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Title 46—SHIPPING

Chapter I—Coast Guard, Department of the Treasury

[CGFR 59-36]

SUBCHAPTER B—MERCHANT MARINE OFFICERS AND SEAMEN

PART 12—CERTIFICATION OF SEAMEN

Subpart 12.02—General Requirements for Certification

ADMINISTERING OATHS REQUIRED BEFORE ISSUING MERCHANT MARINER'S DOCUMENTS

Before the Coast Guard may issue a Merchant Mariner's Document to an applicant the law in subsection 672(g) of Title 46 U.S. Code, states " * * * such certificates shall not issue before oath has been taken before a Coast Guard official that the applicant therefor will faithfully and honestly perform all the duties required of him by law, and carry out the lawful orders of his superior officers on shipboard * * * " The procedure has been to have the administration of these oaths performed by the Officer in Charge, Merchant Inspection, whether military or civilian, or commissioned officers on active duty. Since the arrangement of certain field offices separate the licensing unit from the certifying unit, delays have occurred in the issuing of Merchant Mariner's Documents when no commissioned officer was available to administer the required oaths. Therefore, the amendment to 46 CFR 12.02-15 substitutes the word "official" for the word "officer" so that the administration of these oaths may be performed by authorized Coast Guard military or civilian personnel.

Because this amendment to 46 CFR 12.02-15 is a change in procedures, it is hereby found that compliance with the Administrative Procedure Act (respecting notice of proposed rule making, public rule making procedures thereon, and effective date requirements thereof) is deemed to be unnecessary.

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), and CGFR 56-28, dated July 24,

1956 (21 F.R. 5659) to promulgate regulations in accordance with the statutes cited with the regulations below, the following amendment to § 12.02-15 is prescribed and shall become effective upon the date of publication of this document in the FEDERAL REGISTER:

§ 12.02-15 Oath requirement.

An applicant for a certificate of service for a rating other than as able seaman or qualified member of the engine department shall take oath before an Officer in Charge, Marine Inspection, or other official authorized to give such oath that he will faithfully and honestly perform all the duties required of him by law and carry out all lawful orders of his superior officers on shipboard.

(R.S. 4405, 4417a, 4488, 4551, as amended, sec. 13, 38 Stat. 1169, as amended, secs. 1, 2, 49 Stat. 1544, sec. 7, 49 Stat. 1936, sec. 1, 52 Stat. 753, 55 Stat. 579; 46 U.S.C. 375, 391a, 481, 643, 672, 367, 689, 672b, 672-1, 672-2)

Dated: August 31, 1959.

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

[F.R. Doc. 59-7429; Filed, Sept. 4, 1959; 8:49 a.m.]

[CGFR 59-21]

VESSEL INSPECTION

Miscellaneous Amendments

Pursuant to the notice of proposed rule making published in the FEDERAL REGISTER on April 9, 1959 (24 F.R. 2742-2751), and the Merchant Marine Council Public Hearing Agenda CG-249, dated April 27, 1959, the Merchant Marine Council held a Public Hearing on April 27, 1959, for the purpose of receiving comments, views and data. The proposals considered were identified as Items I through XII, inclusive. The proposed regulations were set forth in detail in the Agenda, CG-249, and a summary of the proposals was set forth in the previously mentioned FEDERAL REGISTER of April 9, 1959.

This document is the eighth of a series regarding the regulations and actions considered at the April 27, 1959, Public Hearing and Annual Session of the Merchant Marine Council. This completes

(Continued on p. 7179)

CONTENTS

	Page
Agricultural Marketing Service	
Proposed rule making:	
Milk in Great Basin marketing area; decision on proposed agreement and order.....	7207
Rules and regulations:	
Handling of milk in certain marketing areas; determination of equivalent prices for Grade AA (93-Score) and Grade A (92-Score) butter at Chicago.....	7198
Shipments limitations:	
Lemons grown in California and Arizona.....	7199
Oranges, grapefruit, tangerines, and tangelos grown in Florida.....	7199
Valencia oranges grown in Arizona and designated part of California; handling limitation.....	7198
Agriculture Department	
See Agricultural Marketing Service.	
Alien Property Office	
Notices:	
Intention to return vested property:	
Beck, Aksel Lundgaard.....	7234
Schmiedell, Elizabeth Wilhelmina.....	7234
Atomic Energy Commission	
Notices:	
North American Aviation, Inc.; application for facility license.....	7226
Civil Aeronautics Board	
Notices:	
Hearings, etc.:	
American Shippers, Inc.....	7231
Eagle Airways (Bahamas), Ltd.....	7231
Coast Guard	
Rules and regulations:	
Certification of seamen; administering oaths required before issuing merchant mariner's documents.....	7177
Numbering requirements under Act of June 7, 1918; approval of Minnesota numbering system.....	7197
Vessel inspection; miscellaneous amendments.....	7177

CONTENTS—Continued

CODIFICATION GUIDE



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CONTENTS—Continued

Commerce Department	Page
See also Federal Maritime Board; Foreign Commerce Bureau.	
Notices:	
Changes in financial interests:	
Butler, Paul.....	7226
Crosby, Joseph P.....	7226
Thomson, Alexander D.....	7226
Federal Aviation Agency	
Proposed rule making:	
Airworthiness parts of Civil Air Regulations; notice of 1959 review.....	7204
Coded jet route; establishment..	7206
Control zones:	
Modification.....	7206
Revocation (2 documents)....	7205, 7206

Federal Maritime Board	
Notices:	
Grace Line, Inc.; application....	7226
Federal Power Commission	
Notices:	
Hearings, etc.:	
Edwin M. Jones Oil Co.....	7231
Gilster, Ralph R., et al.....	7231
Indiana Natural Gas Corp.....	7232
Northern Natural Gas Co.....	7232
Southern Petroleum Explora- tion, Inc.....	7233
Sun Oil Co.....	7233

Federal Reserve System	
Notices:	
Marine Corp.; approval of ap- plication under Bank Holding Company Act.....	7233

Fish and Wildlife Service	
Proposed rule making:	
Hunting:	
Game ranges:	
Desert, Nev.....	7203
Fort Peck, Mont.....	7203
National wildlife refuges:	
Fish Springs, Utah.....	7204
Lower Klamath, California and Oregon.....	7203
McKay Creek, Oreg.....	7204

Foreign Commerce Bureau	
Rules and regulations:	
Miscellaneous amendments:	
Licensing and exportation....	7200
Positive list of commodities and related matters.....	7201

Interior Department	
See also Fish and Wildlife Service; Land Management Bureau.	
Notices:	
Puerto Rico; adjustments in maximum level of imports of finished products other than residual fuel oil to be used as fuel.....	7226

Internal Revenue Service	
Notices:	
Relief from excess profits tax because of an inadequate ex- cess profits credit; allowance during fiscal year ended June 30, 1959.....	7227

Interstate Commerce Commis- sion	
Notices:	
Motor carrier transfer proceed- ings.....	7234

Justice Department	
See Alien Property Office.	
Land Management Bureau	
Rules and regulations:	
Alaska; public land order....	7200

Securities and Exchange Com- mission	
Notices:	
Seaboard Allied Milling Corp.; hearing, etc.....	7233

Treasury Department	
See Coast Guard; Internal Reve- nue Service.	

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

A Cumulative Codification Guide covering the current month appears at the end of each issue beginning with the second issue of the month.

7 CFR	Page
903.....	7198
905-908.....	7198
911-913.....	7198
916-919.....	7198
921.....	7198
922.....	7198
923-925.....	7198
928-932.....	7198
933.....	7199
935.....	7198
941-944.....	7198
946.....	7198
948-949.....	7198
952.....	7198
953.....	7199
954.....	7198
956.....	7198
965-968.....	7198
971-972.....	7198
974-978.....	7198
980.....	7198
982.....	7198
985-988.....	7198
991.....	7198
994-995.....	7198
998.....	7198
1000.....	7198
1002.....	7198
1004-1005.....	7198
1008-1009.....	7198
1011-1014.....	7198
1016.....	7198
1018.....	7198
1023.....	7198
Proposed rules:	
963.....	7207
14 CFR	
Proposed rules:	
1.....	7204
3.....	7204
4b.....	7204
5-10.....	7204
13-14.....	7204
601 (3 documents).....	7205, 7206
602.....	7206
15 CFR	
371.....	7200
373.....	7200
374.....	7200
379.....	7200
382.....	7200
385.....	7200
399.....	7201
43 CFR	
Public land orders:	
82 (see PLO 1965).....	7200
1621 (amended by PLO 1965) ..	7200
1965.....	7200
46 CFR	
12.....	7177
30.....	7179
32.....	7179
33.....	7179
34.....	7179
35.....	7181
43.....	7181
44.....	7182

CODIFICATION GUIDE—Con.

46 CFR—Continued	Page
45-----	7182
51-----	7183
52-----	7184
54-----	7185
55-----	7187
56-----	7188
57-----	7190
61-----	7190
71-----	7190
76-----	7191
91-----	7191
95-----	7191
110-----	7192
111-----	7192
112-----	7194
113-----	7194
161-----	7195
167-----	7196
172-----	7197
176-----	7197
181-----	7197
183-----	7197

50 CFR	
<i>Proposed rules:</i>	
31 (4 documents)-----	7203, 7204
32-----	7204

the series of documents except for those specific subjects or items for which extensions of time in submitting further comments were granted; namely, Item IX with respect to "nitro carbo nitrates," and Item XI with respect to "suspension or revocation proceedings."

This document contains the final actions taken with respect to the proposals in:

- Item II—Fire Protection Equipment;
- Item III—Engineering;
- Item IV—Electrical;
- Item V—Tank Vessels; and
- Item VI—Load Lines.

The proposals in Item II regarding fire protection equipment are approved with several minor changes. The text of 46 CFR 34.20-10 with respect to fixed carbon dioxide fire extinguishing systems on tank ships was revised so that the wording would be similar to the requirements for dry cargo vessels. With respect to the inspections of portable fire extinguishers, the requirements for pressure cartridges used in cartridge operated type fire extinguishers were revised to eliminate the specific requirement for weighing such cartridges. No changes were made in the proposals regarding vaporizing liquid type fire extinguishing equipment containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids.

The proposals in Item III regarding engineering are approved as revised. Changes in 46 CFR 52.05-15, 52.05-20, 52.60-10, 54.03-27, 55.07-1, 55.10-1 and 61.30-5 are based on comments received. Editorial changes in 46 CFR Subchapter F (Marine Engineering) are included in this document so that all references to American Society of Testing Materials' specifications (A.S.T.M.) will be up to date. To clarify requirements referred to in the proposals, changes also are made in 46 CFR 54.07-10, 56.01-15, and 56.05-3 and included in this document.

The proposals in Item IV regarding electrical engineering are approved as

revised. Changes in 46 CFR 110.15-15, 111.60-40, 111.70-10, 112.55-1, and 113.55-25 are based on comments received.

The text of the proposals in Item V regarding tank vessels is approved.

The proposals in Item VI regarding load lines are approved as revised. Changes were made in the description of application to agree with the description used in the Canadian Great Lakes Load Line Regulations. The markings for Great Lakes' vessels operating in salt water were also modified to agree with similar markings required by the Canadian Great Lakes Load Line Regulations. As a result of comments received, changes were made in 46 CFR 43.10-5, 43.10-40, 45.10-5, and 45.10-40 and included in this document, which clarify requirements governing hatch covers of metal construction.

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), 167-9, dated August 3, 1954 (19 F.R. 5915), 167-14, dated November 28, 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 regulations below, the following amendments and regulations are prescribed and shall become effective 90 days after the date of publication of this document in the FEDERAL REGISTER unless otherwise specifically provided in the text of the regulations:

SUBCHAPTER D—TANK VESSELS

PART 30—GENERAL PROVISIONS

Subpart 30.01—Administration

Section 30.01-5(e) is amended by revising the first sentence thereof to read as follows:

§ 30.01-5 Application of regulations—TB/ALL.

(e) This subchapter shall be applicable to all foreign flag vessels indicated in Column 3 of Table 30.01-5(d) while in the navigable waters over which the United States has jurisdiction or while undergoing repairs involving fire-producing operations in a port or place in the United States including its territories and possessions insofar as meeting the general intent of the special operating requirements set forth in § 35.01-1 and the safety and cargo handling requirements set forth in Subparts 35.30 and 35.35 of this subchapter. * * *

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended; 46 U.S.C. 375, 391a, 416. Interpret or apply sec. 3, 68 Stat. 675, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 32—SPECIAL EQUIPMENT, MACHINERY, AND HULL REQUIREMENTS

Subpart 32.60—Hull Requirements for Tank Vessels Constructed on or After July 1, 1951

Section 32.60-20 (b) is amended to read as follows:

§ 32.60-20 Pump rooms on tank vessels carrying Grade A, B, C, or D liquid cargo—TB/ALL.

(b) *Ventilation.* (1) Pump rooms of all tank vessels shall be ventilated in such a way as to remove vapors from points near the floor level or bilges. Pump rooms on tank ships handling Grade A, B, or C liquid cargo, with machinery located below the freeboard deck, shall be equipped with power ventilation. Pump rooms equipped with power ventilation shall have the ventilation outlets terminate more than six feet from any opening to the interior part of the vessel which normally contains sources of vapor ignition.

(2) For all tank vessels, the construction or conversion of which is started on or after October 1, 1959, the power ventilation units shall not produce a source of vapor ignition in either the pump room or the ventilation systems associated with the pump room. The capacity of power ventilation units shall be sufficient to effect a complete change of air in not more than 3 minutes, based upon the volume of the pump room and associated trunks up to the deck at which access from the weather is provided.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended; 46 U.S.C. 375, 391a, 416. Interpret or apply sec. 3, 68 Stat. 675, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 33—LIFESAVING APPLIANCES

Subpart 33.15—Equipment for Lifeboats, Life Rafts, or Buoyant Apparatus

Section 33.15-10 (h) is amended to read as follows:

§ 33.15-10 Description of equipment for lifeboats—TB/ALL.

(h) *Fire extinguisher.* Fire extinguishers shall be of an approved type (4 pounds CO₂ or 2 pound dry chemical). One shall be attached to each end of the lifeboat.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended; 46 U.S.C. 375, 391a, 416. Interpret or apply sec. 3, 68 Stat. 675, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 34—FIRE-FIGHTING EQUIPMENT

Subpart 34.01—General Fire-Fighting Requirements

1. Section 34.01-1 is amended to read as follows:

§ 34.01-1 Fire equipment for tank vessels—TB/ALL.

(a) All tank vessels subject to the regulations in this subchapter shall have fire extinguishers and fire-fighting apparatus in accordance with the regulations in this subchapter, and where required, the equipment shall be constructed in accordance with the regulations contained in the applicable subparts of Subchapter Q (Specifications) of this chap-

RULES AND REGULATIONS

TABLE 34.05-1(b)—Continued

Type unit	Test
Dry chemical (cartridge-operated type).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Inspect hose and nozzle to see if they are clear. Insert charged cartridge. Be sure dry chemical is free-flowing (not caked) and chamber contains full charge.
Dry chemical (stored pressure type).	See that pressure gage is in operating range. If not, or if seal is broken, weigh or otherwise determine that full charge of dry chemical is in extinguisher. Recharge if pressure is low or if dry chemical is needed.
Vaporizing liquid ² (pump type).	Pump a few strokes into clean pail and replace liquid. Keep water out of extinguisher or liquid. Keep extinguisher completely full of liquid.
Vaporizing liquid ² (stored pressure type).	See that pressure gage is in operating range. Weigh or check liquid level to determine that full charge of liquid is in extinguisher. Recharge if pressure is low or if liquid is needed.

² Vaporizing-liquid type fire extinguishers containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids shall be removed from all vessels on or before Jan. 1, 1962. (See § 34.01-1.)

Subpart 34.15—Cargo Spaces on Tank Ships

§ 34.15-1 [Amendment]

3. Section 34.15-1 *General requirements for cargo spaces on tank ships constructed or converted on or after November 19, 1952—T/ALL* is amended by deleting paragraph (b) (4).

§ 34.15-5 [Amendment]

4. Section 34.15-5 *General requirements for cargo spaces on tank ships constructed or converted prior to November 19, 1952—T/ALL* is amended by deleting paragraph (b) (4).

§ 34.15-30 [Deletion]

5. Section 34.15-30 *Carbon tetrachloride systems for cargo spaces—T/ALL* is deleted.

Subpart 34.20—Boiler Room and Machinery Spaces on Tank Ships

6. Section 34.20-10(a) is amended to read as follows:

§ 34.20-10 Fixed carbon dioxide fire extinguishing systems installed on tank ships on or after November 19, 1952—T/ALL.

(a) The quantity of carbon dioxide in pounds to be supplied shall be at least equal to the gross volume of the space in cubic feet, taken between watertight or oiltight bulkheads and from tank top or flat forming the lower boundary of the space to the deck head of the space, divided by a factor as set forth in Table 34.20-10(a) depending upon the volume of the space. For machinery spaces, the upper boundary of the space shall be taken as the underside of the deck forming the hatch opening unless the boilers, internal combustion machinery or fuel oil installations extend into such hatch, in which case, the volume shall be taken to the top of the hatch trunk or the next material reduction in area of the trunk, whichever is lower. For installations

ter: *Provided, however*, That all fire extinguishers and fire-fighting apparatus which is of the character that complied with the rules and regulations of the Commandant on vessels in existence at the time the regulations in this subchapter are promulgated, and have been in use on such vessels, may be continued in use so long as such fire extinguishers and such fire-fighting apparatus are found to be in good and workable condition, except that toxic vaporizing-liquid type fire extinguishing equipment containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquid may be continued in use not later than January 1, 1962.

(b) Where fire extinguishers and fire fighting apparatus are not found to be in good and workable condition, they shall be repaired or else replaced by fire extinguishers or fire-fighting apparatus of the latest approved type, as required by the regulations in this subchapter and Subchapter Q (Specifications) of this chapter. Where fire extinguishers or fire-fighting apparatus are found to be in good and workable condition, but deficient as to quantity or numbers, the additional quantity or numbers required by the regulations in this subchapter shall be of the latest approved type. Fixed systems which are included in the fire-fighting equipment for tank vessels and which have been in the past approved by the Commandant shall be deemed to comply with the regulations in this subchapter both as to character and quantity, provided such systems are in good and workable condition.

Subpart 34.05—Inspections

2. Section 34.05-1(b) is amended by revising Table 34.05-1(b) only to read as follows:

§ 34.05-1 Fire-fighting equipment; general—TB/ALL.

(b) * * *

TABLE 34.05-1(b)

Type unit	Test
Soda acid.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Foam.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Pump tank (water or antifreeze).	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge with clean water or antifreeze.
Cartridge operated (water, anti-freeze or loaded stream).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Remove liquid, clean hose and inside of extinguisher thoroughly. Recharge with clean water, solution, or antifreeze. Insert charged cartridge.
Carbon dioxide.....	Weigh cylinders. Recharge if weight loss exceeds 10 percent of weight of charge. Inspect hose and nozzle to be sure they are clear. ¹

¹ Cylinders shall be tested and marked in accordance with the regulations of the Interstate Commerce Commission, as noted in § 147.04-1 of Subchapter N (Explosives or Other Dangerous Articles or Substances and Combustible Liquids on Board Vessels) of this chapter.

contracted for on or after October 1, 1959. "hatch opening" and "material reduction in area" shall be defined as follows:

(1) By "hatch opening" shall be meant the opening of a hatch trunk the area of which is not more than 40 percent of the maximum area of the machinery space.

(2) By "material reduction in area" shall be meant a reduction to at least 40 percent of the hatch trunk area.

TABLE 34.20-10(a)

Gross volume of space, cubic feet		Factor
Over	Not over	
-----	500	15
500	1,600	16
1,600	4,500	18
4,500	50,000	20
50,000	-----	22

7. Section 34.20-25(a) is amended to read as follows:

§ 34.20-25 Fire extinguishing equipment, other than fixed, for boiler and machinery spaces on tank ships—T/ALL.

(a) The minimum requirements for fire-fighting equipment on all tank ships which are not fitted with fixed fire extinguishing systems in boiler room and machinery spaces shall be of the type and character specified as follows:

(1) Steam tank ships of more than 750 gross tons: One semiportable fire extinguisher of either the 40-gallon capacity foam type, 100-pound capacity carbon dioxide type, or 50-pound capacity dry chemical type, for each boiler room.

(2) Steam tank ships of 750 gross tons and under: One hand portable or semiportable fire extinguisher of either the 20-gallon capacity foam type, 50-pound capacity carbon dioxide type, or 30-pound capacity dry chemical type, for each boiler room.

(3) Internal combustion engine driven tank ships of 50 gross tons and upward: One hand portable or semiportable fire extinguisher of either the 12-gallon capacity foam type, 35-pound capacity carbon dioxide type, or 20-pound capacity dry chemical type, for each 1,000 b. hp. or fraction thereof.

(4) Alternately, approved units having a larger capacity may be used, provided the total capacity is not less than that required for the individual units.

(5) When donkey boilers using oil as fuel are located in the machinery spaces on tank ships propelled by internal combustion engines, a 40-gallon capacity semiportable fire extinguisher of the foam type, or its equivalent as set forth in subparagraph (1) of this paragraph shall be substituted for one of the 12-gallon capacity semiportable fire extinguishers, or equivalent, required by subparagraph (3) of this paragraph.

(6) All of the foregoing semiportable fire extinguishers shall be fitted with suitable hose attachments or other approved methods of distributing the foam,

carbon dioxide, or dry chemical in any part of the space to be protected.

Subpart 34.21—Pump Rooms on Tank Ships

8. Section 34.21-1(f) is amended to read as follows:

§ 34.21-1 Fixed fire extinguishing systems for tank ships constructed or converted on or after November 19, 1952—T/ALL.

(f) When a carbon dioxide system is installed, it shall meet the general requirements contained in § 34.20-10. For installations, the construction or conversion of which is started on or after October 1, 1959, the volume for computation of the required amount of carbon dioxide shall be that of the pump room and associated trunks up to the deck at which access from the weather is provided.

Subpart 34.25—Hand Fire Extinguishers

9. Section 34.25-25(b) is amended to read as follows:

§ 34.25-25 Hand fire extinguishers; number required on tank ships—T/ALL.

(b) The number of fire extinguishers required by paragraph (a) of this section is based on the ordinary 2½-gallon foam type fire extinguisher and other types of fire extinguishers may be substituted according to the following schedule: One 2½-gallon foam type fire extinguisher is equivalent to one 15-pound carbon dioxide type, or one 10-pound dry chemical type. A 2½-gallon soda-acid type fire extinguisher, or its equivalent in other approved water types, may be substituted for the required foam type fire extinguisher within the accommodation spaces and similar spaces where neither oil nor electrical fires are the primary anticipated hazard.

Subpart 34.40—Fire-Fighting Equipment for Tank Barges

10. Section 34.40-1 is amended by revising the heading and paragraph (a) to read as follows:

§ 34.40-1 Extinguishing equipment for cargo spaces—B/ALL.

(a) All tank barges of 100 gross tons and over, whose certificate requires that they be manned, and which are not equipped with a steam fire extinguishing system as required on a tank ship, shall be equipped with approved extinguishing equipment of the foam type, carbon dioxide type, or dry chemical type having the following minimum capacities:

- 33 gallons of foam; or,
- 200 pounds of carbon dioxide; or,
- 100 pounds of dry chemical.

This is in addition to the hand extinguishers required in § 34.40-5.

11. Section 34.40-5 is amended by revising paragraphs (b) and (c) to read as follows:

§ 24.40-5 Hand fire extinguishers for quarters, pump room, and machinery spaces—B/ALL.

(b) The fire extinguishers at each location shall be not less than one of the equivalent amount as follows:

- (1) 2½ gallons of foam; or,
- (2) 15 pounds of carbon dioxide; or,
- (3) 10 pounds of dry chemical.

(c) In no event shall a manned tank barge or an unmanned tank barge with a pump room be provided with less than one of the equivalent quantities, as follows:

- (1) 5 gallons of foam; or,
- (2) 30 pounds of carbon dioxide; or,
- (3) 20 pounds of dry chemical.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended; 46 U.S.C. 375, 391a, 416. Interpret or apply sec. 3, 68 Stat. 675, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 35—OPERATIONS

Subpart 35.01—Special Operating Requirements

1. Section 35.01-1(b) (1) is amended to read as follows:

§ 35.01-1 Inspection prior to making repairs involving riveting, welding, burning, etc.—TB/ALL.

(1) When in a port in the United States or its territories and possessions, this inspection shall be made by a gas chemist certificated by the American Bureau of Shipping; however, if the services of such certified gas chemist are not reasonably available, the marine inspector, upon recommendation of the vessel owner and his contractor, or their representatives, shall select a person who, in the case of an individual vessel, shall be authorized to make the inspection. If the inspection indicates that such operations can be undertaken with safety, a certificate setting forth that fact in writing and qualified as may be required, shall be issued by the certified gas chemist or the authorized person before the work is started.

Subpart 35.25—Engine Department

2. Section 35.25-5 is amended to read as follows:

§ 35.25-5 Repairs of boilers and unfired pressure vessels and reports of repairs or accidents by chief engineer—TB/ALL.

(a) Before making any repairs to boilers or unfired pressure vessels, the chief engineer shall submit a report covering the nature of the repairs to the Officer in Charge, Marine Inspection, at or nearest to the port where the repairs are to be made.

(b) In the event of an accident to a boiler, unfired pressure vessel, or machinery tending to render the further use of the item itself unsafe until repairs are made, or if by ordinary wear such items become unsafe, a report shall be made by the chief engineer immedi-

ately to the Officer in Charge, Marine Inspection, or if at sea, immediately upon arrival at port.

Subpart 35.30—General Safety Rules § 35.30-15 [Deletion]

3. Section 35.30-15 *Nonsparking tools*—TB/ALL is deleted.

4. Section 35.30-20 is amended to read as follows:

§ 35.30-20 Emergency equipment—TB/ALL.

(a) All manned tank vessels having tanks which exceed 15 feet in depth, measured from the deck to the lowest point at which cargo is carried, and all tank ships of 1,000 gross tons and over shall be provided with an outfit as follows:

(1) One approved fresh air breathing apparatus, including belt and life line. The length of the air hose shall be sufficient to reach from the open deck, well clear of hatch or doorway, to any part of the holds, tanks or machinery spaces. An approved self-contained breathing apparatus with adequate life line may be provided in addition to the fresh air breathing apparatus required. This approved self-contained breathing apparatus is to be used only in machinery spaces and is to be stowed and marked to indicate this restriction on its use. Where such self-contained breathing apparatus is provided the fresh air breathing apparatus will not be required to have sufficient hose to reach the machinery spaces.

(2) One approved 3-cell, explosion-proof flashlight, constructed in accordance with Subpart 161.008 of Subchapter Q (Specifications) of this chapter.

(3) One fire ax.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended; 46 U.S.C. 375, 391a, 416. Interpret or apply sec. 3, 68 Stat. 675, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

SUBCHAPTER E—LOAD LINES

PART 43—FOREIGN OR COASTWISE VOYAGE

Subpart 43.01—Administration

1. Section 43.01-1(a) (1) is amended to read as follows:

§ 43.01-1 Establishment of regulations.

(a) * * *

(1) Merchant vessels of 150 gross tons or over when engaged in a foreign voyage by sea (the Great Lakes excepted) in conformity with the act to establish load lines for American vessels, and for other purposes approved March 2, 1929 (45 Stat. 1492; 46 U.S.C. 85-85g), and effective, September 2, 1930, and in conformity with the International Load Line Convention, 1930, ratified by the United States February 27, 1931, effective January 1, 1933 (for purposes of application of this subparagraph, the St. Lawrence River west of a straight line drawn from Cap de Rosiers to West Point Anticosti Island, and west of a line along longitude 63 degrees west from Anticosti Island to the north shore of the St. Lawrence

River is considered as a part of the Great Lakes); and,

Subpart 43.10—Conditions of Assignment of Load Lines

2. Section 43.10-5 is amended by adding a new paragraph (b) reading as follows:

§ 43.10-5 Cargo and other hatchways not protected by superstructures.

(b) Where hatch covers are of adequate metal construction, sealed watertight against pliable gaskets by dogs or other suitable means, as approved by the Load Line Assigning Authority, the application of the requirements of §§ 43.10-10-43.10-45 will be modified accordingly.

3. Section 43.10-40(a) is amended to read as follows:

§ 43.10-40 Tarpaulins.

(a) At least two tarpaulins in good condition, thoroughly waterproofed, and of ample strength, are to be provided for each hatchway in an exposed position on freeboard and superstructure decks. The material is to be guaranteed free from jute, and shall not be less than No. 4 cotton canvas or No. 6 hemp canvas

before waterproofing, or shall be of suitable synthetic fabric as approved for this purpose by the Load Line Assigning Authority.

(Sec. 2, 45 Stat. 1493, as amended, sec. 2, 49 Stat. 888, as amended; 46 U.S.C. 85a, 88a)

PART 44—VARIANCE FOR STEAM COLLIERIES, BARGES, AND SELF-PROPELLED BARGES (WHEN ENGAGED IN SPECIAL SERVICES ON COASTWISE AND INTER-ISLAND VOYAGES)

Subpart 44.05—Rules of Assignment; Special Service

Section 44.05-10(b), including Figure 44.05-10(b), is amended to read as follows:

§ 44.05-10 Load line markings.

(b) In the case of vessels which engage in special services on coastwise voyages and voyages on the Great Lakes, the marks on the vessel's sides are to be in accordance with Figure 44.05-10(b), except that the lines marked "SW" and "MS" shall be used only where applicable.

§ 45.05-5 Deck line.

(a) * * *

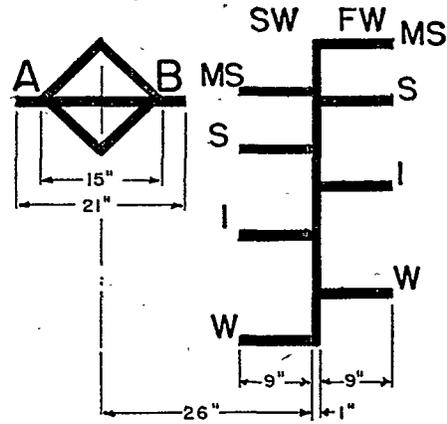
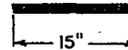


FIGURE 45.05-5(a).

3. Section 45.05-15 is amended by revising paragraph (a) and by adding a new paragraph (b) (5) which read as follows:

§ 45.05-15 Lines to be used in connection with the diamond.

(a) The lines which indicate the maximum load line in different seasons are to be horizontal lines, 9 inches in length and 1 inch in breadth, which extend from and are at right angles to a vertical line marked 26 inches forward of the center of the diamond. (See Figure 45.05-5(a).)

(b) * * *

(5) Salt water load lines. Ships which load in salt water of the St. Lawrence River and proceed to fresh water shall additionally be marked with horizontal lines, 9 inches in length and 1 inch in breadth extending from the vertical line referred to above towards the diamond. These lines shall be indicated as "S.W." marks and shall be additionally marked to indicate the corresponding Great Lakes season.

Subpart 45.10—Conditions of Assignment of Load Lines

4. Section 45.10-5 is amended by adding a new paragraph (b) reading as follows:

§ 45.10-5 Cargo and other hatchways not protected by superstructures.

(b) Where hatch covers are of adequate metal construction, sealed watertight against pliable gaskets by dogs or other suitable means, as approved by the Load Line Assigning Authority, the application of the requirements of §§ 45.10-10-45.10-45 will be modified accordingly.

4a. Section 45.10-40(a) is amended to read as follows:

§ 45.10-40 Tarpaulins.

(a) At least one tarpaulin in good condition, thoroughly waterproofed, and of ample strength, is to be provided for

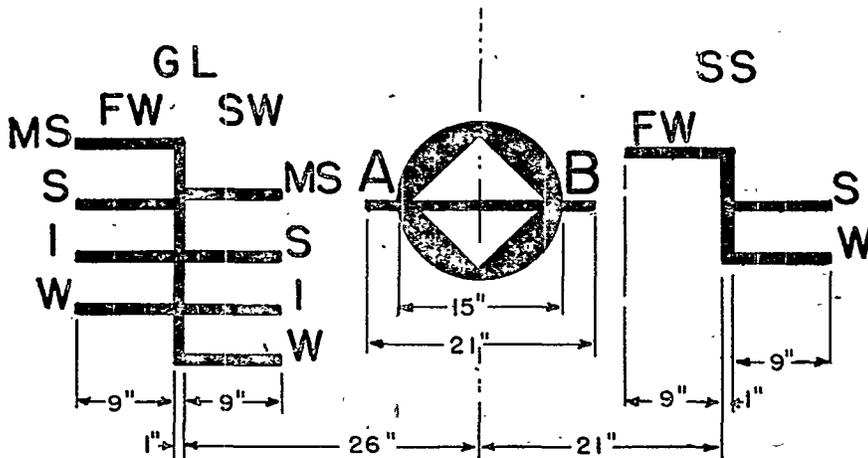
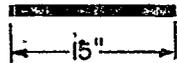


FIGURE 44.05-10(b).

(Sec. 2, 49 Stat. 888, as amended; 46 U.S.C. 88a)

PART 45—MERCHANT VESSELS WHEN ENGAGED IN A VOYAGE ON THE GREAT LAKES

Subpart 45.01—Administration

1. Section 45.01-1(a) is amended to read as follows:

§ 45.01-1 Establishment of regulations.

(a) Load Lines are established by this part for merchant vessels of 150 gross tons or over when engaged in a voyage on the Great Lakes in conformity with the Coastwise Load Line Act, 1935, amended June 20, 1936 (49 Stat. 888, 1543; 46 U.S.C. 88-881), and effective as to vessels of 4,000 gross tons and upwards

November 27, 1935, and as to all other vessels subject thereto August 27, 1936. (For purposes of application of this paragraph, in concurrence with the related Canadian regulations, the St. Lawrence River west of a straight line drawn from Cap de Rosiers to West Point Anticosti Island, and west of a line along longitude 63 degrees west from Anticosti Island to the north shore of the St. Lawrence River is considered as a part of the Great Lakes.)

Subpart 45.05—General Rules for determining Maximum Load Lines of Merchant Vessels on the Great Lakes

2. Section 45.05-5(a) is amended by revising Figure 45.05-5(a) as follows:

each hatchway in an exposed position on freeboard and superstructure decks. The material is to be guaranteed free from jute, and shall not be less than No. 4 cotton canvas or equal before water-proofing, or shall be of suitable synthetic fabric as approved for this purpose by the Load Line Assigning Authority.

Subpart 45.15—Load Lines for Steamers

5. Subpart 45.15 is amended by inserting a new § 45.15-96 to follow § 45.15-95, reading as follows:

§ 45.15-96 Salt water freeboard.

(a) In the case of ships which load in salt water and proceed to fresh water, the minimum freeboards while in salt water for all seasons shall be increased by an amount equal to

$$\frac{\Delta}{41T} \text{ inches,}$$

where:

Δ = displacement in fresh water, in tons of 2,240 pounds at the summer load waterline;

T = tons of 2,240 pounds per inch immersion in fresh water at the summer load waterline.

(1) Where the displacement at the summer load waterline cannot be certified, the increase in freeboard shall be one-fourth of an inch per foot of summer draft measured from the top of the keel.

