, the purchasing agency shall inform the producer that in order for him to sell his cotton to CCC he must have the Certificate of Agricultural Stabilization and Conservation County Committee on Form SA executed by the county office manager (or a county office employee designated by him). If the box following the words "Ineligible for Price Support" contains an "X," the cotton produced on the farm for which the marketing card was issued is not eligible for price support under any condition, and the producer should be so informed by the purchasing agency. In any case where a Marketing Certificate for Penalty Free Upland Cotton, Form MQ-91—Cotton (Upland), is presented to a purchasing agency in lieu of a 1959 Choice (A) upland cotton marketing card, the purchasing agency shall inform the producer that in order for him to sell his cotton to CCC he must have the Certificate of Agricultural Stabilization and Conservation County Committee on the Form SA executed by the county office manager (or a county office employee designated by him). If it is determined that the cotton is eligible to be sold to CCC, the Certificate of Agricultural Stabilization and Conservation County Committee shall be executed as prescribed in the preceding sentence, and the serial number of the Marketing Certificate for Penalty Free Upland Cotton shall be inserted by the county office in the space provided for the Marketing Card Serial Number on the Form SA. Purchasing agencies which are also eligible producers must sell cotton produced by them direct to the New Orleans office or to another approved purchasing agency. If a purchasing agency, or any officer, employee, or agent of such purchasing agency, holds a power of attorney from an eligible producer who desires to sell his cotton to CCC, the cotton must be sold direct to the New Orleans office or to another purchasing agency.

(b) The Purchasing Agency's Certificate on each Form SA tendered for purchase by CCC must be executed by

the purchasing agency making the purchase from the producer. The original of Form SA must be signed by the producer, and the copy marked "Producer's Copy" is to be retained by the producer. Purchase forms must not be signed in blank. All applicable entries must be completed prior to the time the form is signed by the producer and the purchasing agency. The proper status of the producer (i.e., whether landowner, landlord, tenant, or sharecropper) must be shown in the space provided therefor on Form SA and all landowners and landlords must sign the Lienholders Waiver on such forms whether or not they claim liens unless the landowners and landlords, as eligible producers, are selling their cotton jointly. Cotton of various grades and staple lengths may be included on one Form SA. All of the cotton on a Sales Agreement must have been ginned at the same gin, must be stored in the same warehouse, and the gin bale number of each bale must be entered in the applicable column of the Schedule of Cotton Sold on the Form SA. Not more than 999 bales shall be included on any one Sales Agreement. When a producer has two or more Choice (A) farms, the cotton produced on different farms shall not be entered on the same Form SA.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 102, 401, 63 Stat. 1051, as amended; 15 U.S.C. 714c, 7 U.S.C. 1441, 1443, 1421)

Issued this 11th day of August 1959.

WALTER C. BERGER,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 59-6787; Filed, Aug. 14, 1959;
8:50 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

[Reg. Docket No. 87; Amdt. 2]

PART 617—AIR TRAFFIC CONTROL RULES

Landing and Taxiing Clearances

As presently written, § 617.26 refers to "the airport boundary" as the common reference point at which separation between successive landing aircraft is determined. However, the airport boundary does not always coincide with the approach end of the landing runway. In some cases, the distance between the airport boundary and the approach end of the runway is several thousand feet. In order to utilize a realistic geographic point upon which to predicate the separation of successive landing aircraft, such references have been changed to specify "the approach end of the runway." In addition, § 617.26(b) has been rewritten to clarify the standards to be utilized by air traffic controllers in determining the time when a landing clearance may be issued to a succeeding aircraft landing

on the same runway. Finally, § 617.46(g) has been amended to eliminate any misunderstanding by pilots of the phrases "Hold Your Position" and "Taxi Into Position" because of their phonetic similarity. This amendment does not impose any additional burden upon any person.

For the reasons stated above, the Administrator finds that a situation exists requiring immediate action in the interest of safety, so that notice and public procedure hereon are unnecessary and impracticable and good cause exists for making this amendment effective upon the date of its publication in the FEDERAL REGISTER.

In consideration of the foregoing, Part 617 is hereby amended as follows:

1. In § 617.26, paragraphs (b), (d) (1), (e) (1), and (e) (3) (i), are amended as follows:

§ 617.26 Control of traffic in the traffic pattern.

(b) Sufficient separation shall be effected between arriving aircraft so that the succeeding landing aircraft on the same runway will not cross the approach end of the runway in its final glide until the preceding aircraft has cleared the runway-in-use. (See Fig. 4.) Normally, a landing clearance is issued to a succeeding aircraft when the preceding aircraft has actually cleared the runway-in-use. However, an air traffic controller may, in the exercise of his judgment, issue a landing clearance to a succeeding aircraft before the preceding aircraft has actually cleared the runway-in-use when it appears that such succeeding aircraft landing on the same runway will not cross the approach end of the runway in its final glide until the preceding aircraft has cleared the runway-in-use.

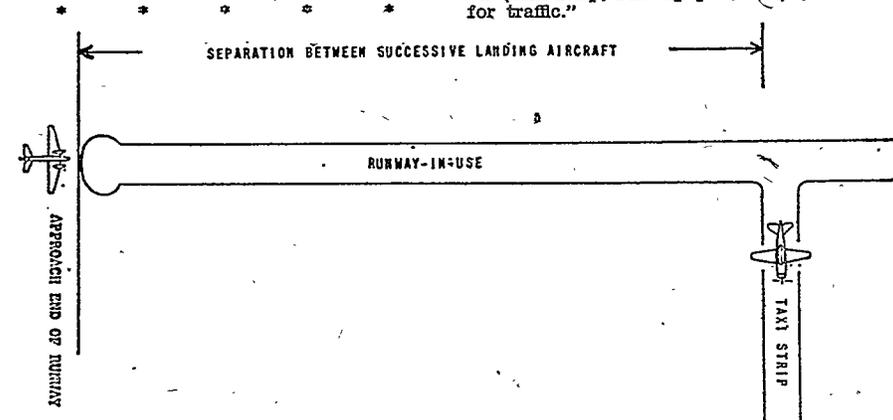


FIGURE 4. Separation between successive landing aircraft.

(d) * * *
 (1) A landing aircraft will not cross the approach end of the runway in its final glide until the preceding departing aircraft on the same runway has crossed the far end of the runway.

(e) * * *
 (1) Landing: Sufficient separation shall be effected between arriving aircraft to ensure that succeeding landing

aircraft on the same runway will not cross the approach end of the runway until the preceding landing aircraft has landed and is clear of the runway, or if the preceding landing aircraft is making a touch-and-go landing, is airborne, or taking off (as defined in subparagraph (3) (i) of this paragraph).

(3) * * *
 (i) That a landing aircraft will not cross the approach end of the runway until the preceding aircraft taking off is definitely airborne or has traversed at least the first 3,000 feet of runway. The determining factor in each case should be whether the following aircraft has sufficient area available to land or take off safely in the event the preceding aircraft, through unforeseen circumstances, blocks a portion of the usable runway.

2. By amending § 617.46(g) (2) (vi) to read as set forth below and by deleting subdivision (viii) of § 617.46(g) (2) and renumbering subdivisions (ix) through (xix) to (viii) through (xviii) respectively:

§ 617.46 Standard phraseologies for for traffic clearances.

(g) * * *
 (2) * * *
 (vi) Whenever it is desired that a taxiing aircraft hold at a specific point or when an aircraft adjacent to the active runway requests a take-off clearance and cannot be cleared onto the runway-in-use or whenever it is otherwise desired that the aircraft not move, the following phraseology shall be used:

"Hold; hold short of (position)"; or "Hold on (taxi strip; run-up pad, etc.)"; or "Hold for traffic."

This amendment shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 313(a), 601, 72 Stat. 752, 775; 49 U.S.C. 1354, 1421)

Issued in Washington, D.C., on August 10, 1959.

E. R. QUESADA,
 Administrator.

[F.R. Doc. 59-6698; Filed, Aug. 14, 1959; 8:45 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Tolerances for Residues of O,O-Diethyl O-(2-Isopropyl-4-Methyl-6-Pyrimidinyl) Phosphorothioate

In F.R. Doc. 59-6299, published in the FEDERAL REGISTER of July 31, 1959 (24 F.R. 6159), in the amendment to § 120.153(b), the word "watercress" is corrected to read "watermelons".

(Sec. 408(d) (2), 68 Stat. 512; 21 U.S.C. 346a (d) (2))

Dated: August 10, 1959.

[SEAL] GEO. P. LARRICK,
 Commissioner of Food and Drugs.

[F.R. Doc. 59-6781; Filed, Aug. 14, 1959; 8:49 a.m.]

SUBCHAPTER C—DRUGS

PART 146c—CERTIFICATION OF CHLORTETRACYCLINE (OR TETRACYCLINE) AND CHLORTETRACYCLINE-(OR TETRACYCLINE-) CONTAINING DRUGS

Capsules Tetracycline Hydrochloride and Novobiocin; Capsules Tetracycline Phosphate Complex and Novobiocin

Under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 357, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (22 F.R. 1045, 23 F.R. 9500), the regulations for certification of antibiotic and antibiotic-containing drugs (21 CFR and 21 CFR, 1958 Supp., 146c. 234) are amended as set forth below:

In § 146c.234, paragraph (a) is amended by changing the number "125" to read "62.5". As amended, paragraph (a) will read as follows:

§ 146c.234 Capsules tetracycline hydrochloride and novobiocin; capsules tetracycline phosphate complex and novobiocin.

(a) Unless it is intended solely for veterinary use and is conspicuously so labeled, each capsule contains not less than 62.5 milligrams of novobiocin as the monosodium salt. The crystalline novobiocin used conforms to the requirements for novobiocin prescribed by § 146a.53(a) of this chapter.

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with an interested member of the industry, and since it would be against public interest to delay providing for the amendment included in this order.

Effective date. This order shall become effective on the date of publication in the FEDERAL REGISTER, since both the public and the affected industry will benefit by the earliest effective date, and I so find.

(Sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371. Interprets or applies sec. 507, 59 Stat. 463, as amended; 21 U.S.C. 357)

Dated: August 10, 1959.

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

[F.R. Doc. 59-6769; Filed, Aug. 14, 1959; 8:47 a.m.]

PART 146c—CERTIFICATION OF CHLORTETRACYCLINE (OR TETRACYCLINE) AND CHLORTETRACYCLINE- (OR TETRACYCLINE-) CONTAINING DRUGS

Tablets Tetracycline Hydrochloride and Novobiocin

Under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 357, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (22 F.R. 1045, 23 F.R. 9500), the regulations for certification of antibiotic and antibiotic-containing drugs (21 CFR and 21 CFR, 1958 Supp., 146c.-238) are amended as set forth below:

In § 146c.238, paragraph (c) is amended by changing the number "18" to read "36". As amended, paragraph (c) will read as follows:

§ 146c.238 Tablets tetracycline hydrochloride and novobiocin.

(c) In addition to the labeling prescribed for tetracycline hydrochloride capsules, each package shall bear on its label and labeling the number of milligrams of monosodium novobiocin or calcium novobiocin in each tablet of the batch. The expiration date of the drug shall be 36 months.

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with interested members of the affected industry, and since it would be against public interest to delay providing for the amendment included in this order.

Effective date. This order shall become effective on the date of publication in the FEDERAL REGISTER, since both the public and the affected industry will benefit by the earliest effective date, and I so find.

(Sec. 701, 52 Stat. 1055, as amended; 21 U.S.C. 371. Interprets or applies sec. 507, 59 Stat. 463, as amended; 21 U.S.C. 357)

Dated: August 10, 1959.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 59-6770; Filed, Aug. 14, 1959; 8:47 a.m.]

Title 20—EMPLOYEES' BENEFITS

Chapter III—Bureau of Old-Age and Survivors Insurance, Social Security Administration, Department of Health, Education, and Welfare

MISCELLANEOUS AMENDMENTS TO CHAPTER

In order to conform Chapter III of Title 20 of the Code of Federal Regulations to changes in the Office of the Commissioner in the Social Security Administration approved by the Secretary of Health, Education, and Welfare on April 16, 1959, and which appear in an appropriate revision of Part 8 of the Statement of Organization and Delegations of Authority of the Department (22 F.R. 1050), to be published simultaneously herewith,¹ Chapter III of Title 20 of the Code of Federal Regulations, as amended, is further amended as follows:

1. Wherever the words "office of Appeals Council" or "office of the Appeals Council" appear in Chapter III of Title 20 of the Code of Federal Regulations, the words "the Appeals Council in the Office of Hearings and Appeals" shall be substituted therefor. Where the words "Office of Appeals Council" appear in § 403.709(b) of Part 403 and § 404.1001(s) of Part 404 of the said Chapter III, the words "Appeals Council in the Office of Hearings and Appeals" shall be substituted therefor.

2. Wherever the words "Chairman of the Appeals Council" or the word "Chairman," where it refers to the Chairman of the Appeals Council, appear in Chapter III of Title 20 of the Code of Federal Regulations, the words "Director of the Office of Hearings and Appeals" or the word "Director," respectively, shall be substituted therefor.

3. Wherever the word "referee" appears in Chapter III of Title 20 of the Code of Federal Regulations, the words "hearing examiner" shall be substituted therefor.

4. Valid use may be made of existing forms of the Office of Appeals Council without change in nomenclature until December 31, 1959. Wherever the words "Office of Appeals Council" or "referee" appear on any executed forms or documents in the files of the Social Security Administration, they shall be deemed to refer, wherever appropriate, to "the Appeals Council in the Office of Hearings and Appeals," or to "hearing examiner," respectively.

¹See F.R. Doc. 59-6782 in Notices section, *infra*.

(Sec. 205(a), 53 Stat. 1368 as amended, sec. 1102, 49 Stat. 647 as amended; 42 U.S.C. 405(a), 1302; sec. 5 of Reorganization Plan No. 1 of 1953, 67 Stat. 18. Applies sec. 1102, 49 Stat. 647 as amended; 42 U.S.C. 1302)

[SEAL] W. L. MITCHELL,
Commissioner of Social Security.

JULY 31, 1959.

Approved: August 12, 1959.

ARTHUR S. FLEMMING,
Secretary of Health, Education,
and Welfare.

[F.R. Doc. 59-6783; Filed, Aug. 14, 1959; 8:49 a.m.]

Title 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T. D. 6407]

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

Corporate Normal Tax

In order to conform the Income Tax Regulations (26 CFR Part 1) to those amendments made to the Internal Revenue Code of 1954 by the Tax Rate Extension Act of 1959 (73 Stat. 157) which relate to the extension of the corporation normal-tax rate under section 11(b), such regulations are amended as follows:

§ 1.11 [Amendment]

PARAGRAPH 1. Section 1.11, as amended by Treasury Decision 6350, approved December 31, 1958, is further amended by revising section 11(b) (1) and (2) and the historical note to read as follows:

§ 1.11 Statutory provisions; tax on corporations.

SEC. 11. Tax imposed. * * *

(b) Normal tax—(1) Taxable years beginning before July 1, 1960. In the case of a taxable year beginning before July 1, 1960, the normal tax is equal to 30 percent of the taxable income.

(2) Taxable years beginning after June 30, 1960. In the case of a taxable year beginning after June 30, 1960, the normal tax is equal to 25 percent of the taxable income.

[Sec. 11 as amended by sec. 2, Tax Rate Extension Act 1955 (69 Stat. 14); sec. 2, Tax Rate Extension Act 1956 (70 Stat. 66); sec. 2, Tax Rate Extension Act 1957 (71 Stat. 9); sec. 2, Tax Rate Extension Act 1958 (72 Stat. 259); sec. 2, Tax Rate Extension Act 1959 (73 Stat. 157)]

§ 1.11-1 [Amendment]

PAR. 2. Paragraph (c) of § 1.11-1, as amended by Treasury Decision 6350, is further amended by striking out "1959" each time it occurs and inserting in lieu thereof "1960".

PAR. 3. Section 1.21-1, as amended by Treasury Decision 6350, is further amended by revising paragraph (a) and Example (2) in paragraph (n) thereof to read as follows:

§ 1.21-1 Changes in rate during a taxable year.

(a) Section 21 applies to all taxpayers, including individuals and corporations. It provides a general rule applicable in any case where (1) any rate of tax imposed by chapter 1 upon the taxpayer is increased or decreased, or any such tax is repealed, and (2) the taxable year includes the effective date of the change, except where that date is the first day of the taxable year. Thus, for example, the normal tax on corporations might, under section 11(b), be decreased from 30 percent to 25 percent in the case of a taxable year beginning after June 30. Accordingly, the tax for a taxable year of a corporation beginning on July 1 would be computed under section 11(b) at the new rate without regard to section 21. However, for any taxable year beginning before July 1, and ending on or after that date, the tax would be computed under section 21. For additional circumstances under which section 21 is not applicable, see paragraph (k) of this section.

(n) The application of section 21 may be illustrated by the following examples:

Example (2). For purposes of this example, the following facts are assumed: The taxpayer is a corporation, its taxable year is a calendar year of 365 days (that is, it is not a leap year), its taxable income for both normal tax and surtax purposes is \$100,000, and it is subject to a change in the rate of the normal tax from 30 percent of taxable income to 25 percent of taxable income effective on July 1 of the taxable year. The change in the normal tax rate applicable to the corporation does not affect the amount of any other tax applicable to the corporation under chapter 1. In such case, the tentative tax at the 30 percent rate would be \$30,000, and the tentative tax at the 25 percent rate would be \$25,000. The proportionate part of the tentative tax at the 30 percent rate is \$14,876.71, that is, an amount which is the same proportion of \$30,000 as 181 (the number of days from January 1 to June 30 of the taxable year, both dates inclusive) is to 365 (the total number of days in the taxable year). The proportionate part of the tentative tax at the 25 percent rate is \$12,602.74, that is, an amount which is the same proportion of \$25,000 as 184 (the number of days from July 1 to December 31 of the taxable year, both dates inclusive) is to 365.

Because this Treasury decision merely provides for the extension of the corporate normal-tax rate under the Tax Rate Extension Act of 1959 (73 Stat. 157), it is found unnecessary to issue the Treasury decision with notice and public procedure 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 that Act.

(68A Stat. 917; 26 U.S.C. 7805)

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

Approved: August 11, 1959.

FRED C. SCRIBNER, Jr.,
Acting Secretary of the Treasury

[F.R. Doc. 59-6764; Filed, Aug. 14, 1959;
8:46 a.m.]

[T.D. 6406]

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

Miscellaneous Amendments

On June 2, 1959, notice of proposed rule making regarding the amendment of the Income Tax Regulations (26 CFR Part 1) to reflect the changes made by section 6 of the Technical Amendments Act of 1958 (72 Stat. 1608) was published in the FEDERAL REGISTER (24 F.R. 4495). No objection to the rules proposed was received during the 30-day period prescribed in the notice, and the amendment as so published is hereby adopted.

In order to conform the Income Tax Regulations (26 CFR (1954) Part 1) to section 6 of the Technical Amendments Act of 1958 (72 Stat. 1608), such regulations have been amended as follows:

§ 1.164 [Amendment]

PARAGRAPH 1. Section 1.164 is amended—

(A) By redesignating section 164(f) as section 164(g), and by inserting after section 164(e) the following new subsection:

(f) *Payments for municipal services in atomic energy communities.* For purposes of this section, amounts paid or accrued, to compensate the Atomic Energy Commission for municipal-type services, by any owner of real property within any community (within the meaning of section 21b of the Atomic Energy Community Act of 1955) shall be treated as real property taxes paid or accrued. For purposes of this subsection, the term "owner" includes a person who holds the real property under a leasehold of 40 or more years and a person who has entered into a contract to purchase under section 61 of the Atomic Energy Community Act of 1955. Subsection (d) of this section shall not apply to a sale by the United States of property with respect to which this subsection applies.

(B) By adding the following historical note after section 164(g) as redesignated:

[Sec. 164(f) as added by sec. 6, Technical Amendments Act, 1958 (72 Stat. 1608)]

§ 164-1 [Amendment]

PAR. 2. Section 1-164-1 is amended by deleting "1.164-7" in the first sentence and inserting in lieu thereof "1.164-8".