6. Section 45.15-97(a) is amended by revising Table 45.15-97(a) to read as follows:

§ 45.15-97 Freeboard table for steamers.

(a) * * *

TABLE 45.15-97(a)—BASIC MINIMUM SUMMER FREEBOARD FOR STEAMERS

L (feet)	Freeboard (inches)	L (feet)	Freeboard (inches)	L (feet)	Freeboard (inches)
80	7.2	310	42.2	540	107.4
90	8.0	320	44.6	550	110.0
100	8.9	330	47.0	560	112.6
110	9.9	340	49.5	570	115.1
120	11.0	350	52.1	580	117.6
130	12.1	360	54.8	590	120.0
140	13.3	370	57.6	600	122.3
150	14.5	380	60.5	610	124.5
160	15.7	390	63.4	620	126.7
170	17.1	400	66.4	630	128.8
180	18.5	410	69.4	640	130.8
190	19.9	420	72.4	650	132.8
200	21.4	430	75.4	660	134.7
210	23.0	440	78.5	670	136.7
220	24.6	450	81.5	680	138.7
230	26.3	460	84.5	690	140.7
240	28.1	470	87.5	700	142.6
250	29.9	480	90.5	710	144.6
260	31.8	490	93.4	720	146.5
270	33.8	500	96.3	730	148.4
280	35.8	510	99.1	740	150.3
290	37.8	520	101.9	750	152.1
300	40.0	530	104.7		

Subpart 45.25—Fees and Form of Certificate

7. Section 45.25-5 is amended to read as follows:

§ 45.25-5 Form of load line certificate.

LOAD LINE CERTIFICATE FOR THE GREAT LAKES

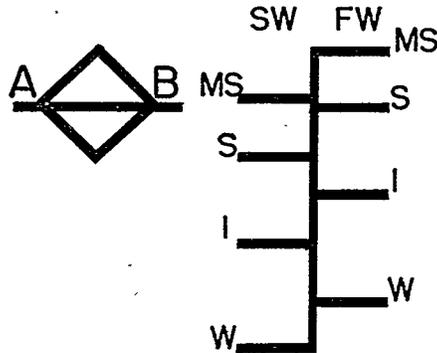
[SEAL]

Issued under the authority of the Commandant, U.S. Coast Guard, United States of

America, under the provisions of the act of August 27, 1935, as amended, to establish load lines for American merchant vessels of 150 gross tons or over engaged in trade on the Great Lakes of North America.

Ship -----
 Certificate No. -----
 Official No. -----
 Gross tonnage -----
 Port of registry -----

FREEBOARD FROM DECK LINE LOAD LINE
 Midsummer ----- MS ----- above S
 Summer ----- S ----- Upper edge of line through center of diamond.
 Intermediate ----- I ----- below S
 Winter ----- W ----- below S
 Increase for salt water for all freeboards ----- inches.
 The upper edge of the deck line from which these freeboards are measured is ----- inches above the top of the ----- deck at side.



This is to certify that this ship has been surveyed and the freeboards and load lines shown above have been found to be correctly marked upon the vessel in manner and location as provided by the load line regulations of the Commandant, U.S. Coast Guard, applicable to the Great Lakes.

This certificate¹ remains in force until ----- Issued at ----- on the ----- day of ----- 19-- (Here follows the signature, seal, if any, and the name of the authority issuing the certificate.)

NOTES: (1) In accordance with the Great Lakes Load Line Regulations the diamond and lines must be permanently marked by center punch marks or cutting. The "MS" load line shall be assigned only to those particular vessels that qualify under the regulations.

(2) The "SW" marks need only be assigned to Great Lakes vessels loading in salt water of the St. Lawrence River west of a straight line from Cap de Rosiers to West Point Anticosti Island, and west of a line along longitude 63 degrees west from Anticosti Island to the north shore of the St. Lawrence River. In such cases these limits shall be indicated on the certificate.

(On the reverse side of the load line certificate, or on a separate sheet attached and forming part of the certificate, provision is to be made for annual inspection and renewal endorsements.)

(Sec. 2, 49 Stat. 888, as amended; 46 U.S.C. 83a)

¹ Upon the expiration of the certificate, renewal must be obtained as provided by the Great Lakes Load Line Regulations and the certificate so endorsed.

SUBCHAPTER F—MARINE ENGINEERING

PART 51—MATERIALS

Subpart 51.04—Marine Boiler Steel Plate

1. Section 51.04-1(a) is amended by revising Table 51.04-1 to read as follows:

§ 51.04-1 Scope.

(a) * * *

TABLE 51.04-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
A201-57T	A and B	A and B
A212-57T	A and B	C and D
A294-57	A, B, and C	E, F, and G

Subpart 51.10—Steel Bars and Shapes

§ 51.10-1 [Amendment]

2. Section 51.10-1 Scope is amended by revising in paragraph (a) the "A.S.T.M. designation" from "A107-52aT" to "A107-58T."

Subpart 51.22—Flange and Firebox Steel Plate

§ 51.22-1 [Amendment]

3. Section 51.22-1 Scope is amended by revising Table 51.22-1 by changing the "A.S.T.M. designation" (column 1) from "A285-54T" to "A285-57T".

Subpart 51.25—Carbon and Alloy-Steel and Wrought Iron Tubes

4. Section 51.25-1(a) is amended by revising Table 51.25-1(a) to read as follows:

§ 51.25-1 Scope.

(a) * * *

TABLE 51.25-1(a)—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon-steel and iron:		
A83-58T	A (low-carbon seamless steel)	T83-A
A178-58T	A (low-carbon electric-resistance welded steel)	T178-A
A178-58T	B (electric-resistance welded iron)	T178-B
A178-58T	C (medium-carbon electric resistance-welded steel)	T178-C
A170-58T	Low-carbon seamless steel condenser tubes	T179
A192-58T	Low-carbon seamless steel	T192
A210-58T	Medium-carbon seamless steel	T210
A226-58T	Electric-resistance-welded steel	T226
Alloy-steel:		
A209-58T	T1 (C-Mn)	T1
A209-58T	T1a (C-Mn)	T1a
A209-58T	T1b (C-Mn)	T1b
A213-58T	T3 (1.75 Cr-0.75 Mo)	T3
A213-58T	T3b (2 Cr-0.50 Mo)	T3b
A213-58T	T5 (5 Cr-0.50 Mo)	T5
A213-58T	T11 (1.25 Cr-0.50 Mo)	T11
A213-58T	T12 (1 Cr-0.50 Mo)	T12
A213-58T	T21 (3 Cr-1 Mo)	T21
A213-58T	T22 (2.25 Cr-1 Mo)	T22
A213-58T	TP321 (18 Cr-8 Ni-Ti)	TP321
A213-58T	TP347 (18 Cr-8 Ni-Co)	TP347

Subpart 51.34—Carbon and Alloy-Steel and Wrought Iron Pipe

5. Section 51.34-1 is amended by revising Table 51.34-1 to read as follows:

RULES AND REGULATIONS

§ 51.34-1 Scope.

* * * * *

TABLE 51.34-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon-steel and iron:		
A13-58aT	Lap-welded steel.....	P53-LW
A13-58aT	Butt-welded steel.....	P53-BW
A13-58aT	A (seamless steel).....	P53-A
A13-58aT	B (seamless steel).....	P53-B
A13-58aT	A (electric-resistance-welded steel).	P53-RW-A
A13-58aT	B (electric-resistance-welded steel).	P53-RW-B
A106-58T	A (seamless steel).....	P106-A
A106-58T	B (seamless steel).....	P106-B
A106-58T	C (seamless steel).....	P106-C
A135-58T	A (electric-resistance-welded steel).	P135-A
A135-58T	B (electric-resistance-welded steel).	P135-B
A72-58T	Lap-welded wrought iron.....	P72-LW
A72-58T	Butt-welded wrought iron.....	P72-BW
Alloy-steel:		
A335-55T	P1 (C-Mo).....	P1
A335-55T	P2 (0.50 to 0.70 Cr-0.50 Mo).	P2
A335-55T	P3 (1.75 Cr-0.70 Mo).....	P3
A335-55T	P3b (2 Cr-0.50 Mo).....	P3b
A335-55T	P11 (1.25 Cr-0.50 Mo).....	P11
A335-55T	P12 (1 Cr-0.50 Mo).....	P12
A335-55T	P22 (2.25 Cr-1 Mo).....	P22
A312-58T	TP321 (18 Cr-8 Ni+Ti).....	TP321
A312-58T	TP347 (18 Cr-8 Ni+Co).....	TP347

Subpart 51.46—Steel Forgings

6. Section 51.46-1 is amended by revising Table 51.46-1 to read as follows:

§ 51.46-1 Scope.

* * * * *

TABLE 51.46-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon-steel:		
A105-58T	I.....	F105-I
A105-58T	II.....	F105-II
A181-58T	I.....	F181-I
A181-58T	II.....	F181-II
Alloy-steel:		
A182-58T	F1 (C-Mo).....	F1
A182-58T	F5 (5 Cr-0.50 Mo).....	F5
A182-58T	F11 (1.25 Cr-0.50 Mo).....	F11
A182-58T	F12 (1 Cr-0.50 Mo).....	F12
A182-58T	F22 (2.25 Cr-1 Mo).....	F22
A182-58T	F316 (18 Cr-8 Ni+Mo).....	F316
A182-58T	F321 (18 Cr-8 Ni+Ti).....	F321
A182-58T	F347 (18 Cr-8 Ni+Co).....	F347
A234-58aT
A403-58aT

Subpart 51.49—Carbon and Alloy-Steel Bolting and Nut Material

7. Section 51.49-1 is amended by revising Table 51.49-1 to read as follows:

§ 51.49-1 Scope.

* * * * *

TABLE 51.49-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon-steel bolting:		
A201-56	BO.....	BO
A307-58T	B.....	B
Alloy-steel bolting:		
A193-58T	B5 (5 Cr-0.50 Mo).....	B5
A193-58T	B6 (12 Cr).....	B6
A193-58T	B7 (1 Cr-0.20 Mo).....	B7
A193-58T	B7a (1 Cr-0.60 Mo).....	B7a
A193-58T	B14 (1 Cr-0.35 Mo-0.25 Va).....	B14
A193-58T	B16 (1 Cr-0.55 Mo-0.30 Va).....	B16
A193-58T	B8C (18 Cr-8 Ni+Co).....	B8C
A193-58T	B8T (18 Cr-8 Ni+Ti).....	B8T
A193-58T	B8F (18 Cr-8 Ni).....	B8F

TABLE 51.49-1—MATERIAL SPECIFICATIONS—Con.

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon and alloy-steel nuts:		
A194-58T	1 (carbon-steel).....	1
A194-58T	2 (carbon-steel).....	2
A194-58T	2H (carbon-steel).....	2H
A194-58T	3 (5 Cr-0.50 Mo-1W).....	3
A194-58T	4 (0.15 Si-0.20 Mo).....	4

Subpart 51.58—Steel Castings

8. Section 51.58-1(a) is amended by revising Table 51.58-1 to read as follows:

§ 51.58-1 Scope.

(a) * * *

* * * * *

TABLE 51.58-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Carbon-steel:		
A216-58T	WCA.....	WCA
A216-58T	WCB.....	WCB
Alloy-steel:		
A217-58T	WC1 (C-Mo).....	WC1
A217-58T	WC4 (1 Ni-0.65 Cr-0.50 Mo).....	WC4
A217-58T	WC5 (0.80 Ni-0.70 Cr-1 Mo).....	WC5
A217-58T	WC6 (1.25 Cr-0.50 Mo).....	WC6
A217-58T	WC9 (2.25 Cr-1 Mo).....	WC9
A217-58T	C5 (5 Cr-0.50 Mo).....	C5
A217-58T	C12 (9 Cr-1 Mo).....	C12
A351-58T	CF8C (18 Cr-8 Ni).....	CF8C

Subpart 51.67—Copper and Copper-Alloy Plate

9. Section 51.67-1(a) is amended by revising Table 51.67-1 to read as follows:

§ 51.67-1 Scope.

(a) * * *

* * * * *

TABLE 51.67-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
Copper:		
B11-58	Type ETP (Tough pitch copper nonarsenical).	B11-1
B11-58	Type DHP (Phosphorized copper nonarsenical).	B11-2
B11-58	Type ATP (Tough pitch arsenical copper).	B11-3
B11-58	Type DPA (Phosphorized arsenical copper).	B11-4
Copper-alloy:		
B171-53	Naval brass.....	B171-A
B171-53	Copper-nickel alloy.....	B171-B
B171-53	Aluminum bronze.....	B171-C
B169-55	Aluminum bronze alloy D.....	B169-D

Subpart 51.70—Seamless Copper and Copper-Alloy Pipe

10. Section 51.70-1 is amended by revising Table 51.70-1 to read as follows:

§ 51.70-1 Scope.

* * * * *

TABLE 51.70-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
B42-58	Seamless copper.....	B42
B43-58	Red brass.....	B43

Subpart 51.73—Seamless Copper and Copper-Alloy Tubes

11. Section 51.73-1(a) is amended by revising Table 51.73-1 to read as follows:

§ 51.73-1 Scope.

(a) * * *

* * * * *

TABLE 51.73-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
B88-58	Copper Type K.....	B88-K
B88-58	Copper Type L.....	B88-L
B88-58	Copper Type M.....	B88-M
B13-58	Arsenical copper boiler tubes.	B13-A
B13-58	Nonarsenical copper boiler tubes.	B13-B
B75-58	Phosphorized copper Type DLP.	B75-A
B75-58	Phosphorized copper Type DIIP.	B75-B
B75-58	Phosphorized arsenical copper Type DPA.	B75-C
B111-58	Copper.....	B111-A
B111-58	Arsenical copper.....	B111-B
B111-58	Admiralty metal grade B, C, or D.	B111-C
B111-58	Aluminum brass.....	B111-D
B111-58	Aluminum bronze.....	B111-E
B111-58	Red brass.....	B111-F
B111-58	Copper-nickel 70-30.....	B111-G
B111-58	Copper-nickel 80-20.....	B111-H
B111-58	Copper-nickel 90-10.....	B111-I

Subpart 51.79—Aluminum-Alloy Plate

12. Section 51.79-1 is amended by revising Table 51.79-1 to read as follows:

§ 51.79-1 Scope.

* * * * *

TABLE 51.79-1—MATERIAL SPECIFICATIONS

A.S.T.M. designation	A.S.T.M. grade	Coast Guard grade
B209-58T	990A (2S).....	990A
B209-58T	M1A (3S).....	M1A
B209-58T	GR20A (52S).....	GR20A
B209-58T	GS11A (61S).....	GS11A

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interprets or applies R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 4453, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, sec. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 368, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 52—CONSTRUCTION

Subpart 52.01—Procedure and General Requirements

1. Section 52.01-1 is amended by revising paragraph (c) and adding new paragraphs (n) and (o), which read as follows:

§ 52.01-1 Definitions.

(c) *Pressure vessel.* A pressure vessel is a vessel containing gases, vapors, or liquids under pressure. (See § 54.01-5 of this subchapter.)

(n) *Fired steam boiler.* A pressure vessel in which steam is generated by

the application of heat resulting from the combustion of fuel is classed as a fired steam boiler.

(o) *Unfired steam boilers.* An unfired pressure vessel in which steam is generated is classed as an unfired steam boiler. (See § 54.03-27 of this subchapter for requirements for unfired steam boilers.)

Subpart 52.05—Cylindrical Shells

2. Section 52.05-15 is amended to read as follows:

§ 52.05-15 Seamless pipe shells.

(a) Shells may be seamless pipe or tubing with or without integral heads for boiler and unfired pressure vessel shells, provided the material conforms to Subpart 51.25 or 51.34 of this subchapter, except that Grade T83, P53-A and P53-B shall not be used for boiler and unfired pressure vessel shells exceeding 18 inches in diameter.

3. Section 52.05-20 is amended to read as follows:

§ 52.05-20 Electric-resistance welded pipe shells.

(a) Shells may be fabricated of electric-resistance-welded pipe or tubing made of open-hearth or electric furnace steel, as specified in Subpart 51.25 or 51.34 of this subchapter, not exceeding 24 inches in diameter for boiler shells and 30 inches in diameter for unfired pressure vessel shells. The maximum allowable stress values in Table 52.05-10(a) shall be substituted in Formulas (1) or (2) of § 52.05-10 for the values of SE.

(b) Holes for tubes, nozzles, or other openings shall not be drilled in the weld.

Subpart 52.10—Shell Joints

4. Section 52.10-25 is amended by adding a new paragraph (j) reading as follows:

§ 52.10-25 Welded joints.

(j) Fire tube boilers may be constructed by attaching an unflanged tube sheet to the shell or wrapper sheet by welding provided that:

(1) The tube sheet is supported by tubes or braces, or both, in accordance with the requirements of Subparts 52.30 and 52.35.

(2) The welded joint is wholly within the shell or wrapper sheet and forms no part thereof.

(3) The weld is a full penetration weld, of at least the full thickness of the tube sheet, applied from either or both sides.

(4) The shell or wrapper sheet, where exposed to primary furnace gases and not water cooled, does not extend more than 1/8 inch beyond the outside face of the tube sheet.

(5) The weld attaching a furnace or lower tube sheet of a vertical fire tube boiler to the furnace sheet is wholly within the furnace sheet and ground flush with the upper or water side of the tube sheet.

(6) The welding conforms in all respects to Part 56 of this Subchapter, except that radiographic examination is not required.

(7) This construction shall not be used on the rear head of a horizontal-return tubular boiler.

Subpart 52.30—Surfaces Required To Be Stayed or Reinforced

5. Section 52.30-5 is amended by revising the introductory sentence, by revising paragraph (e), and by adding a new paragraph (f), which read as follows:

§ 52.30-5 Areas to be stayed.

The area of a segment or other portion of a flanged head to be stayed shall be that enclosed by lines as follows:

(e) Where the exact area of a circular segment of a flanged head cannot be readily ascertained by other accepted methods, the following formula may be employed, using symbols indicated in Figure 52.30-5 (c).

$$A = \frac{4H^2}{3} \sqrt{\frac{2R}{H} - 0.6} \quad (2)$$

where:

- A=area of segment which requires support, in square inches.
- H=height of segment to self-supporting line, in inches.
- R=radius of segment to self-supporting line, in inches.

(f) The area of a segment of an unflanged head to be stayed shall be the area enclosed by the shell and a line drawn 2 inches from the outside diameter of the tubes.

Subpart 52.60—Superheaters, Headers, Water Walls, and Economizers

6. Section 52.60-10(b) is amended to read as follows:

§ 52.60-10 Materials.

(b) Carbon steel plate or forgings may be used for header end closures for metal temperatures not exceeding 800° F. For temperatures exceeding 800° F., the header end closures shall be wrought alloy steel material. The materials shall conform to the requirements of Subpart 51.04, 51.22 or 51.46 of this subchapter and limited to the grades of material listed in Table 52.05-10(a) of this subchapter.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 439, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 54—UNFIRED PRESSURE VESSELS

Subpart 54.01—General Requirements

1. Section 54.01-1 is amended by revising paragraph (b) (2) and by adding a new paragraph (g) reading as follows:

§ 54.01-1 Scope.

(b) * * * * *
(2) Compression tanks containing water under pressures not exceeding 100 pounds per square inch and temperatures not exceeding 200 degrees F. Compression tanks containing water and fitted with a permanent air charging line subject to pressures not exceeding 15 pounds per square inch and temperatures not exceeding 200 degrees F.

(g) Except as otherwise provided for in paragraph (f) of this section, unfired pressure vessels intended for ship's service systems, such as compressed air tanks, heat exchangers and refrigeration equipment on vessels subject to Coast Guard inspection, and which have been fabricated without prior plan approval or shop inspection as required by the regulations in this subchapter, may be accepted by the Commandant, provided the following conditions are met:

(1) Unfired pressure vessels which do not conform to the design and construction requirements of this subchapter shall be constructed in accordance with the requirements of the ASME or other recognized code, and the vessel stamped as prescribed by that code.

(2) For vessels constructed under the ASME or other recognized code, the relief valve setting shall not exceed 80 percent of the maximum allowable pressure permitted by that code.

(3) When radiography and stress relief are required for Class I or Class II pressure vessels, the radiographs and heat treatment data shall be furnished.

(4) Each unfired pressure vessel shall be examined by an inspector to determine the condition of the unit and to assure that the workmanship and fabrication are satisfactory. When the inspector is satisfied that the workmanship and fabrication are acceptable, the vessel shall be subjected to the hydrostatic tests as prescribed in § 61.25-15 of this subchapter.

(5) After satisfactory completion of the required tests and inspection, each unfired pressure vessel shall be marked as required by § 61.40-5 of this subchapter, with the reduced pressure rating stamped thereon.

Subpart 54.03—Design and Construction

§ 54.03-10 [Amendment]

2. Section 54.03-10 *Cylindrical shells and heads* is amended by revising Table 54.03-10(c) by changing the "A.S.T.M. designation" in the second column for "aluminum-alloy plates" from "B-178" to "B-209."

3. Section 54.03-25 is amended by revising Table 54.03-25(c1) in paragraph (c) and by adding a new paragraph (d) which reads as follows:

§ 54.03-25 Bolted flanged connections.

(c) *Bolt loads.* * * *

RULES AND REGULATIONS

TABLE 54.03-25(c1)—GASKET MATERIALS AND CONTACT FACINGS

GASKET FACTORS (a) FOR OPERATING CONDITIONS AND MINIMUM DESIGN STRESS (p)					
GASKET MATERIAL	GASKET FACTOR	MIN. DESIGN STRESS	SECTIONS	FACING LIMITATIONS	USE COL.
Roller without fabric or a high percentage of asbestos fibers Below 75 Shore Drometer 75 or higher Shore Drometer	0.50 1.00	0 200			Use 1, 4, 6 only
Asbestos with a suitable binder for the operating conditions	1/8 thick 1/16 thick 1/32 thick	2.00 2.75 3.50	1600 3700 6500		
Rubber with cotton fabric insertions	1.25	400			None
Rubber with asbestos fabric insertions, with or without wire reinforcement	3-ply 2-ply 1-ply	2.25 2.50 2.75	2200 2800 3700		
Vegetable fiber	1.75	1100			1, 4, 6
Spiral-wound metal, asbestos filled	Carbon Stainless	2.50 3.00	2900 4500		
Corrugated steel	Asbestos filled	2.75	3700		Use 1a
Corrugated metal, Asbestos inserted or Corrugated metal, Jacketed asbestos filled	Soft aluminum Soft copper or brass Iron or soft steel Monel or 4-6% chrome Stainless steels	2.50 2.75 3.00 3.25 3.50	2900 3700 4500 5500 6500		
Corrugated metal	Soft aluminum Soft copper or brass Iron or soft steel Monel or 4-6% chrome Stainless steels	2.75 3.00 3.25 3.50 3.75	3700 4500 5500 6500 7600		only
Flat metal jacketed asbestos filled	Soft aluminum Soft copper or brass Iron or soft steel Monel 4-6% chrome Stainless steels	3.25 3.50 3.75 3.50 3.75 3.75	5500 6500 7600 8000 9000 9000		
Crossed-Iron or soft steel with or without metal jacketed	Soft aluminum Soft copper or brass Iron or soft steel Monel or 4-6% chrome Stainless steels	3.25 3.50 3.75 3.75 4.25	5500 6500 7600 8000 10100		Use 1, 2, 3 only
Solid flat metal	Soft aluminum Soft copper or brass Iron or soft steel Monel or 4-6% chrome Stainless steels	4.00 4.75 5.50 6.00 6.50	6500 13000 16000 21000 24000		
Ring Joint	Iron or soft steel Monel or 4-6% chrome Stainless steel	5.50 6.00 6.50	18000 21000 26000		Use 8 only

EFFECTIVE GASKET WIDTH		
FACING SECTION Engraved	BASIC GASKET SEATING WIDTH b ₀	
	COLUMN I	COLUMN II
1a	$\frac{W}{2}$	$\frac{W}{2}$
1b	$\frac{W+T}{2} (\frac{W+T}{2} \max)$	$\frac{W+T}{2} (\frac{W+T}{2} \max)$
2	$\frac{W+H}{4}$	$\frac{W+3H}{8}$
3	$\frac{W}{2} (\frac{W}{2} \min)$	$\frac{W+H}{4} (\frac{3H}{4} \min)$
4		
5	$\frac{3H}{8}$	$\frac{7H}{16}$
6		
7	$\frac{W}{4}$	$\frac{3H}{8}$
8	$\frac{W}{6}$	
EFFECTIVE GASKET SEATING WIDTH "b"		
$b = b_0$, when $b_0 \leq \frac{1}{4}''$		
$b = \frac{1}{2} b_0$, when $b_0 > \frac{1}{4}''$		
LOCATION OF GASKET LOAD REACTION		
		NOTE: The gasket factors listed only apply to flanged joints in which the gasket is contained entirely within the inner edges of the bolt holes.

(d) Shell flange attachments. (1) The flanges covered by this paragraph are intended to be used for shell attachments to tube sheets, channels and end covers of unfired pressure vessels and heat exchangers.

(2) Except as otherwise provided for in this paragraph, shell flange attachments shall comply with the requirements of § 55.07-15(f) of this subchapter.

(3) Ring flanges of the type shown in Figures 55.07-15 (f3) and (f6) may be used for pressures not exceeding 300 p.s.i. and temperatures not exceeding 650° F.

(4) Ring flanges of the plate or slip-on type welded to the shell by means of full penetration welds may be used for pressures not exceeding 600 p.s.i. and temperatures not exceeding 700° F. Some acceptable types of full penetration welded joints are shown in Figure 52.25-45(d), details (a), (b), (c), (g), and (h).

4. Subpart 54.03 is amended by inserting a new § 54.03-27, to follow § 54.03-25, reading as follows:

§ 54.03-27 Unfired steam boilers.

(a) Unfired pressure vessels in which steam is generated shall be classed as unfired steam boilers except that pressure vessels known as evaporators or heat exchangers may be classed as unfired pressure vessels.

(b) Unfired steam boilers shall be constructed in accordance with the requirements of Part 52 or 54 of this subchapter. When the design pressure exceeds 30 p.s.i., unfired steam boilers shall comply

with the requirements for Class I pressure vessels.

(c) Unfired steam boilers shall be fitted with an efficient water level indicator, a pressure gage and a blow-down valve.

(d) An approved safety valve shall be fitted on unfired steam boilers as required by § 54.07-10.

5. Section 54.03-40(c) is amended to read as follows:

§ 54.03-40 Openings and reinforcements.

* * * * *

(c)(1) Screwed and flanged piping connections to the outlets on a pressure vessel shall comply with the requirements of Part 55 of this subchapter, except as otherwise provided for in this paragraph.

(2) Plate or slip-on type flange attachments to nozzles with full penetration welds may be used for pressures not exceeding 600 p.s.i. and temperatures not exceeding 700° F.

Subpart 54.07—Pressure-Relief Devices

6. Section 54.07-10 is amended to read as follows:

§ 54.07-10 Safety valves.

(a) An approved safety valve set to relieve at a pressure not exceeding that for which the shell is designed shall be fitted to all unfired steam boilers and evaporators, except the following:

(1) Unfired steam boilers and evaporators of the coil or tube type designed to operate with a steam inlet pressure not exceeding 15 p.s.i. gage.

(2) Evaporators of the atmospheric type designed for vapor discharge direct to a distiller with no shut-off valve in the discharge line. The distiller connected to atmospheric evaporators shall be fitted with a vent to obviate a build-up in pressure. In no case shall the vent be less than 1 1/2 inches in diameter.

(b) Safety valves for use on unfired pressure vessels in which steam or pressure is generated shall comply with the requirements specified in Part 52 of this subchapter for power boilers when subject to pressures exceeding 30 p.s.i., and Part 53 of this subchapter for low pressure heating boilers when subject to pressures of 30 p.s.i. or less.

(c) The relieving capacity of evaporator safety valves required by paragraph (a) of this section shall be at least equal to the capacity of the orifice fitted in the steam supply to the evaporator. The orifice capacity shall be determined in accordance with Formula (1) or (2) as follows:

(1) Where the set pressure of the evaporator shell safety valve is 58 percent or less than the setting of the safety valve in the steam supply:

$$W = 51.45 AP \quad (1)$$

(2) Where the set pressure of the evaporator shell safety valve exceeds 58 percent of the setting of the safety valve on the steam supply:

$$W = 105.3 A \sqrt{P_1 (P - P_1)} \quad (2)$$

where:

- W = the required orifice capacity, in pounds per hour.
- A = cross-sectional area of rounded entrance orifice, in square inches.¹
- set pressure of steam supply safety valve, in pounds per square inch, absolute.
- P₁ = set pressure of evaporator shell safety valve, in pounds per square inch, absolute.

¹The orifice shall be installed near the steam inlet of the coils or tubes and where no orifice is employed the area used in the formula shall be that of the inlet connection or manifold.

(d) The relieving capacity of safety valves on unfired steam boilers shall not be less than the maximum generating capacity of the unfired steam boiler as certified by the manufacturer.

(e) On new installations and where the orifice size of an existing unfired steam boiler or evaporator is increased, an accumulation test shall be made by closing all steam outlet connections except the safety valves for a period of five minutes. When conducting the accumulation test, the water shall be at the normal operating level and the steam pressure shall be at the normal operating pressure, and while under this test the pressure shall not rise more than six percent above the safety valve setting.

7. Section 54.07-25(d) is amended to read as follows:

§ 54.07-25 Safety relief valves.

(d) (1) Except as otherwise specified in this paragraph, each safety relief valve shall be tested in the presence of an inspector before being placed in service. The tests shall satisfactorily indicate that the safety relief valves will start to discharge at a pressure not in excess of the design pressure of the tank.

(2) Safety relief valves fitted with a breaking pin and rupture disk need not be tested in the presence of a marine inspector before being placed in service. In lieu thereof, a certificate shall be furnished with the valve attested to by the manufacturer that the requirements of subparagraph (1) of this paragraph are met.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 55—PIPING SYSTEMS AND APPURTENANCES

Subpart 55.07—Detail Requirements

1. Section 55.07-1 is amended by revising Table 55.07-1(b) and by revising paragraph (e) (4) to read as follows:

§ 55.07-1 Materials.

(b) * * *

TABLE 55.07-1(b)—PIPING MATERIALS¹

Material specification subpart	A.S.T.M. specification	Grade	Maximum design		Limitation
			Pressure p.s.i.	Metal temperature ° F.	
<i>Steel pipe</i>					
Seamless-carbon:					
51.34	A53	P53-A, B	None	750	
51.34	A106	P106-A, B, C	None	800	
Seamless-alloy:					
51.34	A335	P1	None	875	
51.34	A335	P2	None	900	
51.34	A335	P3, P3b	None	1,050	
51.34	A335	P11	None	1,050	
51.34	A335	P12	None	1,050	
51.34	A335	P21	None	1,050	
51.34	A335	P22	None	1,050	
51.34	A312	TP321, TP347	None	1,050	
Electric-resistance welded:					
51.34	A53	P53-RW-A, B	350	650	
51.34	A135	P135-A, B	350	650	
Lap-welded: 51.34	A53	P53-LW	250	450	
Butt-welded: 51.34	A53	P53-BW	250	450	
<i>Wrought iron pipe</i>					
Lap-welded: 51.34	A72	P72-LW	250	450	
Butt-welded: 51.34	A72	P72-BW	250	450	
<i>Copper and copper-alloy pipe and tubing</i>					
Seamless copper:					
51.73	B13	B13-A, B	None	406	(2)
51.70	B42	B42	None	406	(2)
51.73	B75	B75-A, B, C	None	406	(2)
51.73	B88	B88-K, L, M	None	406	(2)
51.73	B111	B111-A, B	None	406	(2)
Copper-alloy:					
51.70	B43	B43 (Red brass)	None	406	
51.73	B111	B111-C (Adm. metal)	None	406	
51.73	B111	B111-D (Al-brass)	None	450	
51.73	B111	B111-E (Al-bronze)	None	450	
51.73	B111	B111-F (Red brass)	None	406	
51.73	B111	B111-G (70-30 Cu-Ni)	None	500	
51.73	B111	B111-H (80-20 Cu-Ni)	None	500	
51.73	B111	B111-I (90-10 Cu-Ni)	None	500	
Brazed copper			75	320	(4)
<i>Plates</i>					
Carbon steel:					
51.04	A201	A, B	150	650	(5)
51.04	A212	C, D	150	650	(5)
51.22	A285	C	150	650	(5)

¹ The carbon content of the material listed in Table 55.07-1(b) shall not exceed 0.35 percent if welded fabrication is to be employed.

² Copper pipe shall not be used for hot oil service other than short flexible connections at the burners.

³ Copper pipe shall be annealed prior to installation for Class I piping systems.

⁴ Copper pipe fabricated with brazed longitudinal joints shall be limited to water or saturated steam service for the maximum pressure and temperature as indicated.

⁵ These limitations apply only when plates are used as flange material. See Table 52.05-10(a) for maximum design temperatures of plate material used in the construction of pressure vessels.

⁶ Not permitted for hubbed flanges. Ring type flanges may be machined from plate.

(e) * * *

(4) Nodular cast iron conforming to the requirements of Subpart 51.61 of this subchapter, Grade 60-45-15, may be used in the construction of valves and fittings complying with 125-pound and 250-pound cast iron standards, or 150-pound and 300-pound steel standards, and for temperatures not exceeding 650 degrees F. Adjusted pressure ratings for temperatures not exceeding 650 degrees F. shall be 80 percent of the steel ratings specified in ASA Standards listed in Table 55.07-15(e) (1), except as otherwise specified in this subchapter.

2. Section 55.07-5(d) is amended to read as follows:

§ 55.07-5 Design pressures and thickness of pipes.

(d) * * *

(d) The outer walls of pipe bends after fabrication shall have a thickness

of not less than that required by paragraph (a) of this section. If doubt exists as to the wall thickness being adequate, Class I piping having diameters exceeding 4 inches shall be drilled, gaged, and fitted with a screwed plug extending outside the pipe covering. Alternatively, a method of nondestructive examination such as the use of radiation measurement, ultrasonic or other acceptable method may be used. The nondestructive examination shall be employed where the design temperature exceeds 750° F. Prior to the use of nondestructive methods of examination by the above procedure, it shall be demonstrated by the user, in the presence of a marine inspector on specimens similar to those to be examined, that consistent results, having an accuracy of plus or minus 4 percent of the measurements secured by micrometers, are obtainable.

3. Section 55.07-15(e) is amended by revising Table 55.07-15(e1) and paragraph (e) (2) to read as follows:

§ 55.07-15 Joints and flange connections.

(e) * * *

TABLE 55.07-15(e1)—STANDARDS FOR FLANGED VALVES, FITTINGS AND PIPE FLANGES

Type	Pressure rating	Standard	Notes
Cast iron.....	125	ASA B16.1-1955.....	(1)
Do.....	250	ASA B16B-1955.....	(1)
Bronze.....	150	ASA B16.24-1953.....	(1)
Do.....	300	ASA B16.24-1953.....	(1)
Steel.....	150	ASA B16.5-1957.....	(1)
Do.....	300	ASA B16.5-1957.....	(1)
Do.....	400	ASA B16.5-1957.....	(1)
Do.....	600	ASA B16.5-1957.....	(1)
Do.....	900	ASA B16.5-1957.....	(1)
Do.....	1,500	ASA B16.5-1957.....	(1)
Do.....	2,500	ASA B16.5-1957.....	(1)

¹ American Standard Cast Iron Pipe Flanges and Flanged Fittings, Class 125, published by the American Society of Mechanical Engineers, 29 West 39th St., New York 18, N.Y.

² American Standard Cast Iron Pipe Flanges and Flanged Fittings, Class 250, published by the American Society of Mechanical Engineers, 29 West 39th St., New York 18, N.Y.

³ American Standard Brass or Bronze Flanges and Flanged Fittings, 150- and 300-lb, published by the American Society of Mechanical Engineers, 29 West 39th St., New York 18, N.Y.

⁴ American Standard Steel Pipe Flanges and Flanged Fittings, published by the American Society of Mechanical Engineers, 29 West 39th St., New York 18, N.Y.

(2) (i) The adjusted service pressure-temperature ratings for steel pipe flanges and flanged valves and fittings shall conform to the ASA standards as listed in Table 55.07-15(e1), except as otherwise specified in this subchapter.

(ii) The pressure-temperature ratings specified in American Standard Steel Pipe Flanges and Flanged Fittings, ASA B16.5, require gaskets and flange facings conforming to the requirements of such standards. For flange facing-gasket combinations other than those specified in ASA B16.5, calculations shall be submitted indicating that the gaskets will result in no increase in bolt load or flange moment over those facing-gasket combinations specified in this paragraph. (For acceptable gasket dimensions and flange facings, see Figure 54.03-25(c1) of this subchapter and ASA B16.5.)

Subpart 55.10—Pumping Arrangements and Piping Systems

4. Section 55.10-1(g) is amended to read as follows:

§ 55.10-1 Steam and exhaust piping.

(g) (1) Where positive shut-off valves are fitted in exhaust lines of machinery, and the exhaust side, including engine steam cylinders and chests, turbine casings, exhaust piping and shut-off valves is not designed for the maximum inlet pressure, a full capacity relief valve shall be fitted between the machinery exhaust and the shut-off valve. The relief valve shall be of sufficient capacity and so set to prevent the equipment from being accidentally or otherwise subjected to a pressure in excess of its design pressure.

(2) A sentinel relief valve or other warning device fitted on the engine or turbine exhaust, together with either (i) a spring-loaded back pressure valve or

(ii) a back-pressure trip device which will close the inlet valve when the exhaust side of the system is subjected to pressures exceeding the design pressure, may be substituted for the required relief valve.

5. Section 55.10-10(d) (2) is amended to read as follows:

§ 55.10-10 Boiler-feed piping.

(d) Group feed system. * * *

(2) If two independently driven pumps are provided, each capable of supplying the boilers at their normal required operating capacity, and neither of which is used for other purposes, the third or emergency feed pump is not required. Where more than two independently driven feed pumps are provided, their aggregate capacity shall not be less than 200 percent of that demanded by the boilers at their required normal operating capacity.

6. Section 55.10-35(d) is amended to read as follows:

§ 55.10-35 Fuel oil and cargo oil systems.

(d) (1) Piping subject to internal head pressure from oil in the tank shall be fitted with positive shut-off valves located at the tank.

(2) Valves installed on the outside of the oil tanks shall be made of steel or nodular cast iron (Grade 60-45-15) and shall be arranged for local manual control at the valve and from a readily accessible and safe location outside of the compartment in which the valves are located.

(3) If valves are installed on the inside of the tank, they may be made of cast iron and arranged for remote control only, but additional valves for local control shall be located in the machinery space at the tanks. Valves for local control outside the tanks shall be made of steel or nodular cast iron (Grade 60-45-15).

(4) Remote operation for shut-off valves on small independent fuel-oil tanks will be specially considered in each case where the size of tanks and their location may warrant the omission of remote operating rods.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 4453 as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 56—ARC WELDING, GAS WELDING, AND BRAZING

Subpart 56.01—Arc Welding and Gas Welding

1. Section 56.01-15 (including Table 56.01-15(c)) is amended to read as follows:

§ 56.01-15 Welding procedure qualification.

(a) Fabricators desiring to use the submerged arc welding process, or a combination of submerged arc and manual welding processes, or any welding process requiring procedure qualification tests as prescribed by the regulations in this subchapter, shall conduct a procedure qualification test to insure that they have proper equipment, trained personnel, and are using correct procedure to produce acceptable welds.

(b) The deposited weld metal may be laid in single or multiple passes. The joint design, amperage, voltage, speed of welding, size of welding wire, filler metal or electrode, and grade of melt or flux or type of inert gas, in general should be in accordance with the recommendations of the welding equipment manufacturer.

(c) Manufacturers desiring to secure process approval to fabricate pressure vessels, pipe and pressure-containing appurtenances by the use of any welding process requiring procedure qualification shall prepare test plates in the presence of a marine inspector who will stamp the plates with the official stamp of the Coast Guard. Specimens as required by Table 56.01-15(c) shall be machined from the test plate.

TABLE 56.01-15(c)—REQUIRED TESTS FOR PLATE GROOVE WELDS

Test plate or pipe thickness T	Maximum production plate thickness	Number and type of tests required				
		Reduced section tensile	Root bend	Face bend	Side bend	Macro etch
3/16 inch to and including 3/4 inch.	2T.....	2	2	2	-----	1
Over 3/4 inch.....	2T for multiple pass welding.....	2	-----	-----	4	1
	2T but not over 2 inches for welding one-pass from each side. T for welding from one side only against a copper or melt backup.	2	-----	-----	4	1

(d) The test plate material shall be of the type to be welded in production and of a thickness as shown in Table 56.01-15(c). The requirements specified in this section are applicable to materials

having equivalent physical properties. If preheat is not used in production welding, it shall not be used in the preparation of the test plate. If it is desired to conduct a procedure qualification to weld

metals of dissimilar physical properties, the fabricator shall so inform the Commandant who will designate the types and methods of tests.

(e) Specimens may be tested by the fabricator or at a recognized testing laboratory. Specimens shall meet the requirements of § 56.05-1 and shall be tested in the presence of an inspector. One retest will be permitted for each specimen failing to meet the requirements. Should the retest fail, the fabricator shall take suitable remedial action to insure that the procedure is correct prior to the preparation of an additional set of test plates.

(f) The macro-etch specimen with the weld reinforcement in place shall be etched with a reagent which will clearly define the weld grain structure. After the specimen is etched it shall be given a protective coating to prevent oxidation.

(g) Results of the physical tests, the etch specimen and a sketch showing joint preparation, together with the information required in paragraph (b) of this section, shall be forwarded to the Commandant for consideration prior to the fabricator using the process in production welding.

(h) The fabricator shall prepare a specification covering the procedure qualification as used in preparing the test plate and shall furnish a copy to the marine inspector. The procedure used in qualifying shall be employed in fabrication except that speed of welding, amperage and voltage may vary to suit different material thicknesses. If the joint design, filler metal or type of inert gas is changed or alloy steel is to be fabricated and carbon steel used in the preparation of the test plate, a new procedure qualification shall be conducted.

(i) The fabricator shall weld a test plate of the actual thickness to be used in production to demonstrate to an inspector that he is using the proper welding procedure to obtain complete penetration.

2. Section 56.01-55 (including Figure 56.01-55(e)) is amended to read as follows:

§ 56.01-55. Joints.

(a) (1) Longitudinal joints of Class I and Class II pressure vessels shall be of the double-welded butt type and a reinforcement of at least $\frac{1}{16}$ inch shall be provided on each face of the weld, except for plates of $\frac{1}{4}$ inch or less in thickness the reinforcement need not exceed 25 percent of the plate thickness. The reinforcement on either or both faces of the weld may be removed, but if not removed shall be free of grooves, valleys, or other change in contour along the edge or upon the surface of the weld if the inspector deems such to be objectionable.

(2) When a single-welded butt joint is made the equivalent of a double welded joint by using a backing bar or its equivalent and depositing the filler metal from only one side to secure complete penetration, the requirements for reinforcement applies only to the face of the weld. The backing bar may be left in place or it may be removed. The

root gap of $\frac{3}{16}$ inch minimum shall be provided.

(3) Where the reverse side of a welded joint is not accessible, a single-welded butt joint employing an inert gas and/or consumable insert ring for the first pass back-up may be considered the equivalent to a double-welded butt joint, provided the welding procedure qualification tests are conducted in conformance with the requirements of § 56.01-15.

(b) The longitudinal joints of Class III welded pressure vessels shall be as given in § 56.01-30. The weld reinforcement shall be as required in paragraph (a) of this section. Fillet welds of lap type joints shall have a throat dimension of not less than $\frac{5}{8}T$, where T is the thickness of the shell plate. The surface of the overlap shall be not less than $4T$.

(c) Circumferential joints for Class I pressure vessels shall be of the double-welded butt type. Circumferential joints for Class II pressure vessels shall be of the double-welded butt type except for thicknesses of $\frac{5}{8}$ inch or less, in which case they may be of the single-welded butt type. Circumferential joints on Class III pressure vessels may be of the butt or lap type. The details of all joints shall conform to the requirements for longitudinal joints, as given in paragraph (a) of this section.

(d) Dished heads concave to the pressure when used on Class III pressure vessels shall be inserted with a driving fit and fillet welded inside and outside, except that for vessels 20 inches in diameter or less the heads may be welded on the outside only. The welds shall be located on the flange of the head at a distance not less than twice the thickness of the head from the point of tangency of the knuckle and in no case less than $\frac{1}{2}$ inch. Dished heads concave to the pressure shall have a length of flange not less than one inch for shells not over 24 inches in diameter. For shells over 24 inches in diameter, this length shall not be less than $1\frac{1}{2}$ inches.

(e) Dished heads convex to the pressure shall have a flange not less than $1\frac{1}{2}$ inches long except where the flange thickness is $\frac{3}{8}$ inch or under, in which case the flange need not be more than four times the thickness of the head. When heads are inserted into the shell, same shall be with a driving fit and welded as shown in Figure 56.01-55(e).

(f) Heads concave to the pressure and plates having circumferential joints to be attached by butt welds shall be aligned so that the deviations are not more than permitted by the limitations given in § 56.01-50, but if greater, correction shall be made by reforming the shell or head, whichever is out of true, until the errors are within the limits specified. The edges of head and circumferential joints shall be separated by a suitable root gap to insure complete penetration of the weld metal.

(g) Intermediate heads of the type shown in Figure 56.01-55(e) may be used for all classes of pressure vessels provided the outside diameter of the head skirt is a close fit inside the overlapping ends of the shell courses. The butt weld and fillet weld shall be designed to take shear at $1\frac{1}{2}$ times the maximum pressure on either side of the head, but in no case less than 50 p.s.i.

(h) Flat heads may be attached to pressure vessels in accordance with the requirements of § 52.22-10 of this subchapter.

(i) The welder's symbol shall be stamped on each pressure vessel adjacent to the weld and at intervals not to exceed three feet along the welds made manually or by machine. In lieu thereof, a permanent record may be kept by the manufacturer furnishing the name of the welder employed in making each joint. This record shall be made available to the inspector upon request.

3. Section 56.01-80(d) (1) is amended to read as follows:

§ 56.01-80 Welded piping.

(d) (1) For Class I piping, double-welded butt joints or single-welded butt joints using a backing ring or its equivalent on the inside of the pipe, shall be employed for pipe diameters exceeding $\frac{3}{4}$ inches, except as permitted in this paragraph. Single-welded butt joints employing an inert gas and/or consumable insert ring for first pass back-up may be considered the equivalent to a double-welded butt joint, provided the welding procedure qualification tests are conducted in conformance with the requirements of § 56.01-15. Piping of diameters not exceeding 2 inches may be joined by sleeves fitted over the pipe ends or by socket joints provided the size of each fillet weld is at least $1\frac{1}{4}$ times the tube or pipe wall thickness and the weld

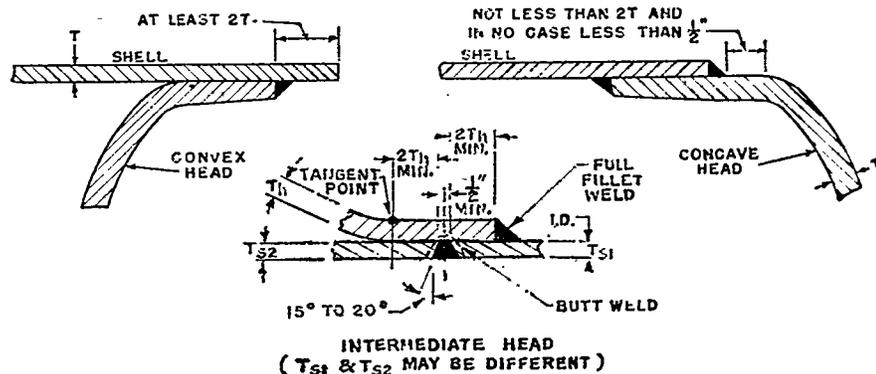


FIGURE 56.01-55(e)—Details of circumferential joints of dished heads.

deposited with a minimum of two layers. Slip-on flanges complying with the 150-pound and 300-pound standards may be used in Class I piping for temperatures not exceeding that permitted in § 55.07-15(b) of this subchapter.

Subpart 56.05—Tests and Inspection

4. Section 56.05-3(b) is amended to read as follows:

§ 56.05-3 Qualification of radiographic test procedure.

(b) After exposure and processing, the procedure qualification films, together with the radiographic technique used in the qualification tests, shall be forwarded to the Commandant through the Officer in Charge, Marine Inspection, for interpretation.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 4453, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 57—MAIN AND AUXILIARY MACHINERY

Subpart 57.25—Steering Apparatus

Section 57.25-10 is amended to read as follows:

§ 57.25-10 Rudder movement.

(a) Power operated steering gear shall be provided with effective means for putting the rudder from 35 degrees over to 35 degrees over with the vessel running ahead at the maximum continuous rated shaft RPM. The timing may be conducted from 35 degrees on one side through 30 degrees on the other side and the average rate of the rudder shall be not less than 2½ degrees per second. In addition, such gear shall be provided with an effective auxiliary means for actuating the rudder, and where power driven shall be capable of putting the rudder from 15 degrees over to 15 degrees over in 60 seconds with the vessel running ahead at half speed, or seven knots, whichever is greater.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 4453, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 61—INSTALLATIONS, TESTS, INSPECTIONS, MARKINGS, AND OFFICIAL FORMS

Subpart 61.25—Tests and Inspections of Pressure Vessels

1. Section 61.25-5 is amended by adding a new paragraph (c) to read as follows:

§ 61.25-5 New pressure vessels.

(c) Hydraulic accumulators used in engine starting systems shall be leak-tested to the design pressure after installation.

2. Section 61.25-20(c) is amended to read as follows:

§ 61.25-20 Pressure vessels in service.

(c) Tubular heat exchangers, hydraulic accumulators and those pressure vessels used in refrigeration service shall be examined under operating conditions at the regular annual or biennial inspection.

Subpart 61.30—Tests and Inspection of Piping, Valves and Fittings

3. Section 61.30-5 is amended by adding a new paragraph (d) reading as follows:

§ 61.30-5 Shop test.

(d) Hydraulic piping assemblies and associated hydraulic equipment components, including hydraulic steering gear, in lieu of being tested at the time of installation, may be shop tested by the manufacturer to 1½ the maximum allowable pressure of the system. The required test pressure shall be maintained for a sufficient amount of time to check all components for strength and porosity and to permit an inspection to be made of all connections.

4. Section 61.30-10 is amended to read as follows:

§ 61.30-10 Installation test.

(a) The following piping systems shall be hydrostatically tested in the presence of a marine inspector at a pressure of 1½ times the maximum allowable pressure:

(1) Class I steam, feed-water, and blow-off piping, except that where piping is attached to boilers by welding without practical means of blanking off for testing, the piping shall be subjected to the same hydrostatic pressure to which the boilers are tested.

(2) Fuel oil discharge piping between the pumps and the burners, but not less than 500 pounds per square inch.

(3) High-pressure piping for tank-cleaning operations.

(4) Flammable or corrosive liquids and compressed gas cargo piping, but not less than 150 pounds per square inch.

(5) Any Class I piping not specifically listed in this paragraph.

(6) Cargo oil piping.

(7) Fire mains, but not less than 150 pounds per square inch.

(8) Fuel oil transfer and filling piping.

(9) Class I compressed air piping.

(b) Refrigeration piping shall be leak-tested to the design pressures as specified in § 55.13-5 of this subchapter.

(c) Hydraulic piping assemblies and associated hydraulic equipment components which have been tested in conformance with § 61.30-5(d) of this subchapter and so certified by the manufacturer, may be tested after installation as a complete assembly by stalling the driven unit in a safe and satisfactory manner and by blowing the relief valves. Otherwise, these systems shall be hydrostatically tested in the presence of an inspector at a pressure of 1½ times the maximum allowable pressure.

(d) Piping systems not specifically listed in this section shall be tested under working conditions.

(e) Arc- or gas-welded pipe joints of Class I piping which are not examined by radiography shall be given a hammer test as required by § 61.25-15 of this subchapter.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426-4431, as amended, 4433, as amended, 4434, as amended, 4453, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, 41 Stat. 305, as amended, 49 Stat. 1544, as amended, secs. 2, 3, 17, 54 Stat. 1028, as amended, 347, as amended, 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404-409, 411, 412, 435, 489, 366, 363, 367, 526p, 1333, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

SUBCHAPTER H—PASSENGER VESSELS

PART 71—INSPECTION AND CERTIFICATION

Subpart 71.25—Annual Inspection

Section 71.25-20(a) (1) is amended by revising Table 71.25-20(a) (1) to read as follows:

§ 71.25-20 Fire detecting and extinguishing equipment.

(a) * * *
(1) * * *

TABLE 71.25-20(a) (1)

Type unit	Test
Soda acid.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Foam.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Pump tank (water or antifreeze).	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge with clean water or antifreeze.
Cartridge operated (water, antifreeze or loaded stream).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Remove liquid. Clean hose and inside of extinguisher thoroughly. Recharge with clean water, solution or antifreeze. Insert charged cartridge.

TABLE 71.25-20 (a) (1)—Continued

Type unit	Test
Carbon dioxide....	Weigh cylinders. Recharge if weight loss exceeds 10 percent of weight of charge. Inspect hose and nozzle to be sure they are clear. ¹
Dry chemical (cartridge-operated type).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Inspect hose and nozzle to see they are clear. Insert charged cartridge. Be sure dry chemical is free-flowing (not caked) and chamber contains full charge.
Dry chemical (stored pressure type).	See that pressure gage is in operating range. If not, or if seal is broken, weigh or otherwise determine that full charge of dry chemical is in extinguisher. Recharge if pressure is low or if dry chemical is needed.
Vaporizing liquid ² (pump type).	Pump a few strokes into clean pail and replace liquid. Keep water out of extinguisher or liquid. Keep extinguisher completely full of liquid.
Vaporizing liquid ² (stored pressure type).	See that pressure gage is in operating range. Weigh or check liquid level to determine that full charge of liquid is in extinguisher. Recharge if pressure is low or if liquid is needed.

¹ Cylinders shall be tested and marked in accordance with the regulations of the Interstate Commerce Commission, as noted in § 147.04-1 of Subchapter N (Explosives or Other Dangerous Articles or Substances and Combustible Liquids on Board Vessels) of this chapter.

² Vaporizing-liquid type fire extinguishers containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids shall be removed from all vessels on or before Jan. 1, 1962. (See § 76.50-5(e) of this subchapter.)

(R.S. 4405, as amended, 4462, as amended; 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4418, as amended, 4421, as amended, 4423, as amended, 4426, as amended, 4428-4430, as amended, 4433, as amended, 4434, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended, secs. 10, 11, 35 Stat. 428, 41 Stat. 305, secs. 1, 2, 49 Stat. 1544, as amended, 49 Stat. 1935, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 392, 399, 400, 404, 406-408, 411, 412, 435, 366, 395, 396, 363, 367, 660a, 1333, 390b, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 76—FIRE PROTECTION EQUIPMENT

Subpart 76.15—Carbon Dioxide Extinguishing Systems, Details

Section 76.15-5(e) is amended by revising subparagraphs (2) and (6) to read as follows:

§ 76.15-5 Quantity, pipe sizes, and discharge rate.

(e) * * *

(2) For the purpose of the above requirement of this paragraph, the volume of a machinery space shall be taken as exclusive of the normal machinery casing unless the boiler, internal combustion machinery, or fuel oil installations extend into such space in which case the volume shall be taken to the top of the casing or the next material reduction in casing area, whichever is lower. For installations contracted for on or after October 1, 1959, "normal machinery casing" and "material reduction in casing area" shall be defined as follows:

(i) By "normal machinery casing" shall be meant a casing the area of which is not more than 40 percent of the maximum area of the machinery space.

(ii) By "material reduction in casing area" shall be meant a reduction to at least 40 percent of the casing area.

(6) The total area of all discharge outlets shall not exceed 85 percent nor be less than 35 percent of the nominal cylinder outlet area or the area of the supply pipe, whichever is smaller. The nominal cylinder outlet area in square inches shall be determined by multiplying the factor 0.0022 by the number of pounds of carbon dioxide required, except that in no case shall this outlet area be less than 0.110 square inch.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4470, as amended, 4471, as amended, 4477, as amended, 4479, as amended, 4483, as amended, secs. 1, 2, 49 Stat. 1544, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 367, as amended, sec. 2, 54 Stat. 1028, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 464, 470, 472, 476, 367, 526p, 1333, 463a, 390b, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

SUBCHAPTER I—CARGO AND MISCELLANEOUS VESSELS

PART 91—INSPECTION AND CERTIFICATION

Subpart 91.25—Inspection for Certification

Section 91.25-20(a) (1) is amended by revising Table 91.25-20(a) (1) to read as follows:

§ 91.25-20 Fire extinguishing equipment.

(a) * * *
(1) * * *

TABLE 91.25-20(a) (1)

Type unit	Test
Soda acid.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Foam.....	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Pump tank (water or antifreeze).	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge with clean water or antifreeze.
Cartridge operated (water, antifreeze or loaded stream).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Remove liquid. Clean hose and inside of extinguisher thoroughly. Recharge with clean water, solution, or antifreeze. Insert charged cartridge.
Carbon dioxide....	Weigh cylinders. Recharge if weight loss exceeds 10 percent of weight of charge. Inspect hose and nozzle to be sure they are clear. ¹
Dry chemical (cartridge-operated type).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Inspect hose and nozzle to see they are clear. Insert charged cartridge. Be sure dry chemical is free-flowing (not caked) and chamber contains full charge.
Dry chemical (stored pressure type).	See that pressure gage is in operating range. If not, or if seal is broken, weigh or otherwise determine that full charge of dry chemical is in extinguisher. Recharge if pressure is low or if dry chemical is needed.

¹ Cylinders shall be tested and marked in accordance with the regulations of the Interstate Commerce Commission, as noted in § 147.04-1 of Subchapter N (Explosives or Other Dangerous Articles or Substances and Combustible Liquids on Board Vessels) of this chapter.

TABLE 91.25-20 (a) (1)—Continued

Type unit	Test
Vaporizing liquid ² (pump type).	Pump a few strokes into clean pail and replace liquid. Keep water out of extinguisher or liquid. Keep extinguisher completely full of liquid.
Vaporizing liquid ² (stored pressure type).	See that pressure gage is in operating range. Weigh or check liquid level to determine that full charge of liquid is in extinguisher. Recharge if pressure is low or if liquid is needed.

² Vaporizing-liquid type fire extinguishers containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids shall be removed from all vessels on or before Jan. 1, 1962. (See § 95.50-5(e) of this chapter.)
(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, 4400, 4417, 4418, 4421, 4423, 4426-4431, 4433, 4434, 4453, as amended, sec. 14, 29 Stat. 690, secs. 10, 11, 35 Stat. 428, 41 Stat. 305, 49 Stat. 1544, 1935, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 392, 399, 400, 404-409, 411, 412, 435, 366, 395, 396, 363, 367, 660a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

PART 95—FIRE PROTECTION EQUIPMENT

Subpart 95.15—Carbon Dioxide Extinguishing Systems, Details

Section 95.15-5(e) is amended by revising subparagraphs (2) and (6) to read as follows:

§ 95.15-5 Quantity, pipe sizes, and discharge rates.

(e) * * *

(2) For the purpose of the requirements of this paragraph, the volume of the machinery space shall be taken as exclusive of the normal machinery casing unless the boiler, internal combustion machinery, or fuel oil installations extend into such space, in which case the volume shall be taken to the top of the casing or the next material reduction in casing area, whichever is lower. For installations contracted for on or after October 1, 1959, "normal machinery casing" and "material reduction in casing area" shall be defined as follows:

(i) By "normal machinery casing" shall be meant a casing the area of which is not more than 40 percent of the maximum area of the machinery space.

(ii) By "material reduction in casing area" shall be meant a reduction to at least 40 percent of the casing area.

(6) The total area of all discharge outlets shall not exceed 85 percent nor be less than 35 percent of the nominal cylinder outlet area or the area of the supply pipe, whichever is smaller. The nominal cylinder outlet area in square inches shall be determined by multiplying the factor 0.0022 by the number of pounds of carbon dioxide required, except that in no case shall this outlet area be less than 0.110 square inches.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interpret or apply R.S. 4417, 4418, 4426, 4470, 4471, 4477, 4479, and 4483, as amended, secs. 1, 2, 49 Stat. 1544, sec. 17, 54 Stat. 166, sec. 2, 54 Stat. 1028, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 463, 464, 470, 472, 476, 367, 526p, 463a, 50 U.S.C. 198; E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

RULES AND REGULATIONS

SUBCHAPTER J—ELECTRICAL ENGINEERING
PART 110—GENERAL PROVISIONS

Subpart 110.10—Reference Specifications, Standards, and Codes

1. Section 110.10-1(e) (8) is amended to read as follows:

§ 110.10-1 General.

(e) * * *
(8) Standard for Marine Type Electric Lighting Fixtures.

Subpart 110.15—Definition of Terms Used in This Subchapter

2. Section 110.15-15(b) (1) is amended by revising Table 110.15-15(b) (1) to read as follows:

§ 110.15-15 Cable terms.

(b) Cable designations. (1) * * *

TABLE 110.15-15(b) (1)—LIGHTING AND POWER, INTERIOR COMMUNICATION, AND TELEPHONE CABLE SYMBOLS

Column 1	Column 2	Column 3	Column 4	Column 5
Symbol designating cable type	Symbol designating type of insulation	Symbol designating type of outer covering	Symbol designating type of armor	Symbol designating wire size for light and power cable or number of conductors for interior communication or number of pairs of conductors for telephone cable
S=single conductor, light and power. D=double conductor, light and power. T=triple conductor, light and power. F=four conductor, light and power. IC=interior communication. TT=twisted pair, telephone. TTC=twisted pair, inter-cabir. telephone.	R=rubber. V=varnished-cambric. AV=asbestos-varnished-cambric. T=thermoplastic-asbestos or thermoplastic-glass-asbestos. MI=mineral insulated.	A=armored only. L=leaded and armored. I=impervious sheathed and armored. S=reinforced sheathed and armored.	None=steel. A=aluminum. B=bronze.	Circular mil size in thousands, or number of conductors, or number of pairs of conductors.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interprets or applies R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 2, 54 Stat. 1028, as amended, sec. 3, 70 Stat. 152, 153, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 366, 395, 363, 369, 367, 1333, 463a, 390b, 59 U.S.C. 198. E.O. 10402, 17 F.R. 9917; 3 CFF, 1952 Supp.)

PART 111—ELECTRICAL SYSTEM; GENERAL REQUIREMENTS

Subpart 111.40—Distribution Panelboards (Switchboard and Panelboard Types)

1. Section 111.40-1 is amended by revising paragraphs (e) and (i) to read as follows:

§ 111.40-1 General requirements.

(e) Construction. Switchboard type panelboards shall conform to the applicable requirements of Subpart 111.35, except that units constructed to be completely serviced from the front need not be accessible from the rear. Unspecified panelboard construction details shall conform with the requirements of Underwriters' Laboratories, Inc. Standard for Panelboards.

(i) Directory. Panelboard switching units shall be numbered and the panelboard provided with a circuit directory card and card holder. After installation the directory card shall be marked for each circuit with the circuit designation, description of load served, and the rating

or setting of the appropriate overcurrent protective device.

Subpart 111.50—Distribution and Circuit Loads

2. Section 111.50-20(c) (5) (i) is amended to read as follows:

§ 111.50-20 Circuit loads and demand factors.

(c) Lighting branch circuits. * * *
(5) Multi-lamp fixtures. * * *

(i) The branch circuit is controlled from the distribution panelboard only by a common closing, common trip, circuit breaker having a pole for each circuit conductor.

Subpart 111.55—Overcurrent Protection

3. Section 111.55-1(b) (7) is amended to read as follows:

§ 111.55-1 Installation of overcurrent protective devices.

(b) Overcurrent protection of conductors. * * *

(7) Appliance branch circuits. The rating or setting of branch circuit overcurrent devices shall not be in excess of the current-carrying capacity of the circuit conductors except as provided in subparagraphs (1) and (2) of this paragraph. If the circuit supplies only a single appliance or device, the rating or setting of the branch circuit overcurrent device shall not exceed 150 percent of the rating of the appliance or device or 15 amperes whichever is the higher.

4. Section 111.55-10 is amended by revising the heading thereof and by adding a subparagraph (3) to paragraph (c), to read as follows:

§ 111.55-10 Enclosures for overcurrent protective devices.

(c) Disconnection of fuses and thermal cutouts. * * *

(3) No disconnect means shall be provided for general alarm feeders and branch circuits covered by § 113.25-10(b).

5. Section 111.55-15(c) is amended to read as follows:

§ 111.55-15 Construction and use of overcurrent devices.

(c) Cartridge fuses and fuseholders. National Electrical Code Standard, non-renewable cartridge fuses may be used for applications not exceeding 600 volts, 0 to 600 amperes. Special cartridge fuses may be used in instruments and the like when specifically approved.

Subpart 111.60—Wiring Methods and Materials

Section 111.60-1 is amended by revising paragraph (b) (2) and (3), by revising paragraph (d) (1) and (2), and by revising Table 111.60-1(e) (1) (i) in paragraph (e) (1) to read as follows:

§ 111.60-1 Electric cable.

(b) Construction. * * *

(2) Cable classes by type of insulation. The above cables are classed in accordance with the type of conductor insulation as:

- (i) Rubber insulated;
- (ii) Varnished-cambric insulated;
- (iii) Asbestos-varnished-cambric insulated;
- (iv) Thermoplastic-asbestos insulated; and,
- (v) Mineral insulated, Type MI.

(3) Cable classes by type of mechanical covering. The above cables are classed in accordance with the type of mechanical covering as:

- (i) Armored;
- (ii) Leaded and armored;
- (iii) Impervious sheathed and armored;
- (iv) Reinforced rubber sheathed and armored;
- (v) Braided (applicable only to bell wire and switchboard wire); and,
- (vi) Mineral insulated metal sheathed, Type MI.

(d) Cable applications—(1) Damp or wet locations. Electric cable for installation in damp or wet locations shall be

leaded and armored, reinforced rubber sheathed and armored, impervious sheathed and armored, or mineral insulated-metal sheathed. The cable insulation may be either rubber, varnished-cambric, asbestos-varnished-cambric, thermoplastic asbestos or mineral insulated, type MI, except that rubber insulated power and lighting cable shall not be used in locations where the ambient temperature exceeds 50 degrees C.

(2) Corrosive locations. The armor of cables in corrosive locations shall be either bronze or aluminum and the sheath on mineral insulated-metal sheathed cables shall be seamless annealed copper.

(e) Current-carrying capacity—(1) General. * * *

7. Section 111.60-10(b) is amended by revising subparagraphs (1) and (5) to read as follows:

§ 111.60-10 Wire and cable installation.

(b) Ships' service cables—(1) Cable joints and sealing. The cable ends of all feeders and power branch circuits to vital auxiliaries are to be effectively sealed against the admission of moisture by methods such as taping in combination with insulating compound or, in the case of type MI, by fittings designed for that purpose.

(5) Grounding of cable metallic covering. Each metallic-sheathed cable and each armored cable are to have the metallic covering electrically and mechanically continuous and grounded to the metal hull at each end of the run, except that final subcircuits may be grounded at the supply end only.

8. Section 111.60-15(e) is amended by revising subparagraphs (2) and (3) to read as follows:

§ 111.60-15 General requirements for wiring methods.

(e) Connections to terminals. * * *
 (2) Connectors, or lugs of the set-screw type shall not be used with stranded conductors smaller than No. 14 AWG unless provided with a nonrotating follower traveling with the set screw and making pressure contact with the conductor.

(3) Pressure-type wire connectors, fixture splicing connectors, and lugs shall conform to the requirements of Underwriters' Laboratories, Inc., Standard for Wire Connectors and Soldering Lugs, and shall be so listed by Underwriters' Laboratories, Inc.

9. Section 111.60-20(a) is amended to read as follows:

§ 111.60-20 Outlet boxes.

(a) General. The requirements of this section are applicable to outlet boxes for use with lighting fixtures, wiring devices, and the like, including separately installed connection and junction boxes, having a volume of not more than 100 cubic inches. Boxes of large size will require special consideration.

10. Section 111.60-35 is amended by revising paragraphs (a) (5) and (c) (2) to read as follows:

§ 111.60-35 Lighting fixtures.

(a) General requirements. * * *
 (5) Unspecified construction details shall be in accordance with Underwriters' Laboratories, Inc., Standards for Marine Type Electric Lighting Fixtures and for Portable Electric Lamps.