§ 1.164-6 [Amendment]

PAR. 3. Paragraph (a) of § 1.164-6 is amended by deleting "When" in the first sentence and inserting in lieu thereof the following: "Except as provided otherwise in section 164(f) and § 1.164-8, when"

PAR. 4. The following section is inserted immediately after § 1.164-7:

§ 1.164-8 Payments for municipal services in atomic energy communities.

(a) *General.* For taxable years beginning after December 31, 1957, amounts paid or accrued by any owner of real property within any community (as defined in section 21b of the Atomic Energy Community Act of 1955 (69 Stat. 473; 42 U.S.C. 2304)) to compensate the Atomic Energy Commission for municipal-type services (or any agent or contractor authorized by the Atomic Energy Commission to charge for such services) shall be treated as real property taxes

paid or accrued for purposes of section 164. Such amounts shall be deductible as taxes to the extent provided in section 164, §§ 1.164-1 through 1.164-7, and this section. See paragraph (b) of this section for definition of the term "Atomic Energy Commission"; paragraph (c) of this section for the definition of the term "municipal-type services"; and paragraph (d) of this section for the definition of the term "owner".

(b) *Atomic Energy Commission.* For purposes of paragraph (a) of this section, the term "Atomic Energy Commission" shall mean—

(1) The Atomic Energy Commission, and

(2) Any other agency of the United States Government to which the duties and responsibilities of providing municipal-type services are delegated under the authority of section 101 of the Atomic Energy Community Act of 1955 (69 Stat. 482; 42 U.S.C. 2313).

(c) *Municipal-type services.* For purposes of paragraph (a) of this section, the term "municipal-type services" includes services usually rendered by a municipality and usually paid for by taxes. Examples of municipal-type services are police protection, fire protection, public recreational facilities, public libraries, public schools, public health, public welfare, and the maintenance of roads and streets. The term shall include sewage and refuse disposal which are maintained out of revenues derived from a general charge for municipal-type services; however, the term shall not include sewage and refuse disposal if a separate charge for such services is made. Charges assessed against local benefits of a kind tending to increase the value of the property assessed are not charges for municipal-type services. See section 164(b)(5) and § 1.164-4.

(d) *Owner.* For purposes of paragraph (a) of this section, the term "owner" includes a person who holds the real property under a leasehold of 40 or more years from the Atomic Energy Commission (or any agency of the United States Government to which the duties and responsibilities of leasing real property are delegated under section 101 of the Atomic Energy Community Act of 1955), and a person who has entered into a contract to purchase under section 61 of the Atomic Energy Community Act of 1955 (69 Stat. 478; 42 U.S.C. 2361). An assignee (either immediate or more remote) of a lessee referred to in the preceding sentence will also qualify as an owner for purposes of paragraph (a) of this section.

(e) *Nonapplication of section 164(d).* Section 164(d) and § 1.164-6, relating to apportionment of taxes on real property between seller and purchaser, do not apply to a sale by the United States or any of its agencies of real property to which section 164(f) and this section apply. Thus, amounts paid or accrued which qualify under paragraph (a) of this section will continue to be deductible as taxes to the extent provided in this section, even in the taxable year in which the owner actually purchases the real property from the United States or any of its agencies. However, the provisions

of section 164(d) and § 1.164-6 shall apply to a sale of real property to which section 164(f) and this section apply, if the seller is other than the United States or any of its agencies.

(68A Stat. 917; 26 U.S.C. 7805)

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

Approved: August 11, 1959.

FRED C. SCRIBNER, JR.,
Acting Secretary of the Treasury.

[F.R. Doc. 59-6763; Filed, Aug. 14, 1959;
8:46 a.m.]

Title 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 697—INDUSTRIES IN AMERICAN SAMOA, MINIMUM WAGE ORDER

Pursuant to sections 5 and 6 of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1062, as amended; 29 U.S.C. 205 and 206), the Secretary of Labor, by Administrative Order No. 519 (24 F.R. 4219), appointed, convened, and gave notice of the hearing of Special Industry Committee No. 3 for American Samoa to recommend the minimum wage rate or rates to be paid under section 6(a)(3) of that Act (70 Stat. 1118, 29 U.S.C., Supp. V, 206(a)(3)) to employees in American Samoa, who are engaged in commerce or in the production of goods for commerce.

After investigation and a hearing held pursuant to the notice, the committee filed with the Administrator a report containing its findings of fact and recommendations with respect to the matters referred to it.

Accordingly, as authorized and required by section 8 of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1064, as amended; 29 U.S.C. 208), Reorganization Plan No. 6 of 1950 (64 Stat. 1263; 3 CFR, 1949-1953 Comp. p. 1004), and General Order No. 45-A (15 F.R. 3290) of the Secretary of Labor, the recommendations of the Committee are published in this order, amending Part 697 of Title 29 of the Code of Federal Regulations, effective August 31, 1959, to read as follows:

Sec.
697.1 Definitions of industries in American Samoa.
697.2 Wage rates.
697.3 Notices.

AUTHORITY: §§ 697.1 to 697.3 issued under sec. 8, 52 Stat. 1064, as amended, 29 U.S.C. 208. Interpret or apply sec. 5, 52 Stat. 1062, as amended, 29 U.S.C. 205; sec. 6(a)(3), 70 Stat. 1118, 29 U.S.C., Supp. V, 206(a)(3).

§ 697.1 Definitions of the industries in American Samoa.

The industries in American Samoa to which this part shall apply are hereby defined as follows:

(a) *Fish canning and processing industry.* This industry shall include the canning, freezing, preserving or other processing of any kind of fish, shellfish, or other aquatic forms of animal life and

the manufacture of any by-product thereof.

(b) *Shipping and transportation industry.* This industry shall include the transportation of passengers and cargo by water or by air, and all activities in connection therewith, including, but not by way of limitation, the operation of air terminals, piers, wharves and docks, including stevedoring, storage, and lighterage operations, and the operation of tourist bureaus and travel and ticket agencies: *Provided, however,* That this definition shall not include bunkering of petroleum products.

(c) *Petroleum marketing industry.* This industry shall include the wholesale marketing and distribution of gasoline, kerosene, lubricating oils, diesel and marine fuels, and other petroleum products, including bunkering operations in connection therewith, and repair and maintenance of petroleum storage facilities.

(d) *Miscellaneous industries.* Miscellaneous industries shall include all operations and activities not included in the shipping and transportation industry, the petroleum marketing industry, or the fish canning and processing industry, as defined herein.

§ 697.2 Wage rates.

(a) Wages at a rate of not less than 75 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, by every employer to each of his employees in the fish canning and processing industry in American Samoa, who is engaged in commerce or in the production of goods for commerce.

(b) Wages at a rate of not less than 75 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, by every employer to each of his employees in the shipping and transportation industry in American Samoa, who is engaged in commerce or in the production of goods for commerce.

(c) Wages at a rate of not less than 75 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, by every employer to each of his employees in the petroleum marketing industry in American Samoa, who is engaged in commerce or in the production of goods for commerce.

(d) Wages at a rate of not less than 55 cents an hour shall be paid under section 6 of the Fair Labor Standards Act of 1938, by every employer to each of his employees in the miscellaneous industries in American Samoa, who is engaged in commerce or in the production of goods for commerce.

§ 697.3 Notices.

Every employer subject to the provisions of § 697.2 shall post in a conspicuous place in each department of his establishment where employees subject to the provisions of § 697.2 are working such notices of this Part as shall be prescribed from time to time by the Administrator of the Wage and Hour and Public Contracts Divisions of the United States Department of Labor, and shall give such other notice as the Administrator may prescribe.

Signed at Washington, D.C., this 12th day of August 1959.

CLARENCE T. LUNDQUIST,
Administrator.

[F.R. Doc. 59-6785; Filed, Aug. 14, 1959;
8:50 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER D—REGULATIONS PERTAINING TO MILITARY JUSTICE

PART 66—UNIFORM RULES OF PROCEDURE FOR PROCEEDINGS IN AND BEFORE BOARDS OF REVIEW

Assignment of Errors; Briefs

Pursuant to the Uniform Code of Military Justice, Article 66(f) (10 U.S.C. 866(f)), §§ 66.7 and 66.8(c) are amended by the Judge Advocates General of the Armed Forces, effective upon publication in the FEDERAL REGISTER, as follows:

§ 66.7 Assignment of errors.

Within fifteen days after appellate defense counsel for the accused has been notified of the receipt of the record in the Office of the Judge Advocate General, appellate counsel for the accused shall file an assignment of errors setting forth separately and particularly each error asserted and intended to be urged (§ 66.21). An original and five clear copies, prepared in accordance with the provisions of § 66.8(a), will be submitted. It will contain the information prescribed in § 66.8(d)(1). A reply to this assignment may be filed within fifteen days. For good cause shown the Judge Advocate General may extend these times.

§ 66.8 Briefs.

(c) *Time for filing.* Any brief for an accused will be filed within fifteen days after his appellate counsel has been notified of the receipt of the record in the Office of the Judge Advocate General. If the Judge Advocate General has directed appellate Government counsel to represent the United States, such counsel may file a brief on behalf of the Government within fifteen days after any brief or an assignment of errors has been filed on behalf of an accused. If no brief is filed on behalf of an accused, a brief on behalf of the Government may be filed within fifteen days after expiration of the time allowed for the filing of a brief on behalf of the accused. For good cause shown the Judge Advocate General may extend the times prescribed herein, giving due notice of such extension to the opposing party.

(Sec. 866, 70A Stat. 59; 10 U.S.C. 866)

MAURICE W. ROCHE,
Administrative Secretary.

AUGUST 11, 1959.

[F.R. Doc. 59-6783; Filed, Aug. 14, 1959;
8:47 a.m.]

Chapter VII—Department of the Air Force

SUBCHAPTER C—CLAIMS AND ACCOUNTS

PART 836—CLAIMS AGAINST THE UNITED STATES

Personnel Claims

§ 836.91 [Amendment]

1. In § 836.91 (b) (1) (ii), (b) (7) (i) and (b) (7) (iii), the word "continental" is deleted.

2. Section 836.92(f) is revised as follows:

§ 836.92 Claims not payable.

(f) *Losses at private quarters.* Claims are not payable for losses, including thefts, occurring at quarters occupied by the claimant within the United States, if such quarters are not assigned to him, or otherwise provided in kind by the Government.

3. Section 836.96(a) (2) is revised as follows:

§ 836.96 Demand on carrier or insurer.

(a) *Carrier.* * * *

(2) *Action on claim while demand pending.* As soon as the base claims officer is notified that the claimant desires to file a claim under §§ 836.90 to 836.101 for property lost or received in a damaged or otherwise unsatisfactory condition, he will help the claimant make his demand on the carrier. This demand will be made on Air Force Form 1157, "Demand on Carrier." The base claims officer will require that for official purposes, AF Form 1157 be executed in triplicate. A copy indorsed to the Treasurer of the United States, together with any pertinent documents received from the carrier.

4. The introductory portion of § 836.98 (a) is revised as follows:

§ 836.98 Action by claimant.

(a) *Claimants.* A claim may be presented only by a military member or civilian employee of the Department of the Air Force, or in his name by his authorized agent or legal representative. A member of another Armed Force is not a proper claimant within the meaning of §§ 836.90 to 836.101 and, except when called or ordered into active Federal service, neither is a member of the Air Force Reserve, Reserve Officer Training Corps, or the Air National Guard. Only Air Force civil service personnel are considered to be civilian employees within the meaning of §§ 836.90 to 836.101. Accordingly, claims by contract employees, volunteer workers (Red Cross, Civil Air Patrol, etc.), civilian employees of the Air National Guard, or nonappropriated fund activities, will not be processed under §§ 836.90 to 836.101. If the military or civilian person is deceased, the claim may be presented by his survivor, regardless of whether the claim arose before or after the decedent's death. Survivors' claims will be presented in the following order of precedence:

5. Section 836.100(a) (2) and (3) is revised as follows:

§ 836.100 Approval and payment or disapproval.

(a) *Approving authorities.* * * *

(2) *Settlement authority.* Claims presented for not more than \$1,000 may be settled and paid by the approving authorities in the field, in accordance with the delegation of such authority by the Secretary of the Air Force. Claims presented for more than \$1,000 will be forwarded by the commander responsible for the investigation through claims channels to the Chief of the Claims Division, Office of The Judge Advocate General of the Air Force, for appropriate action. However, Headquarters Command, USAF, will forward these claims direct to that office.

(3) *Disapproval.* Regardless of the amount claimed, when the circumstances of the loss warrant total disapproval under §§ 836.90 to 836.101, the claim file will be forwarded by field approving authorities through claims channels to The Judge Advocate General of the Air Force for appropriate action. However, Headquarters Command, USAF, will forward these claims direct to that office.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply 70 Stat. 255; 10 U.S.C. 2732) [AFR 112-7A, July 13, 1959]

[SEAL] CHARLES M. McDERMOTT,
Colonel, U.S. Air Force, Deputy
Director of Administrative
Services.

[F.R. Doc. 59-6773; Filed, Aug. 14, 1959; 8:48 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 1937]

[Colorado 028948]

COLORADO

Partially Revoking Reclamation Withdrawal of March 7, 1935 (Colorado-Big Thompson Project)

By virtue of the authority vested in the Secretary of the Interior by section 3 of the Act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 416), it is ordered as follows:

1. The Departmental order of March 7, 1935, which withdrew lands in Colorado for reclamation purposes in the first form, in connection with the Grand Lake-Big Thompson Transmountain Diversion (now Colorado-Big Thompson Project), is hereby revoked so far as it affects the following-described lands:

SIXTH PRINCIPAL MERIDIAN

T. 2 N., R. 75 W.
sec. 26, NE $\frac{1}{4}$ SE $\frac{1}{4}$ and E $\frac{1}{2}$ NE $\frac{1}{4}$.

The areas described aggregate 120 acres.

2. The lands are in the Arapaho National Forest.

3. Commencing at 10:00 a.m. on September 15, 1959, the lands shall be open,

subject to valid existing rights, and the requirements of applicable law, to such applications, selections, and locations as are permitted on national forest lands. They have been open to applications and offers under the mineral leasing laws.

4. Inquiries concerning the lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Denver, Colorado.

FRED G. AANDAHL,
Assistant Secretary of the Interior.

AUGUST 10, 1959.

[F.R. Doc. 59-6759; Filed, Aug. 14, 1959; 8:45 a.m.]

Title 46—SHIPPING

Chapter I—Coast Guard, Department of the Treasury

[CGFR 59-33]

SUBCHAPTER B—MERCHANT MARINE OFFICERS AND SEAMEN

PART 10—LICENSING OF OFFICERS AND MOTORBOAT OPERATORS AND REGISTRATION OF STAFF OFFICERS

Subpart 10.05—Professional Requirements for Deck Officers' Licenses (Inspected Vessels)

U.S. MERCHANT MARINE ACADEMY COURSE AS "RADAR OBSERVER"; NOTICE OF APPROVAL

The course of instruction in the proper operation and utilization of marine radar equipment at the U.S. Merchant Marine Academy, Kings Point, New York, was reviewed after receipt of Maritime Administration letter dated February 3, 1959, requesting acceptance of certificates attesting to successful completion of such courses of instruction at the U.S. Merchant Marine Academy as evidence of the holders' qualifications as a "radar observer" so that such holders need not take a further examination. This inspection has been concluded with favorable results.

The new regulation, designated 46 CFR 10.05-46(d) (2), is added by this document in order to inform all persons concerned that the course of instruction in the proper operation and utilization of marine radar equipment is approved as given at the U.S. Merchant Marine Academy, Kings Point, New York. The holders of certificates of successful completion of such course of instruction, attesting to such successful completion on or after July 17, 1959, may present such certificates as evidence of qualification as "radar observer" and be exempt from taking the examination specified in 46 CFR 10.05-46(b).

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Treasury Department Orders 120, dated July 31, 1950 (15 F.R. 6521), 167-14 dated November 26, 1954 (19 F.R. 8026), 167-20 dated June 18, 1956 (21 F.R. 4894), and CGFR 56-28, dated July 24, 1956 (21 F.R. 5659), to promulgate regulations in accordance with the statutes cited with the regulation below, the

following amendment designated § 10.05-46(d) (2) is prescribed and shall become effective upon the date set forth therein:

§ 10.05-46 Radar observer.

(d) * * *

(2) The course of instruction in the proper operation and utilization of marine radar equipment is approved as given at the U.S. Merchant Marine Academy, Kings Point, New York. This approval shall be effective for all certifi-

cates issued to the deck cadets of the U.S. Merchant Marine Academy and attesting to the successful completion of the course in the proper operation and utilization of marine radar equipment on or after July 17, 1959, and will continue in effect until this approval is suspended, canceled, or modified by proper authority.

(R.S. 4405, as amended, 4462, as amended; 46 U.S.C. 375, 416. Interpret or apply R. S. 4417a, as amended, 4426, as amended, 4438, as amended, 4439, as amended, 4440, as

amended, 4442, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 2, 68 Stat. 484, sec. 3, 68 Stat. 676, sec. 3, 70 Stat. 152; 46 U.S.C. 391a, 404, 224, 226, 228, 214, 367, 1333, 239b, 390b, 50 U.S.C. 198)

Dated: August 10, 1959.

[SEAL] A. C. RICHMOND,
Vice Admiral, U.S. Coast Guard,
Commandant.

[F.R. Doc. 59-6784; Filed, Aug. 14, 1959;
8:50 a.m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 19]

TEMPORARY RULES RELATING TO ACCOUNTING METHODS OF LIFE INSURANCE COMPANIES, CHARITABLE DEDUCTIONS, ETC.

Notice of Proposed Rule Making

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the rules set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such rules, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T:P, Washington 25, D.C., within the period of 15 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed rules should submit his request, in writing, to the Commissioner within the 15-day period. In such a case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed rules are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

Although 30 days are ordinarily provided for furnishing any comments or suggestions pertaining to a notice of proposed rule making, a period of 15 days is provided with respect to these rules in order to make possible more expeditious promulgation of final rules so that life insurance companies may have such rules as soon as possible to assist them in the preparation and filing of their 1958 income tax returns by September 15, 1959, and to preclude the necessity of their obtaining extensions of time in which to file these returns.

[SEAL]

CHARLES I. FOX,
Acting Commissioner
of Internal Revenue.

The following rules are hereby prescribed under certain provisions of the Life Insurance Company Income Tax Act of 1959, 73 Stat. 112, and relate to the accounting methods of life insurance companies, charitable deductions, etc. Except as otherwise specifically provided therein, these rules are effective for taxable years beginning after December 31, 1957.

§ 19.1-1 Certain changes in reserves and assets.

(a) *In general.* Section 806(a) of the Internal Revenue Code of 1954, as amended by section 2 of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 120), provides that if there is a change in life insurance reserves (as defined in section 801(b)), during the taxable year, which is attributable to the transfer between the taxpayer and another person of liabilities under contracts taken into account in computing such life insurance reserves, then the means of such reserves, and the mean of the assets, shall be appropriately adjusted to reflect the amounts involved in such transfer. The adjustments required under section 806(a) are applicable only to transfers in which one life insurance company purchases or acquires a part or all of the business of another life insurance company under an arrangement whereby the purchaser or transferee becomes solely liable on the contracts transferred. Thus, this provision will apply in the case of assumption reinsurance but not in the case of indemnity reinsurance or reinsurance ceded. For example, no adjustments will be required under section 806(a) when, in the ordinary course of business, an indemnity reinsurance contract is entered into with another company (on a yearly renewable term basis, on a co-insurance basis, or otherwise) whereby there is a sharing of risks under one or more individual contracts. It will be necessary for each life insurance company participating in a transfer described in section 806(a) to make the adjustments required by such section.