(c) Provisions at fixture outlet boxes, canopies and pans. * * *

(2) Fixtures shall be of such construction, or so installed, that the conductors in outlet boxes will not be subjected to

TABLE 111.60-1(e) (1) (1)—WIRES AND CABLES—MAXIMUM CURRENT-CARRYING CAPACITIES, DIRECT-CURRENT, FOR CONTINUOUS SERVICE, 50 DEGREES C. AMBIENT^{2,3} (CONCENTRIC STRANDING, 600 VOLTS⁴ OR LESS, DIRECT-CURRENT), (ALTERNATING-CURRENT RATINGS FOR CABLES ARE THE SAME AS GIVEN FOR DIRECT-CURRENT UP TO 700,000 CIRCULAR MILS; FOR 700,000 CIRCULAR MILS AND ABOVE, SEE TABLE 111.60-1(e) (1) (H))

Conductor size		Current in amperes											
		1-conductor				2-conductor				3-conductor			
Area (circular mils)	Nearest AWG	R	VC	AVC	MI	R	VC	AVC	MI	R	VC	AVC	MI
2,000,000		1,048	1,380	1,538									
1,750,000		934	1,231	1,373									
1,500,000		846	1,095	1,223									
1,250,000		743	970	1,020									
1,000,000		640	831	825									
950,000		617	812	804									
900,000		592	779	766									
850,000		578	752	738									
800,000		557	725	707									
750,000		538	696	776									
700,000		516	666	741									
650,000		486	623	694		382	503	550		331	428	476	
600,000		466	597	665		363	481	535		317	407	452	
550,000		441	563	627		344	462	514		302	386	428	
500,000		418	534	594		323	431	480		285	367	408	
450,000		392	498	554		306	406	452		265	341	379	
400,000		369	464	516		284	377	418		248	319	354	
350,000		340	429	477		261	351	390		230	294	327	
300,000		301	389	432		238	315	351		209	267	297	
250,000		270	348	387		212	281	312		186	238	264	
212,000	4/0	241	310	345	308	193	254	283		169	215	239	
168,000	3/0	208	273	304	264	167	223	248		148	187	208	
133,000	2/0	180	237	264	228	145	194	214		130	163	181	
106,000	1/0	155	206	229	196	128	170	189		112	142	158	
83,700	1	133	177	197	168	111	148	165		98	122	135	
66,400	2	115	152	169	144	96	128	142		86	106	118	
52,600	3	99	132	147	124	85	111	124		75	92	102	
41,700	4	85	114	127	108	74	97	108		72	80	89	72
33,100	5	71	99	110	94	64	85	95	63	57	70	78	63
26,300	6	63	86	96	80	56	74	82	56	49	61	67	56
20,800	7	54	74	82		49	64	71		44	52	58	
16,500	8	46	66	73	56	42	55	61	40	39	46	51	40
10,400	10	34	49	54	44	32	42	47	32	29	35	39	32
6,530	12	24	32	35	32	22	27	30	24	21	23	26	24
4,110	14	15		20	24	14		19	20	13		17	20

¹ The values given in this table may be used provided the cable installation is limited to double banking. Where this limitation is exceeded, the values given in this table shall be decreased 5 percent for each additional bank.

² The values given in this table are based upon an ambient temperature of 50 degrees C and maximum conductor temperature of:

- 75 degrees C for rubber (R) insulated cables;
- 85 degrees C for varnished-cambric (VC) insulated cables; mineral insulated (MI) cables; and
- 95 degrees C for asbestos-varnished-cambric (AVC) insulated cables.

³ If ambient temperatures differ from 50 degrees C the value shown above shall be multiplied by the following factors:

Type of cables	Ambient temperature		
	40° C	60° C	70° C
Rubber insulated cables.....	1.18		
Varnished-cambric insulated cables and mineral-insulated cables.....	1.13	0.84	
Asbestos-varnished-cambric insulated cables.....	1.11	0.88	0.75

⁴ For voltages greater than 600 volts, current rating shall be decreased 2 percent for each thousand volts increase over 600 volts.

temperatures greater than that for which the conductors are approved (75° C. for rubber insulated conductors, 85° C. for varnished-cambric insulated and mineral-insulated conductors, and 95° C. for asbestos-varnished-cambric insulated conductors). For the purpose of this section, an ambient temperature of 25° C. will be assumed for passenger and crew quarters, public spaces, cargo spaces, and open deck areas, an ambient temperature of 40° C. will be assumed for auxiliary machinery and work spaces, and an ambient temperature of 50° C. will be assumed for the engine and boiler rooms.

11. Section 111.60-40 is amended by revising subdivisions (i), (iii), and (iv) in paragraph (b) (10), and by revising subdivision (ii) in paragraph (c) (8) to read as follows:

§ 111.60-40 Wiring methods and material for hazardous locations.

(b) *Electrical installations in Class I, Groups A, B, C, and D, hazardous locations.* * * *

(10) *Wiring methods.* (i) Electric cables shall be leaded and armored, or impervious sheathed and armored, or mineral-insulated metal sheathed.

(iii) The seal fitting shall be located as close as practicable to, but in no case more than 18 inches from, the enclosure, and shall be connected thereto by means of a short length of rigid metal conduit with threaded explosion-proof joints each having at least 5 full threads engaged. Type MI cables, however, shall enter enclosures directly through explosion-proof fittings especially approved for Class I locations.

(iv) Except for type MI cables, all cable covering except the individual conductor insulation shall be removed in way of the seal fitting, and the seal fitting filled with a sealing compound.

(c) *Electrical installations in Class II hazardous locations.* * * *

(8) *Wiring methods.* * * *
(ii) *Electric cables.* Electric cables shall be leaded and armored, impervious sheathed and armored, or mineral-insulated metal sheathed. Cable entrances shall be made dust-tight by terminal tubes or, in case of Type MI cable, by fittings designed for that purpose.

Subpart 111.70—Special Requirements for Tank Vessels

12. Section 111.70-10(c) (4) is amended to read as follows:

§ 111.70-10 Special requirements for tank vessels contracted for on or after November 19, 1955—TB/ALL.

(c) *Installation requirements on tank vessels handling Grade A, B, C, or D liquid cargo.* * * *

(4) *Weather decks.* Motors, their control equipment, and other electrical equipment and installations located on or above the weather decks within 10 feet of the cargo tank openings or cargo tank vent terminations shall be explosion-proof. Explosion-proof equipment installed in locations exposed to the weather shall be watertight or shall be enclosed in watertight housings.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interprets or applies R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, sec. 3, 54 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 2, 54 Stat. 1028, as amended, sec. 3, 70 Stat. 152, 153, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 366, 395, 363, 369, 367, 1333, 463a, 390b, 50 U.S.C. 198. E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 112—EMERGENCY LIGHTING AND POWER SYSTEM

Subpart 112.55—Storage and Battery Installation

Section 112.55-1(a) is amended to read as follows:

§ 112.55-1 General requirements.

(a) Storage batteries for emergency lighting and power systems, including starting batteries for emergency diesel-engine driven generator sets, shall be of a design and construction proven successful in merchant marine service, and capable of withstanding the roll and pitch of a vessel and exposure to salt air. Positive plates of lead-acid batteries shall be at least 0.25 inch thick, and the specific gravity of the electrolyte when fully charged shall be 1.210 to 1.220, both inclusive, at 25° C., except that thin positive plate construction (0.125 inch thick minimum) may be used for engine cranking batteries. The fully charged specific gravity of the electrolyte of lead-acid engine cranking batteries shall not exceed 1.260 at 25° C. for high watering space type batteries or 1.285 at 25° C. for normal watering space type batteries.

(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interprets or applies R.S.

4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended; sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 2, 54 Stat. 1028, as amended, sec. 3, 70 Stat. 152, 153, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 366, 395, 363, 369, 367, 1333, 463a, 390b, 50 U.S.C. 198. E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

PART 113—COMMUNICATION AND ALARM SYSTEMS AND EQUIPMENT

Subpart 113.25—General Alarm Systems

1. Section 113.25-10(c) (1) (ii) is amended to read as follows:

§ 113.25-10 General requirements.

(c) *Location of general alarm bells.* * * *

(1) * * *

(ii) A sound level of 6 decibels above the ground noise level existing when the vessel is underway in moderate weather, whichever is the higher.

Subpart 113.30—Sound Powered Telephone and Voice Tube Systems

2. Section 113.30-25(h) is amended to read as follows:

§ 113.30-25 Sound powered telephone system, detail requirements.

(h) Sound powered telephone circuits shall be run in leaded and armored, impervious sheathed and armored or mineral-insulated metal sheathed cable. All connection boxes employed shall be watertight.

Subpart 113.35—Engine Order Telegraph Systems

3. Section 113.35-45(d) is amended to read as follows:

§ 113.35-45 Electric engine order telegraph systems, detail requirements.

(d) Electric cable used in conjunction with electric telegraphs shall be leaded and armored, impervious sheathed and armored or mineral-insulated metal sheathed and all connection boxes shall be of watertight construction.

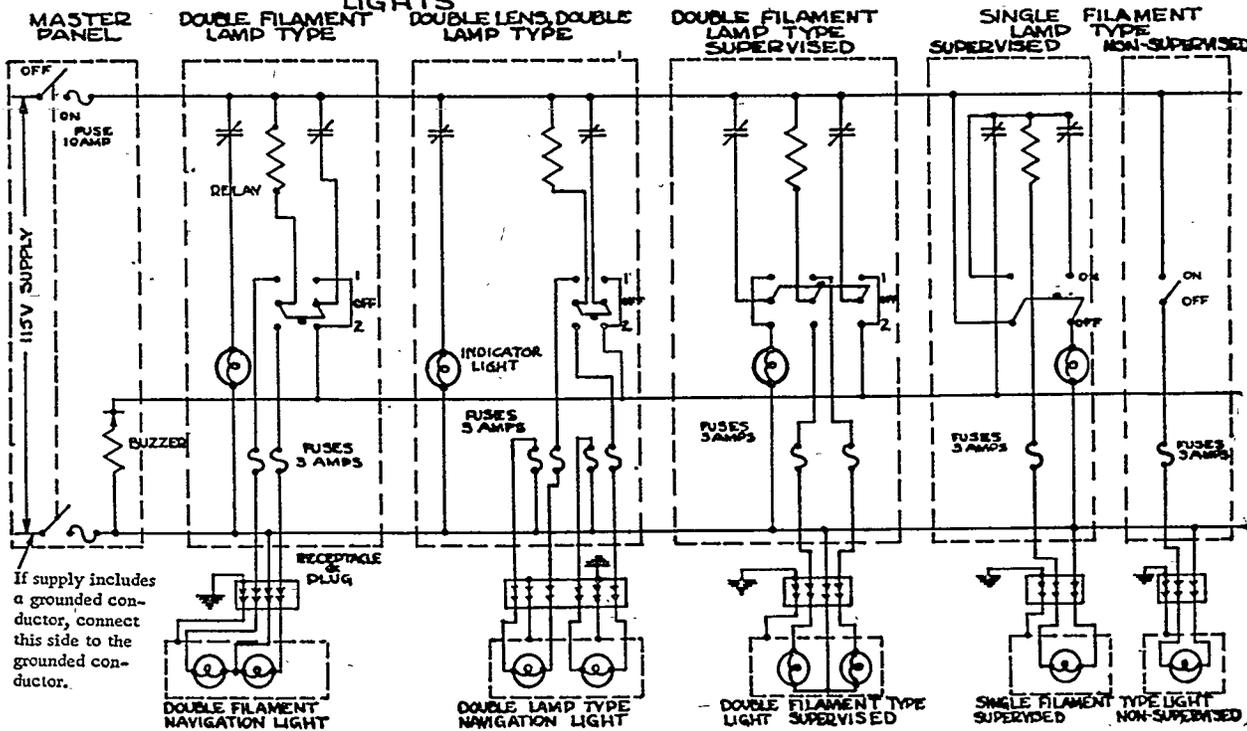
Subpart 113.55—Navigation Lights

4. Section 113.55-25(b) is amended by revising figure 113.55-25(b) to read as follows:

§ 113.55-25 Navigation light indicator panel. * * *

(b) * * *

FIGURE 113.55-25 (b)
SEMI-AUTOMATIC NAVIGATION LIGHT PANEL CIRCUITS
 LINE PANELS FOR PORT AND STARBOARD SIDE LIGHTS, MASTHEAD, RANGE, AND STERN LIGHTS
 LINE PANELS FOR ANCHOR TOWING, AND NOT-UNDER-COMMAND LIGHTS



(R.S. 4405, as amended, 4462, as amended, 46 U.S.C. 375, 416. Interprets or applies R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 2, 54 Stat. 1028, as amended, sec. 3, 70 Stat. 152, 153, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 366, 395, 363, 369, 367, 1333, 462a, 390b, 50 U.S.C. 198, E.O. 10402, 17 F.R. 9917; 3 CFR, 1952 Supp.)

TT-E-489—Enamel; Gloss, Synthetic (For Exterior and Interior Surfaces).

(2) Military Specifications:

- MIL-B-18—Batteries, Dry.
- MIL-P-79—Plastic Materials, Laminated, Thermosetting Rods and Tubes.
- MIL-D-3716—Dessicants (Activated) for Dynamic Dehumidification.
- MIL-L-2648—Light, Marker, Distress, Floating, Automatic, Nonmagnetic.
- MIL-R-2765—Rubber Materials, Synthetic, Oil Resistant (Sheet, Strip, and Molded Shapes).

(b) Copies of the specifications in paragraph (a) of this section, as well as the various specifications forming a part thereof, shall be kept on file by the manufacturer, together with the certificate of approval. They shall be kept for a period consisting of the duration of approval and 6 months after termination of approval.

(1) Federal Specifications may be purchased from the Business Service Center, General Services Administration, Washington 25, D.C.

(2) Military Specifications may be obtained from the Bureau of Supplies and Accounts, Department of the Navy, Washington 25, D.C.

(c) Water lights constructed in accordance with Specification MIL-L-2648 conform with the specifications contained in this subpart when all of the provisions contained in this paragraph are complied with:

(1) The finish is in accordance with § 161.001-4(o).

(2) The marking is in accordance with § 161.001-6(a).

(3) All metal parts of the light are made of corrosion resistant material in accordance with § 161.001-3(a) (1).

2. Section 161.001-4 is amended by adding a new subparagraph (1) to paragraph (a), by revising paragraphs (d) (1), and by revising paragraphs (f), (g), (h), (j), (k), (o), and (t) to read as follows:

§ 161.001-4 Construction and performance.

(a) *General.* * * *

(1) Special consideration may be given to circuits designed to produce a flashing light instead of the fixed light contemplated by this subpart. Except for the lamp and flasher device, such water lights shall be in accordance with this subpart.

(d) *Case.* * * *

(1) *Case (plastic).* If the case is of plastic, it shall consist of either a tube of heavy paper base or other filler impregnated and bonded with a phenolic or other suitable thermosetting resin or binder, in accordance with Type PBE of Specification MIL-P-79 or shall be made of other plastic material subject to investigation and approval. In the event this latter material is offered, it

SUBCHAPTER Q—SPECIFICATIONS
PART 161—ELECTRICAL EQUIPMENT
Subpart 161.001—Lights (Water): Electric, Floating, Automatic (With Bracket for Mounting), for Merchant Vessels

1. Section 161.001-1 is amended to read as follows:
 § 161.001-1 Applicable specifications.

(a) The following specifications, of the issue in effect on the date electric water lights are manufactured, form a part of this subpart:

(1) Federal Specifications:

- L-P-406—Plastics, Organic; General Specification (Test Methods).
- VV-G-671—Grease; Lubricating, Graphite.

will only be considered if it is equal or superior to the specified material in water absorption, impact strength, heat resistance, dimensional stability, and other properties important to the serviceability of the light. The case shall be constructed as follows: (i) A molded one-piece tube closed at the bottom end and threaded at the open end for bezel ring attachment, or (ii) a rolled tube closed at the bottom end by means of a plug and threaded at the open end for bezel ring attachments; in the case of construction (ii) the bottom end shall be of the same material as the tube and shall be assembled in the tube by inside threading and cemented thereto with a water-proof, heat-resistant proper synthetic resin adhesive. The inside of the case shall be coated with a suitable waterproof lacquer. The wall thickness of the case shall be not less than $\frac{3}{16}$ inch.

(f) *Bezel ring.* The bezel ring shall be molded or fabricated from a high impact phenolic or other suitable thermosetting resin or corrosion-resistant metal with the same coefficient of thermal expansion as the case. The bezel ring shall be of such design as to be rigid, shall provide for a suitable gripping means, and shall not fail when the light is subjected to the tests specified in this subpart.

(1) The bezel ring shall be provided with not less than six threads of sixteen threads per inch gage and shall satisfactorily engage the threads of the case. The design of the bezel ring shall be such that it will hold the lens and the case tightly against the gasket. The threads shall be covered with a water-resistant lubricating graphite grease conforming to Grade 1, or Grade 2 of Specification VV-G-671. The bezel ring shall be tapered or designed in such a manner that, with the light stowed in its bracket (lens down), water will drain away from the bezel ring and the case juncture.

(g) *Gasket.* The lens and upper edge of the case shall bear against a gasket conforming to Specification MIL-R-2765. The gasket shall be so designed that when cooperating with the lens and case, it will prevent water from entering the inside of the light. It shall be resilient, highly resistant to cold flow, and it shall not discolor or adversely affect the lens material.

(h) *Cell.* The light shall derive its source of electrical energy from one self-contained dry cell. The cell shall be in accordance with Type BA-23 of Specification MIL-B-18. The date of manufacture of the cell shall not be exceeded by more than five months when the light is shipped by the manufacturer.

(j) *Dehydrator plug.* Each light shall contain, in the interior portion, a transparent dehydrator plug containing not less than 20 grams of dehydrating agent. The dehydrating agent shall conform to Type IV of Specification MIL-D-3716.

(k) *Lamp.* The lamp shall be new and of the miniature bayonet type rated at 1.3 volts and 0.6 ampere (Industry Lamp No. 423). The center of the lamp filament shall be at the focal point of the

lens. A spare lamp shall be carried in the interior portion of the light. The base of the lamp shall be nickel-plated brass, and the center contact shall be of pure tin.

(o) *Finish of light.* External parts other than the lens shall be properly cleaned and prepared, and coated with two coats of international orange enamel in accordance with Specification TT-E-489. The finish shall be uniform and smooth, shall adhere firmly, and withstand reasonable impact without chipping or cracking.

(p) *Mounting bracket.* The mounting bracket shall consist essentially of two spring clips, or one spring clip and a supporting member of suitable design, mounted on a strip. The design of the bracket shall be such that, with the bracket mounted in its normal position on a vertical supporting surface, the inserted light shall separate from the bracket with a pull on the ring of the case of not less than 20 nor more than 40 pounds when such pull is applied horizontally and directly away from the vertical supporting surface. There shall be two spring clips, or one spring clip and a supporting member of suitable design, to hold the light and located near the bottom and top thereof, and two holes suitable for fastening to a flat surface with $\frac{1}{4}$ -inch bolts. The clips shall be made of either spring strip phosphor bronze or beryllium copper. Each clip shall be connected to the back strip by not less than four heavy silicon bronze or phosphor bronze rivets, or shall be securely welded to the strip. The strip shall be so designed that the light cannot slip out of its bracket due to gravity. No light shield shall be provided. All metal parts of the bracket shall be properly cleaned and prepared for finishing; however, the type and color of finish is optional. The mounting bracket for lights with plastic lenses shall have a rubber pad secured to it at any point where the plastic globe of the light could make contact with the bracket. The rubber pad shall be of an oil and weather resistant type suitable for adhesion to the metal of the bracket, and shall show no evidence of softening, cracking or peeling after the test specified in § 161.001-5(b) (9).

3. Section 161.001-5 is amended by deleting paragraph (b) (4), by revising paragraphs (a) (1) and (2), and by revising paragraph (b) (10) to read as follows:

§ 161.001-5 Inspection and methods of test.

(a) *Inspection.* * * *

(1) The facilities, materials and labor for all tests shall be furnished by the manufacturer at no cost to the U.S. Coast Guard. When testing facilities are not available at the point of inspection, testing may be completed by a mutually acceptable independent testing organization.

(2) Evidence of satisfactory performance in tests conducted in accordance with Specification MIL-L-2648 will be acceptable except that in lieu of the "Salt-spray resistance" test specified in Specification MIL-L-2648, the test speci-

fied in paragraph (b) (9) of this section shall be successfully completed.

(b) *Methods of tests.* * * *
(4) [Canceled.]

(10) *Accelerated weathering (Metallic parts).* Under ultra-violet light alternate three-minute cycles of (a) Twenty percent salt spray at 55° C. and (b) an air blast at 55° C. without interruption for a period of two hundred continuous hours. Metallic parts shall be free of paint or other finish during this test.

(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, 4488, as amended, 4491, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391a, 404, 481, 489, 367, 1333, 50 U.S.C. 198, E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

Subpart 161.002—Fire-Protective Systems

4. Section 161.002-9(a) (1) is amended to read as follows:

§ 161.002-9 Automatic fire detecting system, power supply.

(a) *General.* * * *

(1) *Storage battery type.* The power supply for automatic fire detecting system shall consist of duplicate storage batteries used for no other purpose arranged so that one battery will supply the system while the other storage battery is being charged or one storage battery in combination with an automatic charging panel that will maintain the battery in a fully charged condition at all times except immediately following discharge.

(R.S. 4405, as amended, 4462, as amended; 46 U.S.C. 375, 416. Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, sec. 2, 54 Stat. 1028, as amended; 46 U.S.C. 361, 362, 391, 392, 399, 405, 411, 435, 366, 395, 363, 369, 463a)

SUBCHAPTER R—NAUTICAL SCHOOLS

PART 167—PUBLIC NAUTICAL SCHOOL SHIPS

Subpart 167.45—Special Fire-Fighting and Fire Prevention Requirements

Section 167.45-70(e) is amended to read as follows:

§ 167.45-70 Portable fire extinguishers, general requirements.

(e) Every fire extinguisher provided shall be examined at each annual inspection to determine that it is still in good condition. Soda-and-acid and foam fire extinguishers shall be tested by discharging the contents, cleaning thoroughly, and then refilling. Carbon dioxide fire extinguishers shall be checked by weighing to determine contents and if found to be more than 10 percent under required contents of carbon dioxide shall be recharged. Pump

tank fire extinguishers shall be tested by pumping and discharging the contents, cleaning thoroughly, and then refilling or recharging. Cartridge-operated type fire extinguishers shall be checked by examining the extinguishing agents to determine if in still good condition and by examining the pressure cartridge. If the cartridge end is punctured, or if the cartridge is otherwise determined to have leaked or to be in an unsuitable condition, the pressure cartridge shall be rejected and a new one inserted. Stored pressure type extinguishers shall be checked by determining that the pressure gage is in the operating range, and the full charge of extinguishing agent is in the chamber. The hoses and nozzles of all fire extinguishers shall be inspected to see that they are clear and in good condition.

(R.S. 4405, as amended; 46 U.S.C. 375. Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426 as amended, 4428-4434, as amended, 4450, as amended, 4488, as amended, 4491, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, as amended, secs. 1-21, 2, 54 Stat. 163-167, as amended, 1028, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 406-412, 239, 481, 489, 363, 367, 526-526t, 463a, 50 U.S.C. 198, E.O. 10402, 17 F.R. 9917, 3 CFR, 1952 Supp.)

SUBCHAPTER T—SMALL PASSENGER VESSELS (NOT MORE THAN 65 FEET IN LENGTH)

PART 176—INSPECTION AND CERTIFICATION

Subpart 176.15—Triennial Inspection

Section 176.15-20(d) is amended by revising Table 176.15-20(d) to read as follows:

§ 176.15-20 Fire extinguishing equipment.

(d) * * *

TABLE 176.15-20(d)

Type unit	Test
Carbon dioxide	Weigh cylinders. Recharge if weight loss exceeds 10 percent of weight of charge. Inspect hose and nozzle to be sure they are clear.
Dry chemical (cartridge-operated type).	Examine pressure cartridge and replace if end is punctured or if cartridge is otherwise determined to have leaked or to be in unsuitable condition. Inspect hose and nozzle to see if they are clear. Insert charged cartridge. Be sure dry chemical is free-flowing (not caked) and chamber contains full charge.
Dry chemical (stored pressure type).	See that pressure gage is in operating range. If not, or if seal is broken, weigh or otherwise determine that full charge of dry chemical is in extinguisher. Recharge if pressure is low or if dry chemical is needed.
Foam	Discharge. Clean hose and inside of extinguisher thoroughly. Recharge.
Vaporizing liquid ¹ (pump type).	Pump a few strokes into clean pail and replace liquid. Keep water out of extinguisher or liquid. Keep extinguisher completely full of liquid.
Vaporizing liquid ¹ (stored pressure type).	See that pressure gage is in operating range. Weigh or check liquid level to determine that full charge of liquid is in extinguisher. Recharge if pressure is low or if liquid is needed.

¹ Vaporizing-liquid type fire extinguishers containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids shall be removed from all vessels on or before Jan. 1, 1962. (See § 181.20-10 of this subchapter.)

(Sec. 3, 70 Stat. 152; 46 U.S.C. 390b.)

PART 181—FIRE PROTECTION EQUIPMENT

Subpart 181.15 — Fixed Carbon Dioxide Extinguishing System, Details

1. Section 181.15-15(c) is amended to read as follows:

§ 181.15-15 Machinery spaces, paint lockers, tanks and similar spaces.

* * * * *

(c) The total area of all discharge outlets shall not exceed 85 percent nor be less than 35 percent of the nominal cylinder outlet area or the area of the supply pipe, whichever is smaller. The nominal cylinder outlet area in square inches shall be determined by multiplying the factor 0.0022 by the number of pounds of carbon dioxide required, except that in no case shall this outlet area be less than 0.110 square inches.

Subpart 181.20—Portable Fire Extinguishers

2. Section 181.20-1(b) is amended by revising Table 181.20-1(b) to read as follows:

§ 181.20-1 Classification.

(b) * * *

TABLE 181.20-1(b)

Classification		Foam, gallons	Carbon dioxide, pounds	Dry chemical, pounds
Type	Size			
B-----	I-----	1 1/4	4	2
B-----	II-----	2 1/2	15	10

3. Subpart 181.20 is amended by adding a new § 181.20-10 at the end thereof to read as follows:

§ 181.20-10 Vaporizing liquid type fire extinguishers.

(a) Vaporizing liquid type fire extinguishers containing carbon tetrachloride or chlorobromomethane or other toxic vaporizing liquids shall be removed from all vessels on or before January 1, 1962. Existing installations of such extinguishers may be continued in use if in good and serviceable condition until the removal date.

(Sec. 3, 70 Stat.; 46 U.S.C. 390b)

PART 183—ELECTRICAL INSTALLATION

Subpart 183.01—Application

Section 183.01-1 is amended to read as follows:

§ 183.01-1 Electrical installations operating at potentials of 50 volts and over.

(a) Vessels having electrical installations operating at potentials of 50 volts or more and contracted for on or after June 1, 1958, shall comply with the applicable parts of Subchapter J (Electrical Engineering) of this chapter. In applying the Subchapter J regulations to these vessels only systems contemplated by Subchapter T of this chapter will be required. Other systems, if installed, shall

comply with Subchapter J of this chapter.

(b) Electrical installations on vessels contracted for prior to June 1, 1958, shall comply with the above paragraph insofar as is deemed reasonable and practicable by the Officer in Charge, Marine Inspection.

(Sec. 3, 70 Stat. 152; 46 U.S.C. 390b)

Dated: August 31, 1959.

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

[F.R. Doc. 59-7428; Filed, Sept. 4, 1959; 8:49 a.m.]

SUBCHAPTER S—NUMBERING OF UNDOCUMENTED VESSELS, STATISTICS ON NUMBERING, AND "BOATING ACCIDENT REPORTS" AND ACCIDENT STATISTICS

[CGFR 59-37]

PART 172—NUMBERING REQUIREMENTS UNDER ACT OF JUNE 7, 1918

Subpart 172.25—Termination Requirements

MINNESOTA SYSTEM OF NUMBERING APPROVED

Acting under the authority delegated by Treasury Department Order 167-32, dated September 23, 1958 (23 F.R. 7605), the Commandant, United States Coast Guard, on August 19, 1959, approved the Minnesota system for the numbering of motorboats, which was established pursuant to the Federal Boating Act of 1958.

As provided in this approval, the Minnesota system shall be operative on and after Monday, August 24, 1959. On that date the authority to number motorboats principally used in the State of Minnesota will pass to that State and simultaneously the Coast Guard will discontinue numbering such motorboats. Those motorboats presently numbered should continue to display the Coast Guard number until renumbered by Minnesota. On and after August 24, 1959, all reports of "boating accidents" which involve motorboats numbered in Minnesota will be required to be reported to the nearest sheriff of the county in which the accident occurred, pursuant to the Minnesota Boat and Water Safety Law (S.F. No. 371, Chapter 592, Laws of Minnesota for 1959, approved 24 April 1959).

Because § 172.25-15(a) (4), as set forth in this document, is an informative rule about official actions performed by the Commandant, it is hereby found that compliance with the Administrative Procedure Act (respecting notice of proposed rule making, public rule making procedures thereon, and effective date requirements thereof) is unnecessary.

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), and 167-17, dated June 29, 1955 (20 F.R. 4976), to promulgate rules in accordance with the statutes cited with the informative rule below, the following § 172.25-15

(a) (4) is prescribed and shall be in effect on and after the date set forth therein:

§ 172.25-15 Effective dates for approved State systems of numbering.

(a) * * *

(4) Minnesota—August 24, 1959.

(Sec. 3, 60 Stat. 238, and sec. 633, 63 Stat. 545; 5 U.S.C. 1002, 14 U.S.C. 633)

Dated: August 31, 1959.

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

[F.R. Doc. 59-7430; Filed, Sept. 4, 1959;
8:49 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture HANDLING OF MILK IN CERTAIN MARKETING AREAS

Determination of Equivalent Prices for Grade AA (93-Score) and Grade A (92-Score) Butter at Chicago

Part	
903	St. Louis, Mo.
905	Mississippi Delta.
906	Oklahoma Metropolitan.
907	Milwaukee, Wis.
908	Central Arkansas.
911	Texas Panhandle.
912	Dubuque, Iowa.
913	Greater Kansas City.
916	Upstate Michigan.
917	Black Hills, S. Dak.
918	Memphis, Tenn.
919	Southwest Kansas.
921	Ozarks.
923	Appalachian.
924	Detroit, Mich.
925	Puget Sound, Wash.
928	Neosho Valley.
929	Eastern S. Dak.
930	Toledo, Ohio.
931	Cedar Rapids-Iowa City.
932	Fort Wayne, Ind.
935	Omaha-Lincoln-Council Bluffs.
941	Chicago, Ill.
942	New Orleans, La.
943	North Texas.
944	Quad Cities.
946	Louisville, Ky.
948	Sioux City, Iowa.
949	San Antonio, Tex.
952	Austin-Waco, Tex.
954	Duluth-Superior.
956	Sioux Falls-Mitchell, S. Dak.
965	Cincinnati, Ohio.
966	Northern Louisiana.
967	South Bend-La Porte-Elkhart, Ind.
968	Wichita, Kans.
971	Dayton-Springfield, Ohio.
972	Tri-State.
974	Columbus, Ohio.
975	Northeastern Ohio.
976	Fort Smith, Ark.
977	Paducah, Ky.
978	Nashville, Tenn.
980	Western Colorado.
982	Central West Texas.
985	Muskegon, Mich.
986	Red River Valley.
987	Central Mississippi.
988	Knoxville, Tenn.
991	Rockford-Freepport, Ill.
994	Colorado Springs-Pueblo.
995	North Central Ohio.
998	Corpus Christi, Tex.
1000	Chattanooga, Tenn.
1002	Wheeling, W. Va.

Part	
1004	Central Arizona.
1005	North Central Iowa.
1008	Inland Empire.
1009	Clarksburg, W. Va.
1011	Michigan Upper Peninsula.
1012	Bluefield.
1013	Platte Valley.
1014	Mississippi Gulf Coast.
1016	Northeastern Wisconsin.
1018	Southeastern Florida.
1023	Des Moines, Iowa.

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and to the applicable provisions of the orders, as amended, regulating the handling of milk in the aforesaid milk marketing areas (7 CFR Part 900), hereinafter referred to as the "orders" it is hereby found and determined as follows:

(1) Inasmuch as the Grade AA (93-score) and Grade A (92-score) butter quotations for the Chicago market, employed in the orders as factors in the formula for computing the class prices and butterfat differentials, are not available for a sufficient number of days during the period from July 25 through August 31, 1959, to be representative of such prices for the month of August 1959 or for any continuous 31-day period between July 25 and August 31, 1959, it is hereby determined that the equivalent price for Grade AA (93-score) butter at Chicago for August 1959 shall be 60.60 cents and the equivalent price for Grade A (92-score) butter at Chicago shall be 60.19 cents for August 1959, 59.61 cents for the period July 25 through August 24, 1959, and 59.67 cents for the period July 26 through August 25, 1959.

(2) Notice of proposed rule making, public procedure thereon and 30 days prior notice to the effective date hereof are impractical, unnecessary and contrary to the public interest, in that (a) prices for Grade AA (93-score) and Grade A (92-score) butter on the Chicago market have not been reported by the Dairy and Poultry Market News Service, Agricultural Marketing Service, United States Department of Agriculture, on a sufficient number of days during the period from July 25 through August 31, 1959, to be representative of such prices for the month of August 1959 or for any continuous 31-day period between July 25 and August 31, 1959; (b) the determination of an equivalent price immediately is necessary to make possible the announcement of the minimum class prices and butterfat differentials under the orders in valuing producer milk received by handlers during the months of August 1959 and September 1959; (c) an essential purpose of this determination is to give all interested persons notice that the averages of Grade AA (93-score) and Grade A (92-score) butter prices reported by the Dairy and Poultry Market News Service for August 1959 or for any continuous 31-day period between July 25 and August 31, 1959, are not being used for the purpose of the price computations required in connection with the computation of class prices and butterfat differentials under the aforesaid orders; and (d) this determination does not require

substantial or extensive preparation of any person.

Issued at Washington, D.C., this 1st day of September 1959.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 59-7422; Filed, Sept. 4, 1959;
8:48 a.m.]

[Valencia Orange Reg. 181]

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

Limitation of Handling

§ 922.481 Valencia Orange Regulation 181.

(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 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 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 September 3, 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., September 6, 1959, and ending at 12:01 a.m., P.s.t., September 13, 1959, are hereby fixed as follows:

- (i) District 1: Unlimited movement;
- (ii) District 2: 924,000 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: September 4, 1959.

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

[F.R. Doc. 59-7507; Filed, Sept. 4, 1959;
11:31 a.m.]

[Grapefruit Reg. 312]

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

Limitation of Shipments

§ 933.973 Grapefruit Regulation 312.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under

the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on September 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used in this section, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used in this section, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and 28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 22, 1955 (Chapter 29760).

(2) During the period beginning at 12:01 a.m., e.s.t., September 7, 1959, and ending at 12:01 a.m., e.s.t., September 21, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 1: *Provided*, That such grapefruit which grade U.S. No. 1 Russet, U.S. No. 2 Bright, U.S. No. 2, or U.S. No. 2 Russet, may be shipped if such grapefruit meet the requirements as to form (shape) and color specified in the U.S. No. 1 grade;

(ii) Any seeded grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance

shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit; or

(iii) Any seedless grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

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

Dated: September 2, 1959.

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

[F.R. Doc. 59-7434; Filed, Sept. 4, 1959;
8:50 a.m.]

[Lemon Reg. 808]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.915 Lemon Regulation 808.

(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 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 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 September 2, 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., September 6, 1959, and ending at 12:01 a.m., P.s.t., September 13, 1959, are hereby fixed as follows:

- (i) District 1: Unlimited movement;
- (ii) District 2: 186,000 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: September 3, 1959.

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

[F.R. Doc. 59-7470; Filed, Sept. 4, 1959;
9:35 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 1965]

[1941468]

ALASKA

Amending Public Land Order No. 1621 of April 18, 1958

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Public Land Order No. 1621 of April 18, 1958, which modified Public Land Order No. 82 of January 22, 1943 (northern Alaska), is hereby amended to the extent necessary to permit the preparation and filing of leasing maps affecting all lands situated within the known geologic structure of the Gubik gas field, and lying within the two-mile buffer zone adjacent to Naval Petroleum Reserve No. 4, established by Public Land Order No. 1621.

The two-mile area covers approximately 9,000 acres, and all of the public lands within that area will be offered for oil and gas leasing through competitive bidding.

This action is taken upon recommendation of the Department of the Navy that leasing of the lands involved go forward in order to protect against loss of revenues to the United States through drainage of adjacent lands located within Naval Petroleum Reserve No. 4.

FRED A. SEATON,
Secretary of the Interior.

AUGUST 29, 1959.

[F.R. Doc. 59-7416; Filed, Sept. 4, 1959;
8:47 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign Commerce, Department of Commerce

SUBCHAPTER B—EXPORT REGULATIONS

[9th Gen. Rev. of Export Regs.; Amdt. 22¹]

PART 371—GENERAL LICENSES

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

PART 374—PROJECT LICENSES

PART 379—EXPORT CLEARANCE AND DESTINATION CONTROL

PART 382—DENIAL OF EXPORT PRIVILEGES

PART 385—EXPORTATIONS OF TECHNICAL DATA

Miscellaneous Amendments

1. In § 371.13 *General Licenses SHIP STORES, PLANE STORES, CREW, and REGISTERED CARRIER STORES* paragraphs (a) (1) *Scope* and (b) (1) *Scope* are amended by inserting the words "United States or" between the words "vessels of" and the words "foreign registry" in the first sentence of paragraph (a) (1), and inserting the words "United States or" between the words "aircraft of" and the words "foreign registry" in the first sentence of paragraph (b) (1).

2. In § 373.2 *Confirmation of country of ultimate destination and verification of actual delivery* paragraph (a) *Scope*, subparagraph (1) *General*, subdivision (ii) *Countries* is amended to read as follows:

(ii) *Countries.* Austria, Belgian Congo, Belgium, Denmark, France, Greece, Hong Kong (see § 373.2(c)), Italy (including the area of Trieste under Italian civil administration), Japan, Luxembourg, Netherlands, Norway, Portugal, Turkey, United Kingdom, and West Germany (Federal Republic of Germany, Western Sectors of Berlin, and Saar). The provisions of this section do not apply to the overseas territories of the countries listed above unless such

territories are specifically included in the list.

3. In § 374.3 *Basis for consideration of license applications* paragraph (a) *Criteria for consideration for approval*, subparagraphs (2) and (3) are amended to read as follows:

(2) *Activities eligible for the project license procedure.* An application for a project license will be considered for approval where it is shown that the license, if granted, will be used for one of the following activities:

(i) A substantial project representing a capital expansion, either a new facility or expansion of an existing facility; or

(ii) A program for supplying maintenance, repair and operating supplies to serve an existing facility; or

(iii) A program for supplying materials to be used in the production of other commodities for sale.

(3) *Activities which are ineligible for the project license procedure.* A project license will not be issued to cover exportations of commodities for resale in the form in which exported from the United States.

4. In § 379.2 *Presentation and use of validated license* paragraph (h) *Weight and volume tolerance* is amended to read as follows:

(h) *Shipping tolerance*—(1) *10 percent tolerance.* A 10 percent shipping tolerance over the amount specified in a license is allowed unless such tolerance is not permitted by the terms of a license or is limited or prohibited by any of the provisions set forth below.

(2) *Unit of quantity covered.* (i) This tolerance is allowed only when the unit of quantity called for on the license is in the following terms:

Avoirdupois ounce.	M (1,000) board feet.
Bale.	Milligram.
Barrel.	Oxford unit.
Bushel.	Pound.
Content pound.	Proof gallon.
Cubic foot.	Short ton (2,000 pounds).
Gallon.	Square foot.
Gram.	Square yard.
Hundredweight (100 pounds).	Troy ounce.
Linear foot.	U.S.P. unit.
Linear yard.	
Long ton (2,240 pounds).	

(ii) The tolerance provisions of this section shall not apply to the following units of quantity:

Carat.	Pencil gross.
Cell.	Piece.
Dozen.	Ream.
Gross.	Roll.
Number.	Round.
Pack.	Set.
Pair.	Square.

(3) *Maximum tolerance allowed.*² In all cases, the tolerance shall be allowed on the basis of the actual quantity stated on the license; and in no case shall the tolerance exceed 10 percent of such quantity. For example, if the quantity shown on the license is "100,000 pounds", not more than 110,000 pounds may be

¹This amendment was published in Current Export Bulletin 819, dated Aug. 13, 1959.

²See § 375.3(c) of this chapter for tolerance provisions relating to shipments under Blanket (BLT) license.

exported. Where the quantity stated on the license has been shipped, no further shipment may be made under the license. When there is a difference in weight or volume within the tolerance allowance between the amount shown on the license, and the amount actually shipped, the amount actually shipped shall be noted on the license by the Collector of Customs at the final port of exit before the license is returned to the Bureau of Foreign Commerce.

(4) *Partial shipments.* Whenever one or more partial shipments of the licensed commodity have been made, the 10 per-

cent tolerance is allowed only on the unshipped balance, except that in the case of shipments of iron and steel products (processing code STEE), and tinplate (processing code TNPL), the tolerance of 10 percent is allowed on the basis of the actual quantity stated on the license. Where the quantity stated on the license has been shipped, no further shipment may be made under the license.

5. In § 382.51 *Supplement 1; Table of denial and probation orders currently in effect* paragraph (b) *Table of denial and probation orders* is amended by adding the following entries:

Name and address	Effective date of order	Expiration date of order	Export privileges affected	FEDERAL REGISTER citation
Agencia Commercial "Progreso" (A.C.P.), 443-445 Alexandra House, P.O. Box 2713, Hong Kong.	8-4-59	Duration.....	General and validated licenses, all commodities, any destination, also exports to Canada.	24 F.R. 6379, 8-7-59.
Ho, Stanley, 443-445 Alexandra House, P.O. Box 2713, Hong Kong.	do.....	do.....	do.....	Do.
Kitahara, Koji, 15 Akasaka Tameike-cho, Minato-ku, Tokyo, Japan.	7-31-59	9-13-59.....	do.....	24 F.R. 6274, 8-5-59.
Masatsugo, Kazushige, 15 Akasaka Tameike-cho, Minato-ku, Tokyo, Japan.	do.....	do.....	do.....	Do.
Oriental Trading Co., Ltd., sometimes known as Toyo Bocki K.K. or Toyo Trading Co., 15 Akasaka Tameike-cho, Minato-ku, Tokyo, Japan.	do.....	do.....	do.....	Do.
Toyo Bocki K.K. or Toyo Trading Co., 15 Akasaka Tameike-cho, Minato-ku, Tokyo, Japan.	do.....	do.....	do.....	Do.

6. In § 385.2 *General Licenses GTDP, GTDU, and GTDS* paragraph (b) *General License GTDU; Unclassified technical data either unpublished or not generally available in published form* is amended to read as follows:

(b) *General License GTDU; Unclassified technical data either unpublished or not generally available in published form.*

(1) A general license designated GTDU is hereby established authorizing the exportation of unclassified technical data, either unpublished or not generally available in published form, subject to the limitations set forth in subparagraphs (2), (3), (4) of this paragraph.

(2) This general license shall not be applicable to any exportation of technical data directly or indirectly to any Subgroup A destination or Poland (including Danzig).

(3) This general license shall not be applicable to technical data relating to the commodities described in subdivisions (i) and (ii) of this subparagraph. However, operating and maintenance instructional material which relate to these commodities may be exported under this general license.

(i) Civil aircraft, civil aircraft equipment, parts, accessories, or components listed on the Positive List of Commodities (§ 399.1 of this chapter); or

(ii) The following electronic commodities:

(a) Electrical and electronic instruments, specially designed for testing or calibrating the airborne direction find-

ing, navigational and radar equipment described in Schedule B Nos. 70797 and 70867.

(b) Airborne transmitters, receivers, and transceivers, Schedule B number 70779.

(c) Airborne direction finding equipment, Schedule B number 70797.

(d) Airborne electronic navigation apparatus; airborne, ground and marine radar equipment, Schedule B number 70867.

(4) Before making any exportation under this general license of technical data of the kind described in subdivision (i) of this subparagraph, the exporter shall obtain written assurance from the importer that neither the technical data nor the product³ thereof is intended to be shipped, either directly or indirectly, to a Subgroup A destination or Poland (including Danzig). This general license shall not be applicable to any exportation to any destination of technical data of the kind described in subdivision (i) of

³The term "product," as used in this sentence and in this context only, means the machine, equipment, plant, process, or service to be produced directly by use of the technical data, and not the commodity to be produced by or with such machine, equipment, plant, process, or service. An example of the product of technical data is reforming process equipment designed and constructed by use of the technical data exported. However, the aromatics produced by the reformer are not covered by this definition.

this subparagraph if, at the time of exportation of the technical data from the United States, the exporter knows or has reason to believe that the product³ to be manufactured abroad by use of the technical data is intended to be exported or reexported directly or indirectly to a Subgroup A destination or Poland (including Danzig).

(i) Technical data and services listed in (a) of this subdivision for the plants, processes, and equipment listed in (b) of this subdivision.

(a) Types of technical data and services:

(1) Proprietary research and the results therefrom;

(2) Processes developed pursuant to research (including technology with regard to component equipment items);

(3) Catalyst production, activation, utilization, reactivation and recovery;

(4) Plant and equipment design and layout to implement the processes; and

(5) Construction and operation of plant and equipment.

(b) Types of plants and processes:

The following plants and/or processes usable in the treatment of petroleum or natural gas fractions or of products derived directly or indirectly therefrom:⁴

- Alkylation.
- Aromatization.
- Cracking.
- Dehydrogenation.
- Desulfurization.
- Halogenation.
- Hydrogenation.
- Isomerization.
- Nitration.
- Oxidation.
- Oxo process.
- Ozonolysis.
- Polymerization.
- Reduction.
- Reforming.

This amendment shall become effective as of August 13, 1959.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023. E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Bureau of Foreign Commerce.

[F.R. Doc. 59-7424; Filed, Sept. 4, 1959; 8:48 a.m.]

[9th Gen. Rev. of Export Regs.; Amdt. P.L. 15¹]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

Miscellaneous Amendments

1. Section 399.1 *Appendix A—Positive List of Commodities* is amended in the following particulars:

a. The following commodities are deleted from the Positive List:

¹This amendment was published in Current Export Bulletin 819, dated Aug. 13, 1959.

⁴This includes plants and processes for the production, extraction, and purification of petroleum products, petrochemical products, and products derived therefrom. Examples of petrochemical products include methane, ethane, propane, butane and other aliphatics, as well as olefins, aromatics, naphthenes, and elements and other compounds.

Dept. of Commerce Schedule B No.	Commodity description	Unit	Processing code and related commodity group	GLV dollar value limits	Val. dated license required
60380	Lubricating oils, except hydraulic (Report hydraulic oils of petroleum in 6060; hydraulic oil, except petroleum, in 6200). Including transformer oils, except polybutene (barrel of 42 gal.) ¹	Bbl.	PETR 2	100	R
70340	Electronic equipment, n.e.c., and parts: Electron tubes and parts; Other electron tubes, n.e.c., except rectifier bulbs for automotive battery chargers and except nonmilitary versions of the types listed in § 373.2 Interpretation 13. (Specify type numbers and quantity of each type) ¹¹	No.	HARA 2	50	RO
71466	Internal-combustion engines, n.e.c., and parts and accessories, n.e.c.: Diesel and semi-diesel marine engines; 1,500 brake horsepower and over, with rotary speeds of 700 r.p.m. and over, designed for use on submarines. (Specify as specially designed for submarines, and specify brake horsepower at rated speed, and r.p.m.) (2) ¹²	No.	CONS 1	None	RO
71466	Other marine engines of 1,500 brake horsepower and over, with rotary speeds of 700 r.p.m. and over. (Specify as not designed for submarine use and specify brake horsepower at rated speed, and r.p.m.) (2) ¹²	No.	CONS 2	None	RO
71580	Parts and accessories, n.e.c., specially fabricated for diesel engines included on the Positive List under Schedule B Nos. 71450 through 71464 and in the first two entries under Schedule B No. 71466. (Specify type of engine, brake horsepower at rated speed, and r.p.m.) (1) ¹³	No.	CONS 1	None	RO
71580	Parts and accessories, n.e.c., specially fabricated for diesel engines included on the Positive List in the last entry under Schedule B No. 71466 and in the entry under Schedule B No. 71476. (Specify type of engine, brake horsepower at rated speed, and r.p.m.) (2) ¹²	No.	CONS 2	500	RO
74465	Metal-cutting machine tools (not incorporating industrial diamonds), n.e.c., specially fabricated for metal-cutting machine tools.				
77520	Hollow deep-hole drills. (3) ¹⁴ Equipment specially designed for the production of gases in liquid form, capable of operating at pressures of 300 psi or over and producing one ton or more per day of gas in liquid form; and specially fabricated parts and accessories, n.e.c. (1 and 3) ¹⁴				
77520	Other mobile liquid oxygen generators and mobile liquid nitrogen generators; and specially fabricated parts and accessories, n.e.c. (2) ¹⁵				
82986	Radioisotopes, cyclotron-produced or naturally occurring, and compounds and preparations thereof, except radioisotopes having an atomic number 3 through 83, and compounds and preparations thereof, and except radium, radium salts and compounds. (Convert all isotopes to quantity of radioactive emissions expressed in curies.) ¹⁴	Curie	TOOL 1 GIBQ	None 100	RO RO
83285	Organic-inorganic compounds, n.e.c.: Dithiothurea (e.g., Freon 162; Genetron 100); and mono-chlorodifluoromethane (e.g., Freon 142; Genetron 101). (Specify by name.) (2) ¹⁴	Lb.	SALT 3	100	RO
80070	Explosives and blasting agents, n.e.c.: Decoupling and priming compositions (mixtures) containing one or more of the following chemicals: mercury fulminate; lead azide; lead styphnate; lead thiocyanate; lead dinitroselenate; or barium styphnate. (6) ¹⁴	Lb.	ORGN 3	25	RO

¹ The GLV dollar-value limit is decreased, effective August 20, 1959.
² The processing code is changed or related commodity group number is changed (see § 372.5(f) of this chapter).
³ The symbol "A" is deleted in the column headed "Commodity Lists", indicating that the commodity is no longer subject to the IODV procedure (see § 373.2 of this chapter).
⁴ The symbol "p" is added in the column headed "Commodity Lists", indicating that the commodity may now be exported under the Periodic Requirements Licensing procedure. (See Part 376 of this chapter.)
⁵ The commodity coverage is decreased.
⁶ The 1st, 2nd, and 6th entries on the Positive List under Schedule B No. 70340 are deleted, and the tubes described in those entries are now included in this entry.
⁷ Two entries are substituted for the second entry presently on the Positive List under Schedule B number 71466.
⁸ On or after Sept. 23, 1959, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of "mobile liquid oxygen or liquid nitrogen generators operating at pressures of 300 psi or over and producing one ton or more per day of gas in liquid form, and parts and accessories therefor," to the countries specified in § 373.2 of this chapter. (Stationary liquid oxygen and liquid nitrogen equipment meeting these specifications are presently subject to this requirement.)
⁹ Mobile liquid oxygen and liquid nitrogen generators operating at pressures of 300 psi or over and producing one ton or more per day of gas in liquid form, and parts and accessories therefor are now included in the other entry on the Positive List under this Schedule B number.

Dept. of Commerce Schedule B No.	Commodity description
70302	Electrical quantity indicating instruments (electrical or electronic type), nonrecording, n.e.c.; Electrometers, except student type; and instruments capable of measuring currents less than 1 microampere.
70370	Electrical and electronic characteristics testing instruments, n.e.c., and specially fabricated parts and accessories, n.e.c., for electrical and electronic quantity and characteristics measuring and testing instruments.
91972	Parts and accessories, n.e.c., specially fabricated for electrometers, except student type, and instruments capable of measuring currents of less than 1 microampere. (Specify by name.)
91976	Other nuclear radiation detection and measuring instruments, n.e.c., except student-type and metal-leaf-type electrosopes; and specially fabricated parts and accessories, n.e.c. (Report electron tubes in 70324-70340; and handling equipment in 01980.)
91980	Balances, n.e.c., of a sensitivity capable of detecting differences in weight of 0.1 micrograms or less. Research laboratory apparatus and equipment, n.e.c., and specially fabricated parts and accessories, n.e.c.: (1) Specially fabricated for balances of a sensitivity capable of detecting differences in weight of 0.1 micrograms or less.

This item of the amendment shall become effective as of August 13, 1959.
 b. The following commodities are added to the Positive List:

Dept. of Commerce Schedule B No.	Commodity description	Unit	Processing code and related commodity group	GLV dollar value limits	Val. dated license required	Commodity lists
70570	Electronic equipment, n.e.c., and parts: Amplifiers (except audio frequency), n.e.c., and specially fabricated parts and accessories, n.e.c.; Amplifiers, electronic or magnetic, designed for use with solvers, as follows: (1) Isolation types; and (2) summing types and specially fabricated parts and accessories, n.e.c. ¹		HARA 1	100	RO	A
79337	Military aircraft: Cargo transports, military, new and used, without armament, the following models only: C-46, C-47, and C-54. (Specify type and model.)	No.	TRAN 2	None	RO	
79353	Passenger transports, military, new and used, without armament, 15,000, under 30,000 lbs. empty weight, the following model only: C-47. (Specify type and model.)	No.	TRAN 2	None	RO	
79355	Passenger transports, military, new and used, without armament, 30,000 lbs. and over empty weight, the following models only: C-46 and C-54. (Specify type and model.)	No.	TRAN 3	None	RO	
83299	Organic chemicals except cyclic, n.e.c.: Trichlycane glycol di-2-ethylbutyrate (e.g., Flexol 3 GH).	Lb.	ORGN	100	RO	

¹ On or after Sept. 23, 1959, an Import Certificate (or a Hong Kong Import License) will be required in support of a license application covering exports of this commodity to the countries specified in § 373.2 of this chapter.

This item of the amendment shall become effective as of August 20, 1959, except as otherwise indicated in the footnote.
 c. The following entries set forth below are substituted for entries presently on the Positive List. Where the Positive List contains more than one entry under a Schedule B number, the entry to be superseded is identified by a numerical reference in parentheses following the commodity description in the revised entry:

This item of the amendment shall become effective as of August 13, 1959, except as otherwise indicated in the footnotes.

Shipments of any commodities removed from general license to Country Group R or Country Group O destinations as a result of changes set forth in items b or c above which were on dock for lading, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to actual orders for export prior to 12:01 a.m., August 20, 1959, may be exported under the previous general license provisions up to and including September 14, 1959. Any such shipment not laden aboard the exporting carrier on or before September 14, 1959, requires a validated license for export.

2. Section 399.2 Appendix B—Commodity interpretations, Interpretation 18: Transistors is amended by deleting the following entries:

OC 71
OC 72
OC 76

This item of the amendment shall become effective as of August 13, 1959.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023, E.O. 9630, 10 F.R. 12245, 3 CFR, 1945 Supp., E.O. 9919, 13 F.R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Bureau of Foreign Commerce.

[F.R. Doc. 59-7425; Filed, Sept. 4, 1959;
8:49 a.m.]

form below. The purpose is to permit the hunting of deer, elk, and bighorn sheep on certain lands of the Fort Peck Game Range in accordance with existing State procedures and regulations.

Interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed revision and revocation to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Dated: September 1, 1959.

A. V. TUNISON,
Acting Director, Bureau of
Sport Fisheries and Wildlife.

HUNTING

§ 31.121 Deer, elk, and bighorn sheep hunting permitted.

Subject to compliance with the provisions of Parts 18, 20, and 21 of this chapter, deer, elk, and bighorn sheep hunting is permitted on the hereinafter described lands of the Fort Peck Game Range subject to the following conditions, restrictions, and requirements:

(a) *Hunting license.* A valid State hunting license, if required under State law, will serve as a Federal permit for hunting on that portion of the refuge opened to hunting.

(b) *Entry.* Hunters, upon entering or leaving the hunting area, shall report at such checking stations as may be established for the purpose of regulating the hunting.

(c) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(d) *Dogs.* Dogs are not permitted on the refuge for use in the hunting of deer, elk, or bighorn sheep.

(e) *Seasons.* Deer, elk, and bighorn sheep may be hunted during the seasons prescribed by the Montana Fish and Game Department.

(f) *Hunting areas.* Deer, elk, and bighorn sheep may be taken on such areas of the Fort Peck Game Range as shall be mutually determined after a joint annual examination of the range by representatives of the Bureau of Sport Fisheries and Wildlife and the Montana Fish and Game Department, and which will be suitably posted by the officer in charge.

[F.R. Doc. 59-7413; Filed, Sept. 4, 1959;
8:46 a.m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 31]

DESERT GAME RANGE, NEVADA

Hunting

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U.S.C. 715i), and under authority delegated by Commissioner's Order 4 (22 F.R. 8126), it is proposed to revise § 31.111 and to revoke §§ 31.112, 31.113, 31.114, 31.115, 31.116 and 31.117 of Subpart—Desert Game Range, Nevada, Chapter I, Title 50, Code of Federal Regulations, to read as set forth in tentative form below. The purpose is to permit the hunting of bighorn sheep, elk, and deer on certain lands of the Desert Game Range in accordance with existing State procedures and regulations.

Interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed revision and revocations to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Dated: September 1, 1959.

A. V. TUNISON,
Acting Director, Bureau of
Sport Fisheries and Wildlife.

HUNTING

§ 31.111 Hunting of bighorn sheep, elk, and deer permitted.

Subject to compliance with the provisions of Parts 18, 20, and 21 of this chapter, hunting of bighorn sheep, elk, and deer is permitted on the hereinafter described lands of the Desert Game Range subject to the following conditions, restrictions, and requirements:

(a) *Hunting area.* (1) The hunting of bighorn sheep is permitted on that part of the Desert Game Range lying

north and east of U.S. Highway 95 and east of the Alamo Road and that portion of the Desert Game Range lying north of U.S. Highway 95, west of the Three Lakes Valley Road, and east of Indian Springs-Groom Road.

(2) The hunting of elk and deer is permitted on that portion of the Desert Game Range lying south and west of U.S. Highway 95.

(b) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(c) *Season and bag limits.* Bag limits and the period of hunting will be in compliance with regulations prescribed by the Nevada Fish and Game Commission and as authorized by the Regional Director, Region 1, Bureau of Sport Fisheries and Wildlife.

(d) *Entry.* A valid State hunting license, if required under State law, will serve as a Federal permit for hunting on that portion of the refuge opened to hunting.

(e) *Checking stations.* Hunters, upon entering or leaving the hunting area, shall report at such checking stations as may be established for the purpose of regulating the hunting.

(f) *Dogs.* Dogs are not permitted on the refuge for use in hunting sheep, elk, or deer.

[F.R. Doc. 59-7412; Filed, Sept. 4, 1959;
8:46 a.m.]

[50 CFR Part 31]

FORT PECK GAME RANGE, MONTANA

Hunting

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U.S.C. 715i), and under authority delegated by Commissioner's Order 4 (22 F.R. 8126), it is proposed to revise § 31.121 and to revoke § 31.122 of Subpart—Fort Peck Game Range, Montana, Chapter I, Title 50, Code of Federal Regulations, to read as set forth in tentative

[50 CFR Part 31]

LOWER KLAMATH NATIONAL WILDLIFE REFUGE, CALIFORNIA AND OREGON

Hunting

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U.S.C. 715i), and under authority delegated by Commissioner's Order 4 (22 F.R. 8126), it is proposed to add § 31.200 to Subpart—Lower Klamath National Wildlife Refuge, California and Oregon,

Chapter I, Title 50, Code of Federal Regulations, reading as set forth in tentative form below. The purpose is to permit the hunting of pheasants on certain lands of the Lower Klamath National Wildlife Refuge in accordance with existing State procedures and regulations.

Interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed addition to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Dated: September 1, 1959.

A. V. TUNISON,
Acting Director, Bureau of
Sport Fisheries and Wildlife.

HUNTING

§ 31.200 Pheasant hunting permitted.

Subject to compliance with the provisions of Parts 18 and 21 of this chapter, pheasant hunting is permitted on the hereinafter described lands of the Lower Klamath National Wildlife Refuge subject to the following conditions, restrictions, and requirements:

(a) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(b) *Entry.* A valid State hunting license, if required under State law, will serve as a Federal permit for hunting on that portion of the refuge opened to hunting.

(c) *Dogs.* Hunting dogs, not to exceed two per hunter, may be used for the purpose of hunting and retrieving, but such dogs shall not be permitted to run at large on the refuge.

(d) *Seasons and hunting areas.* (1) The hunting of pheasants is permitted on all of the lands of the Lower Klamath National Wildlife Refuge except Units 1, 2, 3, 5, 6, 12, and 12a, as posted, during the period from November 14 to November 29, 1959, both dates inclusive.

(2) The hunting of pheasants on Units 1, 5, 6, 12, and 12a shall be permitted only during the period November 14 and 15, 1959.

[F.R. Doc. 59-7414; Filed, Sept. 4, 1959; 8:47 a.m.]

[50 CFR Part 31]

McKAY CREEK NATIONAL WILDLIFE REFUGE, OREGON

Hunting and Fishing

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U.S.C. 715i), and under authority delegated by Commissioner's Order 4 (22 F.R. 8126), it is proposed to revise §§ 31.221 and 31.222 and to revoke §§ 31.223, 31.224, and 31.225 of Subpart—McKay Creek National Wildlife Refuge, Oregon, Chapter I, Title 50, Code of Federal Regulations, to read as set forth in tentative form below. The purpose is to permit the hunting of pheasants on certain lands of

the McKay Creek National Wildlife Refuge in accordance with existing State procedures and regulations.

Interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed revisions and revocations to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Dated: September 1, 1959.

A. V. TUNISON,
Acting Director, Bureau of
Sport Fisheries and Wildlife.

HUNTING AND FISHING

§ 31.221 Fishing permitted.

Subject to compliance with the provisions of Parts 18 and 21 of this chapter, fish may be taken for noncommercial purposes by hook and line only from the waters of the McKay Creek National Wildlife Refuge subject to the following conditions, restrictions, and requirements:

(a) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(b) *Entry.* A valid State fishing license, if required under State law, will serve as a Federal permit for fishing on the refuge.

(c) *Boats.* The use of boats, including motor boats, is permitted for fishing and for pleasure, except water skiing, only during the fishing season.

(d) *Seasons.* As prescribed by Oregon Fish and Game Commission, except that fishing will not be permitted on the refuge during the migratory waterfowl hunting season, or from September 16 to April 15 following, or to the opening date of the State sport fishing season, whichever date shall occur the latest.

§ 31.222 Pheasant hunting permitted.

Subject to compliance with the provisions of Parts 18 and 21 of this chapter, pheasant hunting is permitted on the hereinafter described lands of the McKay Creek National Wildlife Refuge subject to the following conditions, restrictions, and requirements:

(a) *State laws.* Strict compliance with all applicable State laws and regulations is required.

(b) *Entry.* A valid State hunting license, if required under State law, will serve as a Federal permit for hunting on that portion of the refuge opened to hunting.

(c) *Dogs.* Hunting dogs, not to exceed two per hunter, may be used for the purpose of hunting and retrieving, but such dogs shall not be permitted to run at large on the refuge.

(d) *Seasons.* Pheasant may be hunted during the 1959 season as prescribed by the Oregon State Game Department.

(e) *Area.* Hunting of ring-necked pheasants is permitted on that portion of the McKay Creek National Wildlife Refuge lying south of the line common to the south boundary of Sections 10 and 11, T. 1 N., R. 32 E.

[F.R. Doc. 59-7415; Filed, Sept. 4, 1959; 8:47 a.m.]

[50 CFR Part 32]

FISH SPRINGS NATIONAL WILDLIFE REFUGE, UTAH

Hunting

Notice is hereby given that pursuant to the authority contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1224; 16 U.S.C. 715i), and under authority delegated by Commissioner's Order 4 (22 F.R. 8126), it is proposed to add to Chapter I, Title 50, Code of Federal Regulations, a new Subpart entitled Subpart—Fish Springs National Wildlife Refuge, Utah, and § 32.60 to read as set forth in tentative form below. The purpose is to permit the hunting of waterfowl and coots on certain lands of the Fish Springs National Wildlife Refuge in accordance with existing State procedures and regulations.

Interested persons may submit in duplicate written comments, suggestions, or objections with respect to the proposed regulation to the Director, Bureau of Sport Fisheries and Wildlife, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Dated: September 2, 1959.

A. V. TUNISON,
Acting Director, Bureau of
Sport Fisheries and Wildlife.

HUNTING

§ 32.60 Hunting of waterfowl and coots permitted.

Subject to compliance with the provisions of Parts 6, 18, and 21 of this chapter, the hunting of waterfowl and coots is permitted on the hereinafter described lands of the Fish Springs National Wildlife Refuge, Utah, subject to the following conditions, restrictions, and requirements:

(a) *Hunting area.* The following described area is open to hunting:

Those lands of the Fish Springs National Wildlife Refuge lying south of the south lines of Secs. 23 and 24, T. 11 S., R. 14 W., and lying south of the south lines of unsurveyed Secs. 19 and 20, T. 11 S., R. 13 W., Salt Lake Meridian.

(b) *State laws.* Strict compliance with all State laws and regulations is required.

(c) *Hunting dogs.* Hunting dogs, not to exceed two per hunter, may be used for the purpose of hunting and retrieving, but such dogs shall not be permitted to run at large on the refuge.

[F.R. Doc. 59-7431; Filed, Sept. 4, 1959; 8:50 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Ch. 11]

[Reg. Docket No. 107; Draft Release 59-14]

NOTICE OF 1959 REVIEW OF AIR-WORTHINESS PARTS OF CIVIL AIR REGULATIONS.

Notice is hereby given that the Bureau of Flight Standards is scheduling a re-

view of Parts 1, 3, 4b, 5, 6, 7, 8, 9, 10, 13, 14, and other parts of the Civil Air Regulations concerning airworthiness of aircraft.

The general rule making procedures of the Federal Aviation Agency are set forth in Part 405 of the regulations of the Administrator (14 CFR Chapter III). Under these procedures, any interested person who believes that the issuance, amendment, or repeal of any provisions contained in the airworthiness parts of the Civil Air Regulations is necessary or desirable may petition the Administrator therefor. Likewise, the Administrator may initiate a rule making proceeding upon his own motion whenever such action appears to be appropriate.

In the past, the Civil Aeronautics Board followed the policy of conducting an annual review of the safety regulations dealing with the airworthiness requirements for aircraft and components. This policy was codified in § 399.11 Subchapter D of the Board's regulations. The Administrator of the Federal Aviation Agency has not yet determined whether the adoption of such a policy would be in the public interest. However, it appears desirable to experiment with the usefulness of new airworthiness review procedures for the current year. Accordingly, the Bureau of Flight Standards will conduct a review of the airworthiness parts on a trial basis in accordance with the tentative schedule prescribed in this notice. Because of the limited time for this review, it may be necessary to restrict the number of proposals in the final agenda. However, those items which are not included in the agenda, as well as future industry and government proposals, may be given separate consideration outside the framework of the scheduled review.

During the forthcoming airworthiness conference, comments will be solicited concerning the desirability of establishing an annual airworthiness review program, detailed procedures therefor, and the schedule to be followed. If it is decided to adopt an annual airworthiness review program, implementing action will be taken within the framework of the codified procedural regulations.

The attached tentative schedule represents the estimated target dates for completion of the various phases of the 1959 airworthiness review program. If any postponements or other changes should prove necessary, further notice thereof will be circulated to all interested parties.

TENTATIVE SCHEDULE

October 1, 1959; Submittal of proposals. Proposals for additions, deletions, or changes to the regulations should be submitted in duplicate to the Director, Bureau of Flight Standards, Federal Aviation Agency, Washington 25, D.C., by October 1, 1959. Proposals should include a supporting discussion and the substance or text of the proposed regulatory change.

November 2, 1959; Proposed agenda. The Director, Bureau of Flight Standards will publish a notice of a proposed agenda in the FEDERAL REGISTER and cir-

culate as a draft release this agenda containing those proposals which appear to warrant public discussion prior to a formal notice of proposed rule making.

December 7, 1959; Comments on proposed agenda. Interested persons should submit their comments on items in the proposed agenda to the Director, Bureau of Flight Standards, within 5 weeks from the issuance of the proposed agenda.

January 29, 1960; Final agenda. After considering all comments on the proposed agenda, the Director, Bureau of Flight Standards will publish a notice of the final agenda in the FEDERAL REGISTER and circulate the final agenda as a draft release containing those proposals which still appear to warrant public discussion, together with the comments of interested persons on those proposals, and an explanation of the items omitted from the agenda. The final agenda will be the basic document for an informal conference and will announce the time and place of the conference.

March 7, 1960; Airworthiness conference. A conference of sufficient duration to cover the agenda will be scheduled for the week of March 7. Any interested person may attend this conference, which will be informal.

April 15, 1960; Notice of proposed rule making. After considering the proposals and related information presented during the informal procedures, the Director, Bureau of Flight Standards, will publish in the FEDERAL REGISTER and circulate as a draft release a notice of proposed rule making containing proposed amendments to the airworthiness regulations for public comment.

June 15, 1960; Comments on notice of proposed rule making. To receive consideration prior to the issuance of the final amendments to the regulations, comments should be submitted to the Dockets Section, Federal Aviation Agency, within 60 days from the issuance of the Notice of Proposed Rule Making.

August 1, 1960; Final amendments. The amendments resulting from the 1959 review of the airworthiness regulations will be issued about August 1, 1960.

This notice is issued under the authority of sections 313(a), 601, 603, and 604 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776, 778; 49 U.S.C. 1354, 1421, 1423, 1424).

Issued in Washington, D.C., on August 28, 1959.

B. PUTNAM,
Acting Director,
Bureau of Flight Standards.

[F.R. Doc. 59-7405; Filed, Sept. 4, 1959;
8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-EC-9]

CONTROL ZONES

Revocation of Control Zone

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the

Federal Aviation Agency is considering an amendment to Part 601 of the regulations of the Administrator, as herein-after set forth.

The Butler, Mo., control zone is presently designated to include the airspace within a three-mile radius centered on the Butler Airport and within two miles either side of the 083° and 263° True radials of the Butler VOR extending from the three mile radius zone to a point twelve miles west of the VOR. A survey conducted by the Kansas City Air Route Traffic Control Center shows no Instrument Approaches were conducted at the Butler, Mo., Airport during the calendar year 1958. On the basis of the survey, it appears that the retention of this control zone is unjustified, and that the revocation thereof would be in the public interest. If such action is taken, the Butler, Mo., control zone would then be revoked.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to revoke the Butler, Mo., control zone by amending Part 601 (14 CFR 1958 Supp., Part 601) as follows:

Section 601.2428 (Butler, Mo., control zone) is revoked.

Issued in Washington, D.C., on August 31, 1959.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 59-7401; Filed, Sept. 4, 1959;
8:45 a.m.]

PROPOSED RULE MAKING

[14 CFR Part 601]

[Airspace Docket No. 59-KC-10]

CONTROL ZONES

Revocation of Control Zone

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 601 of the regulations of the Administrator, as hereinafter set forth.