(b) *Manner in which adjustments shall be made.* (1) The means of the life insurance reserves, and the mean of the assets, shall be appropriately adjusted, on a daily basis, to reflect the amounts involved in a transfer described in section 806(a) and paragraph (a)

of this section. The transferor and transferee shall be treated as having held such reserves and assets for a fraction of the year in which the transfer occurs.

(2) In determining the fraction which represents the fractional year that such reserves and assets were held, the numerator shall be the number of days during the taxable year which such reserves and assets were actually held, and the denominator shall be the number of days in the calendar year of the transfer. In computing the period held for purposes of the numerator, the day on which such reserves and assets are transferred is included by the transferor and excluded by the transferee.

(3) All life insurance reserves and assets transferred during the taxable year, within the meaning of section 806(a), shall be excluded from the beginning and end of the taxable year balances of the transferor and transferee, respectively. The means of the life insurance reserves and assets not so transferred shall be determined in the ordinary manner, that is, the arithmetic means. There shall be added to these means an amount to appropriately adjust them, on a daily basis, for the life insurance reserves and assets that were transferred during the taxable year. This adjustment shall be determined by multiplying (i) the mean of the transferred life insurance reserves (or assets as the case may be) at the beginning of the taxable year (or, if acquired later, at the beginning of the period held, as defined in subparagraph (2) of this paragraph) and the end of the period held, as defined in subparagraph (2) of this paragraph (or at the end of the taxable year, if held at such time), times (ii) the fraction determined under subparagraph (2) of this paragraph.

(4) The application of this paragraph may be illustrated by the following examples:

Example (1). On March 14, 1958, the M Company, a life insurance company, transferred to the N Company, a life insurance company, pursuant to an assumption reinsurance agreement, all of its life insurance reserves, and related assets, on one block of policies. The reserves (and assets) for this block were held by the M Company on January 1, 1958, and totaled \$60,000; on March 14, the reserves (and assets) totaled \$64,000. The M Company had life insurance reserves of \$1,000,000 at the beginning of 1958 (in-

cluding those subsequently transferred) and \$1,040,000 at the end of 1958. The M Company had assets of \$1,300,000 at the beginning of 1958 (including those subsequently transferred) and \$1,380,000 at the end of 1958. The mean of M's life insurance reserves for the taxable year 1958 is computed as follows:

Reserves at 1-1-58	\$1,000,000
Exclude reserves (at beginning of year) on contracts transferred to N	60,000
Recomputed amount at 1-1-58	\$940,000
Reserves at 12-31-58	1,040,000
Sum	1,980,000
Mean	990,000
Adjustment for reserves transferred on 3-14-58:	
Reserves at 1-1-58 on contracts transferred to N	\$60,000
Reserves at 3-14-58 on such contracts	64,000
Sum	124,000
Mean	62,000
Fraction taken into account	73/365
Adjustment (73/365 × \$62,000)	12,400

Mean of M's life insurance reserves after section 806 (a) adjustment 1,002,400

Example (2). Assuming the facts to be the same as in example (1), the mean of N's assets for the taxable year 1958 is computed as follows:

Assets at 1-1-58	\$1,300,000
Exclude assets (at beginning of year) on contracts transferred to N	60,000
Recomputed amount at 1-1-58	\$1,240,000
Assets at 12-31-58	1,380,000
Sum	2,620,000
Mean	1,310,000
Adjustments for assets transferred on 3-14-58:	
Assets at 1-1-58 on contracts transferred to N	\$60,000
Assets at 3-14-58 on such contracts	64,000
Sum	124,000
Mean	62,000
Fraction taken into account	73/365
Adjustment (73/365 × \$62,000)	12,400

Mean of M's assets after section 806(a) adjustment 1,322,400

Example (3). Assume the facts are the same as in example (1). At the end of 1958, N Company had life insurance reserves (and assets) of \$80,000 on the contracts transferred on March 14, 1958. The N Company had life insurance reserves of \$6,000,000 at the beginning of 1958 and \$6,400,000 at the end of 1958 (including those transferred).

The N Company had assets of \$6,800,000 at the beginning of 1958 and \$7,300,000 at the end of 1958 (including those on the contracts transferred). The mean of N's life insurance reserves for the taxable year 1958 is computed as follows:

Reserves at 1-1-58	\$6,000,000
Reserves at 12-31-58	\$6,400,000
Exclude reserves (at end of year) on contracts transferred from M	80,000
Recomputed amount at 12-31-58	6,320,000
Sum	12,320,000
Mean	6,160,000
Adjustment for reserves transferred on 3-14-58:	
Reserves at 3-14-58 on contracts transferred from M	\$64,000
Reserves at 12-31-58 on such contracts	80,000
Sum	144,000
Mean	72,000
Fraction taken into account	292/365
Adjustment (292/365 × \$72,000)	57,600

Mean of N's life insurance reserves after section 806(a) adjustment 6,217,600

Example (4). Assuming the facts to be the same as in example (3), the mean of N's assets for the taxable year 1958 is computed as follows:

Assets at 1-1-58	\$6,800,000
Assets at 12-31-58	\$7,300,000
Exclude assets (at end of year) on contracts transferred from M	80,000
Recomputed amount at 12-31-58	7,220,000
Sum	14,020,000
Mean	7,010,000
Adjustments for assets transferred on 3-14-58:	
Assets at 3-14-58 on contracts transferred from M	\$64,000
Assets at 12-31-58 on such contracts	80,000
Sum	144,000
Mean	72,000
Fraction taken into account	292/365
Adjustment (292/365 × \$72,000)	57,600

Mean of N's assets after section 806(a) adjustment 7,067,600

Example (5). The facts are the same as in example (1), except that on October 19, 1958, company N transfers to company P, a life insurance company, all of the life insurance reserves, and related assets, on the block of policies it had received from company M on March 14, 1958. The reserves (and assets) for this block totaled \$76,000 on October 19, 1958. The means of company M's life insurance reserves and assets, as computed in examples (1) and (2), respectively, would be

unchanged by the transfer of October 19, 1958. Since company N did not own this block of policies at either the beginning or end of the taxable year, it would not have to recompute its beginning or end of the taxable year reserves or assets. Company N will, however, have to adjust (or increase) the mean of its life insurance reserves and assets on account of the policies it received from company M. This adjustment will be \$42,000, which is determined by multiplying the means of the life insurance reserves (or assets) on these policies as of March 15, 1958, and October 19, 1958, \$70,000 (\$64,000 + \$76,000 = \$140,000 + 2) by the fraction 219/365 (the numerator of 219 is determined by excluding the day of the transfer to N, March 14, 1958, and including the day of the transfer from N to P, October 19, 1958). Company P will have to recompute its end of the year life insurance reserves and assets (in the same manner as illustrated in examples (3) and (4)). Assuming the end of the year reserves (and assets) on this block of policies is \$80,000, company P will have an adjustment under section 806(a) of \$15,600, which is determined by multiplying the means of the reserves on these policies as of October 20, 1958, and December 31, 1958, \$78,000 (\$76,000 + \$80,000 = \$156,000 + 2) by the fraction 73/365.

§ 19.1-2 Charitable, etc., contributions and gifts.

(a) *General rule.* Section 809(e) (3) of the Internal Revenue Code of 1954, as amended by section 2 of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 124), provides certain modifications in the application of the deduction provided under section 170 (relating to charitable, etc., contributions and gifts). Except as modified by paragraphs (b) and (c) of this section, the rules contained in section 170 and the regulations thereunder shall apply to life insurance companies in the same manner and to the same extent as they apply to corporations generally.

(b) *Limitation.* The deduction by a life insurance company in a taxable year for a charitable contribution, as defined in section 170(c), is limited to 5 percent of the gain from operations as computed under section 809(b) (1), but without regard to any deductions for:

- (1) Charitable contributions under section 170,
- (2) Dividends to policyholders under section 811(b),
- (3) Certain nonparticipating contracts under section 809(d) (5),
- (4) Group life, accident, and health insurance under section 809(d) (6),
- (5) Tax-exempt interest, dividends, etc., under section 809(d) (8), and
- (6) Any operations loss carryback under section 812.

(c) *Special rule for life insurance companies having operations loss carryovers.*

(1) In applying the second sentence of section 170(b) (2) (relating to charitable contributions carryovers), any excess of the charitable contributions of a life insurance company for a taxable year over the amount deductible in such year under the limitation contained in paragraph (b) of this section, shall be reduced to the extent that such excess:

- (i) Reduces life insurance company taxable income (computed without regard to section 802(b) (3) and for the purpose of determining the offsets referred to in section 812(b) (2)), and

(ii) Increases an operations loss carryover under section 812 to a succeeding taxable year.

(2) The application of the limitation contained in this paragraph may be illustrated by the following example:

Example. Assume that life insurance company A is organized on January 1, 1958, and has a loss from operations for that year in the amount of \$100,000 which is an operations loss carryover to 1959. In 1959, company A has a gain from operations and tax base (computed without regard to section 302(b)(3)) of \$100,000 before the allowance of a \$5,000 charitable contribution and before the application of the operations loss carryover from 1958. Under section 170(b)(2), the operations loss carryover from 1958 is first applied to eliminate the \$100,000 gain from operations and tax base in 1959 and the \$5,000 charitable contribution would (except for the limitation contained in this paragraph) become a charitable contribution carryover to 1960. However, for the purpose of computing the offsets referred to in section 812(b)(2), the \$5,000 charitable contribution is applied to reduce the gain from operations and tax base for 1959 to \$95,000 before the application of the operations loss carryover from 1958. Since only \$95,000 of the \$100,000 loss from operations in 1958 is an offset for 1959, the remaining \$5,000 becomes an operations loss carryover to 1960. Accordingly, under the limitation contained in this paragraph, the charitable contributions carryover provided under the second sentence of section 170(b)(2) is eliminated.

§ 19.1-3 Accounting provisions.

(a) Section 818(a)(1) of the Internal Revenue Code of 1954, as amended by section 2 of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 133), provides the general rule that all computations entering into the determination of taxes imposed by part 1 of subchapter L shall be made under an accrual method of accounting. Thus, the over-all method of accounting for life insurance companies will be the accrual method. Except as otherwise provided in part 1 of subchapter L, the term "accrual method" will have the same meaning and application in section 818 as it does under section 446 (relating to general rule for methods of accounting) and the regulations thereunder.

(b) Section 818(a)(2) further provides that, to the extent permitted under regulations, a life insurance company's method of accounting may be a combination of the accrual method with any other method of accounting permitted by chapter 1 of the Internal Revenue Code of 1954 (other than the cash receipts and disbursements method). Section 818(a)(2) specifically prohibits the use by a life insurance company of the cash receipts and disbursements method. The term "method of accounting" includes not only the over-all method of accounting of the taxpayer but also the accounting treatment of any item. For purposes of section 818(a)(2), a life insurance company may elect to compute its taxable income under an over-all method of accounting consisting of the accrual method combined with the special methods of accounting for particular items of income and expense provided under other sections of chapter 1 of the

Internal Revenue Code of 1954, other than the cash receipts and disbursements method. These methods of accounting for special items include the accounting treatment provided for depreciation (section 167), research and experimental expenditures (section 174), soil and water conservation expenditures (section 175), organizational expenditures (section 248), etc. In addition, a life insurance company may, where applicable, use the crop method of accounting (as provided in the regulations under sections 61 and 62), and the installment method of accounting for sales of realty and casual sales of personalty (as provided in section 453(b)). To the extent not inconsistent with the provisions of the Internal Revenue Code of 1954 and the method of accounting adopted by the taxpayer, all computations entering into the determination of taxes imposed by part 1 of subchapter L shall be made in a manner consistent with the manner required for purposes of the annual statement approved by the National Association of Insurance Commissioners.

(c) (1) An election to use any of the special methods of accounting referred to in paragraph (b) of this section which was made pursuant to any provisions of the Internal Revenue Code of 1954 or prior Internal Revenue laws for the purpose of determining a company's tax liabilities for prior years, shall have the same force and effect in determining the items of gross investment income under section 804(b) and the items of deduction under section 804(c) of the Life Insurance Company Income Tax Act of 1959 as if such Act had not been enacted.

(2) For purposes of determining gain or loss from operations under section 809(b), in computing the life insurance company's share of investment yield under sections 809(b)(1)(A) and 809(b)(2)(A), an election with respect to any of the methods of accounting referred to in paragraph (b) of this section which was made pursuant to any provision of the Internal Revenue Code of 1954 or prior internal revenue laws, shall not be affected in any way by the enactment of the Life Insurance Company Income Tax Act of 1959.

(3) For purposes of determining gain or loss from operations under section 809(b), in computing the items of gross amount under section 809(c) and the deduction items under section 809(d), an election to use any of the special methods of accounting referred to in paragraph (b) of this section must be made in accordance with the specific statutory provisions of the sections containing such elections and the regulations thereunder. However, where a particular election may be made only with the consent of the Commissioner (either because the time for making the election without the consent of the Commissioner has expired or because the particular section contained no provision for making an election without consent), and the time prescribed by the applicable regulations for submitting a request for permission to make such an election for the taxable year 1958 has expired, a life insurance company may make such an election for the year 1958 at the time of filing its return for that year (including

extensions thereof). For example, this subparagraph permits a life insurance company to elect any of the methods of depreciation prescribed in section 167 (to the extent permitted under that section and the regulations thereunder) with respect to those assets for which no depreciation was allowable under prior laws, e.g., furniture and fixtures used in the underwriting department. Similarly, a life insurance company will be permitted to make an election under section 461(c) (relating to the accrual of real property taxes) with respect to real property for which no deduction was allowable under prior laws. An election under this subparagraph shall be made in the manner and form prescribed in the applicable regulations.

(4) For purposes of subparagraph (2) of this paragraph, the method used under section 1016(a)(3)(C) in determining the amount of exhaustion, wear and tear, obsolescence, and amortization actually sustained will not preclude a taxpayer from electing any of the methods prescribed in section 167 in accordance with the provisions of that section and the regulations thereunder for determining the amount of such exhaustion, wear and tear, obsolescence, and amortization for the year 1958. For example, if the amount of depreciation actually sustained, under section 1016(a)(3)(C), on a life insurance company's home office building is determined on the straight line method, the life insurance company may elect for the year 1958 to use any of the methods prescribed in section 167 for determining its depreciation allowance for 1958.

(d) The items of gross amount taken into account under section 809(c) and the items of deductions allowed under section 809(d) for the taxable year 1958 shall be determined as though the taxpayer had been on the accrual method prescribed in paragraph (a) of this section for all prior years. In other words, life insurance companies not on the accrual method for the year 1957 shall accrue, as of December 31, 1957, those items of gross amount which would have been properly taken into account for the year 1957 if the company had been on the accrual method described in section 818(a). Likewise, life insurance companies not on the accrual method for the year 1957 shall accrue, as of December 31, 1957, those items of deductions which would have been properly allowed for the year 1957 if the company had been on the accrual method described in section 818(a). Thus, for example, if certain premium amounts were received during the year 1958 but such amounts would have been properly taken into account for the year 1957 if the taxpayer had been on the accrual method for the year 1957, then the taxpayer will not be required to take such premium amounts into account for the year 1958. If, for example, certain claims, benefits, and losses were paid during the year 1958 but such items would have been properly taken into account for the year 1957 if the taxpayer had been on the accrual method for the year 1957, then the taxpayer will not be permitted to deduct such expense items for the year 1958.

(e) (1) For purposes of section 805 (b) (3) (B) (i) (relating to the determination of the current earnings rate for any taxable year beginning before January 1, 1958), the determination for any year of the investment yield and the assets shall be made as though the taxpayer had been on the accrual method prescribed in paragraph (a) of this section for such year, or the accrual method in combination with the other methods of accounting prescribed in paragraph (b) of this section, if these other methods of accounting are used by the taxpayer in determining the investment yield and assets for 1958. However, where the method used for determining the deduction under section 167 for the year 1958 differs from the method used in prior years, the amount of the deduction allowed or allowable for those years under section 1016(a) (2) shall be the amount taken into account for the purposes of section 805 (b) (3) (B) (i).

(2) For purposes of section 812(b) (1) (C) (relating to operations loss carrybacks and carryovers for years prior to 1958), the determination for those years of the gain or loss from operations shall be made as though the taxpayer had been on the accrual method prescribed in paragraph (a) of this section for such year, or the accrual method in combination with the other methods of accounting prescribed in paragraph (b) of this section if these other methods of accounting are used by the taxpayer in the determination of gain or loss from operations for the taxable year 1958. However, where any adjustment to basis is required under section 1016(a) (3) (C) on account of exhaustion, wear and tear, obsolescence, amortization, and depletion, sustained, the amount actually sustained as determined under section 1016(a) (3) (C) for each of the years involved will be the amount allowed in the determination of gain or loss from operations for purposes of section 812(b) (1) (C).

§ 19.1-4 Amortization of premium and accrual of discount.

(a) *In general.* Section 818(b) of the Internal Revenue Code of 1954, as amended by section 2 of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 133), provides that the appropriate items of income, deductions, and adjustments under part 1 of subchapter L shall be adjusted to reflect the appropriate amortization of premium and the appropriate accrual of discount on bonds, notes, debentures, or other evidences of indebtedness held by a life insurance company. Such adjustments are limited to the amount of appropriate amortization or accrual attributable to the taxable year with respect to such securities which are not in default as to principal or interest and which are amply secured. The question of ample security will be resolved according to the rules laid down from time to time by the National Association of Insurance Commissioners. The adjustment for amortization of premium decreases, and for accrual of discount increases, (1) the gross investment income, (2) the exclusion and deduction for wholly tax-exempt interest, (3) the exclusion and deduction for partially

tax-exempt interest, and (4) the basis or adjusted basis of such securities.

(b) *Acquisitions before January 1, 1958.* (1) In the case of any such security acquired before January 1, 1958, the premium is the excess of its acquisition value over its maturity value and the discount is the excess of its maturity value over its acquisition value. The acquisition value of any such security is its cost (including buying commissions or brokerage but excluding any amounts paid for accrued interest) if purchased for cash, or if not purchased for cash, its then fair market value. The maturity value of any such security is the amount payable thereunder either at the maturity date or an earlier call date. The earlier call date of any such security may be the earliest interest payment date if it is callable or payable at such date, the earliest date at which it is callable at par, or such other call or payment date, prior to maturity, specified in the security as may be selected by the life insurance company. A life insurance company which adjusts amortization of premium or accrual of discount with reference to a particular call or payment date must make the adjustments with reference to the value on such date and may not, after selecting such date, use a different call or payment date, or value, in the calculation of such amortization or discount with respect to such security unless the security was not in fact called or paid on such selected date.

(2) The adjustments for amortization of premium and accrual of discount will be determined;

(i) According to the method regularly employed by the company, if such method is reasonable, or

(ii) According to the method prescribed by this section.

A method of amortization of premium or accrual of discount will be deemed "regularly employed" by a life insurance company if the method was consistently followed in prior taxable years, or if, in the case of a company which has never before made such adjustments, the company initiates in the first taxable year for which the adjustments are made a reasonable method of amortization of premium or accrual of discount and consistently follows such method thereafter. Ordinarily, a company regularly employs a method in accordance with the statute of some State, Territory, or the District of Columbia, in which it operates.

(3) The method of amortization and accrual prescribed by this section is as follows:

(i) The premium (or discount) shall be determined in accordance with this section; and

(ii) The appropriate amortization of premium (or accrual of discount) attributable to the taxable year shall be an amount which bears the same ratio to the premium (or discount) as the number of months in the taxable year during which the security was owned by the life insurance company bears to the number of months between the date of acquisition of the security and its maturity or earlier call date, determined in accordance with this section. For the purposes of this section, a fractional part of a

month shall be disregarded unless it amounts to more than half a month, in which case it shall be considered a month.

(c) *Acquisitions after December 31, 1957.* (1) In the case of:

(i) Any bond, as defined in section 171(d), acquired after December 31, 1957; and

(ii) Any bond, note, debenture, or other evidence of indebtedness not described in subdivision (i) of this subparagraph and acquired after December 31, 1957;

the amount of the premium and the amortizable premium for the taxable year, shall be determined under section 171(b) and the regulations thereunder, as if the election set forth in section 171(c) had been made.