The Lamoni, Iowa, control zone is presently designated to include the airspace within a three-mile radius centered on Lamoni Airport and within two miles either side of the 166° True radial of the Lamoni VOR extending from the three-mile radius zone to a point 12 miles south of the VOR. An IFR Airport Traffic Survey conducted by the Kansas City Air Route Traffic Control Center shows that there were three Instrument Approaches conducted within this control zone during the calendar year 1958. On the basis of the survey, it appears that the retention of this control zone is unjustified as an assignment of airspace, and that the revocation thereof would be in the public interest. If such action is taken, the Lamoni, Iowa, control zone would then be revoked.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to revoke the Lamoni, Iowa, control zone by amending Part 601 (14 CFR, 1958 Supp. Part 601) as follows:

Section 601.2432 (*Lamoni, Iowa, control zone*) is revoked.

Issued in Washington, D.C., on August 31, 1959.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 59-7402; Filed, Sept. 4, 1959;
8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-LA-30]

CONTROL ZONE

Modification of Control Zone

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 601.2358 of the regulations of the Administrator, as hereinafter set forth.

The Federal Aviation Agency has under consideration a proposal by the United States Air Force to modify the control zone at Cannon AFB, Clovis, New Mexico. The present zone is designated as within a five-mile radius of the air base with a four-mile wide extension to the southwest, extending seven and one-half miles from the air base.

The ADF approach procedure to Cannon AFB is being revised to specify completion of the procedure turn within ten nautical miles of the radio beacon, descent to 4,900 feet MSL being permitted on completion of the turn. As this would place the aircraft outside controlled airspace, it is proposed to modify the control zone extension to include the airspace within two miles either side of the extended center line of runway 21 from the five-mile radius zone to a point twelve statute miles (approximately ten nautical miles) beyond the Cannon RBN, so that aircraft on the approach would be in controlled airspace at all times. The present five-mile radius zone would be retained.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, P. O. Box 90007, Airport Station Los Angeles 45, Calif. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at

the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend § 601.2358 (14 CFR, 1958 Supp. § 601.2358) to read as follows: § 601.2358 Clovis, N. Mex., control zone.

That airspace within a five-mile radius of Cannon AFB, and within two miles either side of the extended center line of Cannon AFB runway 21, extending to a point twelve miles beyond the Cannon RBN.

Issued in Washington, D.C., on August 31, 1959.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 59-7403; Filed, Sept. 4, 1959;
8:45 a.m.]

[14 CFR Part 602]

[Airspace Docket No. 59-WA-130]

ESTABLISHMENT OF CODED JET ROUTES AND NAVIGATIONAL AIDS IN CONTINENTAL CONTROL AREA

Establishment of Coded Jet Route

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 602 of the regulations of the Administrator, as hereinafter set forth.

The Federal Aviation Agency proposes to establish a new coded jet route between Appleton, Ohio, and Front Royal, Va. Establishment of this jet route would provide a more direct route from Chicago, Ill., to Baltimore, Md., and would avoid the high density air traffic area at Pittsburgh, Pa., which is presently being traversed by jet aircraft operating between Baltimore, Md., and Chicago, Ill.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, New York International Airport, Jamaica, Long Island, N.Y. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted to writing in ac-

cordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend Part 602 (14 CFR, 1958 Supp. Part 602), by adding a section as follows:

§ 602.571 VOR/VORTAC jet route No. 71 (Appleton, Ohio to Front Royal, Va.)

From the Appleton, Ohio, VOR to the Front Royal, Va., VOR.

Issued in Washington, D.C., on August 31, 1959.

D. D. THOMAS,
Director, Bureau of
Air Traffic Management.

[F.R. Doc. 59-7404; Filed, Sept. 4, 1959; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 963]

[Docket No. AO-309]

MILK IN GREAT BASIN MARKETING AREA

Decision on Proposed Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Salt Lake City, Utah, on October 27-31 and November 3, 1958, pursuant to notice thereof issued on October 8, 1958 (23 F.R. 7897), upon a proposed marketing agreement and order regulating the handling of milk in the Great Basin marketing area.

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on July 2, 1959 (24 F.R. 5491), filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision, containing notice of opportunity to file written exceptions thereto.

The material issues of record relate to:

1. Whether the handling of milk produced for sale in the proposed marketing area is in the current of interstate commerce, or directly burdens, obstructs, or affects interstate commerce in milk or its products;

2. Whether marketing conditions show the need for the issuance of a milk

marketing agreement or order which will tend to effectuate the policy of the Act; and

3. If an order is issued what its provisions should be with respect to:

- (a) The scope of regulation;
- (b) The classification and allocation of milk;
- (c) The determination and level of class prices;
- (d) Distribution of proceeds to producers; and
- (e) Administrative provisions.

Findings and conclusions—(1) *Character of the commerce*. All milk to be regulated by the proposed marketing agreement and order is in the current of interstate commerce, or directly burdens, obstructs, or affects interstate commerce in milk and its products.

The principal fluid milk processing and distributing plants in the proposed Great Basin marketing area are located in Salt Lake City, Murray, and Ogden, Utah. There are a number of other milk distributing plants located in the most heavily populated areas surrounding Salt Lake City and in some of the outlying parts of the proposed marketing area.

Bottled milk products from handlers located in Salt Lake City, Murray and Ogden, regularly go to out-of-State markets in Wyoming, Idaho, and Nevada. From time to time, bulk milk also has been sold by these Utah handlers to places in Colorado, New Mexico, Nevada, and Arizona.

The supply of milk for the fluid milk sales by these handlers is received largely from dairy farmers in the State of Utah but there are producers in Wyoming and Idaho who furnish part of the supply for these Utah handlers. Some milk is distributed in the marketing area by plants located in Colorado and under the regulation of Federal Order No. 80 for the Western Colorado marketing area. There have been occasional shipments of milk from handlers in the Great Basin marketing area to handlers in the Western Colorado marketing area.

Milk in excess of the fluid sales requirements is received by Great Basin handlers and is manufactured into various dairy products including butter, nonfat dry milk, ice cream, and condensed products which are marketed in the States of Nevada, Idaho, California, New Mexico, Arizona, Colorado, Wyoming, and Montana, as well as in Utah.

(2) *Need for an order*. Market conditions in the Great Basin marketing area show that the issuance of an order to regulate the handling of milk in that marketing area will tend to effectuate the declared policy of the Act.

The largest part of milk produced for sale in the Great Basin marketing area is produced by farmers who are members of three cooperative associations. These associations are the Weber Central Dairy Association which has a plant for processing and packaging fluid milk products and manufacturing milk products at Ogden, Utah; Hi-Land Dairymen's Association which has a plant at Murray, Utah, equipped for processing and packaging fluid milk products, and also manufacturing facilities; and the Federated Milk Producers Association which does not operate a plant but markets the

milk of its members to handlers who use it for fluid distribution, and to plants which manufacture milk products. The members of these three associations, who are the proponents of the order for this area, produce about 85 percent of the milk supply for the marketing area.

Besides the milk distributed in the marketing area by the cooperative associations or by handlers who buy milk from the Federated Milk Producers Association, there is milk distributed also by about 30 other handlers. The distribution systems of these 30 handlers are much less extensive than distribution by the cooperative plants or plants served by the cooperatives.

There is no pooling of milk among handlers in the marketing area except insofar as such pooling is carried out by the Federated Milk Producers Association among the handlers it supplies, and the individual pooling operations of each of the other two cooperative associations. As a result, there is an uneven distribution of the burden of milk in excess of fluid milk sales which must be put into manufacturing uses. Some of the smaller handlers follow the practice of arranging for a regular supply which is close to the volume of their daily fluid milk sales but depend upon other sources, including the cooperative associations, to meet fluctuating requirements due to seasonal changes in milk production and variations in sales. The major part of the reserve for the entire market is carried by the cooperative associations. In recent years dealers who do not obtain their regular supply from the associations have expanded their operations. Some of these handlers indicated that they obtained milk at prices competitive with the blend prices paid by the associations. On this basis, they are able to obtain milk for fluid sales at less than the market average cost. This is particularly pertinent in view of the tendency of these handlers to maintain a regular supply which is short in relation to their fluid sales and to depend on other sources for supplementary milk supplies.

Although there is a general pattern of milk use classification practiced by the cooperative associations, there are significant quantities of milk in the marketing area which are not sold on the basis of uniform prices for each classification. Among handlers who do not obtain their regular supply from the associations there is no precise relationship between utilization and the method of paying their farmers. Among these handlers the payments are made under base and excess plans which do not always reflect the actual utilization in the month for which payment is made but may be adjusted from time to time according to the needs of the handler. Also, in the case of milk produced by association members there is not a strict adherence to a price classification system. Milk used to fill contracts with schools or government installations is, at times, priced differently than other milk for fluid distribution. Adjustments have been made on the price of milk which must be transported long distances to the point of sale.

It would be impossible for a pooling operation to be carried out within the

market unless there were a uniform and reliable accounting for milk according to use classification. Such a uniform system of accounting and classification does not exist within the marketing area nor is there any organization in the market which is able to make effective such a system. Although the classification systems within the marketing area are a matter of common knowledge, the absence of an organization or agency to apply such a classification system uniformly and according to accurate accounting methods inevitably results in variations and individual adjustments to meet various competitive situations. As a result of this situation, the milk pricing system within the Great Basin marketing area is being undermined and there is impending further market disorganization.

It is concluded that a Federal milk marketing order is needed in the Great Basin marketing area to implement the declared congressional policy of establishing and maintaining orderly marketing conditions by providing:

(a) A regular and dependable method for determining prices to producers at levels contemplated under the Agricultural Marketing Agreement Act, as amended;

(b) The establishment of uniform prices to handlers for milk received from producers according to a classified price plan based upon the utilization made of the milk;

(c) An impartial audit of handlers' records of receipts and utilization to further insure uniform prices for milk purchased;

(d) A means for insuring accurate weights and tests of milk;

(e) Uniform returns to producers supplying the market, and an equitable sharing by all producers of the lower returns for sale of reserve milk; and

(f) Market-wide information on receipts, sales and other data relating to milk marketing in the area.

(3) *Order provisions*—(a) *Scope of regulation.* The scope of the regulation may be specified by providing appropriate definitions including "marketing area", "handler", "producer", "pool plant", "producer-handler", "producer milk", "other source milk", and such other definitions as are needed to completely describe the incidence of the order regulation.

Marketing area. The marketing area should include all of the territory within the counties of Box Elder, Davis, Morgan, Salt Lake, Tooele, Utah, Wasatch, Weber, Summit, Grand, Daggett, Duchesne, Carbon, Sanpete, Juab, Millard, Sevier, Uintah, and Emery, all in the State of Utah. All government reservations and installations, and all municipalities within this described territory should be part of the marketing area.

The marketing area herein provided thus includes all of the territory requested by the proponent cooperative associations.

The sanitary requirements applicable to milk produced for fluid distribution throughout the marketing area are patterned according to U.S. Public Health Milk Ordinances and Codes. Sanitary requirements applicable to milk for proc-

essing at fluid milk plants located in Salt Lake City, Provo and Ogden are administered by city or county authorities. Sanitary requirements applicable to milk for processing at fluid milk plants located in other parts of the marketing area are administered by the Utah State Board of Agriculture. Milk meeting the sanitary requirements of Salt Lake City, Ogden or Provo inspection moves between these cities under reciprocal arrangement and is acceptable to the State Board of Agriculture for distribution throughout the marketing area herein provided.

According to the census for 1950, the population of the proposed marketing area was about 613,000. It is estimated that the population increased about 22 percent from 1950 to 1957.

About two-thirds of the 1950 population of the marketing area was concentrated in the counties of Salt Lake, Utah, Weber, and Davis. Within these counties there are located the five largest distributing handlers which would be regulated under the proposed order. These handlers are estimated to handle about 85 percent or more of the milk produced for the marketing area.

Each of these five handlers serves all of the three counties of Salt Lake, Utah, and Weber. Davis County is between Salt Lake and Weber counties, and is served by four of these handlers.

Distribution routes of handlers in the Salt Lake City locality extend southward along two of the main highways in the State, U.S. Public Highways Nos. 91 and 89. These routes pass through Juab, Millard, Sanpete and Sevier counties. In each of these counties some of the aforementioned five largest handlers with plants located in Salt Lake and Utah counties distribute at least 50 percent of total Class I sales. These handlers also sell milk on routes extending in a southeasterly direction along U.S. Public Highway No. 50 into Carbon, Emery and Grand counties, and easterly along U.S. Public Highway No. 40 into Wasatch, Duchesne and Uintah counties. These handlers sell all, or the majority, of total Class I sales disposed of in each of these counties with the possible exception of Grand County. Some of the milk distributed in Grand County originates at a plant regulated under the Western Colorado Federal milk order (Order No. 80). It is not shown in the record whether the majority of milk distributed in Grand County originates in this plant or in the plants of handlers located in Salt Lake County. In any event, all of the milk distributed in this county originates at plants located in Salt Lake County or Grand Junction, Colorado.

Salt Lake City handlers also sell the majority of the fluid sales in Tooele County.

Handlers with plants located in Salt Lake and Weber counties, which would be regulated plants under the proposed order, distribute all of the Class I milk sold in Morgan, Summit and Daggett counties. Daggett is a relatively sparsely-populated county which proponents requested be included in the marketing area because the Flaming Gorge Dam which is now being built will result

in a development of both permanent and tourist population within the county.

Cache County, Utah, was not proposed to be part of the marketing area. In Cache County the principal milk distribution is by the plant of the Cache Valley Dairymen's Association located at Smithfield, Utah. This plant's milk sales are mostly outside the proposed marketing area, but some of its routes extend into Box Elder County, including Brigham City, and as far south as the vicinity of Perry. Present operations of this plant would not qualify it as a pool plant under the proposed order.

In Box Elder County there are sales by seven other handlers, five of whom have their plants in either the Salt Lake City locality or Ogden. The other two handlers have their plants at Tremonton and Brigham City in Box Elder County. These two handlers do not sell milk in any other part of the proposed marketing area.

Box Elder County was proposed as part of the marketing area. In the recommended decision, Box Elder County was omitted from the marketing area because of the involvement of sales there by the plant at Smithfield.

In their exceptions the three associations representing most of the producers supplying the market objected to this omission. They argued that Box Elder County is important as a sales area to handlers including cooperative associations who would be regulated, and that milk sales there are increasing because of new industrial installations and rapidly increasing population. The exceptions point out that most of the milk sales in Box Elder County are by handlers which would be regulated whether the county is included or not. The producer associations further argue that omission of Box Elder County would deprive them of this Class I outlet because of the competition there with unregulated milk.

During 1957 fluid sales of milk in Box Elder County amounted to about 4.6 million pounds. In view of the growing importance of Box Elder County as a sales area to Great Basin handlers whose plants are located nearby, the issue of whether this county should be included in the marketing area is reconsidered. It is estimated that if the county were included, less than 10 percent of the sales therein would be from the plant at Smithfield. Further, it is estimated that the route sales by the Smithfield plant into Box Elder County are less than 1 percent of its supply of Grade A milk handled. Five handlers with plants in the Salt Lake City and Ogden localities sell in the county. There is also a handler with a plant at Tremonton and one at Brigham City, both in Box Elder County.

The information provided on route sales by various handlers does not indicate any manner in which Box Elder County could be divided so as to not include in the marketing area any of the route sales of nonpool plants and yet to include the part of the area which is important to pool plants. Considering the county as a whole, it is concluded that orderly marketing conditions will be served best by inclusion of Box Elder

County in the marketing area, and it should be so included.

A suggestion was made that a specified daily volume of sales in the marketing area by a nonpool plant, such as 2,000 pounds daily, might be exempted from any obligation to the market pool, so that the plant at Smithfield would not be subject to compensatory payments on the present volume of distribution by this plant in Box Elder County. The merits of such an exemption are considered in connection with the consideration of plants to be regulated.

"Producer," "pool plant" and other definitions. The term "producer" should be defined so as to include dairy farmers who constitute the regular supply on which the marketing area depends for fluid milk. For this purpose the term should distinguish between farmers who meet the sanitary requirements for producing milk for a fluid market and other dairy farmers whose milk is qualified only for use in manufactured dairy products. In this marketing area, milk intended for fluid consumption is required to be produced in compliance with specified health standards. It is not necessary for order purposes that the approval of sanitary practices of producers be given by health authorities in the marketing area, provided that the farmer is approved by a duly constituted health authority which has supervision over the sanitary regulations of milk for fluid use. Approval by Government agencies of milk for fluid consumption at installations under their supervision would also be considered to satisfy the health approval provision.

The qualification of a farmer as a producer for the market would be established by the receipt of his milk at a plant which is substantially supplying the marketing area. (Such plants are hereinafter more definitely described in connection with the term "pool plant.") The term "producer" would also include those dairy farmers whose milk is ordinarily received at a pool plant but which is temporarily diverted either by the plant operator or by a producer cooperative association to a nonpool plant. Such a provision in the "producer" definition is necessary in the interest of efficient handling of milk which serves as a reserve part of the milk supply. Economy in transportation often favors moving such reserve milk to nonpool plants which are closer to the producer's location than is the pool plant to which his milk is ordinarily delivered. Also, a number of the fluid milk plants in the area do not have facilities for manufacturing the reserve milk or do not have adequate facilities therefor.

As proposed by producers, there would be no limitation on the number of days per month during which a producer could be diverted by a cooperative association. Their proposal contemplated that diversion should be performed only by cooperative association. The three large producer associations in the market took exception to the limitation on diversions as set forth in the recommended decision and reiterated the request for unlimited diversion of any producer by a cooperative association.

It was pointed out that milk of some of the producers which serve as a reserve supply for the market and whose milk is occasionally needed in a fluid milk processing plant is ordinarily delivered to a manufacturing plant.

In view of these exceptions, the diversion requirement should be changed to be on the basis of previous receipt of the farmer's milk at a pool plant on at least three days of the current or immediately preceeding month. Because of the quite even production and sales pattern throughout the year, the same diversion requirement should apply in every month.

Some handlers receive milk from farmers who are not members of an association. The diversion privilege should apply equally to diversions by proprietary handlers and producer associations.

The determination of whether the plant to which the dairy farmer delivers his milk operates substantially as a part of the supply system is one of the bases for distinguishing which farmers are to be considered producers for the market. It is possible that there are, or will be, plants which have only a minor association with the market.

Inasmuch as the method of distributing returns to producers in this market will be on a basis of a market-wide pool (as it is concluded elsewhere in this proceeding) it is appropriate that plants to be regulated as receivers of producer milk be called "pool plants". Such plants may be of two types: those which operate routes on which they distribute milk in the marketing area, and other plants which only ship milk in bulk to distributing plants. Among those plants which distribute milk in the marketing area it is necessary to distinguish between those plants which are primarily in the fluid milk business and those which are not.

A plant which uses less than 50 percent of its receipts of Grade A milk for fluid milk sales is not primarily in the fluid milk business. Such plants are not representative of the type of plant operations upon which this market presently depends, nor is there any need to include such plants in the pooling operation to assure an adequate supply. If they were included in the market-wide pool of milk utilization, the result would be an uneconomic distribution of the money returns intended to assure the market an adequate supply of fluid milk. This would not be in the public interest nor would it promote orderly marketing.

Under the order regulation, plants having only a minor part of their distribution business in the marketing area need not be included in the market pool, but should be subject to regulation which will assure that their operations do not result in inequity among handlers or otherwise constitute a disturbance to the market. Under these conditions it is not necessary to include plants which have less than 10 percent of their route sales in the marketing area. Such plants, too, would be likely to be at a disadvantage if their entire milk handling operations were put under the pricing regulation required of pool plants, since this would affect their competitive position in outside markets.

Except for the plant at Smithfield and a plant regulated under the Western Colorado marketing order (Part 980), all plants supplying the marketing area have most of their route sales in the marketing area. Under the circumstances, 10 percent of a plant's route sales is a reasonable measure of association with the market to determine whether the plant should be a pool plant.

There is no indication that when an order is established there will be any plants operating as shipping plants supplying the plants distributing in the marketing area. In case such an operation does develop, the order should provide that it will be part of the pool if it meets specified standards. Shipping plants should be pool plants if they ship to distributing pool plants 50 percent of the milk they receive from dairy farmers meeting the inspection requirements described in connection with the definition of "producer" and other receipts qualified for fluid distribution. Shipping plants which so qualify as pool plants during the period of August through January should be allowed to continue in status as pool plants, if they so desire, during the subsequent months of February through July. This will accommodate the economical handling of reserve supplies which normally would be held in shipping plants to a greater extent in the spring and early summer seasons. There is no indication of need to pool plants with less substantial or less regular contribution to market supply.

Certain types of operations which would otherwise qualify as pool plants should be exempt from the pooling provisions of the order. Such exemption should cover plants which would be subject to the pricing and pooling provisions of another Federal order if a larger volume of milk is involved with the other order market than is associated with the Great Basin market. If the plant operates as a distributing plant under both orders, the volume of Class I sales in each market during the month would determine the applicable order, unless it is determined otherwise by the Secretary. In the case of a supply plant, for each of the months of August through January the plant would qualify as a pool plant under this order by reason of shipment to this market of more than 50 percent of the producer milk received or diverted therefrom during the month; and in other months, if the plant ships less than 50 percent, the operator has the option of withdrawing from the pool. In the latter case the order should provide that if the plant qualifies for regulation under another order, the applicable regulation may be determined by the Secretary.

Another example of a kind of plant which should not be a pool plant is the Church Welfare plant at Salt Lake City which is operated by the Mormon Church. This plant bottles milk which is distributed as a donation to needy individuals. It does not compete in sales with plants which would be regulated. This exemption should be provided with respect to any plant which distributes milk only on a donation basis. Inas-

much as the Church Welfare plant would be a nonpool plant if operated as herein described, receipts therefrom at pool plants would be milk from an unregulated source and would be assigned accordingly to the lowest class of utilization. Transfers of bulk milk to a nonpool plant such as the Church Welfare plant should be classified as any other transfer to a nonpool plant according to equivalent use in the nonpool plant as explained in subsequent findings and conclusions.

A request was made that route distribution by a nonpool plant amounting to 2,000 pounds per day or less in the marketing area, be exempt from any obligation to the market pool. This was directed particularly towards exempting sales of the Cache Valley Dairymen's association at Smithfield, Utah, with respect to its sales in Box Elder County.

It would not be possible to assure orderly, stable market conditions for the Great Basin area if every handler, with sales of 2,000 pounds or less per day, were exempted from obligation to the pool. Further, it cannot be assumed that such a distribution of unregulated milk in the marketing area would be limited to the one instance of sales by the plant at Smithfield. An exemption of this type would necessarily apply to any handler who has a lesser volume of Class I sales. There are a number of handlers in the marketing area which have only local distribution, and some of them may have daily sales of less than 2,000 pounds.

Some exemption of small route operations is reasonable to accommodate fringe operations in this extensive marketing area. This exemption should apply only to route sales in the marketing area which are not more than an average of 500 pounds of Class I milk per day during the month. Plants from which sales in the area do not exceed this amount would be exempt, except for reporting requirements and administrative expense. Any route sales in the marketing area by a nonpool plant (except a producer handler) in excess of an average of 500 pounds per day would be subject to compensatory payments. The necessity for such payments is explained in the part of this decision entitled "Payments on other source milk." It is concluded that the exemption of route operations averaging 500 pounds of milk per day will not be a threat to orderly marketing conditions and should be adopted.

"Handler" is a term designed to cover all persons operating plants or otherwise having responsibility with respect to the marketing of milk in the area. The handler is the person who receives milk from producers and who is responsible for reporting receipts and utilization of milk and payment therefor. It includes (a) persons operating pool plants, (b) persons operating nonpool plants from which Class I milk is distributed on routes in the marketing area, (c) a cooperative association with respect to member milk diverted to a nonpool plant, and (d) a cooperative association with respect to milk of a member which the association delivers to a pool plant in a

tank truck owned and operated by, or under contract to, the association. In the latter case the cooperative association should give prior notice to the market administrator and the plant operator of its intention to be the receiving handler for such milk.

In this market a large part of the milk supply is delivered to pool plants in tank trucks operated by cooperative associations. The weight readings and milk samples for individual producers are taken at the farm by persons responsible to the association. In some instances where milk moves from the farm in bulk tanks, it is delivered to a plant not operated by the association operating the tank truck. The plant operator then has no way of knowing the weights and butterfat tests of milk of individual producers in the load, except as this information is reported to him by the association. There may be difficulty in identifying the milk delivered to the plant with individual producers if a load is split between two plants, or there has been a reloading operation, or a load has been topped-off at a plant. For administrative purposes, many of the problems of accounting for milk will be simplified if the cooperative association is the handler with respect to milk of its members that it moves from the farm in bulk tank trucks. Designation of a cooperative association as the handler on this milk will also assist the association in efficient distribution of the milk supply according to the needs of handlers.

Such a designation of a cooperative association as a handler on bulk tank milk was proposed by the associations. For administrative purposes it is necessary that the market administrator be able to definitely assign the responsibility for the milk, and therefore the cooperative association which intends to be the handler for bulk tank milk should so notify the market administrator. Otherwise the handler at whose pool plant the milk is received will be accountable for it under the order and responsible for payments to producers. It follows that the association should also notify the operator of the pool plant that the association intends to be the handler for the milk.

When a cooperative association is a handler for bulk tank milk delivered to the pool plant of another handler this delivery constitutes an interhandler transfer which would be classified in accordance with the general rule applying to interhandler transfers. A special provision in the order would obligate the handler to pay the association the class prices on the transferred milk. The association, in turn, would be obligated to settle with the market-wide pool (through the producer-settlement fund) with respect to the total value of this milk.

There are some individuals who are handlers and also operate dairy farms. If such an individual operates a plant which receives milk from other dairy farmers and which meets the requirements specified for pool plants, the milk received at such plant will be subject to the pooling requirements including

milk received from the individual's own farm.

There are some handlers in this market who produce on their own farms a large part of their milk supply. The order regulation would apply differently to that type of handler who depends substantially on his own farm production for his milk supply. A definition for producer-handler would describe the special kind of milk-handling operation to be covered. Other provisions of the order with respect to reporting, classification and payments would apply in a special manner to such an operation.

A producer-handler would be exempt, with respect to his own farm production, from the pooling requirement which applies to all other handlers who are primarily associated with the market. In view of this exemption it is necessary that the term "producer-handler" cover a restricted type of operation which will not be a disturbance to orderly marketing conditions.

A handler who depends entirely on his own farm production for milk supplies would qualify as a producer-handler. On the other hand, any handler who obtains part of his supply from another person who is a dairy farmer would not qualify as a producer-handler and would be subject to the order requirements with respect to pool plants if his plant met the qualifications of "pool plant", or the requirements with respect to nonpool plants not operated by producer-handlers.

A producer-handler may occasionally find it desirable to obtain supplemental supplies of milk from sources other than his own farm production. This need not disqualify such a handler from producer-handler status, providing appropriate conditions are applied under the order with respect to classification and payments in the case of such supplementary milk supplies. The order should provide that transfers of milk to producer-handlers from handlers who receive producer milk shall be a Class I disposition by the transferring handler. This is appropriate since the normal need of a producer-handler for supplemental supplies is associated with his fluid sales, and such classification is justified in consideration of his exemption from pooling with respect to his own farm production. This classification requirement will tend to prevent an unequal sharing of the burden of reserve supply for the market as between producer-handlers and producers.

A producer-handler who desires supplemental supplies may also look to sources which are not regulated by this proposed order or another order. If a producer-handler were free to use milk from sources not priced under orders issued pursuant to the Act, this would give him an unjustified cost advantage. When fluid milk supplies are obtained from such unregulated sources, the plant should be regulated in the same manner as other plants which bring unregulated milk into the marketing area, and the plant would not qualify as the plant of a producer-handler. This kind of provision is necessary to assure orderly marketing conditions under the proposed

order. Provision is made in the order so that producer-handlers can obtain supplemental supplies from pool handlers.

The application of the order provisions to a producer-handler would be greatly facilitated by the requirement that persons who desire to be treated as producer-handlers under the order make written application to the market administrator prior to the first month in which such person desires to be considered to be a producer-handler. In the absence of such an application, the market administrator would apply the order to the plant in question on the basis of the provisions that do not apply to producer-handlers.

Since the exemption of pooling own-farm production provides an incentive for individuals to attain producer-handler status, it is necessary to preclude certain devices which may be used to circumvent the intent of the order provisions. The milk supply which is to be treated as the own-farm production of the producer-handler should be produced entirely from production resources which are under the complete and exclusive control of the person who is the producer-handler. The processing facilities and the distribution facilities should be similarly under the complete and exclusive control of the same person.

Producer-handlers should be subject to reporting requirements so that the market administrator may be informed as to the continuing status of such individuals as producer-handlers, and as to the amounts of any obligations which such individuals incur under the order provisions.

Custom bottling of milk by a handler for another person who distributes it is a practice in the market. One case was described where a farmer delivers his milk to a plant for bottling and then takes back the bottled milk for distribution on routes he operates. A plant performing such custom bottling need not be distinguished from other plants which bottle (or package) milk only for their own distribution. The farmer who distributes the bottled milk is essentially a vendor or subhandler for milk processed in the handler's plant. Exemption of this type of arrangement from the pricing and pooling requirements would open up a wide range of possible handling operations which would undermine the minimum price and market-wide pooling arrangements which are necessary to establish orderly marketing conditions in this market. The existence of numerous such arrangements outside the market pool could result in one or more substantial pooling operations, separate from the general market pool which it is decided herein should serve as the method of distributing returns to producers who are the supply for the market.

One exceptor requested that the order contain a provision exempting milk bottled by pool plants for certain farmers who, in previous periods, have engaged in the business of selling milk to consumers who come to the farm to buy unpasteurized milk which is not packaged. The exceptor states that subsequent to the hearing, the State of Utah

required by law that unpasteurized milk be bottled on the premises where produced. A "custom bottling" provision, as requested in these exceptions, would allow these farmers to have their milk bottled at a pool plant without including the milk in the value of the pool either as to receipt or disposition. Since this bottling operation would not be on the premises where the milk is produced, the State regulation would require pasteurization.

In addition to the previous findings and conclusions on custom bottling it may be pointed out that the requested exemption would be broader than the exemption which applies to producer-handlers. Producer-handlers have their own processing facilities. Furthermore, producer-handlers are affected by the requirement that any transfer of milk from a pool plant to a producer-handler is Class I milk for which the plant must account to the pool.

"Producer milk" is a term which may be used to distinguish milk received at pool plants directly from farmers herein defined as producers. Obviously, after milk from producer and nonproducer sources has been mingled together in a plant, the actual milk from producer sources may not be physically distinguishable. At the time of receipt and prior to such mingling with other milk, producer milk may be distinguished as to weight, test and source, and this is the basis for the handler's obligation to producers. Milk received by a cooperative association in its capacity as handler on bulk tank milk would be producer milk as received by the association.

Milk from a producer's farm which is diverted to a nonpool plant pursuant to the producer definition also is producer milk.

Producer-handlers operate nonpool plants and, accordingly, may be the recipients of milk diverted by pool handlers. Such milk would be accounted for by the diverting handler as a diversion and a transfer to a producer-handler and be considered as a Class I disposition.

"Other source milk" is specifically defined so as to distinguish it from producer milk. It includes milk received at a pool plant from nonpool sources and products, other than fluid milk products, from any source which are reprocessed or converted to another product in the plant during the month.

A definition of "fluid milk products" is provided to facilitate reference in the subsequent sections of the order. The fluid milk products are those which generally constitute Class I use in the market and should include milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour), concentrated milk (fresh or frozen), fortified milk or skim milk, reconstituted milk or skim milk, or any mixture in fluid form of milk, skim milk and cream (except ice cream, ice cream mix, eggnog, aerated cream, evaporated milk, condensed milk (plain or sweetened), and sterilized products in hermetically sealed containers). Frozen cream would not be a "fluid milk product."

The term "route" is used to cover a number of milk distributing operations.

It includes deliveries through a vendor who obtains his milk supply in packaged form from the plant. It includes deliveries by sale from the plant or plant store. It would include deliveries of packaged products to distributing stations, but would not include packaged disposition of fluid milk products to pool distributing plants. Since route disposition is in bottles, paper packages and other containers, the definition specifies containers of 5 gallons or less. This type of definition of route is designed to facilitate the definition of the term "pool plant" and describe certain handling operations to be covered by the order.

The butter price used in calculation of the basic formula price and other price calculations should be the simple average for each calendar month of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of 92-score creamery butter at Chicago as reported by the United States Department of Agriculture. A definition of "butter price" is included in the order. The prices for nonfat dry milk used in the basic formula price include prices for roller process powder, but the Class II price calculation does not. A separate definition of powder price would not be helpful.

Classification of milk. All milk and milk products received by a handler should be classified in two classes according to use. Skim milk and butterfat should be classified separately in accordance with their use in Class I and Class II milk.

Skim milk and butterfat are not used in most products in the same proportion as contained in the milk received from producers, and, therefore, should be classified separately according to use. The skim milk and butterfat content of milk products received and disposed of by handlers can be determined through recognized testing procedures. Some products such as fortified skim milk, condensed milk, and concentrated products present an accounting problem in that some of the water contained in the milk used to produce these products has been removed. It is necessary in the case of such products to provide an acceptable means of ascertaining the amount of skim milk and butterfat used to produce them. This can be established through the use of adequate plant records made available to the market administrator for products produced by the handler, or by means of conversion factors for products purchased by the handler. The accounting procedure to be used in the case of any milk product should be based on the pounds of milk or skim milk required to produce such products.

Milk classes. Class I milk should be defined as skim milk and butterfat used in those kinds of milk and milk products disposition which are generally required by health authorities having jurisdiction in the marketing area to be made from milk or milk products obtained from approved Grade A sources. The extra cost of getting quality milk produced and delivered to a market in the condition and quantities required, makes it necessary to provide a price for milk for such uses above the price for ungraded or manufacturing milk price.

Class I skim milk and butterfat should include all skim milk and butterfat contained in any product herein defined as a "fluid milk product", namely, milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour), concentrated milk (fresh or frozen), fortified milk or skim milk, reconstituted milk or skim milk, or any mixture in fluid form of milk, skim milk and cream (except ice cream, ice cream mix, eggnog, aerated cream, evaporated milk, condensed milk (plain or sweetened), and sterilized products in hermetically sealed containers). All of these products are required by the health authorities having jurisdiction in the defined marketing area to be made from milk produced on farms approved to supply milk for fluid use. Grade A milk from locally approved farms must be used in the manufacture of nonfat powder which is used to fortify fluid milk products. Frozen cream would be a Class II product.

The Class I products which contain concentrated skim milk solids such as skim milk drinks and buttermilk to which extra solids are added, or concentrated whole milk disposed of in fresh or frozen form for fluid use, should be included under the Class I definition.

Some handlers proposed a method for classification of fortified, concentrated and reconstituted milk or skim milk, based on a kind of milk equivalent calculated from the relationship of the nonfat solids content of such products to the average nonfat solids content of fluid milk received by the handler. Under that proposal, the extent to which such an equivalent exceeds the weight of the product would be a quantity assigned to Class II milk. This proposal is not adopted herein because it would not result in a full accounting in Class I of all milk used to produce Class I products.