(2) In the case of any bond, note, debenture, or other evidence of indebtedness described in section 818(b) and acquired after December 31, 1957, the amount of the discount on any such security is the excess of the amount payable at maturity or, in the case of a callable bond, the earlier call date over the amount of the basis (for determining loss on sale or exchange under section 1011) of the security (for determination of applicable call date, see paragraph (b) of § 1.171-2 of this chapter). The accruable discount on any such security is that part of the discount on the security which is attributable to the taxable year. The methods for accrual of discount of such securities shall be the same as prescribed in paragraph (f) of § 1.171-2 of this chapter (relating to methods of amortization of bond premium) and the manner of treating capitalized expenses shall be the same as prescribed in paragraph (d) of § 1.171-2 of this chapter (relating to capitalized expenses).

(d) *Convertible evidences of indebtedness.* Section 818(b) (2) (B) provides that in no case shall the amount of premium on a convertible evidence of indebtedness (including any bond, note, or debenture) include any amount attributable to the conversion features of the evidence of indebtedness. This provision is the same as the one contained in section 171(b), and the rules prescribed in paragraph (c) of § 1.171-2 of this chapter shall be applicable for purposes of section 818(b) (2) (B). This provision is to be applied without regard to the date that the evidence of indebtedness was acquired. Thus, where a convertible evidence of indebtedness was acquired before January 1, 1958, and a portion or all of the premium attributable to the conversion features of the evidence of indebtedness has been amortized for taxable years beginning before January 1, 1958, no adjustment for such amortization will be required by reason of section 818(b) (2) (B). Such amortization will, however, require an adjustment to the basis of the evidence of indebtedness under section 1016(a) (17). For taxable years beginning after December 31, 1957, no further amortization of the premium attributable to the conversion features of such an evidence of indebtedness will be taken into account.

FEDERAL POWER COMMISSION

[18 CFR Parts 1, 154, 157, 250]

[Docket No. R-177]

PROCEEDINGS AND RECORDS

Notice of Proposed Rule Making

AUGUST 11, 1959.

(e) *Adjustments to basis.* Section 1016(a)(17) of the Internal Revenue Code of 1954, as amended by section 3(d)(2) of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 139), provides that in the case of any evidence of indebtedness referred to in section 818(b) (relating to amortization of premium and accrual of discount in the case of life insurance companies), basis shall be adjusted to the extent of the adjustments required under section 818(b) (or the corresponding provisions of prior income tax laws) for the taxable year and all prior taxable years. The basis of any evidence of indebtedness shall be reduced by the amount of the adjustment required under section 818(b) (or the corresponding provision of prior income tax laws) on account of amortizable premium and shall be increased by the amount of the adjustment required under section 818(b) on account of accruable discounts.

§ 19.1-5 Adjustments to basis.

(a) Section 1016(a)(3) of the Internal Revenue Code of 1954, as amended by section 3(d)(1) of the Life Insurance Company Income Tax Act of 1959 (73 Stat. 139), provides that adjustments to basis must be made for exhaustion, wear and tear, obsolescence, amortization, and depletion to the extent actually sustained in respect of:

(1) Any period before March 1, 1913,

(2) Any period since February 28, 1913, during which the property was held by a person or organization not subject to income taxation under chapter 1 of the Internal Revenue Code of 1954 or prior income tax laws, and

(3) Any period since February 28, 1913, and before January 1, 1958, during which such property was held by a person subject to tax under part 1 of subchapter L of chapter 1 of the Internal Revenue Code of 1954 (or corresponding provisions of prior income tax laws), to the extent that section 1016(a)(2) does not apply.

(b) The amount of the adjustments described in paragraph (a) of this section actually sustained is that amount charged off on the books of the taxpayer where such amount is considered by the Commissioner to be reasonable. Otherwise, the amount actually sustained will be the amount that would have been allowable as a deduction:

(1) During the periods described in paragraph (a)(1) or (2) of this section, had the taxpayer been subject to income tax during those periods, or

(2) During the period described in paragraph (a)(3) of this section, with respect to property held by a taxpayer described in that paragraph, to the extent that section 1016(a)(2) was inapplicable to such property during that period. In the case of depreciation, such adjustment will be determined by using the straight line method.

[F.R. Doc. 59-6796; Filed, Aug. 13, 1959; 12:35 p.m.]

ence and necessity and of gas rate suspensions have left something to be desired in terms of advising the public more fully and more promptly of precisely what is proposed by an applicant or a company making a rate filing. The committee considered these problems and reported that the regulations under the Natural Gas Act might well be amended to that end.

7. The committee also reported that, in view of the Commission's heavy and ever-increasing workload, it would be highly desirable for the regulated companies to prepare a summary of the information required as part of their applications or rate filings and thereby relieve the Commission's staff of the time-consuming and essentially mechanical chore of drafting notices. Provision for this too has been made.

8. The amendments herein described and set forth are proposed to be issued under the authority granted the Federal Power Commission, by the Natural Gas Act, particularly sections 4, 5, 7, 15, and 16 (15 U.S.C. 717c, 717d, 717f, 717n, and 717o), and the Federal Power Act, particularly sections 308 and 309 (16 U.S.C. 825g, 825h).

9. Any interested person may submit to the Federal Power Commission, Washington 25, D.C., on or before September 30, 1959, data, views, and comments in writing concerning the amendments proposed herein. The Commission will consider these written submittals before acting upon the proposed amendments. An original and 9 copies should be filed of any such submittals.

JOSEPH H. GUTRIDE,
Secretary.

1. Section 1.8 *Intervention*, is amended by amending paragraph (d) to read:

(d) *Filing and Service of Petitions.* Petitions to intervene and notices of intervention may be filed at any time following the filing of a notice of rate or tariff change, or of an application, petition, complaint, or other document seeking Commission action, but in no event later than the date fixed for the filing of petitions to intervene in any order or notice with respect to the proceedings issued by the Commission or its Secretary, unless, for good cause shown, the Commission authorizes a late filing. Service shall be made as provided in § 1.17. Where a person has been permitted to intervene notwithstanding his failure to file his petition within the time prescribed in this paragraph, the Commission or officer designated to preside may, where the circumstances warrant, permit the waiver of the requirements of § 1.26(c)(5) with respect to copies of exhibits for such intervener.

2. Section 1.12 *Motions*, is amended by adding a new paragraph (e) as follows:

(e) *Commission action.* With respect to motions filed after a hearing has commenced, unless the Commission acts upon any motion referred to it by a pre-

1. Notice is hereby given that the Commission has under consideration certain amendments to its rules of practice and procedure and regulations under the Natural Gas Act in the above-entitled matter.

2. The amendments (set out in the attachment hereto) together with comments thereon were submitted for the Commission's consideration by the Federal Power Bar Association, 1700 K Street, N.W., Washington 6, D.C., as the suggestions of members of the Bar practicing before the Commission for the improvement of hearing procedures and the expedition of proceedings before the Commission.

3. In July 1958, a symposium was held under the auspices of the Federal Power Bar Association on practice and procedure before the Federal Power Commission. The principal aim of the symposium was to seek means of shortening hearing records and expediting hearings. Prehearing conferences as a means of achieving these objectives received considerable attention at the symposium. During the symposium a suggestion was made that the Association appoint a committee to study prehearing conference techniques and to develop concrete proposals for effective use of prehearing conferences in Commission proceedings. As a result, a Special Working Committee was created and made a report consisting, inter alia, of the amendments under consideration herein.

4. The Commission has given no detailed consideration, as yet, to the various proposed amendments but, being cognizant of need for improvement and being also of the opinion that the proposals may, in some degree at least, provide the basis for such improvement, is anxious to cooperate in any endeavors to that end.

5. The report of the committee mentioned in paragraph 3, above, contains suggested rules-changes primarily on the subject of conference techniques for use prior to and during hearings, the Committee's principal responsibility. Additionally, however, the report includes suggested rules-changes for improvement of the Commission's practices and procedures with respect to matters concerning interventions and hearings as they relate to a more effective use of conference techniques, and also with regard to expediting action on motions and questions referred by examiners to the Commission.

6. Moreover, the symposium disclosed that the Commission's notices of applications for certificates of public conveni-

siding officer or filed directly with it within thirty days after it is referred or filed, such motion shall be deemed to have been denied.

3. Section 1.14 *Filings, docket, hearing calendar*, is amended by amending subparagraph (2) of paragraph (c) *Hearing calendar*, to read:

(2) In the absence of cause requiring otherwise, and as time, the nature of the proceedings, and the proper execution of the Commission's functions permit, matters required to be determined upon the record after hearing or opportunity for hearing will be placed upon the hearing calendar. Proceedings pending upon this calendar will in their order of assignment, so far as practicable, be heard at the times and places fixed by the Commission or the officer designated to preside, giving due regard to the convenience and necessity of the parties or their attorneys; however, in its discretion with or without motion, the Commission for cause may at any time with due notice to the parties advance or postpone any proceeding on the hearing calendar.

4. Section 1.18 *Prehearing conferences; offers of settlement*, is amended as follows:

a. Delete the word "Prehearing" from the caption.

b. Amend paragraph (a), the introductory portion of paragraph (b), and paragraphs (c) and (d) to read:

(a) *To adjust or settle proceedings.* In order to provide opportunity for the submission and consideration of facts, arguments, offers of settlement, or proposals of adjustment, for settlement of a proceeding, or any of the issues therein, or consideration of means by which the conduct of the hearing may be facilitated and the disposition of the proceeding expedited, conferences between the parties to the proceeding and staff for such purposes may be held at any time prior to or during such hearings before the Commission or the officer designated to preside thereat as time, the nature of the proceeding, and the public interest may permit.

(b) *To expedite hearings.* At such hearing conferences as may be held to expedite the orderly conduct and disposition of any hearing, there may be considered, in addition to any offers of settlement or proposals of adjustment, the possibility of the following:

(c) *Initiation of conferences.* The Commission or officer designated to preside, with or without motion, and after consideration of the probability of beneficial results to be derived therefrom, may direct that a conference be held, and direct the parties to the proceeding, their attorneys, the Commission's staff and staff counsel to appear thereat to consider any or all of the matters enumerated in § 1.18(b). Due notice of the time and place of such conference will be given to all parties to the proceeding, their attorneys, the Commission's staff and staff counsel.

(d) *Specification of conference results.* Following such conference or a recon-

vened session thereof, the Commission or officer designated to preside shall make an order or ruling, as may be appropriate, which recites the agreements reached, if any, with respect thereto, including agreements which limit the issues for hearing to those not disposed of by admissions or agreements. Such order or ruling shall control the subsequent course of the hearing unless modified for good cause shown. Prior to the issuance of the order or ruling, however, it shall be submitted to the conference participants for comment and approval. The order or ruling shall be spread upon the record at the session of the hearing next following the issuance of the order or ruling.

5. In view of the sharp divergence of opinion among the members of the Committee with respect to the authority of the presiding examiner at conferences, an alternative amendment to § 1.18(d) is also under consideration:

(d) *Specification of conference results.* Following such conference or a reconvened session thereof, the Commission or officer designated to preside shall make an order or ruling, as may be appropriate, which recites the agreements reached, if any, with respect thereto, including agreements which limit the issues for hearing to those not disposed of by admissions or agreements. Such order or ruling shall control the subsequent course of the hearing unless modified for good cause shown. The order may also, irrespective of consent by the parties, dispose of any procedural matters which the presiding examiner is authorized to rule upon during the course of the proceeding, and which it appears may be appropriately and usefully disposed of in such order. In addition, where it appears that a substantial contribution would be made to expedition of the proceeding through the technique of advance distribution of proposed exhibits and written prepared testimony reasonably in advance of the hearing session, the order may also, subject to the discretion of the presiding examiner and with due regard for the convenience and necessity of the parties or their attorneys, include a direction for such advance distribution by a date fixed by the presiding examiner. Prior to the issuance of the order or ruling, however, it shall be submitted to the conference participants for comment. An appeal may be taken to the Commission immediately from any ruling included in the presiding examiner's order over the objection of any party. The order or ruling shall be spread upon the record at the session of the hearing next following the issuance of the order or ruling.

6. Section 1.19 *Notice*, is amended to read:

(a) *Rulemaking proceedings.* Before the adoption of any rule of general applicability, or the commencement of any hearing on any such proposed rule making, the Commission will cause general notice to be given by publication in the FEDERAL REGISTER, such notice to be published therein not less than 15 days prior to the date fixed for the consideration of the adoption of a proposed rule or

rules or for the commencement of the hearing, if any, on the proposed rule making, except where a shorter period is reasonable and good cause exists therefore: *Provided, however, That:*

(1) Where the Commission, for good cause, finds it impracticable, unnecessary, or contrary to the public interest to give such notice, it may proceed with the adoption of rules without notice by incorporating therein a finding to such effect and a concise statement of the reasons therefor;

(2) Except where notice or hearing is required by statute, the Commission may issue at any time rules of organization, procedure or practice, or interpretative rules, or statements of policy, without notice or public proceedings; and

(3) This section is not to be construed as applicable to the extent that there may be involved any military, naval or foreign affairs function of the United States, or any matter relating to the Commission's management or personnel, or to United States property, loans, grants, benefits, or contracts.

(b) *Other proceedings.* (1) In proceedings other than those referred to in paragraph (a) of this section all notices and orders initiating hearings described in § 1.20(a) shall be published in the FEDERAL REGISTER. In the case of a notice or order initiating a hearing without specifying the time and place thereof, such notice or order shall be published in the FEDERAL REGISTER not less than fifteen (15) days prior to the date fixed therein for the filing of protests, petitions to intervene and notices of intervention. In the case of a notice or order fixing the time and place for the initial convening of a hearing, the notice or order shall be published in the FEDERAL REGISTER not less than fifteen (15) days prior to the date fixed in said notice or order for the convening of the hearing, unless the Commission finds that a shorter period of notice is reasonable and consistent with the public interest. In addition to such publication in the FEDERAL REGISTER, copies of the notice or order will be mailed to the parties and their attorneys of record and to States or other governmental authorities which have asked to be notified.

(2) Similar notice shall be published and served of the time when and place where a hearing will be reconvened unless announcement was made thereof by the presiding officer at the adjournment of the earlier session of the hearing.

(3) In fixing the time and place of hearing, due regard will be given to the convenience and necessity of the parties or their attorneys so far as time and the proper execution of the Commission's functions permit.

7. Section 1.20 *Hearings*, is amended as follows:

a. Amend paragraph (a) to read:

(a) *How initiated.* Hearings for the purpose of taking evidence shall be initiated by the Commission by issuance of an order or by notice of the Secretary, issued under authority of the Commission, announcing the initiation of a hearing.

b. Insert new paragraph (b) to read:

(b) *Contents of orders and notices initiating hearings.* (1) Rulemaking proceedings: The order or notice shall state the time and place of hearing, and nature of the proceeding, recite the authority under which the rule is proposed to be adopted and promulgated, and include either the terms or substance of the proposed rule or a description of the subjects and issues involved to inform interested persons of the nature of the proceeding, so as to permit any interested person to submit views, data, or proposals relative thereto; and such notice will set forth a time period in which interested persons may submit written data, views, or arguments concerning the proposed rule, indicating also, whether opportunity for oral presentation or public hearing is contemplated.

(2) Other proceedings: The order or notice initiating a hearing shall set forth the authority and jurisdiction under which the hearing is to be held, shall state the nature of the proceeding, shall indicate briefly the matters of fact and of law involved, so as to inform all who may be concerned with the proceeding and the public of the subject matter and the issues involved, and shall name the officer designated to preside at the hearing, except as hereinafter provided. The order or notice initiating the hearing shall also specify the final date for the filing of protests to the authorization sought and for the filing of petitions and notices to intervene. No date for filing protests or petitions or notices to intervene shall be less than ten (10) days prior to the date specified for hearing.

(3) The order or notice initiating the hearing shall not specify the date of hearing unless the Commission deems it appropriate that it do so: *Provided, however,* That where the subject of the notice or order is an application for a certificate of public convenience and necessity under the Natural Gas Act, and the notice or order provides that the Commission may dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) or § 1.32 (a) or (b), as may be appropriate, in the event that no protests, petitions to intervene, and notices of intervention are filed within the time specified, the notice or order shall also fix a date for hearing as soon after the expiration of the time for filing protests, petitions to intervene and notices of intervention as may be practicable. In such instance, the notice or order need not designate the presiding examiner but shall state that the filing of a protest, of a petition to intervene, or of a notice of intervention shall have the effect of vacating the hearing date and in such event a new date for hearing will thereafter be fixed.

c. Re-letter present paragraphs (b), (c), (d), (e), and (f) as paragraphs (c), (d), (e), (f), and (g).

d. Delete paragraph (h),¹ re-letter present paragraph (g) as paragraph (h) and amend subparagraph (1) thereof to read:

(h) *Presentation by the Parties.* (1) Parties and staff counsel shall have

¹ See § 1.26(c), *infra*.

the right of presentation of evidence, cross-examination, objection, motion, argument and appeal. The taking of evidence and subsequent proceedings shall proceed with all reasonable diligence and with the least practicable delay.

e. Amend paragraph (j) by deleting the words "or after the close of testimony," in the first sentence.

8. Section 1.22 *Witnesses*, is amended by amending paragraph (a) to read:

(a) *Oral examination.* Witnesses shall be examined orally unless the testimony is taken by deposition as provided in § 1.24, or the facts are stipulated in the manner provided in §§ 1.18 and 1.25, or the testimony is submitted in prepared written form as provided in § 1.26 (c). Witnesses whose testimony is to be taken shall be sworn, or shall affirm, before any questions are put to them or any testimony given.

9. Section 1.25 *Stipulations*, is amended by amending paragraph (a) to read:

(a) *Presentation and effect.* Independently of the orders or rulings issued as provided by § 1.18, the parties and staff counsel may stipulate as to any relevant matters of fact or the authenticity of any relevant documents. Such stipulations may be received in evidence at a hearing, and when so received shall be binding on the parties and staff counsel with respect to the matters therein stipulated.

10. Section 1.26 *Evidence*, is amended as follows:

a. Revise present paragraph (h) of § 1.20, hereinabove deleted, and insert here as paragraph (c) to read:

(c) *Prepared testimony.* Direct testimony of any witness may be presented in written question and answer form and upon adoption by the witness of the prepared testimony as his sworn testimony, said prepared testimony may be copied into the record in lieu of the oral reading thereof. Copies of the prepared testimony shall have been served upon all parties to the proceeding and their attorneys of record, including the Commission's staff and staff counsel, at least five days in advance of the session of the hearing at which the prepared testimony is offered unless all parties in attendance at the hearing at the time the testimony is presented and staff counsel agree to waive all or any part of the five-day requirement. Testimony presented in prepared written form shall meet all of the requirements of oral presentation, including the requirements of materiality, relevance and competence.

b. Re-letter present paragraphs (c), (d), and (e) as paragraphs (d), (e), and (f).

11. Section 1.27 *Presiding officers*, is amended by amending subparagraph (1) of paragraph (b) *Authority delegated*, to read:

(1) To regulate the course of hearings, including the scheduling thereof, subject to the approval of the Chief Hearing Examiner, and the recessing, recon-

vening, and adjournment thereof, unless otherwise provided by the Commission;

12. Section 1.28 *Appeals to Commission from rulings of presiding officers*, is amended by re-lettering paragraph (b) as paragraph (c) and inserting a new paragraph (b) to read:

(b) *Commission action.* Unless the Commission acts upon questions referred by presiding officers to the Commission for determination or upon appeals taken to the Commission from rulings of presiding officers within thirty days after referral or filing of the appeal, such referrals or appeals shall be deemed to have been denied.