It is necessary in accounting for Class I sales of fortified, concentrated and reconstituted milk that the order provisions prevent displacement of producer milk from the Class I use for which it is intended. This principle requires that such disposition be accounted for on the basis of milk used to produce such products, which would include all water originally associated with the milk solids used. Fortified, concentrated and reconstituted milk compete for the same outlets as whole fluid milk and fluid skim milk and so, if made from other source milk, could displace producer milk which is available for the same disposition. It is concluded that accounting for skim milk in these Class I products on the basis of volume including all the water originally associated with the solids is necessary to return to producers a value commensurate with the use and availability of their milk for fluid disposition.

Products such as evaporated or condensed milk in bulk, or packaged in hermetically-sealed cans, should not be considered to be concentrated milk, and should not be Class I milk.

Class II milk should include all skim milk and butterfat used to produce any product not specified as Class I. Class II uses shall include, but are not restricted to, butter, cheese, evaporated and condensed milk, and nonfat dry milk. Class II should also include any

skim milk which is dumped after prior notification to, and opportunity for verification by, the market administrator; and that skim milk used for livestock feed to the extent that verifiable records of such utilization are maintained by the handler.

Butterfat and skim milk used to produce Class II products should be considered to be disposed of when so used. Handlers will need to maintain stock records of such products, however, to permit audit of their utilization by the market administrator.

Handlers have inventories of milk and milk products at the beginning and end of each month which enter into the accounting for current receipts and utilization. Inventory is intended to include stocks on hand of bulk milk, skim milk, cream, bottled milk, and other items included in the definition of fluid milk products. Manufactured products on hand are not included in the inventory account because the milk used to produce such products will already have been accounted for. Handlers will need to keep records of such products but they will not be included in inventory for the purpose of accounting for current receipts.

There is adopted herein the proposal that closing inventory should be accounted for as Class II milk. Under this system it is necessary to provide a proper method of classifying in the following month the milk in beginning inventory if it is used for Class I disposition.

The method of classifying beginning inventory is subsidiary to the general principle of giving precedence in Class I assignment to producer milk received during the month. The allocation procedure also allows for the assignment of interhandler transfers according to rules provided in the classification provisions. If under the general allocation procedure, part of total Class I milk utilization by the handler is assigned to beginning inventory, an appropriate charge should be made therefor.

Inasmuch as beginning inventory is composed of the same items of fluid milk products which were designated as ending inventory and classified as Class II in the preceding month, a revaluation up to the Class I price should be applied in certain cases where beginning inventory is assigned under allocation procedure to Class I milk. Here again, precedence is given in Class I assignment to receipts of the handler in the prior month from pool sources. The amount to which a reclassification charge would apply would be limited by the amount of receipts from pool sources which in the preceding month were assigned to Class II milk.

If the foregoing procedure does not apply a reclassification charge to all beginning inventory allocated to Class I, it is necessary to determine to what extent in the previous month other source milk became an inventory item, and thus was carried over to beginning inventory available for use as Class I milk. The amount of beginning inventory assigned to Class I milk but not covered by the reclassification charge which applies to pool sources would be subject to compensatory payment, provided that such a charge would not apply to any milk

received from a plant regulated by another order where it had been classified under such other order as Class I milk.

Inventories of fluid milk products on hand at a pool plant at the beginning of any month during which such a plant becomes qualified for the first time should likewise be subtracted from the Class II utilization of such plant. This will preserve the priority of assignment of current producer receipts to current Class I use for each month.

Some handlers proposed that the order should provide Class II classification for unaccounted-for skim milk and butterfat (hereinafter referred to in some cases as "shrinkage") limited, however, in the case of producer milk to not more than 2 percent of receipts. The evidence does not show specific or average shrinkage experienced by those fluid milk plants which are subject to regulation. Obviously, however, there would be some loss of butterfat and skim milk in the processing of fluid milk and manufactured products, and the amount of loss would depend largely on the care exercised in handling the milk.

It is appropriate that allowance in Class II classification be made for a reasonable amount of shrinkage in accordance with the various types of handling operations existing in the market. In the absence of specific information for this market as to the amount of actual shrinkage which has been experienced, there is adopted the allowance of up to 2 percent of milk received from producers. This amount of shrinkage allowance is common under Federal orders and official notice is here taken of such a rate of allowance in the orders for the Western Colorado marketing area (Part 980), the Colorado Springs-Pueblo marketing area (Part 994) and the North Texas marketing area (Part 943). Official notice is also taken of the order provisions which allocate shrinkage to various types of milk receipts.

In this market as in the other markets referred to, part of the milk is collected at the farms in tank trucks and other milk is collected in cans. As pointed out in the discussion of the definition of "handler", in the case of milk picked up at the farms in tank trucks the operator of the tank truck is the person who would have the records of the weights and tests of individual producers and ordinarily would be the handler for such milk. Thus a cooperative association which operates tank trucks which it uses to move milk from producers' farms to pool plants would be the receiving handler for such milk. Some part of the shrinkage allowance should be allocated to this part of the handling operation so as to accommodate any differences which may occur between the measurements and tests taken at the farm and the amounts of skim milk and butterfat actually delivered to a pool plant. For this purpose 0.5 percent of the volume of milk received would be allocated to this part of the handling operation as a maximum shrinkage allowance to be classified in Class II, and the other 1.5 percent of the total allowance would be allocated to the pool plant to which the milk is delivered. On the other hand, in the case of milk delivered in cans

the plant operator would be the handler and 2 percent would apply as a maximum allowance to the plant where the producer milk is received.

Pool plants may also receive milk in tank trucks from pool plants of other handlers. In this case, also, the total maximum allowance of 2 percent would be allocated at the rate of 1.5 percent to the plant where received, leaving the other 0.5 percent for the shipping plant. This system of applying shrinkage allowances recognizes that relatively little shrinkage occurs during the receiving part of milk handling and more in processing, bottling and distribution.

No shrinkage allowance should apply in the case of producer milk diverted to nonpool plants inasmuch as the operations of nonpool plants are not subject to the over-all accounting which applies at pool plants.

Actual shrinkage in a pool plant should be prorated between other source milk received in the form of fluid milk products as one category and the remaining category which includes producer milk and milk received from other handlers. The amount thus prorated to the second category would be classified as Class II utilization only up to 2 percent of the total amount of skim milk and butterfat, respectively, received at the plant directly from producers. In the case of milk received at the pool plant from another pool plant or from a cooperative association for which the association is the handler, the similar limitation on Class II classification would be 1.5 percent.

To the extent that actual shrinkage of a handler exceeds the limitations here described for Class II classification, the remainder would be Class I milk. Such a method of accounting for shrinkage provides a reasonable incentive to handlers to exercise care in handling and accurate accounting for milk.

If in any case there is an amount of skim milk or butterfat which the handler has received but for which he has not accounted for as to use in the categories described, it is necessary for purposes of complete accounting that the market administrator classify such skim milk and butterfat as Class I milk unless a different classification can be established.

Transfers. It is necessary to establish rules for the classification of milk transferred from one plant to another plant.

In the case of butterfat and skim milk used in the production of Class II items, the classification should be considered to be established when the product is made. Consequently, the rules for classification of transfers need apply only to fluid milk products.

In order to provide a definite rule for transfers between pool plants, milk in the form of fluid milk products transferred by a handler to the pool plant of another handler should be classified as Class I milk, unless both handlers indicate in their reports to the market administrator that they desire such milk to be classified as Class II milk and there is sufficient Class II utilization available at the transferee plant for such assignment after prior allocation of beginning

inventory and other source milk. This rule should be subject to the further provision that the assignment will result in the maximum amount of producer milk of both handlers being assigned to Class I milk. These accounting procedures will carry out the recognized principle that the highest-valued uses should be assigned first to the milk of regular producers.

Some milk received at pool plants may be moved to nonpool plants. Producer milk may also be diverted to nonpool plants. In the latter case, the milk would move directly from the producer's farm to the nonpool plant. Transfers or diversions of fluid milk products to nonpool plants beyond 225 miles from the center point of Salt Lake City should be classified as Class I milk. Within this area are adequate manufacturing facilities so that no producer milk would need to be moved beyond this limit to find an outlet in manufacturing uses. Administrative feasibility requires that some limit be set on the area within which the market administrator must send his staff to verify utilization. Because of these considerations, the classification of fluid milk products moved to points beyond 225 miles from Salt Lake City as Class I milk is a reasonable administrative rule.

Transfers of fluid milk products and diversion of producer milk to nonpool plants within the 225-mile range may be classified according to utilization in the nonpool plant, providing certain conditions are met. In order to provide a definite rule for classification in case of such transfers and diversions, fluid milk products transferred in bulk form to nonpool plants within the 225-mile distance, and producer milk diverted to such nonpool plants, should be classified as Class I milk unless the following conditions are met:

(1) The transferring or diverting handler claims classification in Class II milk in his report;

(2) The operator of the nonpool plant, if requested, makes his books and records available to the market administrator for the purpose of verifying the receipts and utilization of all milk in the nonpool plant; and

(3) The nonpool plant used during the month an amount of skim milk and butterfat in Class II equal to the amount of the transferred or diverted milk so classified.

Shipments of fluid milk products in packaged form by a pool plant to a nonpool plant would be Class I milk disposition by the pool plant.

Milk transferred from a pool plant to the plant of a producer-handler would be Class I milk. The reasons for this are explained in prior findings on producer-handlers. Diversion by a pool plant of a producer's milk to a producer-handler would be classified in the same way.

Milk from a producer-handler delivered to a pool plant would be other source milk when received at the pool plant.

Allocation. Pool plants may receive other source milk as well as producer milk and milk from other pool plants. All of the skim milk and butterfat han-

dled in a pool plant must be classified so as to establish the handler's obligation to producers. Since the order class prices apply only to producer milk, it is necessary if a pool plant receives butterfat or skim milk other than that received in producer milk, to determine the quantities of milk in each class to be assigned to receipts from producers. Milk of producers should have priority in assignment to Class I utilization. This is necessary to assure the effectiveness of the classified pricing program.

The system of assigning Class I and Class II utilization of milk to receipts from different sources as set forth in detail in the order will carry out this objective. In general, this procedure provides that after setting aside the appropriate allowances for shrinkage, the skim milk and butterfat received in other source milk should be subtracted from Class II utilization of skim milk and butterfat, respectively, before other kinds of milk receipts are assigned. Since some other source milk may originate from plants regulated under other Federal orders, such milk, if priced as Class I under the other order, should take priority with respect to the highest utilization over other source milk not so priced. Receipts of milk from other handlers would be subtracted out from the class utilization to which they are assigned pursuant to the rules governing classification of milk transferred between handlers.

The sequence of subtractions, beginning with Class II utilization, necessary to achieve that remainder of utilization which should be properly assigned to producer milk is as follows:

- (1) Allowable shrinkage;
- (2) Receipts of other source milk not priced as Class I under another Federal order;
- (3) Receipts of other source milk priced as Class I under another Federal order;
- (4) Beginning inventory;
- (5) Receipts from other handlers according to classification; and
- (6) Overage.

Class prices. The Class I price should be established at a level which along with the appropriate Class II price will return to producers a uniform price sufficient to bring forth an adequate but not excessive supply of Grade A milk, including a reasonable reserve.

The proponent cooperatives requested a Class I price of \$5.724 per hundred-weight for milk of 3.6 percent butterfat content, such price to be effective for the first eighteen months of the order. This is the price currently reported to be used by producer associations as a basis for their pricing system, with variations therefrom as indicated in the record. A handler representative proposed that the Class I price should be \$5.32. These proposals need to be examined in light of the level of utilization of market supplies in Class I uses, existing and prospective supplies, as well as price levels which have prevailed in the market.

Under the system of accounting and classification most generally used in the market, the percentage of the milk supply used in fluid sales is estimated to have been about 66 percent in 1957. The

percentage of Class I milk would be somewhat higher than this if the proposed order system of accounting were applied to the same milk utilization as existed in 1957. This is due to differences in the system of accounting and classification as compared to present practices. The order would require accounting for nonfat solids used in Class I on the basis of the quantity of milk used to produce the nonfat solids. In view of the widespread promotion of sales of fortified fluid products in the market, which are now accounted for on the basis of the weight of the product sold, the order accounting could in this connection show a noticeable change in utilization figures.

As pointed out in previous findings, some handlers have not accounted for milk on a utilization basis. These handlers have been able to obtain milk from farmers not members of the proponent cooperative associations at prices which result in a product cost for their fluid sales lower than the market average. In view of this it is likely that accounting under the order would tend to result in a higher market average utilization in fluid sales than has been experienced by the cooperative associations.

In view of such considerations and judgments submitted on the record by representatives of producers and handlers, it is estimated that the system of classification embodied in the order and the requirement of full accounting for all Class I use would result in about 4 percent higher Class I utilization than the fluid utilization percentage shown under current accounting practices. Thus, it is estimated that in 1957 under the type of accounting in the proposed order, the percentage of utilization of milk would have been about 70 percent in Class I.

The supply of Grade A milk produced for the Great Basin marketing area is very largely produced within the marketing area. Some milk also is received from producers in Idaho and at times milk has been supplied from producers in Wyoming. Also there is milk qualified only for manufacturing purposes produced in the marketing area and in other areas within a distance from which the market may reasonably obtain milk for fluid sales.

Official notice is taken of the 1955 and 1956 Utah Annual Milk and Dairy Products Report published by the Agricultural Statistician, Agricultural Marketing Service, United States Department of Agriculture, Salt Lake City, Utah. A similar report for 1957 was submitted on the record, and official notice is taken of corresponding data for 1958 published by the Agricultural Statistician. The trend of Grade A milk production available to plants in Utah is shown by the annual totals of milk delivered to these plants. In 1955, there were 341 million pounds of Grade A milk received by Utah dairy plants; in 1956, 380 million pounds; in 1957, 405 million pounds; and in 1958, 419 million pounds. During this same period there was a decrease in the amount of ungraded milk received by Utah dairy plants from 254 million pounds in 1955 to 238 million pounds in 1958.

In the production area for the Great Basin market, the system of payments to dairy farmers for their milk has generally been under a managed base system. In this situation, the importance of the potential supplies at price levels prevailing in recent years may not have been fully realized. It is observed, however, that the data on milk received by Utah dairy plants show in recent years a general increase in the volume of milk qualified for fluid consumption. The concurrent decrease in the volume of manufacturing grade milk produced may indicate that farmers producing for manufacturing plants have converted to Grade A production.

Farm production resources now used in the production of milk for manufacturing plants constitute a potential source of supply for the fluid market if the price is sufficiently attractive. To a degree, dairy farmers producing milk only for manufacturing purposes experience the same production conditions and are influenced by similar supply and demand conditions as affect producers supplying the Grade A market. There are also notable differences in the requirements for production of Grade A milk as compared to production of milk for manufacturing. The higher requirements are the reason for the higher level of price needed to obtain a supply of Grade A milk. From time to time some dairy farmers who produce manufacturing grade milk will make the additional expenditures needed to establish themselves as Grade A farmers. They are more likely to do this when the difference between the manufacturing milk price and the fluid market price makes such change particularly attractive. The so-called "cow pool" plan is a method which has been used by several farmers to qualify for certain Grade A markets. Under this plan one or more farmers shift their herds to a farm or facility qualified for Grade production.

In 1955 dairy farmers delivered 254 million pounds of manufacturing grade milk to Utah dairy plants; in 1956, 240 million pounds; in 1957, 243 million pounds; and in 1958, 238 million pounds. These quantities were less than the volume of Grade A milk, but represented 43 percent, 39 percent, 38 percent, and 36 percent, respectively, of total milk deliveries to Utah dairy plants in these years.

Quantities of Grade A milk were also used in manufactured dairy products. In this connection official notice is taken of data shown in the publication entitled "Production of Manufactured Dairy Products" as issued for 1955 and 1956 by the Agricultural Marketing Service, United States Department of Agriculture. Data for 1957 were submitted on the record. On a whole-milk-equivalent basis the quantities of Grade A and non-Grade A milk used for manufacturing in Utah dairy plants in the years of 1955, 1956 and 1957, were as follows: 376 million pounds, 405 million pounds, and 413 million pounds, respectively. The volume of milk used in manufactured dairy products in nearby States reported on the same basis was in 1956: for Idaho, 1,138 million pounds, for Wyoming 84 million

pounds, for Nevada 23 million pounds, and for Colorado 461 million pounds.

The Utah Annual Milk and Dairy Products Report for 1957 issued by the United States Department of Agriculture provides the best record data on prices paid to dairy farmers by Utah dairy plants. Official notice has already been taken of corresponding data for the years 1955, 1956, and 1958. These data show average prices per pound of butterfat of \$1.27, \$1.29, \$1.30, and \$1.26 for each of the years 1955 through 1958, respectively, which correspond to prices for milk testing 3.6 percent butterfat at \$4.57, \$4.64, \$4.68, and \$4.54 per hundredweight. These prices represent the average paid at Utah dairy plants for all milk qualified for fluid consumption including milk so qualified used in manufacturing. On the basis of the previously outlined data with respect to supplies and prices, it is apparent that the average prices just cited have been sufficient to attract at least an adequate supply for the Great Basin market and the nearby areas within the State of Utah.

Sales activities of the producer associations and proprietary handlers to whom they sell are widespread, extending into neighboring States. Accordingly the prices in such outlying markets are an important consideration as to the appropriate price for the Great Basin market.

The sales of milk by Great Basin handlers include regular distribution in Las Vegas and some other Nevada markets, and in Idaho and Wyoming. The producer price at Las Vegas for milk for fluid consumption was reported to be \$5.76 per hundredweight for milk testing 3.6 percent butterfat. Based on this price and allowing for the cost of transportation, the returns to producers in the Salt Lake City area on milk moving to Las Vegas would be about \$5.00 per hundredweight. It is further apparent that the price proposed by Great Basin producers cannot be realized on most shipments to out-of-State markets, since the prices in Idaho markets are lower, and the Federal order Class I price in the Western Colorado market, if it had been in effect for all of 1958, would have averaged \$5.14 for milk of 3.6 butterfat content. Returns on shipments from the Great Basin market to the Western Colorado area would of course, be reduced by the cost of transportation.

Milk produced in Cache County, Utah, and qualified for fluid distribution was reported to be paid for at \$4.03 per hundredweight for milk of 3.6 percent butterfat and an accompanying "surplus" price of 87 cents per pound of butterfat. The quantity of milk available at such prices was indicated to be equivalent to about 20 percent of the amount of Class I disposition by Great Basin handlers.

In view of the foregoing considerations, with respect to supplies and prices, it is concluded that the level of Class I price requested by producers is not in accordance with supply and demand conditions. The existing level of utilization of milk received by handlers in the Great Basin marketing area and the volume of existing and potential supplies

available at lower price levels, require that a lower level of Class I price be established if a stable market situation is to be achieved.

The only other Class I price proposal supported on the record was a price of \$5.32 per hundredweight for milk testing 3.6 percent butterfat. This proposal was made by a representative of two of the large proprietary handlers. The considerations referred to previously indicate that an adequate supply can be assured at such a price in combination with other features of the order.

It is concluded that a price at approximately this level should be adopted as the initial order price. Producer organizations in their exceptions stressed that the initial price should be a fixed price rather than established at a differential over a basic formula price as in the recommended decision. The associations requested that they be given an opportunity to develop a basic formula after the order has been in effect long enough to obtain accurate information. Inasmuch as the initial price will be for a temporary period, it would be possible to establish a fixed price for such temporary period with reasonable assurance that it will adequately reflect supply and demand conditions. If in any case it appears that such fixed price is seriously out of line with supply and demand conditions, a hearing can be called to consider a change in the price.

The uncertainty as to the effect upon the available milk supplies which might result from the establishment of a milk order in an area which is near to large potential additional supplies, requires that the initial Class I price be established only on a temporary basis. Although the order provisions provide a fixed price for the first 18 months of the order, a determination should be made as soon as sufficient information is available, as to whether a public hearing should be called to reconsider the level of the Class I price.

For purposes of uniformity with other markets where Federal orders apply, the prices under this order should be calculated and announced for milk testing 3.5 percent butterfat. Prices in this market have customarily been quoted on the basis of 3.6 percent butterfat tests. The conversion from prices for 3.5 percent tests to prices for 3.6 percent tests, and vice versa, may be readily accomplished by application of the appropriate butterfat differential.

A Class I price of \$5.25 per hundredweight for milk testing 3.5 percent butterfat should be provided for in the order for the first 18 months. This price of \$5.25 would be equivalent to approximately \$5.33 on a 3.6 percent butterfat basis. Along with the Class II price adopted herein and a utilization of 70 percent in Class I (estimate for 1957) a blend price of \$4.64 for milk of 3.6 percent test would have resulted for the year 1958.

No recommendation was made by proponents for seasonal changes in prices. Fluid sales of handlers and receipts show only a moderate seasonal variation. A re-examination of this matter should be made after the order has been effective for a year or more.

In the recommended decision, it was pointed out that a basic formula price would provide a desirable means for maintaining alignment of the Class I price with many of the supply and demand conditions which affect the dairy industry generally. The close availability of a large volume of non-Grade A milk production makes the relationship of the Class I price to the manufacturing milk price an important consideration as to what level of price will assure an adequate but not excessive supply for this market.

After the initial period for which the fixed price referred to previously applies, further consideration should be given to the advisability of establishing the Class I price by adding a differential (or differentials) to a basic formula price. For this reason, the basic formula price contained in the recommended decision should be included in the order as a calculation for purposes of observation, and so as to provide a ready basis for changing to this system of formula price if such becomes desirable. The basic formula price calculation would not affect the order price during the initial period referred to.

Within the milkshed for the Great Basin market, substantial milk manufacturing operations exist producing butter, nonfat dry milk, and evaporated milk. Under some orders paying prices of local manufacturing plants are one of the alternatives used in establishing a basic formula price. In this area, there are not a sufficient number of manufacturing plants independent of handler operations to provide a representative value for manufacturing milk. A more appropriate basis for a basic formula price is the higher of the Midwest condenser price average or a suitable butter-powder price formula. The condenser price commonly used in other orders for this purpose and the butter-powder formula used in the Western Colorado order (Part 980) may be used to provide a suitable basic formula for the purpose herein described, and are included in the order.

Class II price. Since Class II milk will include all milk used in manufacturing it is appropriate that the Class II price should be at a level which reflects the value of manufacturing grade milk.

During 1956, dairy farmers delivering ungraded milk to Utah plants received \$3.05 per hundredweight for milk of 3.5 percent butterfat content.

In 1957 and 1958 the corresponding average prices were \$3.08 and \$2.91. The Class II price formula as proposed by producer associations and substantially adopted in the recommended decision would have been 7 cents, 5 cents, and 8 cents, respectively, higher than the average pay prices cited. This formula was computed by subtracting 52 cents from the sum of the butter price multiplied by 4.03 and the average price for nonfat dry milk (spray process at Chicago area manufacturing plants) multiplied by 8.2.

Except for cottage cheese and ice cream manufactured by proprietary handlers, two of the proponent cooperative associations process most of the Grade A milk in the market which is disposed of for manufacturing purposes.

In their exceptions the producer associations asked that the Class II price be reduced 5 cents per hundredweight. An adjustment changing the deduction to 55 cents instead of 52 cents is contained in the attached order provisions. This would result in a level of Class II price which may be expected to be slightly higher than the price paid for manufacturing grade milk. It is concluded that such Class II price formula should be adopted.

Butterfat differentials. The attached order provides that butterfat and skim milk be accounted for separately for classification purposes. It also provides that class and blend prices should be established for milk containing 3.5 percent butterfat. Therefore, it will be necessary to adjust the Class I, Class II and blend prices in accordance with the average test of the milk in each class or delivered by each producer to reflect differences in the value of the milk due to variations in butterfat content.

The Class I butterfat differential for each one-tenth of one percent that the average test of Class I use varies from the basic test should be determined by multiplying the price of 92-score butter at Chicago by 1.35, dividing the result by ten and rounding to the nearest tenth of a cent. The average Class I differential which would have been effective during 1958 pursuant to this formula is 7.9 cents.

Various proposals relative to the appropriate Class I butterfat differential were made at the hearing. Some of these proposals would have resulted in a higher Class I differential than herein provided, and would have allocated a relatively low value to the skim component of Class I milk. A butterfat differential equal to 135 percent of the Chicago butter price will allocate an adequate proportion of the value of Class I milk to the butterfat component and will allocate a substantial and equitable value to the skim milk component as well.

The Class II butterfat differential should be 1.15 times the price of 92-score butter at Chicago, divided by 10 and rounded to the nearest tenth of a cent. The average Class II differential which would have been effective during 1958 pursuant to this formula is 6.7 cents. This formula will reflect appropriately the value of butterfat in milk used in manufacturing operations and is the same as the factor used in the butterfat portion of the Class II price.

The butterfat differential to producers for milk containing more or less than 3.5 percent butterfat should correspond to the weighted average values of the butterfat and skim milk in producer milk utilized by handlers in Class I and Class II. This follows the principle of a uniform price to all producers. Each producer will share equally in the total value of all handlers' Class I and Class II utilization at the basic test of 3.5 percent butterfat. It is equally appropriate that each producer should receive the average utilization value of the butterfat and skim milk components for milk testing above or below 3.5 percent.

Equivalent price. If for any reason a price quotation required by this order for computing class prices or for any other

purpose is not available in the manner described, the market administrator should use a price determined by the Secretary of Agriculture to be equivalent to the price which is required. Experience has shown that market quotations described in the order may not be available sometimes in the form described or may be discontinued. It is concluded that provision for such contingencies should be made by providing for a determination by the Secretary of Agriculture of an equivalent price(s).

Location differentials. Class I and uniform prices paid by handlers operating plants located a considerable distance from specified points within the marketing area should be subject to minus adjustments to reflect the cost of moving milk to the Great Basin marketing area. Adjustments to Class I prices at such plants are necessary to equalize the cost of fluid milk to all handlers distributing within the marketing area. Adjustments to producer prices will recognize the lesser value for the milk of those producers which must be transported a considerable distance to the Great Basin market.

Producer proponents proposed that location price adjustments apply to plants located at least 50 miles from the City Hall in Salt Lake City. However, plants located in or near Salt Lake City, and plants located in or near Provo and Ogden which are within the 50-mile limit proposed by producers, distribute a significant portion of total fluid distribution in all sections of the Great Basin marketing area. Therefore, if location adjustments as proposed by the cooperatives were provided, several handlers whose plants are located within the marketing area but more than 50 miles from Salt Lake City would have a Class I price advantage as compared with handlers located in or near Salt Lake City, Ogden or Provo. Producers delivering to these plants located within the marketing area but more than 50 miles from Salt Lake City would be placed at a disadvantage as compared with producers delivering to plants within the 50-mile radius.

To prevent such competitive advantages among handlers and inequities to producers, location adjustments should apply only to those plants located 100 miles or more from the nearest city hall in Ogden, Vernal, Richfield, and Price, Utah, by the shortest highway distance as determined by the market administrator.

A representative of a proponent cooperative testified as to costs involved in moving bulk milk considerable distances to areas surrounding the Great Basin area; namely, from 18 to 22 cents per hundredweight per hundred miles. These costs, however, relate only to sporadic shipments by one large over-the-road tanker. The schedule of milk-hauling rates of the Dairyland Transport Company located in Springfield, Missouri, was also entered in evidence. The rates contained in this schedule are less than the cost incurred by the cooperative, and are considered more representative of costs of transporting milk on a regular basis.

This schedule substantiates a rate of 15 cents per hundredweight for a dis-

tance of a hundred miles, which is similar to rates used in a number of Federal orders. For instance, the location differential contained in the Western Colorado Federal order, which regulates the handling of milk in an area surrounded by mountainous terrain such as is the case in parts of the Great Basin marketing area, is 15 cents for plants located 100 miles but less than 110 miles from Grand Junction, and 1.5 cents for each additional 10 miles.

It is concluded that a rate of 15 cents should be established for the 100-110-mile distance zone from the named locations, and 1.5 cents for each additional 10 miles or fraction thereof. This rate should apply to the price of Class I milk to handlers and to the uniform price to producers.

A method should be provided for determining the priority of milk from various plants in allocating to Class I for the purpose of computing the aggregate of location differentials allowed to handlers. Such allowance should be made for sources in sequence beginning with milk received directly from producers and then milk received from those plants which have the lowest location differential.

Payments on unpriced milk. The rate of payment to be required of nonpool plants to offset their advantage as to cost of milk for fluid sales in the marketing area should be based on the circumstances generally affecting cost of milk to unregulated plants. One of the conditions affecting such cost in this marketing area is the substantial proportion of the milk which meets Grade A requirements but does not find a fluid market. This excess over fluid market needs must find an outlet in manufactured dairy products. The presence of this excess provides an opportunity for an unregulated plant to obtain for Class I use (fluid sales) milk for which the alternative use value is established by the market for manufactured dairy products.

A nonpool handler who is not subject to any requirement to pay for his milk supplies on a class-use basis may expand his fluid milk sales in the marketing area without paying the Class I price for the corresponding part of his supply. For such sales he may use milk which otherwise would be used for manufacturing and which represents reserve or surplus carried in his own plant or other unregulated plants.

Accordingly in order to fully offset any cost advantage to an unregulated plant with respect to its fluid milk sales in the marketing area, such plant should be required to make a payment at the rate per hundredweight which is the difference between the Class I price, adjusted for butterfat and location differentials, and the representative value for milk used in manufactured dairy products. The latter value would be adequately represented by the Class II price.

Pool plants also might avail themselves of the opportunity to procure unpriced milk from unregulated plants for use in Class I sales in the marketing area. Just as in the case of nonpool plants the opportunity exists for pool plants to use for Class I supplies of milk from sources

where it is not priced according to class utilization unless some offsetting requirement is provided in the order. Under the allocation provisions of the order, producer milk is given priority with respect to the Class I utilization of the handler. If the handler does not procure sufficient producer milk to cover his Class I sales and receives milk from unregulated sources for Class I use, it is necessary to offset any cost advantage which might accrue to the handler by this arrangement. The circumstances affecting the availability and cost of unpriced milk in this case are similar to those in the case of an unregulated plant distributing milk on routes in the marketing area. Accordingly, the same rate of compensatory payment should apply with respect to the amount of other source milk used by the pool plant in Class I.

It is administratively necessary to use the stated rate of compensatory payment instead of attempting to determine a particular rate in each given case. Pool plant operators may obtain other source milk with little or no advance notice from a wide variety of sources. Any attempt to determine the actual cost of such milk to the regulated handler would be complicated by the number of plants involved, the fact that some of the plants supplying the other source milk might be operated by the same handler in which case the interplant billing would be purely arbitrary, the possibility of arbitrary billing even where the plants were not under common ownership, and the fact that the originating plant would not be subject to the audit and payment provisions of the order. It is, therefore, necessary to have definite and specified rates applicable to all handlers similarly situated. The rates herein provided are those which will best effectuate the intent of the Act under current marketing conditions in the area.

Other source milk used in the form of nonfat dry milk should be considered to be from a source at the location of the pool plant where it is used. In some instances there will be no and in all cases insignificant transportation charges per hundredweight experienced by handlers on such other source milk under the skim milk equivalent basis of accounting provided in the order. By following this procedure, the compensatory payment on other source milk derived from nonfat dry milk will be comparable to that on any other source milk which is allocated to Class I milk.

No compensatory payments should be required on milk classified and priced under any other Federal order. The nearest other market in which a Federal order applies is the Western Colorado market (Order No. 80). One handler in the Western Colorado market has route distribution within Grand County in this marketing area. The price relationships between the Great Basin market and other markets from which milk might be obtained are such as would not ordinarily result in any undermining of the stability of this market. If it should develop that any plant which is regulated under another order and which by reason of a peculiar location advantage does threaten the stability

of this market, the appropriate application of price regulation to such a plant would need to be examined on the basis of the circumstances evidenced at the time such event occurred.

These payments to be made by non-pool plants distributing milk in the marketing area and by pool plants which use milk from unregulated sources in Class I are herein called "compensatory payments", and should be paid into the producer-settlement fund. In the case of the nonpool plant, the operator of such plant is the person responsible for the distribution of the milk in the marketing area and, accordingly, should make the payment to the producer-settlement fund. In the case of pool plants using other source milk for Class I use, the operator of such plant is the person responsible for bringing other source milk into the regulated market and should make the payment to the producer-settlement fund.

It is appropriate that the compensatory payments should be paid into the producer-settlement fund. In this way they will add to the total value paid to the dairy farmers upon whom the market depends for a regular supply of fluid milk. This is in accordance with the purpose of assuring a sufficient and dependable supply of milk for the fluid market.

As stated in the findings and conclusions with respect to plants to be regulated, an exemption of 500 pounds per day of route distribution in the marketing area would apply in the case of non-pool plants.

No compensatory payments should be required of pool plants in any month in which the supply of producer milk is so short that supplementary supplies from other sources are likely to be needed. This obligation of pool handlers should be relieved in any month in which producer milk is less than 110 percent of net Class I milk to be accounted for by all pool handlers.

(d) *Distribution of proceeds to producers.* Returns from the sale of milk should be distributed to producers through a market-wide pool rather than through individual handler pools.

The Act specifies that an order must provide for (1) the payment of uniform prices for all milk delivered by producers to the same handler, or (2) the payment of uniform prices for all milk delivered by producers to all handlers based upon the market-wide use of such milk. The former method of payment is by individual handler pools, the latter by a market-wide pool. Under either method, all handlers pay the same class prices for producer milk except for plant location and butterfat content differences.

Under the individual handler pool, the minimum prices to be paid producers will be uniform to all producers delivering their milk to the same handler. The uniform price will depend upon the proportion of producer receipts used in each class by the handler. Although each handler is required to pay minimum uniform prices to all the producers who deliver milk to him during each month, the prices paid by different handlers may

differ because the proportion of milk used in each class may vary.

Daily fluctuations in receipts and sales and normal seasonal changes in production and sales inevitably result in some Grade A milk being disposed of for other than fluid purposes. Such milk which constitutes the reserve for the fluid market must be disposed of in the less remunerative outlet of manufactured dairy products.

Procurement practices of various handlers and the efforts of the three proponent cooperatives to stabilize market conditions have resulted largely in a situation such that these associations assume the responsibility of carrying almost the entire reserve supply of the market. One of the three, a bargaining cooperative, operates a pool which equalizes returns among its members, depending on the utilization of a group of relatively large proprietary handlers through whom the cooperative markets members' milk. Each of the other two, both of which are operating cooperatives, conducts a pool based upon their respective Class I utilization, including proceeds from sales of milk to other handlers. Each of the three cooperatives supplies supplemental milk to some of the handlers who purchase most of their milk from nonmember sources. A market-wide type of pool would result in a more equitable distribution of returns among all dairy farmers who produce the fluid milk supply for the Great Basin area.

A market-wide pool will also contribute to the flexibility of milk marketing in the Great Basin area in two other important respects. One of these is that supplemental supplies may be freely distributed among handlers without disturbing the prices paid to producers at each plant. The other is that temporary or seasonal reserves may be shifted between plants either by transfer of the milk or of the producers so as to result in the most economical use of milk and facilities and yet without affecting the prices paid to producers at individual plants.

Payments to individual producers and to members of cooperative associations. Each handler should make final payment to each producer for milk delivered by such producer at the appropriate uniform price on or before the 17th day of the month following receipt of the milk; or in lieu thereof should make payment to a cooperative association if appropriately requested as described herein.