13. Section 1.33 *Reopening proceedings*, paragraphs (a), (b) and (c) are amended to read:

(a) *By parties.* (1) Petition to reopen. At any time after the conclusion of a hearing in a proceeding or adjournment thereof sine die, but before issuance by the presiding officer of an initial decision, any party to the proceeding or staff counsel may file with the presiding officer a petition to reopen the proceeding for the purpose of taking additional evidence. Copies of such petition shall be served upon all participants, or their attorneys of record, and shall set forth clearly the facts claimed to constitute grounds requiring reopening of the proceeding, including material changes of fact or of law alleged to have occurred since the conclusion of the hearing, and shall in all other respects conform to the applicable requirements of § 1.7 and §§ 1.15 to 1.17, inclusive.

(2) *Responses.* Within 10 days following the service of such petition, any other party to the proceeding or staff counsel may file with the presiding officer his answer thereto, and in default thereof shall be deemed to have waived any objection to the granting of such petition.

(3) *Action by Presiding Officer.* As soon as practicable after the filing of responses to such petitions or default thereof, as the case may be, the presiding officer will grant or deny such petition.

(b) *By Presiding Officer on his own initiative.* At any time prior to the filing of his initial decision, after notice to the parties and opportunity to be heard, a presiding officer may reopen the proceeding for the reception of further evidence on his own motion, if he has reason to believe that conditions of fact or of law have so changed as to require, or that the public interest requires, the reopening of such proceeding.

(c) *By Commission action.* The above provisions shall apply equally to the issuance by the Commission of an order reopening the proceeding, where an initial decision has been issued by the presiding officer but no Commission decision has yet been issued, or where the initial decision by a presiding officer has been omitted and no Commission decision has yet been issued.

14. Section 154.94 *Changes in rate schedules*, is amended by amending paragraph (e) to read:

(e) With each change in rate schedule there shall be submitted reasons, nature, and basis for the proposed change, and the following information and data (listed separately for each purchaser and delivery point when more than one is involved. Actual data shall be used wherever possible and estimates shall be so designated and explained):

(1) The date on which the change is proposed to be made effective;

(2) The name of the purchaser or purchasers;

(3) Description of the contract provision authorizing the change;

(4) The geographical location (field or area, county, and state) where delivery is made;

(5) The present total price in cents per Mcf with base rate, tax reimbursement, gathering charge, dehydration charge, etc., components thereof shown and the measurement pressure base (psia);

(6) Any deductions from the present total price in cents per Mcf by the purchaser for amortization, dehydration, gathering, treating, etc. Note if subject to Btu adjustment;

(7) The proposed total price in cents per Mcf with the base rate, tax reimbursement, gathering charge, dehydra-

tion charge, etc., components thereof shown and the measurement pressure base (psia);

(8) Any deductions from proposed total price in cents per Mcf by the purchaser for amortization, dehydration, gathering, treating, etc. Note if subject to Btu adjustment;

(9) A comparative statement of the total sales made and total revenues therefrom under the then effective rate schedule and under the proposed changed rate schedule, or rate, charge, classification or service contained in the filing for the 12 months immediately preceding and the 12 months immediately succeeding the proposed effective date of the rate schedule tendered for filing, and the difference in the total revenues for each of the 12-month periods.

15. Section 157.6 *Applications; number of copies; general requirements*, is amended by adding a new subparagraph (7) to paragraph (b) *General content of application*, as follows:

(7) A form of notice suitable for publication in the FEDERAL REGISTER, as contemplated by § 157.9, which will briefly summarize the facts contained in the application in such way as to acquaint the public with its scope and purpose.

16. Section 157.24 *Contents of applications*, is amended by adding a new subparagraph (5) to paragraph (a) to read:

(5) A summary, on the form indicated in § 250.5 of this chapter of each contract for sale or transportation of gas for which a certificate is requested.

17. Part 250, Forms, is amended by adding a new § 250.5 to read as follows:

§ 250.5 Form of Contract Summary.

(See § 157.24(a) (5) of this chapter.)

1. Name of Seller: _____
2. Name of Purchaser: _____
3. Location of Sale: _____

(Field or area, county, and state)
4. Date of Contract: _____
5. Initial Price per Mcf (including tax reimbursement): _____
6. Measurement Pressure Base (psia): _____
7. Types of Escalation Provisions: _____
8. Liquids Included (yes or no): _____
9. Other Price Adjustments: _____
10. Estimated Initial Volumes (Mcf per day): _____
11. Delivery Pressure (psig): _____
12. Delivery Point: _____
(Wellhead, plant, etc.)

[F.R. Doc. 59-6765; Filed, Aug. 14, 1959; 8:46 a.m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Office of the Secretary
SOUTH DAKOTA

Designation of Area for Production Emergency Loans

For the purpose of making production emergency loans pursuant to section 2(a) of Public Law 38, 81st Congress (12 U.S.C. 1148a-2(a)), as amended, it has been determined that in the following counties in South Dakota a production disaster has caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

SOUTH DAKOTA

Brown.	Hyde.
Clark.	Marshall.
Day.	Spink.
Faulk.	Sully.
Hand.	

Pursuant to the authority set forth above, production emergency loans will not be made in the above-named counties after June 30, 1960, except to applicants who previously received such assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 12th day of August 1959.

E. L. PETERSON,
Acting Secretary.

[F.R. Doc. 59-6790; Filed, Aug. 14, 1959; 8:50 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management
[Anchorage 031764]

ALASKA

Order Providing for Opening Public Lands

August 14, 1959.

1. Pursuant to the authority delegated to me by Order No. 541 of the Director, Bureau of Land Management, dated April 21, 1954 (19 F.R. 2473), as amended, the following-described lands included in the revocation made by Public Land Order No. 1404 of April 3, 1957, are hereby restored to disposition as herein-after indicated:

U.S. Survey No. 3471: all,
U.S. Survey No. 3472: all,
U.S. Survey No. 3473: Lots 1-6, inclusive, and 10-12, inclusive.

Aggregating approximately 134.96 acres.

2. The lands are located from 28 to 33 miles southeasterly of Kodiak, Alaska, on Kodiak Island. They are situated on Cape Chiniak which is the most easterly portion of the island. The lands are mostly located on bluff's rising 100 feet or more above Chiniak Bay and the Gulf of Alaska. All tracts are accessible and have frontage on the Cape Chiniak road. The terrain is mostly rolling and grass-covered hills.

3. Pursuant to section 6(g) of the Alaska Statehood Act of July 7, 1958 (72 Stat. 339), and to section 202(b) of

the act of July 28, 1956 (70 Stat. 709, 711; 48 U.S.C. 46-3(b)), and subject to the requirements of said acts and applicable regulations in 43 CFR Part 76, the State of Alaska shall be entitled until 10:00 a.m. on November 14, 1959, to a preferred right of selection of the lands except as against prior existing rights, or as against equitable claims subject to allowance and confirmation.

4. In the absence of an exercise by the State of Alaska of its preference rights of selection, the status of the lands described in paragraph 1 of this order shall not be changed until it is so provided by a further order issued by an authorized officer of the Bureau of Land Management opening such lands to disposal under the appropriate public land laws.

5. Inquiries concerning the lands shall be addressed to the Manager, Anchorage Land Office, 334 East 5th Ave., Anchorage, Alaska.

HAROLD M. WHEATLEY,
Acting Operations Supervisor,
Anchorage.

[F.R. Doc. 59-6760; Filed, Aug. 14, 1959; 8:45 a.m.]

Office of the Secretary

TULALIP INDIAN RESERVATION

Ordinance Relating to Liquor Laws

Pursuant to the act of August 15, 1953 (Public Law 277, 83d Congress, 1st Session), I certify that the following ordi-

nance relating to the application of the Federal Indian liquor laws on the Tulalip Indian Reservation was duly adopted on March 14, 1959, by the Tulalip General Council which has jurisdiction over the area of Indian country included in the ordinance:

Whereas, Public Law 277, 83d Congress, approved August 15, 1953, provides that Sections 1154, 1156, 3113, 3488, and 3618, of Title 18, United States Code, commonly referred to as the Federal Indian Liquor Laws, shall not apply to any act or transaction within any area of Indian country provided such act or transaction is in conformity with both the laws of the State in which such act or transaction occurs and with an ordinance duly adopted by the tribe having jurisdiction over such area of Indian country, certified by the Secretary of the Interior, and published in the FEDERAL REGISTER.

Therefore, be it resolved that the introduction, sale, or possession of intoxicating beverages shall be lawful within the Indian country under the jurisdiction of The Tulalip Tribes, provided, that such introduction, sale or possession is in conformity with the laws of the State of Washington.

Be it further resolved that any tribal laws, resolutions or ordinances heretofore enacted which prohibit the sale, introduction or possession of intoxicating beverages are hereby repealed.

ROGER ERNST,

Assistant Secretary of the Interior.

AUGUST 10, 1959.

[F.R. Doc. 59-6761; Filed, Aug. 14, 1959; 8:46 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

WALLACE H. ADAMSON

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletions: None.
B. Additions: None.

This statement is made as of July 30, 1959.

WALLACE H. ADAMSON.

JULY 30, 1959.

[F.R. Doc. 59-6774; Filed, Aug. 14, 1959; 8:48 a.m.]

FRANK R. BAILEY

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletions: No change.
B. Additions: No change.

This statement is made as of August 1, 1959.

FRANK R. BAILEY.

AUGUST 1, 1959.

[F.R. Doc. 59-6775; Filed, Aug. 14, 1959; 8:48 a.m.]

JOHN G. KAIN

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletions: None.
B. Additions:
H. W. Lay & Co., Inc.
Southern Airways.

This statement is made as of July 25, 1959.

JOHN G. KAIN.

JULY 31, 1959.

[F. R. Doc. 59-6776; Filed, Aug. 14, 1959; 8:48 a.m.]

MICHAEL SUISMAN

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletions: No change.
B. Additions: Atlantic Coast Line RR.

This statement is made as of August 1, 1959.

MICHAEL SUISMAN.

AUGUST 5, 1959.

[F.R. Doc. 59-6777; Filed, Aug. 14, 1959; 8:48 a.m.]

JAMES P. WHITLOCK

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletions: No change.
B. Additions: No change.

This statement is made as of July 30, 1959.

JAMES P. WHITLOCK.

JULY 30, 1959.

[F.R. Doc. 59-6778; Filed, Aug. 14, 1959; 8:48 a.m.]

ARTHUR W. WINSTON

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months:

- A. Deletion: No change.
B. Additions: No change.

This statement is made as of July 29, 1959.

ARTHUR W. WINSTON.

AUGUST 3, 1959.

[F.R. Doc. 59-6779; Filed, Aug. 14, 1959; 8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social Security Administration

STATEMENT OF ORGANIZATION AND DELEGATIONS OF AUTHORITY

Miscellaneous Amendments

Part 8 of the Statement of Organization and Delegations of Authority of the Department (22 F.R. 1050) is amended as follows:

1. Section 8.10, insofar as it relates to the Office of the Commissioner, is amended to read as follows:

Office of the Commissioner:
Division of Program Research.
Office of Hearings and Appeals.
Appeals Council.
Program Division.
Field Division.
Administrative Services Division.
Office of the Actuary.

2. Section 8.20(b) is amended to read as follows:

(b) All duties, powers, and functions relating to the holding of hearings, the rendition of decisions, and the review of decisions in connection with administrative appeals from determinations made under Title II of the Social Security Act, as amended, and affecting benefits, lump sums, wage records or disability determinations, including the administration of oaths and affirmations, the issuance of subpoenas, the examination of witnesses, and the receipt of evidence, and all duties, powers, and functions relating to judicial review of decisions made upon appeal are assigned to, and shall be exercised by, the Appeals Council, its members and hearing examiners, in the Office of Hearings and

Appeals in the Social Security Administration, in accordance with applicable rules and regulations.

Dated: August 12, 1959.

[SEAL] ARTHUR S. FLEMMING,
Secretary.

[F.R. Doc. 59-6782; Filed, Aug. 14, 1959;
8:49 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 10755]

EAGLE AIRWAYS (BAHAMAS) LTD.

Notice of Prehearing Conference

In the matter of the application of Eagle Airways (Bahamas) Ltd. for a foreign air permit for service between points in the Bahamas, the intermediate point Havana, Cuba and the co-terminal points Miami, Palm Beach, Fort Lauderdale and Tampa, Florida.

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, that a prehearing conference in the above-entitled matter is assigned to be held on August 19, 1959, at 10:00 a.m., e.d.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C. before Examiner Ferdinand D. Moran.

Dated at Washington, D.C., August 11, 1959.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 59-6755; Filed, Aug. 14, 1959;
8:45 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 13086-13088; FCC 59-860]

BEACON BROADCASTING SYSTEM, INC., ET AL.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Beacon Broadcasting System, Inc., Grafton-Cedarburg, Wisconsin, requests 540 kc, 250 w, DA-Day, Docket No. 13086, File No. BP-10518; American Broadcasting Stations, Inc. (KWMT), Fort Dodge, Iowa, has 540 kc, 1 kw, DA-Day, requests 540 kc, 5 kw, DA-Day, Docket No. 13087, File No. BP-12201; Suburban Broadcasting Co., Inc., Jackson, Wisconsin, requests 540 kc, 250 w, DA-Day, Docket No. 13088, File No. BP-12802; for construction permits for standard broadcast stations.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 1st day of August 1959;

The Commission having under consideration the above captioned and described applications;

It appearing that, except as indicated by the issues specified below, the applicants are legally, technically, financially, and otherwise qualified to construct and operate their instant proposals; and

It further appearing, that, by Petition filed on March 25, 1959, with engineering statement attached, Northwest Broadcasting Company, licensee of Station KVFD, Fort Dodge, Iowa, requested that the application of American Broadcasting Stations, Inc., be designated for hearing and that KVFD be made a party to the proceeding stating that it will be economically injured and adversely affected by a grant of BP-12201 (KWMT) because the increase in power would greatly expand the extensive overlap of both the 2 and 0.5 mv/m contours of Stations KWMT and WMT, Cedar Rapids, Iowa, thereby enabling American Broadcasting Stations, Inc., licensee of both stations, to blanket 42.6 percent of the State of Iowa with the combined 2 mv/m contours and 97.4 percent with the combined 0.5 mv/m contours of Stations KWMT and WMT in contravention of § 3.35 (a) and (b) of the Commission rules on duopoly and concentration of control; that in an Opposition filed on April 24, 1959, American Broadcasting Stations, Inc. stated that in light of the Commission's recent interpretation of § 3.35 of the rules in Knorr Broadcasting Corp. 14 RR. 925, its proposed operation would not be in contravention of § 3.35 because the 2 mv/m contour of neither KWMT nor WMT serves the city of the other; that in Reply to Opposition filed on May 4, 1959, Northwest Broadcasting Company reaffirmed its earlier opposition; and that, accordingly, in view of the undisputed facts relative to the extensive overlap of the proposed 2 and 0.5 mv/m contours of Station KWMT with the existing contours of Station WMT, it appears necessary to include in the hearing ordered below, an issue as to whether, in light of the facts of the instant case, a grant of the proposal of American Broadcasting Stations, Inc. to increase the power of Station KWMT would be in contravention of § 3.35 (a) and (b) of the Commission rules; but that the Commission is of the opinion that it is not necessary to make the Northwest Broadcasting Company a party to the hearing ordered below; and

It further appearing, that, pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in a letter dated March 20, 1959, and incorporated herein by reference, notified the instant applicants, and any other known parties in interest, of the grounds and reasons for the Commission's inability to make a finding that a grant of any one of the applications would serve the public interest, convenience, and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

It further appearing, that the instant applicants filed timely replies to the aforementioned letter, which replies have not, however, entirely eliminated the grounds and reasons precluding a grant without hearing of the said applications; and in which the applicants stated that they would appear at a hearing on the instant applications; and

It further appearing, that, after consideration of the foregoing and the applicants' replies, the Commission is still unable to make the statutory finding that a grant of the applications would

serve the public interest, convenience, and necessity; and is of the opinion that the applications must be designated for hearing in a consolidated proceeding on the issues specified below;

It is ordered, That, pursuant to section 309(b) of the Communications Act of 1934, as amended, the instant applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the proposed operation of Station KWMT and the availability of other primary service to such areas and populations.

2. To determine the areas and populations which would receive primary service from Beacon Broadcasting System, Inc. and Suburban Broadcasting Co., Inc., and the availability of other primary service to such areas and populations.

3. To determine the nature and extent of the interference, if any, that each of the instant proposals would cause to and receive from each other and all other existing standard broadcast stations, the areas and populations affected thereby, and the availability of other primary service to such areas and populations.

4. To determine whether the instant proposals of Beacon Broadcasting System, Inc., and Suburban Broadcasting Co., Inc. would involve objectionable interference with the existing operation of Stations KWMT, Fort Dodge, Iowa, and WIND, Chicago, Illinois, and whether the instant proposal of American Broadcasting Stations, Inc. would involve objectionable interference with Stations KSD, St. Louis, Missouri; or any other existing standard broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other primary service to such areas and populations.

5. To determine whether the antenna system proposed by Beacon Broadcasting System, Inc., would constitute a hazard to air navigation.

6. To determine whether the instant proposal of Beacon Broadcasting System, Inc. is consistent with § 3.30(b) of the Commission rules, to warrant an authorization for dual city operation.

7. To determine whether the maximum expected operating values specified for the directional antenna pattern of Beacon Broadcasting System, Inc. are those which can reasonably be expected to be achieved for the directional antenna array and power proposed.

8. To determine whether a grant of the instant proposal of American Broadcasting Stations, Inc. would be in contravention of the provisions of § 3.35 (a) and (b) of the Commission rules with respect to multiple ownership of standard broadcast stations.

9. To determine, in the light of section 307(b) of the Communications Act of 1934, as amended, which of the instant proposals would best provide a fair, efficient and equitable distribution of radio service.

10. To determine, in the light of the evidence adduced, pursuant to the fore-

going issues which, if any, of the instant applications should be granted.

It is further ordered, That Westinghouse Broadcasting Company, Inc. and Pulitzer Publishing Company, licensees of Stations WIND, and KSD, respectively, are made parties to the proceeding, and American Broadcasting Stations, Inc., is made a party as to the existing operation of Station KWMT.

It is further ordered, That the above-mentioned requests of the Northwest Broadcasting Company are granted to the extent of including Issue Number 8 hereinabove and are denied in all other respects.

It is further ordered, That, in the event of a grant of any of the instant proposals that the construction permit shall contain, a condition that no harmful interference shall be caused to the services operating on 500 kc, and in the band 510-535 kc.

It is further ordered, That, to avail themselves of the opportunity to be heard, the applicants and parties respondent herein, pursuant to § 1.140 of the Commission rules, in person or by attorney, shall, within 20 days of the mailing of this Order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this Order.

It is further ordered, That, the issues in the above-captioned proceeding may be enlarged by the Examiner, on his own motion or on petition properly filed by a party in support thereof, by the addition of the following issue: To determine whether the funds available to the applicant will give reasonable assurance that the proposals set forth in the application will be effectuated.

Released: August 12, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-6791; Filed, Aug. 14, 1959;
8:51 a.m.]

[Docket No. 12264 etc.; FCC 59M-1035]

HIRSCH BROADCASTING CO. (KFVS) ET AL.

Notice of Prehearing Conference

In re applications of Hirsch Broadcasting Company (KFVS), Cape Girardeau, Missouri, Docket No. 12264, File No. BP-11001; W. H. Firmin, J. H. Firmin and Bernard Lurie, d/b as The Firmin Company, Vincennes, Indiana, Docket No. 12266, File No. BP-11621; Pierce E. Lackey and F. E. Lackey, d/b as Chester Broadcasting Company, Chester, Illinois, Docket No. 13058, File No. BP-11417; Donze Enterprises, Incorporated (KSGM), Chester, Illinois, Docket No. 13059, File No. BP-11456; Robert F. Neathery, Fredericktown, Missouri, Docket No. 13060, File No. BP-12320; Paducah Broadcasting Company, Incorporated (WPAD), Paducah, Kentucky, Docket No. 13061, File No. BP-12662; for construction permits.

No. 160—4

To discuss proceedings following the Commission's order released August 10, 1959, there will be a prehearing conference on Wednesday, September 16, 1959, at 10 a.m., in the offices of the Commission, Washington, D.C.

Dated: August 11, 1959.

Released: August 12, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-6792; Filed, Aug. 14, 1959;
8:51 a.m.]

[Docket No. 13010 etc.; FCC 59-816]

MID-AMERICA BROADCASTING SYSTEM, INC., ET AL.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Mid-America Broadcasting System, Inc., Highland Park, Illinois, requests 1430 kc, 1 kw, DA-D, Docket No. 13010, File No. BP-11689; North Central Broadcasting, Incorporated, Phillipsburg, Kansas, requests 1490 kc, 250 w, Specified Hours, Docket No. 13011, File No. BP-11747; Seaway Broadcasting Co., Inc., Chicago Heights, Illinois, requests 1470 kc, 1 kw, DA-D, Docket No. 13012, File No. BP-11872; Mainline Broadcasting Co., Portage, Pennsylvania, requests 1470 kc, 500 w, Day, Docket No. 13013, File No. BP-11883; Russell Armentrout and Mildred Armentrout, d/b as Bureau Broadcasting Company, Princeton, Illinois, requests 1490 kc, 100 w, U, Docket No. 13014, File No. BP-12135; Holland Broadcasting Company (WHTC), Holland, Michigan, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13015, File No. BP-12192; Civic Broadcasting Corporation (WOLF), Syracuse, New York, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13016, File No. BP-12200;

Lewistown Broadcasting Company (WMPF), Lewistown, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13017, File No. BP-12216; Central Broadcasting Company, Inc. (WARD), Johnstown, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13018, File No. BP-12232; Batavia Broadcasting Corporation (WBTA), Batavia, New York, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 500 w-LS, U, Docket No. 13019, File No. BP-12235; Chief Pontiac Broadcasting Co. (WPON), Pontiac, Michigan, has 1460 kc, 500 w, DA-N, U, requests 1460 kc, 500 w, 1 kw-LS, DA-N, U, Docket No. 13020, File No. BP-12236; Michiana Telecasting Corporation (WNDU), South Bend, Indiana, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13021, File No. BP-12282; James R. Roberts and Barbara J. Roberts d/b as The James R. and Barbara J. Roberts Company, Indianola, Iowa, requests 1490 kc, 100 w, U, Docket No. 13022, File No. BP-12283; Richard Goodman, Mason Loundy, Egmont

Sonderling and WOPA, Inc., d/b as Village Broadcasting Company (WOPA), Oak Park, Illinois, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13023, File No. BP-12303;

North Suburban Radio, Inc., Highland Park, Illinois, requests 1430 kc, 1 kw, DA, Day, Docket No. 13024, File No. BP-12318; WGAL, Inc. (WGAL), Lancaster, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13025, File No. BP-12344; Booth Broadcasting Company (WIBM), Jackson, Michigan, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13026, File No. BP-12349; Culpeper Broadcasting Corporation (WCVA), Culpeper, Virginia, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13027, File No. BP-12357; Harmon Leroy Stevens and John F. Wismer d/b as Stevens-Wismer Broadcasting Company (WHLS), Port Huron, Michigan, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, DA-D, U, Docket No. 13028, File No. BP-12368; United Broadcasting Co. of Western Maryland, Inc. (WARK), Hagerstown, Maryland, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13029, File No. BP-12395; Farm and Home Broadcasting Company, (WNBT), Wellsboro, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13030, File No. BP-12442;

Goldenrod Broadcasters, Inc. (KBON), Omaha, Nebraska, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13031, File No. BP-12470; Hazleton Broadcasting Company, Inc. (WAZL), Hazleton, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13032, File No. BP-12494; Thomas R. Bromley, Mary Ann Satterwhite, Charlotte E. Anderson and Joyce L. Edwards, d/b as Radio Station W E S B (WESB), Bradford, Pennsylvania, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13033, File No. BP-12504; Marion Broadcasting Company (WMRN), Marion, Ohio, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13034, File No. BP-12591; Burlington Broadcasting Co. (KBUR), Burlington, Iowa, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13035, File No. BP-12644; West Bend Broadcasting Co. (WBKV), West Bend, Wisconsin, has 1470 kc, 500 w, DAY, requests 1470 kc, 1 kw, DAY, Docket No. 13036, File No. BP-12649; WHFC, Incorporated (WHFC), Cicero, Illinois, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13037, File No. BP-12655;

East Liverpool Broadcasting Company (WOHI), East Liverpool, Ohio, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 500 w-LS, DA-D, U, Docket No. 13038, File No. BP-12678; O'Keefe Broadcasting Company, Inc. (WECB), Levittown-Fairless Hills, Pa., has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13039, File No. BP-12706; Rich Publishing House, Inc. (WMDN), Midland, Michigan, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13040, File No. BP-12718; Central Broadcasting Corporation (WKBV), Richmond, Indiana, has 1490 kc, 250 w, U,

requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13041, File No. BP-12725; Charles B. Axton (KTOP), Topeka, Kansas, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13042, File No. BP-12763; J. Richard Sutter, Joseph E. McNaughton, William D. McNaughton, General Partners and John T. McNaughton, Limited Partner, d/b as Elgin Broadcasting Company (WRMN), Elgin, Illinois, has 1410 kc, 500 w, D, requests 1400 kc, 1 kw, D, Docket No. 13043, File No. BP-12778; Northwestern Publishing Company (WDAN), Danville, Illinois, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13044, File No. BP-12794;

Shawnee Broadcasting Company (WBEX), Chillicothe, Ohio, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13045, File No. BP-12867; Waynesboro Broadcasting Corporation (WAYB), Waynesboro, Virginia, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13046, File No. BP-13062; Gerity Broadcasting Company (WABJ), Adrian, Michigan, has 1490 kc, 250 w, U, requests 1490 kc, 250 w, 1 kw-LS, U, Docket No. 13047, File No. BP-13068; Midwestern Broadcasting Company (WATZ), Alpena, Michigan, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13048, File No. BP-13081; Town and Country Broadcasting Co., Inc., (WREM), Remsen, New York, has 1480 kc, 1 kw, Day, requests 1480 kc, 5 kw, Day, Docket No. 13049, File No. BP-13104; WSTV, Inc. (WPAR), Parkersburg, West Virginia, has 1450 kc, 250 w, U, request 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13050, File No. BP-13113; Dover Broadcasting Company, Inc. (WJER), Dover, Ohio, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13051, File No. BP-13127; Lake Erie Broadcasting Co. (WLEC), Sandusky, Ohio, has 1450 kc, 250 w, U, requests 1450 kc, 250 w, 1 kw-LS, U, Docket No. 13052, File No. BP-13142; Friendly Broadcasting Company (WJMO), Cleveland Heights, Ohio, has 1490 kc, 250 w, U (C.P.), requests 1490 kc, 250 w, 1 kw-LS, DA-D, U, Docket No. 13053, File No. BMP-8502; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 29th day of July 1959;

The Commission having under consideration the above-captioned and described applications;

It appearing, that, except as indicated by the issues specified below, each of the instant applicants is legally, technically, financially, and otherwise qualified to construct and operate its instant proposal with the exceptions of Charles B. Axton (BP-12763) and Town and Country Broadcasting Co., Inc. (BP-13104), which are not found to be financially qualified; and

It further appearing, that, pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in a letter dated July 2, 1959, and incorporated herein by reference, notified the instant applicants, and any other known parties in interest, of the grounds

and reasons for the Commission's inability to make a finding that a grant of any one of the applications would serve the public interest, convenience, and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

It further appearing, that the instant applicants' replies to the aforementioned letter have not, however, entirely eliminated the grounds and reasons precluding a grant of the said applications and requiring a hearing on the particular issues hereinafter specified; and

It further appearing, that the showing by Seaway Broadcasting Co., Inc. (BP-11872) is not adequate to establish that no 2 and 25 mv/m contour overlap with Station WHFC, Cicero, Illinois, would obtain since Figure M-3 conductivities are not sufficiently accurate for short distances; and that, therefore, pertinent test transmitter measurements must be submitted; and

It further appearing, that, after consideration of the foregoing and the applicants' replies, the Commission is still unable to make the statutory finding that a grant of the applications would serve the public interest, convenience, and necessity; and is of the opinion that the applications must be designated for hearing in a consolidated proceeding on the issues specified below:

It is ordered, That, pursuant to section 309(b) of the Communications Act of 1934, as amended, the instant applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

1. To determine the areas and populations which would receive primary service from each of the instant proposals for a new standard broadcast station, and the availability of other primary service to such areas and populations.

2. To determine the areas and populations which may be expected to gain or lose primary service from each of the instant proposals for a change in facilities of an existing standard broadcast station, and the availability of other primary service to such areas and populations.

3. To determine the nature and extent of the interference, if any, that each of the instant proposals would cause to and receive from each other and all other existing standard broadcast stations, the areas and populations affected thereby, and the availability of other primary service to such areas and populations.

4. To determine whether the interference received from any of the other proposals herein and any existing stations would affect more than ten percent of the population within the normally protected primary service area of any one of the instant proposals in contravention of § 3.28(c)(3) of the Commission rules and, if so, whether circumstances exist which would warrant a waiver of said section.

5. To determine whether the following proposals would involve objectionable interference with the existing standard broadcast stations indicated, or any

other standard broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other primary service to such areas and populations.

Proposal	Existing Stations
BP-11689---	WRMN, Elgin, Ill.
BP-11872---	WHFC, Cicero, Ill.
BP-12135---	WMBD, Peoria, Ill.
BP-12200---	WBTA, Batavia, N.Y. WNBT, Wellsboro, Pa. WCSS, Amsterdam, N.Y. CFRC, Kingston, Ontario, Canada.
BP-12216---	WARD, Johnstown, Pa. WARK, Hagerstown, Md. WGAL, Lancaster, Pa. WNBT, Wellsboro, N.Y.
BP-12232---	WARK, Hagerstown, Md. WMRF, Lewistown, Pa. WOHI, East Liverpool, Ohio. WTCS, Fairmont, W. Va.
BP-12235---	CKCR, Kitchener, Ontario, Canada. WESB, Bradford, Pa. WNBT, Wellsboro, Pa.
BP-12236---	WHLs, Port Huron, Mich. WKMF, Flint, Mich.
BP-12282---	WRSW, Warsaw, Ind. WOPA, Oak Park, Ill.
BP-12283---	KRIB, Mason City, Iowa.
BP-12303---	WDAN, Danville, Ill. WGEZ, Beloit, Wis. WNDU, South Bend, Ind. NEW, BP-11038 (D-12329), Geneva, Ill. NEW, BP-11405 (D-12331), Aurora-Batavia, Ill.
BP-12318---	WMRN, Elgin, Ill. WHFC, Cicero, Ill.
BP-12344---	WMRF, Lewistown, Pa. WARK, Hagerstown, Md. WBCB, Levittown-Fairless Hills, Pa. WAZL, Hazleton, Pa.
BP-12349---	WANE, Ft. Wayne, Ind. WHLs, Port Huron, Mich. WLEC, Sandusky, Ohio. NEW, BP-11361 (D-12533), Gladwin, Mich.
BP-12357---	WAYB, Waynesboro, Va. WTOP, Washington, D.C.
BP-12368---	WATZ, Alpena, Mich. WIBM, Jackson, Mich. WPON, Pontiac, Mich. NEW, BP-11361 (D-12533), Gladwin, Mich.
BP-12395---	WARD, Johnstown, Pa. WMRF, Lewistown, Pa. WGAL, Lancaster, Pa. WCVA, Culpeper, Va. WTOP, Washington, D.C.
BP-12442---	WMRF, Lewistown, Pa. WAZL, Hazleton, Pa. WBTA, Batavia, N.Y.
BP-12470---	KLMS, Lincoln, Nebr. KTOP, Topeka, Kans.
BP-12494---	WISL, Shamokin, Pa. WGAL, Lancaster, Pa. WNBT, Wellsboro, Pa. WDLG, Port Jervis, N.Y. WBCB, Levittown-Fairless Hills, Pa.
BP-12504---	WBTA, Batavia, N.Y. WIMGW, Meadville, Pa. WNBT, Wellsboro, Pa.
BP-12591---	WABJ, Adrian, Mich. WBEX, Chillicothe, Ohio. WJMO, Cleveland Heights, Ohio. WKBV, Richmond, Ind. WMOA, Marietta, Ohio.
BP-12644---	WDBQ, Dubuque, Iowa. WAMV, East St. Louis, Ill. KDRO, Sedalia, Mo. KLEE, Ottumwa, Iowa. NEW, BP-12193 (D-12695), East St. Louis, Ill.

Proposal	Existing Stations
BP-12649---	WRAC, Racine, Wis. WISC, Madison, Wis. KFIZ, Fond du Lac, Wis. NEW, BP-11946 (D-12653), Racine, Wis.
BP-12655---	WASK, Lafayette, Ind. WCVS, Springfield, Ill. WKEL, Kewanee, Ill. WHTC, Holland, Mich. KFIZ, Fond du Lac, Wis.
BP-12678---	WMGW, Meadville, Pa. WTCS, Fairmont, W. Va. WARD, Johnstown, Pa.
BP-12706---	WGAL, Lancaster, Pa. WAZL, Hazleton, Pa. WDLC, Port Jervis, N.Y. WLDB, Atlantic City, N.J. NEW, BP-6315 (D-8716), Greenwich, Conn.
BP-12718---	WKMF, Flint, Mich. WABJ, Adrian, Mich.
BP-12725---	WABJ, Adrian, Mich. WBEX, Chillicothe, Ohio. WDAN, Danville, Ill. WFKY, Frankfort, Ky. WNDU, South Bend, Ind. WMRN, Marion, Ohio. NEW, BP-11539 (D-12301), Cincinnati, Ohio.
BP-12763---	KLEO, Wichita, Kans. KBON, Omaha, Nebr. KBKC, Mission, Kans. KDMO, Carthage, Mo. KDRO, Sedalia, Mo.
BP-12778---	WRJN, Racine, Wis. WGES, Chicago, Ill. NEW, BP-10253 (D-11763), Lafayette, Ind.
BP-12794---	WOPA, Oak Park, Ill. WNDU, South Bend, Ind. WKBV, Richmond, Ind. WTHI, Terre Haute, Ind.
BP-12867---	WKBV, Richmond, Ind. WMRN, Marion, Ohio.
BP-13062---	WCVA, Culpeper, Va.
BP-13068---	WMDN, Midland, Mich. WOHO, Toledo, Ohio. WMRN, Marion, Ohio. WJBE, Detroit, Mich.
BP-13081---	WHLS, Port Huron, Mich. NEW, BP-11361 (D-12533), Gladwin, Mich.
BP-13113---	WJER, Dover, Ohio. WJPA, Washington, Pa.
BP-13127---	WLEC, Sandusky, Ohio. WJPA, Washington, Pa. WHHH, Warren, Ohio. WPAR, Parkersburg, W. Va.
BP-13142---	WFOB, Fostoria, Ohio. WIBM, Jackson, Mich. WHLS, Port Huron, Mich. WANE, Ft. Wayne, Ind. WJER, Dover, Ohio.
BMP-8502--	WHBC, Canton, Ohio. WABJ, Adrian, Mich. WMRN, Marion, Ohio. WOHI, East Liverpool, Ohio. CKOR, Kitchener, Ontario, Canada. WMGW, Meadville, Pa.

6. To determine whether the antenna system proposed by Mid-America Broadcasting System, Inc. (BP-11689), by Stevens-Wismer Broadcasting Company (BP-12368) and Friendly Broadcasting Company (BMP-8502) would constitute a hazard to air navigation.

7. To determine whether Mid-America Broadcasting System, Inc. (BP-11689) has a reasonable expectation of securing the transmitter site specified in its instant proposal and, if not, whether said proposal is on a site-to-be-determined basis in contravention of § 3.33 of the Commission rules and, therefore, should be dismissed.

8. To determine whether overlap of the 2 mv/m and 25 mv/m contours would occur between the instant proposal of Seaway Broadcasting Co., Inc. (BP-11872) and the existing and proposed operations of WHFC, Cicero, Illinois, and between the proposals BP-12318, BP-11689 and BP-12778.

9. To determine whether the transmitter specified by Batavia Broadcasting Corporation (BP-12235) is acceptable for 250 watts power.

10. To determine whether the antennas specified by Village Broadcasting Company (BP-12303) and WGAL, Inc. (BP-12344) are in contravention of the provisions of § 3.188(d) of the Commission rules concerning roof-top installations and, if so, whether circumstances exist which would warrant a waiver of said section.

11. To determine whether a grant of the instant proposal of Booth Broadcasting Company (BP-12349) would be in contravention of § 3.35(b) of the Commission rules with respect to concentration of control.

12. To determine whether the instant proposal of Charles B. Axton (BP-12763) is in compliance with § 3.24(b) (7) of the Commission rules concerning population within the 1000 mv/m contour, and, if not, whether circumstances exist which would warrant a waiver of said section.

13. To determine whether Charles B. Axton (BP-12763) and Town and Country Broadcasting Co., Inc. (BP-13104) are financially qualified to construct and operate their stations as proposed.

14. To determine the type and character of program service which would be broadcast by Town and Country Broadcasting Co., Inc. (BP-13104) and whether the program service would be in the public interest.

15. To determine whether the site coordinates specified by Civic Broadcasting Corporation (BP-12200) properly reflect the transmitter location.

16. To determine whether the transmitter site proposed by each of the following proposals is satisfactory with particular regard to any conditions that may exist in the vicinity of the antenna system which would distort the proposed antenna radiation pattern, and, if so, to determine what means will be used to insure satisfactory operation in the manner proposed:

Batavia Broadcasting Corp. (BP-12235).
WGAL, Inc. (BP-12344).
United Broadcasting Co. of Western Maryland, Inc. (BP-12395).

East Liverpool Broadcasting Co. (BP-12678).
O'Keefe Broadcasting Co., Inc. (BP-12706).
Shawnee Broadcasting Co. (BP-12867).
Charles B. Axton (BP-12763).

17. To determine whether the instant application of Friendly Broadcasting Company (BMP-8502) and its application for increase in antenna height, BMP-8457 are multiple applications within the meaning of § 1.300 of the Commission rules, and, if so, whether the instant application (BMP-8502) should be dismissed.

18. To determine, in the light of section 307(b) of the Communications Act of 1934, as amended, which of the instant proposals would best provide a fair,

efficient and equitable distribution of radio service.

19. To determine on a comparative basis which of the competing applicants, if any, for the community or communities selected as having the greatest need pursuant to section 307(b), would better serve the public interest, convenience and necessity in the light of the evidence adduced under the issues herein and the record made with respect to the significant differences between the said applicants as to:

(a) The background and experience of each having a hearing on the applicant's ability to own and operate the proposed standard broadcast station.

(b) The proposal of each with respect to the management and operation of the proposed station.

(c) The programming services proposed in each of the said applications.

20. To determine, in the light of the evidence adduced pursuant to the foregoing issues which, if any, of the instant applications should be granted.

It is further ordered, That the following licensees of the stations indicated are made parties to the proceeding:

Wabash Valley Broadcasting Corporation (WTEL), Terre Haute, Ind.
WMBD, Inc. (WMBD), Peoria, Ill.
Fairmont Broadcasting Company (WTCS), Fairmont, W. Va.
KNORR Broadcasting Corporation (WKMF), Flint, Mich.
Reub Williams & Sons, Inc. (WRSW), Warsaw, Ind.
Western Broadcasting Co., Inc. (KRIB), Mason City, Iowa.
Community Service Broadcasting Corp. of Amsterdam (WCSS) Amsterdam, N.Y.
Beloit Broadcasting Co. (WGEZ), Beloit, Wis.
Fox Valley Broadcasting Company (BP-11038), Geneva, Ill.
Logansport Broadcasting Company (BP-11405), Aurora-Batavia, Ill.
Indiana Broadcasting Company (WANE), Ft. Wayne, Ind.
Paul A. Brandt (BP-11361), Gladwin, Mich.
Washington Post Company (WTOP), Washington, D.C.
Lincoln Broadcasting Corp. (KLMS), Lincoln, Nebr.
Radio Anthracite, Inc. (WISL), Shamokin, Pa.
Port Jervis Broadcasting Company, Inc. (WDLC), Port Jervis, N.Y.
Regional Broadcasters, Inc. (WMGW), Meadville, Pa.
Marietta Broadcasting Company (WMOA), Marietta, Ohio.
WDBQ Broadcasting Company (WDBQ), Dubuque, Iowa.
Radio Missouri Corp. (WAMV), East St. Louis, Ill.
Sedalia Broadcasting Corp. (KDRO), Sedalia, Mo.
Radio, Inc. (KLEE), Ottumwa, Iowa.
Radio Missouri Corp., (BP-12193), East St. Louis, Ill.
WRAC, Inc. (WRAC), Racine, Wis.
Radio Wisconsin, Inc., (WISC), Madison, Wis.
KFIZ Broadcasting Company (KFIZ), Fond du Lac, Wis.
WRAC, Inc. (BP-11946), Racine, Wis.
Lafayette Broadcasting, Inc. (WASK), Lafayette, Ind.
WPPA Radio, Inc. (WCVS), Springfield, Ill.
WKEL Broadcasting Company (WKEL), Kewanee, Ill.
Atlantic City Broadcasting Co. (WLDB), Atlantic City, N.J.
The Greenwich Broadcasting Corp. (BP-6315), Greenwich, Conn.

Frankfort Broadcasting Company (WFKY), Frankfort, Ky.
 Rounsaville of Cincinnati, Inc. (BP-11539), Cincinnati, Ohio.
 Radio Active, Inc. (KLEC), Wichita, Kans.
 Mission Broadcasters, Inc. (KBKC), Mission, Kans.
 Carthage Broadcasting Co. (KDMO), Carthage, Mo.
 Racine Broadcasting Corp. (WRJN), Racine, Wis.
 Radio Station WGES (WGES), Chicago, Ill.
 J. E. Willis (BP-10253), Lafayette, Ind.
 The Ohio Broadcasting Co. (WHBC), Canton, Ohio.
 Midwestern Broadcasting Co. (WOHO), Toledo, Ohio.
 Storer Broadcasting Co. (WJBK), Detroit, Mich.
 Washington Broadcasting Company (WJPA), Washington, Pa.
 The Warren Tribune Radio Station, Inc. (WHEH), Warren, Ohio.
 Seneca Radio Corporation (WFOB), Fostoria, Ohio.

It is further ordered, That the following licenses which are applicants in the instant proceeding are made parties thereto with respect to their existing operations:

Holland Broadcasting Co. (WHTC).
 Civic Broadcasting Corp. (WOLF).
 Lewistown Broadcasting Co. (WMBF).
 Central Broadcasting Co., Inc. (WARD).
 Batavia Broadcasting Corp. (WBTA).
 Chief Pontiac Broadcasting Co. (WPON).
 Michiana Telecasting Corp. (WNUD).
 Richard Goodman, Mason Loundy, Egmont Sonderling and WOPA, Inc., d/b as Village Broadcasting Co. (WOPA).
 WGAL, Inc. (WGAL).
 Booth Broadcasting Co. (WIBM).
 Cuipeper Broadcasting Corp. (WCVA).
 Harmon L. Stevens and John F. Wismer d/b as Stevens-Wisner Broadcasting Co. (WHLS).
 United Broadcasting Company of Western Maryland, Inc. (WARE).
 Farm and Home Broadcasting Co., Inc. (WNBT).
 Goldenrod Broadcasters, Inc. (KBON).
 Hazleton Broadcasting Co., Inc. (WAZL).
 Thomas R. Bromeley, Mary Ann Satterwhite, Charlotte E. Anderson and Joyce L. Edwards d/b as Radio Station WESB (WESB).
 Marlon Broadcasting Co. (WMBN).
 Burlington Broadcasting Co. (KBUR).
 West Bend Broadcasting Co. (WBKV).
 WHFC, Incorporated (WHFC).
 East Liverpool Broadcasting Co. (WOHI).
 O'Keefe Broadcasting Co., Inc. (WBCB).
 Rich Publishing House, Inc. (WMDN).
 Central Broadcasting Corp. (WKBV).
 Charles B. Axton (KTOP).
 J. Richard Sutter, Joseph E. McNaughton, William D. McNaughton, General Partners, and John T. McNaughton, Limited Partner, d/b as Elgin Broadcasting Co. (WRMN).
 Northwestern Publishing Co. (WDAN).
 Shawnee Broadcasting Co. (WBEX).
 Waynesboro Broadcasting Corp. (WAYB).
 Gerity Broadcasting Co. (WABJ).
 Midwestern Broadcasting Co. (WATZ).
 Town and County Broadcasting Co., Inc. (WREM).
 WSTV, Inc. (WPAR).
 Dover Broadcasting Co., Inc. (WJER).
 Lake Erie Broadcasting Co. (WLEC).
 Friendly Broadcasting Co. (WJMO).

It is further ordered, That, in the event of a grant of the application of Civic Broadcasting Corporation (BP-12200), the construction permit shall contain a condition that the permittee submit, before program tests are au-

thorized, measurement data for the proposed transmitter pursuant to §§ 3.48 and 2.524 of the Commission rules.

It is further ordered, That, in the event of a grant of the application of Lake Erie Broadcasting Co. (BP-13142) or Holland Broadcasting Company (BP-12192), the construction permit shall contain a condition that, before program tests are authorized, the permittee must submit a complete nondirectional proof of performance to establish that the radiation has been limited to substantially 150 mv/m/kw for the daytime operation as proposed.

It is further ordered, That, in the event of a grant of the instant application of Seaway Broadcasting Co., Inc. (BP-11872), the construction permit shall contain a condition that the permittee submit, before program tests are authorized, a satisfactory proof-of-performance on the directional antenna.

It is further ordered, That, if the proposal of Civic Broadcasting Corporation, (BP-12200), Batavia Broadcasting Corporation (BP-12235), or Friendly Heights Broadcasting Company (BMP-8502) is found to be in contravention of the provisions of the North American Regional Broadcasting Agreement, but is favored in the hearing, it will be held without final action pursuant to the provisions of § 1.352 of the Commission rules.

It is further ordered, That, in the event of a grant of the application of WSTV, Inc., the construction permit shall contain a condition that program tests will not be authorized until Station WHAW, Weston, West Virginia, is authorized program tests on a frequency other than 1450 kilocycles; and a license to cover construction permit will not be issued until Station WHAW is licensed on a frequency other than 1450 kilocycles.

It is further ordered, That, to avail themselves of the opportunity to be heard, the applicants and parties respondent herein, pursuant to § 1.140 of the Commission rules, in person or by attorney, shall, within 20 days of the mailing of this Order, file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this Order.

It is further ordered, That, the issues in the above-captioned proceeding may be enlarged by the Examiner, on his own motion or on petition properly filed by a party to the proceeding, and upon sufficient allegations of fact in support thereof, by the addition of the following issue: To determine whether the funds available to the applicant will give reasonable assurance that the proposals set forth in the application will be effectuated.

Released: August 12, 1959.

FEDERAL COMMUNICATIONS
 COMMISSION,
 [SEAL] MARY JANE MORRIS,
 Secretary.

[F.R. Doc. 59-6793; Filed, Aug. 14, 1959;
 8:51 a.m.]

NATIONAL BROADCASTING CO., INC.

Order Designating Applications for Oral Argument on Stated Issues

In re applications of National Broadcasting Company, Inc., Philadelphia, Pennsylvania, Docket No. 13085, File Nos. BR-562, BRCT-4, BRTP-22, BRTP-133, BRTP-204, BRTS-21; for renewal of licenses of Stations WRCV, WRCV-TV, KA-4465, KA-7914, KC-8393 and KGC-93.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 31st day of July 1959;

The Commission having before it for consideration (a) a "Protest" filed on August 14, 1957, by Philco Corporation (Philco), Philadelphia, Pennsylvania, pursuant to section 309(c) of the Communications Act of 1934, as amended, directed against the Commission's action of July 18, 1957, granting without hearing the above-entitled applications;¹ (b) the "Opposition" to said protest filed on August 26, 1957 by the National Broadcasting Company, Inc., (NBC); (c) the "Brief in Reply" filed by Philco on September 4, 1957; (d) the "Answer to Brief" filed by NBC on September 9, 1957; (e) the Commission's Memorandum Opinion and Order adopted September 11, 1957 (FCC 57-994) dismissing said protest on the grounds that the protestant had not shown itself to be a "party in interest" and had not shown that the Commission's action of July 18, 1957 was improperly made or was otherwise not in the public interest;² (f) the decision in the case of Philco Corporation v. Federal Communications Commission, No. 14166, issued on June 19, 1958, by the United States Court of Appeals for the District of Columbia Circuit reversing the Commission's action of September 11, 1957 dismissing the above protest and remanding the case to the Commission; (g) the action of the Supreme Court of the United States on January 26, 1959, in the case of National Broadcasting Company v. Philco Corporation, No. 371, denying the petition of NBC for a writ of certiorari; (h) the "Motion to Expedite" filed by Philco on May 29, 1959, requesting "that the issue raised in Philco's protest be set promptly for hearing"; and (i) the "Reply To Motion To Expedite" filed by NBC on June 8, 1959, requesting that the Commission either dismiss said protest or set it for oral argument; and

It appearing, that the factual allegations involved in the instant protest and the arguments of the parties are set out in full in the Commission's Memorandum opinion and Order of September 11,

¹ This grant contained the following conditions: "This action is without prejudice to whatever action the Commission may deem appropriate at such time as presently pending anti-trust actions involving Radio Corporation of America and the National Broadcasting Company, Inc., may be terminated."

² 15 Pike and Fischer R.R. 965; FCC 57-994, Mimeo No. 49068.

1957; that to avoid repetition, they are incorporated herein by reference as if fully set forth at length; and

It further appearing, that in its decision, the Court of Appeals stated that "As already indicated, we do not pass upon the sufficiency of the protest, which must first be considered by the Commission"; and

It further appearing, that our grant herein of July 18, 1957 provided that said "action is without prejudice to whatever action the Commission may deem appropriate at such time as presently pending anti-trust actions involving Radio Corporation of America and the National Broadcasting Company, Inc., may be terminated";

It is ordered, That pursuant to section 309(c) of the Communications Act of 1934, as amended, the above-entitled applications are designated for oral argument at the offices of the Commission in Washington, D.C., on the questions whether, if the facts alleged in the protest were proven, grounds have been presented for setting aside the conditional grant of said application; and if an evidentiary hearing is required, the scope thereof;

It is further ordered, That the protestant is hereby made a party to the proceedings herein and that:

(a) The oral argument shall commence at 10 a.m. on the 1st day of October, 1959, and shall be held before the Commission en banc;

(b) The parties intending to participate in said oral argument shall file their appearance not later than August 17th, 1959;

(c) The parties have until the date of the oral argument to file and exchange briefs and memoranda of law.

Adopted: July 31, 1959.

Released: August 11, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 69-8794; Filed, Aug. 14, 1959;
8:51 a.m.]

[Docket Nos. 13076, 13077; FCC 59-827]

SUPREME BROADCASTING COMPANY, INC., OF PUERTO RICO, AND RADIO AMERICAN WEST INDIES, INC.

Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of: Supreme Broadcasting Company, Inc., of Puerto Rico, Christiansted, St. Croix, Virgin Islands, Docket No. 13076, File No. BPCT-2575; Radio American West Indies, Inc., Christiansted, St. Croix, Virgin Islands, Docket No. 13077, File No. BPCT-2581; for construction permits for new television broadcast stations.

At a session of the Federal Communications Commission held at its offices in

Washington, D.C., on the 29th day of July 1959;

The Commission having under consideration the above-captioned applications, each requesting a construction permit for a new television broadcast station to operate on Channel 8, assigned to Christiansted, St. Croix, Virgin Islands; and

It appearing, that the applications of Supreme Broadcasting Company, Inc., of Puerto Rico and Radio American West Indies, Inc., are mutually exclusive in that operation by both applicants as proposed would result in mutually destructive interference; and

It further appearing, that Radio American West Indies, Inc., has requested a waiver of § 3.613(a) of the rules to locate its main studios outside of Christiansted, and has shown good cause for the requested waiver; and

It further appearing, that pursuant to section 309(b) of the Communications Act of 1934, as amended, Supreme Broadcasting Company, Inc., of Puerto Rico and Radio American West Indies, Inc., were advised by letters that their applications were mutually exclusive, of the necessity for a hearing and were advised of all objections to their applications and were given an opportunity to reply; and

It further appearing, that Supreme Broadcasting Company, Inc., of Puerto Rico planned to finance the construction and initial operation of the proposed station by means of existing capital and by deferred credit payments for equipment, and that it was indicated in the above-mentioned letter to Supreme Broadcasting Company, Inc., of Puerto Rico that the Commission could not, on the basis of this proposal, determine without a hearing that Supreme Broadcasting Company, Inc., of Puerto Rico was financially qualified to construct and operate the proposed station; and

It further appearing, that Supreme Broadcasting Company, Inc., of Puerto Rico amended its application by submitting a corrected balance sheet and by showing that, in addition to the financial sources previously indicated, it has obtained a firm commitment for a bank loan of \$50,000; and

It further appearing, that upon due consideration of the above-captioned applications, the amendments thereto, and the replies to the above letters, the Commission finds that pursuant to section 309(b) of the Communications Act of 1934, as amended, a hearing is necessary; that Supreme Broadcasting Company, Inc., of Puerto Rico is legally and financially qualified to construct, own and operate the proposed television broadcast station and is technically so qualified except as to issues "2" and "3" below; and that Radio American West Indies, Inc., is legally qualified to construct, own and operate the proposed television broadcast station and is technically so qualified except as to issues "4" and "5" below.

It is ordered, That pursuant to section 309(b) of the Communications Act of 1934, as amended, the above-captioned applications of Supreme Broadcasting Company, Inc., of Puerto Rico and Radio

American West Indies, Inc., are designated for hearing in a consolidated proceeding at a time and place to be specified in a subsequent Order, upon the following issues:

(1) To determine whether Radio American West Indies, Inc., is financially qualified to construct, own and operate the proposed television broadcast station.

(2) To determine the correct radials for the antenna site proposed by Supreme Broadcasting Company, Inc., of Puerto Rico, as required by § 3.684(d) of the Commission's rules.

(3) To determine the correct antenna site elevation above mean sea level, antenna height above average terrain, overall antenna height above mean sea level, height of radiation center above mean sea level and height of average terrain above mean sea level for the proposal of Supreme Broadcasting Company, Inc., of Puerto Rico.

(4) To determine the specific rated power of the transmitter proposed by Radio American West Indies, Inc.

(5) To determine the accuracy of the method employed by Radio American West Indies, Inc., to calculate the height above sea level and the contour levels specified in Figure 1 of its application and thereby to determine the location and height above sea level of Radio American West Indies, Inc.'s proposed antenna site.

(6) To determine on a comparative basis which of the operations proposed in the above-captioned applications would better serve the public interest, convenience and necessity in light of the significant differences between the applicants as to:

(a) The background and experience of each bearing on its ability to own and operate the proposed television broadcast station.

(b) The proposals of each with respect to the management and operation of the proposed television broadcast stations.

(c) The programming service proposed in each of the above-captioned applications.

(7) To determine, in the light of the evidence adduced pursuant to the foregoing issues, which, if either, of the applications should be granted.

It is further ordered, That the issues in the above-entitled proceeding may be enlarged by the Examiner on his own motion or on petition properly filed by a party to the proceeding and upon a sufficient allegation of facts in support thereof, by the addition of the following issue: To determine whether the funds available to the applicants will give reasonable assurance that the proposals set forth in the applications will be effectuated.

It is further ordered, That to avail themselves of the opportunity to be heard, Supreme Broadcasting Company, Inc., of Puerto Rico and Radio American West Indies, Inc., pursuant to § 1.140(c) of the Commission's rules, in person or by attorney, shall within twenty (20) days of the mailing of this order file with the Commission, in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing

and present evidence on the issues specified in this order.

Released: August 12, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-6795; Filed, Aug. 14, 1959;
8:51 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-14787 etc.]

BBM DRILLING CO. ET AL.

Notice of Applications and Date of Hearing

August 10, 1959.

In the matters of BBM Drilling Company, Operator, et al.,¹ Docket No. G-14787; Amerada Petroleum Corporation, Docket No. G-16300; Frank Zickefoose,² Docket No. G-16347; Coline Oil Corporation,³ Docket No. G-16384; Lario Oil & Gas Company, Docket No. G-16385; Charles A. Daubert, Operator, et al.,⁴ Docket No. G-16581; J & M Well Service Company, Docket No. G-16769; C. W. Alexander et al.,⁵ Docket No. G-16845; Charles E. Osgood, Jr.,⁶ Docket No. G-17111; Paul Case,⁷ Docket No. G-17114; Phillips Petroleum Company,⁸ Docket No. G-17223.

Take notice that each of the above Applicants has filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act authorizing each to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the respective applications which are on file with the Commission and open to public inspection.

Docket No., Field and Location, Purchaser, and Related FPC Gas Rate Schedule

G-14787, Spraberry Trend, Midland County, Texas; El Paso Natural Gas Company; 4 and Supplements 1-10 thereto.

G-16300; Bagley Field, Lea County, New Mexico; El Paso Natural Gas Company; 72. G-16347; Union District, Ritchie County, West Virginia; Equitable Gas Company; 6 and 7.

G-16384; Hansford (Morrow) Field, Hansford County, Texas; Northern Natural Gas Company; 5 and Supplement No. 1 thereto.

G-16385; Whelan Field, Barber County, Kansas; Starkan Gas Company (for resale to Cities Service Gas Company); 5.

G-16581; Alfred Field (Adams Ranch Area), Jim Wells County, Texas; Alfred Production Company, Inc. (for resale to Trunkline Gas Company); 8.

G-16769; Los Torritos Field, Hidalgo County, Texas; Tennessee Gas Transmission Company; 1.

G-16845; Pistol Ridge Field, Pearl River County, Mississippi; United Gas Pipe Line Company; 2.

G-17111; Blanco Field (Mesaverde), San Juan County, New Mexico; El Paso Natural Gas Company; 1.

G-17114; Blanco Field (Pictured Cliffs), San Juan County, New Mexico; El Paso Nat-

ural Gas Company; 1 and Supplement No. 1 thereto.

G-17223; Acreage in Lea County, New Mexico; El Paso Natural Gas Company; 338.

These matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on September 23, 1959, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 11, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

¹ B B M Drilling Company, Operator, is filing for itself and on behalf of the non-operator, Joseph S. Gruss. The Standard Oil Company (Ohio), predecessor in interest to Sohio Petroleum Company, assigned to B B M and Joseph S. Gruss a portion of subject acreage by instruments dated January 3, 1957, February 5, 1957 and April 6, 1957; the remaining portion of the subject acreage was assigned by Standard to B B M in instruments dated June 5, 1957, August 14, 1957 and November 22, 1957. Subsequently, B B M reassigned a partial working interest in latter acreage to Joseph S. Gruss in instruments dated July 24, 1957, October 1, 1957 and December 2, 1957, respectively. Standard was previously authorized in Docket No. G-4418 to sell gas from the assigned acreage under a basic contract dated October 3, 1952, between Standard, Seller, and El Paso, Buyer. Applicant states that subject acreage was unproductive at time of assignment. Standard (now Sohio) has supplemented its rate schedule filing to reflect aforesaid assignments.

² Frank Zickefoose is filing for himself and as Attorney-in-Fact for unnamed co-owners. Frank Zickefoose is the only signatory seller party to each of the two gas sales contracts involved.

³ Coline Oil Corporation, non-operator, proposes to sell its share of production from the subject Lyon Unit under a ratification agreement dated August 21, 1958 of a basic gas sales contract dated January 16, 1957, between Stanolind Oil & Gas Company (now Pan American Petroleum Corporation), Seller, and Northern Natural Gas Company,

Buyer. Both Coline and Northern are signatory parties to the subject ratification agreement.

⁴ Charles A. Daubert, Operator, is filing for himself and on behalf of the following non-operators: Roy Smith, J. K. Stark, Elmer H. Dolch, Walter J. Achning, Leonard R. Sayers, Harry O'Shea, David N. Sosland, Trustee, Louise Hays (Individually, and as Independent Executrix of the Estate of R. S. Hays, Deceased), Louis Hays and Paul Johnson (Trustees for Robert Simpson Hays, Jr.) and Ada Sue Hays Blume. All are signatory seller parties to the gas sales contract.

⁵ C. W. Alexander, M. E. Norman, Sr., and J. T. McGlothlin, Jr., are filing jointly, and all are signatory seller parties to the subject gas sales contract.

⁶ The contract covering this sale limits production to the Mesa Verde Formation.

⁷ Application covers the sale of gas under a basic gas sales contract dated December 2, 1957, which contract limits production to horizons down to and including the Pictured Cliffs Formation, and an amendatory agreement adding additional acreage thereto dated September 15, 1958.

⁸ Phillips Petroleum Company, non-operator, proposes to continue to sell its interest in production from the subject unit under a gas sales contract dated November 5, 1958 to which it is the only signatory seller party. Application states that Humble Oil & Refining Company, Operator, commenced deliveries of Applicant's share of gas on October 1, 1958 pursuant to the terms of an operating agreement.

[F.R. Doc. 59-6756; Filed, Aug. 14, 1959;
8:45 a.m.]

[Docket No. G-12711 etc.]

GRAHAM-MICHAELIS DRILLING CO. ET AL.

Notice of Applications and Date of Hearing

August 10, 1959.

In the matters of Graham-Michaelis Drilling Company, Operator,¹ Docket No. G-12711; Texaco Inc.,² Docket No. G-13552; Lyons & Logan, et al.,³ Docket No. G-13557; W. E. Bakke, Operator, et al.,⁴ Docket No. G-13791; Delhi-Taylor Oil Corporation, Operator,⁵ Docket No. G-15324; United Oil and Gas Company, Inc., et al.,⁶ Docket No. G-15337; Skelly Oil Company,⁷ Docket No. G-15340; Gulf Oil Corporation,⁸ Docket No. G-15344; Union Oil Company of California, Docket No. G-15361; Humble Oil and Refining Company,⁹ Docket No. G-15365; Hudson Gas & Oil Corporation, et al.,¹⁰ Docket No. G-15377; William Gruenerwald, Operator, et al.,¹¹ Docket No. G-15381.

Each of the above Applicants has filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing each to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the respective applications, and any amendments thereto, which are on file with the Commission and open to public inspection.

The respective Applicants produce and propose to sell natural gas for transportation in interstate commerce for resale as indicated below:

See footnotes at end of document.

See footnotes at end of document.

Docket No., Field and Location, and Purchaser

G-12711; Hugoton Field, Haskell and Kearny Counties, Kansas; Cities Service Gas Company.

G-13552; Hidalgo Field, Hidalgo County, Texas; Texas Eastern Transmission Corporation.

G-13557; Greenwood-Waskom Field, Caddo Parish, Louisiana; Arkansas Louisiana Gas Company.

G-13791; Nena Lucia Field, Nolan County, Texas; West Lake Natural Gasoline Company, et al.

G-15324; South Andrews Field, Andrews County, Texas; El Paso Natural Gas Company.

G-15337; San Juan Basin, La Plata County, Colorado, Pacific Northwest Pipeline Corporation.

G-15340; Cotton Valley Field, Webster Parish, Louisiana; United Gas Pipe Line Company.

G-15344; N. W. Dcwer Field, Beaver County, Oklahoma; Northern Natural Gas Company.

G-15361; North Arneckeville Field, De Witt County, Texas; Texas Eastern Transmission Corporation.

G-15365; Cheniere Perdue Field, Cameron Parish, Louisiana; American Louisiana Pipe Line Company.

G-15377; Northwest Branch Field, Acadia Parish, Louisiana; United Gas Pipe Line Company.

G-15381; Hibbard Pool, Harper County, Kansas; Cities Service Gas Company.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on September 22, 1959, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 31, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

¹ Graham-Michaelis Drilling Company, Operator is a partnership composed of William L. Graham, Marjorie Lois Graham and W. A. Michaelis. Operator is filing for itself and on behalf of the following nonoperators listed in the application together with the percentages of working interests. Osage Oil &

Gas Company, William Graham Oil Company, M. F. Powers, Howard Gillespie and Clyde Beymer. Operator has acquired by five instruments of assignment (two dated November 9, 1956, two dated January 2, 1957 and one dated December 21, 1956) from Stanolind Oil and Gas Company (now Pan American Petroleum Corporation) the subject acreage, which covers the Dennis #1, Wheatley #1, Weber "A", Weber "B" and Steen #1 Units, and has become a signatory seller party to the extent of such assignments to a basic gas sales contract dated June 23, 1950, between Stanolind Oil and Gas Company, Seller, and Cities Service Gas Company (Buyer).

² Texaco Inc. (formerly The Texas Company), is filing for its interest in the following gas units: J. L. Bell, El Texano, Hidalgo Pate, Roy Lepovitz, Pate, Texano-Pate, Theser and El Texano Land Co., H. F. Anderson, Elkins, El Texano No. 2, Hackney Lake No. 1, Kawahata, La Claire H. Savage No. 1, Savage "A" and Theser No. 1. As Operator of the Hidalgo Townsite Unit, Texaco Inc. is filing for itself and on behalf of Delhi-Taylor Oil Corporation and Mayfair Minerals, Inc., nonoperators. The Texas Company is the only signatory seller party to the subject gas sales contract. On November 19, 1957, Operator filed Exhibit "D" to the subject application, which consists of authorizations by Delhi-Taylor and Mayfair Minerals requesting Operator to file on their behalf. Amendment filed is notification of change in name and request that the certificate be issued in the name of Texaco Inc.

³ Lyons & Logan, a partnership consisting of C. H. Lyons, Sr., C. H. Lyons, Jr., Hall M. Lyons, G. L. Logan, E. L. Hilliard, G. F. Abendroth and J. T. Palmer, nonoperator, is filing for itself and on behalf of the following additional nonoperators: William Hurwitz, Morris Anisman, and Red River Oil Company, a partnership consisting of A. A. Gilbert, Lazar M. Murov and Neal H. Nierman. All nonoperators are signatory seller parties to the subject gas sales contract.

⁴ W. E. Bakke, Operator, is filing for himself and on behalf of the following nonoperators: Frank B. Waters, Gall Stoddard, K. L. Fouch, Clifford L. Brown, Jr., Theron Graves, individually, and as Attorney-in-Fact for Thomas Graves. All are signatory seller parties to the subject gas sales contract.

⁵ Delhi-Taylor Oil Corporation, Operator, is filing for itself and lists in the application together with the percentages of working interests the following nonoperators: Signal Oil and Gas Company, Hancock Oil and Gas Company and Statex Petroleum. Operator is the sole signatory seller party to the gas sales contract dated December 3, 1957 and amendatory agreement dated January 23, 1958 adding additional acreage thereto.

⁶ United Oil and Gas Company, Inc., and Everett M. Grantham, Robert C. Jackson and Clemente E. Marcus, Trustees, are filing jointly and all are signatory seller parties to the subject gas sales contract.

⁷ Amendment filed is statement acknowledging Applicant's willingness to accept a conditioned certificate requiring refund to Purchaser should the additional one cent Louisiana tax levied pursuant to Act No. 8 of 1958 (House Bill 303) be invalidated. The related rate schedule filing indicates that deliveries commenced in August 1958.

⁸ Gulf Oil Corporation, Applicant, is a signatory seller party to the subject gas sales contract through the signature of its agent, Warren Petroleum Company.

⁹ Amendment filed is letter acknowledging Applicant's willingness to accept a conditioned certificate requiring refund to Purchaser should the additional one cent Louisiana tax levied pursuant to Act No. 8 of 1958 (House Bill 303) be invalidated. Deliveries commenced September 1, 1958.

¹⁰ Hudson Gas & Oil Corporation, nonoperator, is filing for itself and on behalf of sixty-one additional nonoperators listed in

the application together with the percentage of interest of each. Nonoperators own a combined interest of 100% in the Mark R. Fruge No. 1 Well, which is operated by F. A. Callery, Inc. Operator owns no working interest in the subject well and is not a signatory party to the subject gas sales contract. In addition, Hudson is filing for authorization to sell gas attributable to its interest in twelve additional wells. Hudson is a signatory seller party to the subject gas sales contract and the remaining nonoperators are also signatory parties through the signature of Callery Properties, Inc., a legal title representing the interests of such parties but owning no working interest in its own name. Amendment filed is statement acknowledging Applicants' willingness to accept a conditioned certificate requiring refund to Purchaser should the additional one cent Louisiana tax levied pursuant to Act No. 8 of 1958 (House Bill 303) be invalidated. Deliveries commenced August 27, 1958.

¹¹ William Gruenerwald, Operator, is filing for himself and on behalf of the following nonoperators: Mabel Greene Myers, Jerry Chambers and Clipper Carloading Company. All are signatory seller parties to the subject gas sales contract.

[F.R. Doc. 59-6757; Filed, Aug. 14, 1959; 8:45 a.m.]

[Docket No. G-13380 etc.]

MAGNOLIA PETROLEUM CO. ET AL.**Notice of Application and Date of Hearing**

AUGUST 10, 1959.

In the matters of Magnolia Petroleum Company, Docket No. G-13380; Crescent Drilling Company, Inc.¹ Docket No. G-13448; John Faubion *et al.*,² Docket No. G-13534; Anderson-Prichard Oil Corporation, Docket No. G-13719; Harrell Drilling Company,³ Docket No. G-13720; E. M. Carpenter, Operator, *et al.*,⁴ Docket No. G-13723; Lamar Hunt Trust Estate,⁵ Docket No. G-13747; Sun Oil Company,⁶ Docket No. G-13748; Godfrey L. Cabot, Inc., Docket No. G-13763; O. D. Damron, d/b/a Lana Sharon Gas Company, Docket No. G-13784; H. S. Moss, Operator, *et al.*,⁷ Docket No. G-13787; Domestic Oil Corporation, Docket No. G-13790; Floyd E. Holbert, Docket No. G-13802.

Each of the above Applicants has filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing each to render service as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the respective applications, and any amendments thereto, which are on file with the Commission and open to public inspection.

The respective Applicants produce and propose to sell natural gas for transportation in interstate commerce for resale as indicated below:

Docket Nos., Field and Location, and Purchaser

G-13380; Jalmat Field, Lea County, New Mexico; El Paso Natural Gas Company.

G-13448; Colquitt Field, Claiborne Parish, Louisiana; Arkansas Louisiana Gas Company.

G-13534; Bloomington Field, Victoria County, Texas; United Gas Pipe Line Company.

See footnotes at end of document.

G-13719; Florence Field, Grant and Alfalfa Counties, Oklahoma; Cities Services Gas Company.

G-13720; Hidalgo Field, Hidalgo County, Texas; Texas Eastern Transmission Corporation.

G-13723; West Lamar Field, Franklin Parish, Louisiana; United Fuel Gas Company.

G-13747; Palo Blanco Field, Brooks County, Texas; Unit Gas Company, Inc.

G-13748; Hidalgo Field, Hidalgo County, Texas; Texas Eastern Transmission Corporation.

G-13783; Luthersburg Field, Clearfield County, Pennsylvania; New York State Natural Gas Corp.

G-13784; Triadelpis District, Logan County, West Virginia; Hope Natural Gas Company.

G-13787; Davis Field, Grayson County, Texas; Lone Star Gas Company.

G-13790; East Gurtie Lake Field, Logan County, Oklahoma; Cities Service Gas Company.

G-13802; Bloomington Field, Victoria County, Texas; United Gas Pipe Line Company.

These related matters should be heard on a consolidated record and disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on September 22, 1959 at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street, NW., Washington, D.C., concerning the matters involved in and the issues presented by such applications: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30 (c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 4, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,
Secretary.

¹ Application covers a ratification agreement dated October 1, 1957 of a basic gas sales contract dated August 7, 1957 between Republic Natural Gas Company, seller, and Arkansas Louisiana, buyer. Both Applicant and Arkansas are signatory parties to the subject ratification agreement.

² John Faubion, A. M. Moncrief, Sam Wilcox, Jake McCallister, Lee S. Carter and Evelyn H. Carter are filing jointly for their working interest in certain acreage and all are signatory seller parties to the subject gas sales contract.

³ Harrell Drilling Company, nonoperator, a partnership composed of H. M. Harrell, Jr., Clayton M. Harrell, John K. Harrell and James E. Harrell, proposes to sell its share

of production from certain units under a ratification agreement dated October 29, 1957 of a basic gas sales contract dated October 7, 1957, between The Texas Company, seller, and Texas Eastern Transmission Corporation, buyer. All partners and Texas Eastern are signatory parties to said ratification agreement.

⁴ E. M. Carpenter, Operator, is filing for himself and on behalf of the following non-operators: Willard M. Johnson and Mud Supply Company, Inc. All are signatory seller parties to the subject gas sales contract.

⁵ Applicant is the only signatory seller party to the subject gas sales contract through the signature of A. G. Hill, Trustee.

⁶ Sun Oil Company, nonoperator, proposes to sell its share of production from certain units under a ratification agreement dated November 5, 1957 of a basic contract dated October 7, 1957, between The Texas Company, seller, and Texas Eastern Transmission Corporation, buyer. Both Sun and Texas Eastern are signatory parties to the subject ratification agreement.

⁷ H. S. Moss, Operator, is filing for himself and on behalf of the following nonoperators: L. R. Whitson, Dorothy Manziel (Administratrix of the Estate of Bobby Manziel), C. L. DuPuy, George K. DuPuy and J. C. Umphress. All are listed in the subject gas sales contract as seller parties, however, J. C. Umphress has not executed said contract.

[F.R. Doc. 59-6758; Filed, Aug. 14, 1959; 8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 169]

MOTOR CARRIER TRANSFER PROCEEDINGS

AUGUST 12, 1959.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62284. By order of August 11, 1959, the Transfer Board approved the transfer to Ferd Brensel, Denison, Iowa, of Certificate No. MC 96377, issued May 19, 1941, to Herman Schiernbeck, Kiron, Iowa, authorizing the transportation of: Livestock, between Kiron, Iowa, and points within ten miles of Kiron, on the one hand, and, on the other, Omaha, Nebr.; and feed, agricultural implements and parts thereof, seed, hay, straw, coal, lumber, building materials, grain, and petroleum products in containers, from Omaha Nebr., to Kiron, Iowa, and points within ten miles of Kiron. Robert C. Reimer, Crawford County Bank Building, Denison, Iowa, for applicants.

No. MC-FC 62392. By order of August 11, 1959, the Transfer Board approved

the transfer to M. B. Schiegel, Onaga, Kansas, of Certificates in Nos. MC 49503 and MC 49503 Sub 3, issued June 3, 1954, and June 4, 1954, respectively, to Roger Force, doing business as Force Truck Line, Wheaton, Kansas, authorizing the transportation of: General commodities, excluding household goods, commodities in bulk and other specified commodities; livestock; feed; and agricultural implements and parts, twine and building materials, between specified points in Missouri and Kansas. Erle W. Francis, 214 West Sixth, Topeka, Kansas.

No. MC-FC 62451. By order of August 11, 1959, the Transfer Board approved the transfer to Film Transport Co., A Corporation, 1112 Capitol Avenue, Omaha, Nebraska, of a Certificate in No. MC 25469, issued February 17, 1956, to Paul Mueller, doing business as Paul Mueller Truck Service, Yorktown, Iowa, authorizing the transportation of general commodities, excluding household goods, as defined by the Commission, commodities in bulk, and other specified commodities, from Omaha, Nebr., to Clarinda, Iowa, and intermediate points and off-route points in Iowa within 25 miles of Clarinda, restricted to delivery only, and specified commodities, from and to specified points in Missouri, Nebraska, and Iowa.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 59-6766; Filed, Aug. 14, 1959; 8:47 a.m.]

NATIONAL LABOR RELATIONS BOARD

GENERAL COUNSEL

Amendment to Board Memorandum Describing Authority and Assigned Responsibilities

Pursuant to the provisions of section 3(a) of the Administrative Procedure Act (Pub. Law 404), 79th Cong., 2nd Sess.), the National Labor Relations Board hereby separately states and currently publishes in the FEDERAL REGISTER the following further amendment to Board Memorandum Describing the Authority and Assigned Responsibilities of the general counsel of the National Labor Relations Board, (effective August 3, 1959). This amends memorandum which appeared at 20 F.R. 2175, as amended at 23 F.R. 6966.

Dated, Washington, D.C., August 12, 1959.

By direction of the Board.

FRANK M. KLEILER,
Executive Secretary.

The Board Memorandum Describing the Authority and Assigned Responsibilities of the General Counsel of the National Labor Relations Board effective April 1, 1955, as amended August 25, 1958, is hereby further amended by striking the text of Section VII and substituting the following:

1. In order more fully to release the Board to the expeditious performance of its primary

function and responsibility of deciding cases, the full authority and responsibility for all administrative functions of the Agency shall be vested in the General Counsel. This authority shall be exercised subject to the limitations contained in paragraph 2 with respect to the personnel of, or directly related to, Board Members, and shall be exercised in conformity with the requirements for joint determination as described in paragraph 4.

2. The General Counsel shall exercise full and final authority on behalf of the Agency over the selection, retention, transfer, promotion, demotion, discipline, discharge and in all other respects, of all personnel engaged in the field and in the Washington Office (other than personnel in the Board Members' offices, the Division of Trial Examiners, the Division of Information, the Security Office, the Office of the Solicitor, and the Office of the Executive Secretary); provided, however, that the establishment, transfer or elimination of any Regional or Sub-Regional Office shall require the approval of the Board.

3. The General Counsel will provide such administrative services and housekeeping services as may be requested by the Board in connection with the conduct of its necessary business, and will submit to the Board a quarterly report on the performance of these administrative functions.

4. In connection with and in order to effectuate the foregoing, the General Counsel is authorized to formulate and execute such necessary requests, certifications, and other related documents on behalf of the Agency, as may be needed from time to time to meet the requirements of Civil Service Commission, the Bureau of the Budget, or any other

Governmental Agency; provided, however, that the total amount of any annual budget requests submitted by the Agency, the apportionment and allocation of funds and/or the establishment of personnel ceilings within the Agency shall be determined jointly by the Board and the General Counsel.

[F.R. Doc. 59-6772; Filed, Aug. 14, 1959; 8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 1-1731]

CURTIS LIGHTING, INC.

Notice of Application to Strike From Listing and Registration, and of Opportunity for Hearing

AUGUST 11, 1959.

Midwest Stock Exchange has made application, pursuant to section 12(d) of the Securities Exchange Act of 1934 and Rule 12d2-1(b) promulgated thereunder, to strike the specified security from listing and registration thereon.

The reasons alleged in the application for striking this security from listing and registration include the following:

Pursuant to an offer of the Company, dated March 31, 1959, to its stockhold-

ers to purchase their Common Stock, the number of stockholders was reduced to 85, which are too few to maintain a reasonable Exchange market.

Upon receipt of a request, on or before August 28, 1959, from any interested person for a hearing in regard to terms to be imposed upon the delisting of this security, the Commission will determine whether to set the matter down for hearing. Such request should state briefly the nature of the interest of the person requesting the hearing and the position he proposes to take at the hearing with respect to imposition of terms. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington 25, D.C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application and other information contained in the official file of the Commission pertaining to the matter.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 59-6762; Filed, Aug. 14, 1959; 8:46 a.m.]

CUMULATIVE CODIFICATION GUIDE—AUGUST

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3	6257, 6264, 6345, 6437
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3	6266, 6267, 6353
7	6268, 6439
8	6268, 6439
9	6439
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45	6271
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