In the case of producers who are members of a cooperative association which is not the handler for their milk, the handler receiving such milk should pay the cooperative association for such milk if the cooperative association makes a written request for such payment and if the producer has given the cooperative association written authorization, in the form of a contract or in any other form, to collect such payments. The association's request should provide for indemnifying the handler for any loss incurred because of any improper claim.

Unless a cooperative association can receive payment for the milk marketed on behalf of its producer members, it cannot reblend the sales proceeds from milk sold from various outlets. This function is specifically provided for in the Agricultural Marketing Agreement Act.

In making such payments for milk of individual producers to a cooperative association the handler should, at the same time, furnish the cooperative association with a statement showing the name of each producer for whom payment is being made, the volume and butterfat content of milk delivered by each such producer and the amount of and reasons for any deductions which the handler withheld from the amount payable to each such producer. This statement is necessary so the cooperative association can make proper distribution of the money to the producers for whom it collects payment.

Provision is made for handlers to make payments to a cooperative association two days in advance of the time the handler is required to make payments to individual producers so that all producers will receive payment on approximately the same date.

It should also be provided that payments shall be made to cooperatives by handlers for that milk for which the cooperative is a handler and delivers to the pool plant of another handler. The payments for this milk should be at the class prices for the classification arrived at under the rules for classification of interhandler transfers. In the case of such milk the cooperative will be the handler receiving such milk from producers and will equalize with the pool on such milk.

Producer-settlement fund. Since the amount which the order requires a particular handler to pay for his milk may be more or less than the amount which he is required to pay directly to producers or cooperative associations, some method of balancing these amounts is necessary. A producer-settlement fund should be established for this purpose. All handlers who are required to pay more for their milk on the basis of their utilization than they are required to pay for producer milk at the uniform price should pay the difference into the producer-settlement fund; and all handlers who are required to pay more for producer milk at the uniform price than they are required to pay for their milk on the basis of utilization should receive the difference from the producer-settlement fund. Amounts paid into and out of the producer-settlement fund for this purpose will be equal except for minor differences that may result from rounding of uniform prices. In order to accommodate this rounding of prices, to allow for unavoidable delays in receiving payments from handlers and to permit payments to be made to any handler, which audit by the market administrator reveals are due such handler from the producer-settlement fund, a reasonable reserve should be held in the producer-settlement fund at all times. The amount of the reserve should be suffi-

cient to enable the producer-settlement fund to perform its functions efficiently. The reserve, which would be adjusted each month, is established in the attached order by deductions from the uniform price computation at the rate of not less than 4 cents, nor more than 5 cents, per hundredweight of producer milk in the pool for the month. One-half of the unobligated balance remaining in the fund from the preceding month would be added to the values used in calculating the uniform prices each month.

If, at any time, the balance in the producer-settlement fund is insufficient to cover payments due to all handlers from the producer-settlement fund, payments to such handlers should be reduced uniformly per hundredweight of milk. The handlers may then reduce payments to producers by an equivalent amount per hundredweight. Amounts remaining due such handlers from the producer-settlement fund should be paid as soon as the balance in the fund is sufficient, and handlers should then complete payments to producers.

(e) *Other administrative provisions.* The remaining provisions are of a general, administrative nature, are incidental to the other provisions of the order, and are necessary for proper and efficient administration. They provide for the selection of a market administrator, define his powers and duties, provide for an administrative assessment, prescribe the information to be reported by handlers, and set forth the rules to be followed in making the required computations. They also prescribe the length of time that records must be retained and provide a plan for the liquidation of the order in event of suspension or termination. They are similar to like provisions in other milk orders, and except as set forth below require no comment.

Records and reports. Provisions should be included in the order to advise handlers that they are required to maintain adequate records of their operations and to make the reports necessary to establish classification of producer milk and payments due for such milk. Time limits must be prescribed for filing such reports. Dates must also be established for the announcement of prices by the market administrator. It should be provided that the market administrator report to each cooperative association, which so requests, the amount of class utilization of milk received by each handler from producers who are members of such cooperative association. For the purpose of this report, the utilization of members' milk in each handler's plant will be prorated to each class in the proportion that total receipts of producer milk were used in each class by such handler. These reports are necessary for the cooperative association to market effectively milk of its members.

In view of the provisions concerning the classification of milk transferred to the plant(s) of a producer-handler(s) from a pool plant(s) and to a pool plant(s) from a producer-handler(s), the market administrator should publicly announce each month the names of those

operators who have declared their intention to operate as producer-handlers. This provision will not excuse any handler, however, from adjustments necessitated if the market administrator discovers on audit that a person who had made such declaration of intention had not complied with the requirements for producer-handlers.

Reports are required from handlers on receipts and utilization so that the market administrator may make the computations necessary to the market-wide pooling operation and the uniform price to producers. Handlers are also required to submit payroll reports which would show the details of milk receipts from each producer, the value of the milk received from the producer, deductions therefrom, and the net amount paid to the producer.

There are limitations on the period of time handlers shall retain books and records which are required to be made available to the market administrator, and on a period of time after which obligations under the order shall terminate. The provision made in this regard is identical in principle with the general amendment made to all orders in operation on July 30, 1947, effective February 22, 1949; and the Secretary's decision of January 26, 1949 (14 F.R. 444), covering the retention of records and limitations of claims is equally applicable in this situation and is adopted as part of this decision.

Dates must be prescribed for announcing prices, filing reports and making payments. The following time schedule should allow all interested persons adequate time to perform each function. (These time limits apply to the indicated day of the month following the month for which computations are being made.)

6th: Announcement by the market administrator of the Class I price and Class I butterfat differential for the current month, and of the Class II price and the Class II butterfat differential for the preceding month.

7th: Submission by cooperative associations of monthly report of receipts and utilization of milk for which it is the first handler.

7th: Submission by handlers of monthly report of receipts and utilization.

12th: Announcement by the market administrator of uniform prices.

12th: Notification by market administrator to handlers of the value of their producer milk and amounts due to or payable from the producer-settlement fund.

14th: Payments by handlers of amounts due the market administrator for the producer settlement fund, marketing services and expense of administration.

15th: Payments by market administrator out of producer-settlement fund.

15th: Payments by handlers to cooperative associations.

17th: Payments by handlers to producers.

Expenses of administration. Each handler should be required to pay the market administrator, as his pro rata share of the cost of administering the order, not more than 4 cents per hundredweight (or such lesser amounts as the Secretary may, from time to time, prescribe) on:

(a) Producer milk including such handler's own production;

(b) Other source milk in pool plants which is allocated to Class I milk pursuant to § 963.44 (a) (2) and (b); and

(c) Class I milk disposed of in the marketing area (except to a pool plant) from a nonpool plant, except the plant of a producer-handler.

The market administrator must have sufficient funds to enable him to administer properly the terms of the order. The Act provides that such costs of administration shall be financed through an assessment on handlers. In view of the manner in which the regulation applies to various handlers and types of handler operations, the described application of administrative assessment appropriately assigns a proportionate share of expense to each handler.

Marketing services. A provision should be included in the order for furnishing market services to producers, such as verifying the tests and weights of producer milk and furnishing market information. These should be provided by the market administrator, unless provided by a qualified cooperative association, and the costs should be borne by the producers receiving the service. The order should provide that 6 cents per hundredweight, or such lesser amount as the Secretary may determine, be deducted from payments to such producers for the use of the market administrator in financing such services. For producers for whom the cooperative association is rendering such services the handler should pay to the cooperative association such deductions as the producer has authorized the cooperative to collect, such payments to be in lieu of those to the market administrator.

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

General findings. (a) The proposed marketing agreement and order and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

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

(c) The proposed marketing agreement and order will regulate the handling of milk in the same manner as, and will be applicable to persons in the respective classes of industrial and com-

mercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Great Basin Marketing Area", and "Order Regulating the Handling of Milk in the Great Basin Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

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

Referendum order; determination of representative period; and designation of referendum agent. It is hereby directed that a referendum be conducted among producers to determine whether the issuance of the attached order regulating the handling of milk in the Great Basin marketing area, is approved or favored by the producers, as defined under the terms of the proposed order, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of July, 1959, is hereby determined to be the representative period for the conduct of such referendum.

Mr. A. T. Radigan is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 10, 1950 (15 F.R. 5177), such referendum to be completed on or before the 30th day from the date this decision is issued.

Issued at Washington, D.C., this 1st day of September 1959.

CLARENCE L. MILLER,
Assistant Secretary.

Order¹ Regulating the Handling of Milk in the Great Basin Marketing Area

Sec.
963.0 Findings and determinations.

DEFINITIONS

963.1 Act.
963.2 Secretary.

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

Sec.
963.3 Department.
963.4 Person.
963.5 Cooperative associations.
963.6 Great Basin marketing area.
963.7 Producer.
963.8 Producer-handler.
963.9 Handler.
963.10 Approved plant.
963.11 Pool plant.
963.12 Nonpool plant.
963.13 Producer milk.
963.14 Other source milk.
963.15 Fluid milk products.
963.16 Route.
963.17 Butter price.

MARKET ADMINISTRATOR

963.20 Designation.
963.21 Powers.
963.22 Duties.

REPORTS, RECORDS AND ACCOUNTING

963.30 Reports of sources and utilization.
963.31 Other reports.
963.32 Payroll reports.
963.33 Records and facilities.
963.34 Retention of records.

CLASSIFICATION OF MILK

963.40 Responsibility of handlers.
963.41 Classes of utilization.
963.42 Transfers.
963.43 Computation of skim milk and butterfat in each class.
963.44 Allocation of skim milk and butterfat at pool plants.
963.45 Shrinkage.

MINIMUM PRICES

963.50 Class prices.
963.51 Basic formula prices.
963.52 Butterfat differentials to handlers.
963.53 Location differentials to handlers.
963.54 Use of equivalent prices.

APPLICATION OF PROVISIONS

963.60 Producer-handler.
963.61 Plants where other Federal orders may apply.
963.62 Operators of nonpool plants.

DETERMINATION OF PRICES TO PRODUCERS

963.70 Computation of the obligation of each handler.
963.71 Computation of the uniform price.
963.72 Butterfat differential to producers.
963.73 Location differentials to producers.
963.74 Notification of handlers.

PAYMENTS

963.80 Time and method of payment for producer milk.
963.81 Producer-settlement fund.
963.82 Payments to the producer-settlement fund.
963.83 Payments out of the producer-settlement fund.
963.84 Adjustment of accounts.
963.85 Marketing services.
963.86 Expense of administration.
963.87 Termination of obligations.

EFFECTIVE TIME, SUSPENSION, OR TERMINATION

963.90 Effective time.
963.91 Suspension or termination.
963.92 Continuing obligations.
963.93 Liquidation.

MISCELLANEOUS PROVISIONS

963.110 Agents.
963.111 Separability of provisions.

AUTHORITY: §§ 963.0 to 963.111 issued under secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

§ 963.0 Findings and determinations.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing

Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure, governing the formulation of marketing agreements and marketing orders (Part 900 of this chapter), a public hearing was held upon a proposed marketing agreement and a proposed order regulating the handling of milk in the Great Basin marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

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

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

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

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

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 4 cents per hundredweight or such amount not to exceed 4 cents per hundredweight as the Secretary may prescribe, with respect to (i) producer milk; (ii) other source milk allocated to Class I milk pursuant to § 963.44(a) (2) and (3) and the corresponding steps of § 963.44(b); and (iii) Class I milk disposed of on routes in the marketing area from a nonpool plant, which is subject to obligation pursuant to § 963.62.

Order relative to handling. It is therefore ordered that on and after the effective date hereof, the handling of milk in the Great Basin marketing area shall be in conformity to, and in compliance with, the following terms and conditions:

DEFINITIONS

§ 963.1 Act.

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

§ 963.2 Secretary.

"Secretary" means the Secretary of Agriculture or any officer or employee of the United States authorized to exercise the powers or to perform the duties of the Secretary of Agriculture.

§ 963.3 Department.

"Department" means the United States Department of Agriculture or such other Federal agency as may be authorized to perform the price reporting functions specified herein.

§ 963.4 Person.

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

§ 963.5 Cooperative association.

"Cooperative association" means any cooperative association of producers which the Secretary determines, after application by the association: (a) To be qualified under the provisions of the act of Congress of February 19, 1922, as amended, known as the "Capper-Volstead Act"; (b) to have full authority in the sale of milk of its members and to be engaged in making collective sales of or marketing milk or its products for its members; and (c) to have its entire activities under the control of its members.

§ 963.6 Great Basin marketing area.

"Great Basin marketing area" hereinafter called the "marketing area" means all territory, including all government reservations and installations and all municipalities, within the counties of Box Elder, Davis, Morgan, Salt Lake, Tooele, Utah, Wasatch, Weber, Summit, Grand, Daggett, Duchesne, Carbon, Sanpete, Juab, Millard, Sevier, Uintah, and Emery in the State of Utah.

§ 963.7 Producer.

"Producer" means:

(a) A dairy farmer, except a producer-handler, who produces milk in compliance with the inspection requirements of a duly constituted health authority for fluid consumption (as used in this subpart, compliance with inspection requirements shall include production of milk acceptable for fluid consumption to agencies of the United States Government located in the marketing area) which milk is delivered directly from such dairy farmer's farm to a pool plant; or

(b) A dairy farmer, except a producer-handler, who produces milk in compliance with the inspection requirements described in paragraph (a) of this section, on each day of the month on which his milk is diverted by a handler (not the operator of a nonpool plant) for the handler's account from a pool plant to a nonpool plant if the milk of such dairy farmer was previously received at a pool plant on any three days of the current or immediately preceding month.

§ 963.8 Producer-handler.

"Producer-handler" means any person who produces milk and operates an approved plant described in § 963.10(a) at which there is received no milk from other dairy farmers except milk of producers by diversion pursuant to § 963.7 and at which plant no other source milk is received except his own farm production and milk products which are not fluid milk products: *Provided*, That such person meets the requirements set forth in paragraphs (a) and (b) of this section.

(a) The person who is the producer-handler exercises complete and exclusive control over the production resources which are used to produce the milk which is to be considered his own production, and, over the processing facilities and operation thereof which are used to process such milk, and over the distribution facilities and operation thereof which are used to dispose of such milk; and

(b) The person who is the producer-handler makes written application to the market administrator stating his intention to operate as a producer-handler under the order, identifying and describing in such application the milk production, processing and disposal facilities to be included under the application, such application to be effective beginning with the first month after which such application is received.

§ 963.9 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of one or more approved plants; (b) Any cooperative association with respect to milk diverted for its account as described in § 963.7; and

(c) A cooperative association with respect to the milk of its member producers which is delivered from the farm to the pool plant of another handler in a tank truck owned and operated by, or under contract to, such cooperative association, if the cooperative association notifies the market administrator and the handler to whom the milk is delivered, in writing prior to the first day of the month in which the milk is delivered, that it wishes to be the handler for the milk. In this case the milk is received from producers by the cooperative association.

§ 963.10 Approved plant.

"Approved plant" means a plant (a) in which milk or milk products are processed or packaged and from which any fluid milk product is disposed of during the month on routes in the marketing area, or (b) from which milk or skim milk qualified for distribution for fluid consumption is shipped during the month to a plant described in paragraph (a) of this section.

§ 963.11 Pool plant.

"Pool plant" means:

(a) An approved plant, except a plant of a producer-handler as described in § 963.8, from which during the month (1) there are disposed of on routes fluid milk products equal to not less than 50 percent of the total of receipts at the plant of milk from dairy farmers meeting the inspection requirements described in § 963.7, milk diverted pursuant to § 963.7 by the handler operating the plant, and other fluid milk products qualified for distribution for fluid consumption received at the plant, and (2) there are disposed of on routes in the marketing area fluid milk products which are not less than 10 percent of total fluid milk product disposition from the plant on routes and which average not less than 500 pounds per day: *Provided*, That any approved plant from

which the total route distribution of fluid milk products is to individuals or institutions for charitable purposes and is without remuneration from such individuals or institutions shall be a nonpool plant.

(b) An approved plant from which during the month fluid milk products equal to not less than 50 percent of the total of receipts at the plant from dairy farmers meeting the inspection requirements described in § 963.7, milk diverted pursuant to § 963.7 by the handler operating the plant and other fluid milk products qualified for distribution for fluid consumption received at the plant are shipped to a plant described in paragraph (a) of this section: *Provided*, That a plant which so qualifies in each of the months of August through January as a pool plant shall be a pool plant in each of the following months of February through July unless the operator requests in written notice to the market administrator that such plant not be a pool plant, such nonpool status to be effective the first month following such notice and thereafter until the plant qualifies as a pool plant on the basis of shipments.

§ 963.12 Nonpool plant.

"Nonpool plant" means any milk receiving, manufacturing, or processing plant other than a pool plant.

§ 963.13 Producer milk.

"Producer milk" means only that skim milk and butterfat contained in milk from producers (in amount determined by weights and measurements for individual producers, as taken at the farm in the case of milk moved from the farm in a tank truck) which is:

(a) Received from producers at a pool plant;

(b) Diverted as described in § 963.7 to a nonpool plant, in which case it is received by the handler diverting the milk;

(c) Received by a cooperative association which is defined as a handler pursuant to § 963.9(c).

§ 963.14 Other source milk.

"Other source milk" means all skim milk and butterfat contained in:

(a) Receipts during the month of fluid milk products except (1) fluid milk products received from pool plants, (2) producer milk, (3) milk received from a cooperative association for which the cooperative association is a handler pursuant to § 963.9(c); and

(b) Products, other than fluid milk products, from any source (including those produced at the plant) which are reprocessed or converted to another product in the plant during the month.

§ 963.15 Fluid milk products.

"Fluid milk products" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour) except frozen cream, concentrated milk (fresh or frozen), fortified milk or skim milk, reconstituted milk or skim milk, or any mixture in fluid form of milk, skim milk and cream (except ice cream, ice cream mix, egg nog, aerated cream, evaporated or condensed milk (plain or sweetened), and sterilized

products in hermetically sealed containers).

§ 963.16 Route.

"Route" means disposition of fluid milk products (including through a vendor or a sale from a plant or plant store) in containers of five gallons or less, other than such disposition to a plant which is a pool plant pursuant to § 963.11(a).

§ 963.17 Butter price.

"Butter price" means the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the mid-point of any price range as one price) per pound of 92-score bulk creamery butter at Chicago, as reported by the Department for the month.

MARKET ADMINISTRATOR

§ 963.20 Designation.

The agency for the administration of this part shall be a "market administrator" selected by the Secretary. He shall be entitled to such compensation as may be determined by the Secretary and shall be subject to removal at his discretion.

§ 963.21 Powers.

The market administrator shall have the following powers with respect to this part:

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

§ 963.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to the following:

- (a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon his duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;
- (b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;
- (c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;
- (d) Pay out of the funds received pursuant to § 963.86:
 - (1) The cost of his bond and the bonds of his employees;
 - (2) His own compensation; and
 - (3) All other expenses except those incurred under § 963.85 necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;
- (e) Keep such books and records as will clearly reflect the transactions pro-

vided for in this part, and, upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly disclose to handlers and producers, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the date upon which he is required to perform such acts, has not made reports or made available records and facilities pursuant to § 963.30 through § 963.33, or payments pursuant to § 963.80 through § 963.86;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) On or before the 12th day after the end of each month report to each cooperative association which so requests the amount and class utilization of producer milk received by each handler from members of the association. For the purpose of this report, the milk so received shall be prorated to each class in accordance with the total utilization of producer milk of each handler;

(i) Verify all reports and payments of each handler, by audit of such handler's records and the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends; and by such other means as are necessary;

(j) Prepare and make available for the benefit of producers, consumers, and handlers, general statistics and information which do not reveal confidential information; and

(k) On or before the date specified, publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate and mail to each handler at his last known address, a notice of each of the following:

(1) The 6th day of each month, the Class I price and butterfat differential for the month, computed pursuant to §§ 963.50 and 963.52, respectively;

(2) The 6th day of each month, the Class II price and butterfat differential for the preceding month, computed pursuant to §§ 963.50 and 963.52, respectively;

(3) The 12th day of each month, the uniform price for producer milk computed pursuant to § 963.71 and the butterfat differential computed pursuant to § 963.72, all for the preceding month;

(4) The 1st day of each month the name of each person who has applied for producer-handler status pursuant to § 963.8, and the location of his plant.

REPORTS, RECORDS AND ACCOUNTING

§ 963.30 Reports of sources and utilization.

(a) On or before the 7th day after the end of each month, each handler shall report for each of his pool plants for such month to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(1) The quantities of skim milk and butterfat contained in:

(i) Producer milk received at the plant or diverted therefrom by the handler;

(ii) Milk received from a cooperative association which is a handler for such milk pursuant to § 963.9(c);

(iii) Fluid milk products received from other pool plants;

(iv) Other source milk;

(v) Inventories of fluid milk products on hand at the beginning of the month;

(2) The utilization of all skim milk and butterfat required to be reported pursuant to subparagraph (1) of this paragraph, including separate statements as to the disposition of Class I milk on routes entirely outside the marketing area, and inventories of fluid milk products on hand at the end of the month; and

(b) On or before the 7th day after the end of each month, each cooperative association shall report the following:

(1) The quantities of skim milk and butterfat in producer milk which the cooperative association diverted from pool plants of other handlers to nonpool plants, and the classification thereof;

(2) The quantities of skim milk and butterfat in producer milk which the cooperative association received pursuant to § 963.9(c).

§ 963.31 Other reports.

(a) On or before the 7th day after the end of the month, each handler, except a producer-handler, who operates a nonpool plant from which fluid milk products are disposed of during the month on routes in the marketing area shall report to the market administrator in the detail and on forms prescribed by the market administrator the quantities of skim milk and butterfat so disposed of, and shall make such other reports with respect to receipts of milk and utilization thereof as are requested by the market administrator.

(b) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe.

§ 963.32 Payroll reports.

Each handler shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) On or before the 20th day after the end of the month, his producer payroll for that month, which shall show for each producer;

(1) His name and address;

(2) The total pounds of milk received from such producer;

(3) The plant at which such milk was received or delivered to;

(4) The days for which milk was received from such producer;

(5) The average butterfat content of such milk; and

(6) The net amount of the handler's payment to the producer, together with the price paid and the amount and nature of any deductions;

(b) Such other information with respect to his sources and utilization of butterfat and skim milk, and at such times as the market administrator shall prescribe.

§ 963.33 Records and facilities.

Each handler shall maintain and make available to the market administrator during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data for each month, including, but not limited to:

(a) The receipt and utilization of all skim milk and butterfat handled in any form;

(b) The weights and tests for butterfat and other content of all products handled;

(c) The pounds of skim milk and butterfat contained in or represented by all items of products on hand at the beginning and end of each month; and

(d) Payments to producers, including any deductions, and the disbursement of money so deducted.

§ 963.34 Retention of records.

All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided*, That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION OF MILK

§ 963.40 Responsibility of handlers.

All skim milk and butterfat shall be classified as Class I milk unless the handler who first received (or diverted) such skim milk and butterfat establishes that it should be classified otherwise.

§ 963.41 Classes of utilization.

Subject to the conditions set forth in § 963.42 the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of from a plant in the form of fluid milk products except that classified as Class II milk pursuant to subparagraphs (3) and (4) of this paragraph.

(2) Not otherwise specifically accounted for as Class II milk.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat:

(1) Used to produce any product other than a fluid milk product;

(2) Contained in inventories of fluid milk products on hand at the end of the month;

(3) Disposed of for livestock feed (skim milk portion only);

(4) Dumped (skim milk portion only) if with the prior approval of the market administrator;

(5) In actual shrinkage of skim milk and butterfat allocated pursuant to § 963.45(b)(2) not to exceed the following: 2 percent of skim milk and butterfat in producer milk (except diverted milk) received by handlers, plus 1½ percent of skim milk and butterfat, respectively, received from pool plants of other handlers in bulk tank lots or from a cooperative association which is the handler for the milk pursuant to § 963.9(c), less 1½ percent of skim milk and butterfat, respectively, disposed of in bulk tank lots to pool plants of other handlers;

(6) In shrinkage allocated to other source milk pursuant to § 963.45(b)(1); and

(7) Used to produce frozen cream.

§ 963.42 Transfers.

Skim milk and butterfat transferred from the pool plant of a handler or by a cooperative association in its capacity as a handler pursuant to § 963.9(c), including diverted milk in the case of transfers to nonpool plants, shall be classified as follows:

(a) If transferred to a pool plant of another handler as fluid milk products in bulk form shall be classified as Class I milk unless the operators of both plants claim utilization thereof in Class II in their reports submitted pursuant to § 963.30: *Provided*, That the skim milk or butterfat so assigned to Class II milk shall be limited to be the respective amounts thereof remaining at the pool plants of the transferee handler after the subtractions pursuant to § 963.44(a)(1), (2), (3), (4), and (5) and the corresponding steps in § 963.44(b): *And provided further*, That the classification of the skim milk and butterfat so transferred results in the classification at both plants which returns the highest valued class utilization to milk of producers at both plants.

(b) If transferred to the plant of a producer-handler in the form of fluid milk products shall be classified as Class I milk;

(c) If transferred in bulk form as milk, skim milk or cream to a nonpool plant which is not the plant of a producer-handler shall be classified as Class I milk unless:

(1) The transferee plant is located inside the marketing area or less than 225 miles from the City Hall in Salt Lake City, Utah, by the shortest hard-surfaced highway distance, as determined by the market administrator;

(2) The transferring handler claims classification in Class II milk in his report;

(3) The operator of the nonpool plant maintains books and records showing the utilization of all skim milk and butterfat at such plant which are made available if requested by the market administrator for the purpose of verification; and

(4) The skim milk and butterfat in the transferred fluid milk products which are classified as Class II milk do not exceed the pro rata Class II utiliza-

tion of skim milk and butterfat in the nonpool plant determined by a calculation which prorates Class II utilization of skim milk and butterfat at the nonpool plant to fluid milk products received from all plants which are subject to classification provisions of Federal milk marketing orders issued pursuant to the Act.

§ 963.43 Computation of skim milk and butterfat in each class.

For each month, the market administrator shall correct for mathematical and other obvious errors, the report submitted by each handler pursuant to § 963.30 and compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk at each pool plant, in producer milk diverted, and in milk for which a cooperative association is a handler pursuant to § 963.9(c): *Provided*, That the skim milk contained in any product utilized, produced or disposed of by the handler during the month shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all of the water originally associated with such solids.

§ 963.44 Allocation of skim milk and butterfat at pool plants.

(a) The pounds of skim milk remaining in each class after making the following computations with respect to each pool plant shall be the pounds of skim milk in such class allocated to the producer milk received at such plant, or diverted therefrom by the plant operator, during the month:

(1) Subtract from the total pounds of skim milk in Class II milk the shrinkage of skim milk classified as Class II milk pursuant to § 963.41(b)(5);

(2) Subtract from the pounds of skim milk in Class II milk the pounds of skim milk received as other source milk not in the form of fluid milk products: *Provided*, That if the pounds of skim milk to be subtracted are greater than the pounds of skim milk in Class II milk, the balance shall be subtracted from the pounds of skim milk in Class I milk;

(3) Subtract from the pounds of skim milk in Class II milk the pounds of skim milk in other source milk in the form of fluid milk products except that to be subtracted pursuant to subparagraph (4) of this paragraph: *Provided*, That if the pounds of skim milk to be subtracted are greater than the pounds of skim milk in Class II milk, the balance shall be subtracted from the pounds of skim milk in Class I milk;

(4) Subtract from the pounds of skim milk remaining in Class II milk the pounds of skim milk in fluid milk products received from plants regulated under another order(s) issued pursuant to the Act, and classified and priced as Class I milk pursuant to such other order(s): *Provided*, That if the pounds of skim milk to be subtracted are greater than the remaining pounds of skim milk in Class II milk, the balance shall be subtracted from the pounds of skim milk in Class I milk: *And provided further*, That if such fluid milk products are received from more than one plant regu-

lated under another order the assignment shall be pro rata according to the amount of the skim milk received from each plant;

(5) Subtract from the pounds of skim milk remaining in Class II the pounds of skim milk contained in inventory of fluid milk products on hand at the beginning of the month: *Provided*, That if the pounds of skim milk to be subtracted are greater than the remaining pounds of skim milk in Class II milk, the balance shall be subtracted from the pounds of skim milk in Class I milk;

(6) Subtract the pounds of skim milk in fluid milk products received from pool plants of other handlers and from a cooperative association which is the handler for that milk pursuant to § 963.9(c), from the pounds of skim milk remaining in the class to which assigned, pursuant to §§ 963.41 and 963.42;

(7) Add to the pounds of skim milk remaining in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this section; and

(8) If the pounds of skim milk remaining exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining in series beginning with Class II milk. Any amount so subtracted shall be called "overage";

(b) Determine the pounds of butterfat in each class to be allocated to producer milk in the manner prescribed in paragraph (a) of this section for determining the allocation of skim milk to producer milk;

(c) Add the pounds of skim milk and the pounds of butterfat in each class calculated pursuant to paragraphs (a) and (b) of this section and determine the percentage of butterfat in the producer milk allocated to each class.

§ 963.45 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts as follows:

(a) Compute the total shrinkage of skim milk and butterfat for each handler; and

(b) For each handler prorate the resulting amounts between (1) the pounds of skim milk and butterfat in other source milk received in the form of fluid milk products, and (2) the pounds of skim milk and butterfat in other fluid milk products received (excluding diverted milk).

MINIMUM PRICES

§ 963.50 Class prices.

Subject to the provisions of §§ 963.52 and 963.53, the class prices per hundredweight of milk to be paid by each handler shall be as follows:

(a) *Class I milk price.* The price for Class I milk per hundredweight for the first eighteen months beginning with the effective date of prices pursuant to this section shall be \$5.25.

(b) *Class II milk price.* The price for Class II milk per hundredweight shall be computed by adding together the plus values of subparagraphs (1) and (2) of this paragraph, subtracting 55 cents and rounding to the nearest cent:

- (1) Multiply the butter price by 4.03;
- (2) Multiply by 8.2 the carlot price per pound of nonfat dry milk, spray process, for human consumption, at manufacturing plants in the Chicago area, as published by the Department for the period from the 26th day of the immediately preceding month through the 25th day of the current month.

§ 963.51 Basic formula price.

The basic formula price shall be the higher of the amounts computed pursuant to paragraph (a) or (b) of this section:

(a) The average of the basic or field prices paid or to be paid per hundredweight for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the Department:

Present Operator and Location

Borden Co., Mount Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) From the butter price subtract 3 cents, add 20 percent thereof, and multiply by 3.5.

(2) From the simple average, as computed by the market administrator, of the weighted averages of carlot prices per pound of nonfat dry milk, spray and roller process, respectively, for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department, deduct 5.5 cents, and multiply by 8.2.

§ 963.52 Butterfat differentials to handlers.

For each class of milk containing more or less than 3.5 percent butterfat, the class prices calculated pursuant to § 963.50 shall be increased or decreased, respectively, for each one-tenth percent of butterfat by an amount computed as follows:

(a) *Class I milk.* Multiply the butter price for the preceding month by 1.35 divide the result by 10, and round to the nearest one-tenth cent.

(b) *Class II milk.* Multiply the butter price for the current month by 1.15, divide the result by 10, and round to the nearest one-tenth cent.

§ 963.53 Location differentials to handlers.

For milk which is received from producers at a pool plant, or is diverted therefrom, or is delivered by a cooperative association pursuant to § 963.9(c) to a pool plant and which is classified as

Class I milk, the price computed pursuant to § 963.50(a) shall be reduced at the rate in the following schedule:

Distance (miles)	Rate per hundredweight (cents)
100 but not more than 110.....	15.0
For each additional 10 miles or fraction thereof in excess of 110.....	1.5

Such distance to be measured from the plant to the nearest of the city halls in Ogden, Price, Richfield, or Vernal, all in Utah: *Provided*, That for the purpose of calculating such location credit to the handler, transfers between pool plants shall be assigned to Class I milk in a volume not in excess of that by which Class I disposition at the transferee plant exceeds the receipts from producers at such plants, such assignment to transferor plants to be made first to plants at which no location credit is applicable and then in the sequence beginning with the plant at which the lowest location differential credit would apply.

§ 963.54 Use of equivalent prices.

If for any reason a price quotation required by this part for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price which is required.

APPLICATION OF PROVISIONS

§ 963.60 Producer-handler.

Sections 963.70 through 963.74 and §§ 963.80 through 963.86 shall not apply to a producer-handler.

§ 963.61 Plants where other Federal orders may apply.

Any plant described by paragraph (a) or (b) of this section shall be exempt from § 963.11, unless the Secretary determines otherwise, if it would be fully regulated subject to the classification and pooling provisions of another order issued pursuant to the Act if not so subject to this part.

(a) Any plant which does not dispose of a greater volume of Class I milk on routes in the Great Basin marketing area than in the marketing area regulated pursuant to such other order; and

(b) Any plant during the months of February through July which qualifies as a pool plant only pursuant to the proviso of § 963.11(b).

§ 963.62 Operators of nonpool plants.

An operator of a nonpool plant which is not subject to the classification and pricing provisions of another order issued pursuant to the Act, is not the plant of a producer-handler, and is not described pursuant to the proviso of § 963.11(a), shall, on or before the 14th day after the end of the month, pay to the market administrator for deposit into the producer-settlement fund an amount calculated by multiplying the difference between the Class II price, adjusted for butterfat differential, and the Class I price, adjusted for butterfat differential and location, by the total hundredweight less 500 pounds per day of fluid

milk products disposed of from such non-pool plant on routes in the marketing area during the month.

§ 963.63 Obligations of pool handlers on other source milk.

For any month during which the total of producer milk received by all handlers is less than 110 percent of the net Class I milk to be accounted for by such handlers, the obligations pursuant to § 963.70(b) (1) and (2) and (d) (2) shall not apply.

DETERMINATION OF PRICES TO PRODUCERS

§ 963.70 Computation of the obligation of each handler.

For each month, the market administrator shall compute the value of producer milk for each handler as follows:

(a) Multiply the quantity of producer milk in each class computed pursuant to §§ 963.40 through 963.45 by the applicable class price, total the resulting amounts, and add any amount necessary to reflect adjustments in location credit allowance required pursuant to the proviso of § 963.53;

(b) Add the amounts computed in subparagraphs (1) and (2) of this paragraph:

(1) Multiply the hundredweight of skim milk and butterfat subtracted from Class I milk pursuant to § 963.44 (a) (2) and (b) by the difference between the Class II price and the Class I price, each adjusted by the respective butterfat differentials;

(2) Multiply the hundredweight of skim milk and butterfat subtracted from Class I milk pursuant to § 963.44 (a) (3) and (b) by the difference between the Class II price, adjusted for butterfat differential, and the Class I price adjusted for butterfat differential and adjusted for location of the nearest plant(s) from which an equivalent amount of other source milk was received in the form of fluid milk products;

(c) Add the amount computed by multiplying the pounds of overage deducted from each class pursuant to § 963.44 (a) (8) and (b) by the applicable class price; and

(d) Add the amounts computed under subparagraphs (1) and (2) of this paragraph:

(1) Multiply the difference between the applicable Class II price for the preceding month and the applicable Class I price for the month by the pounds of skim milk and butterfat remaining in Class II milk after the calculations pursuant to § 963.44(a) (5) and the corresponding step of (b) for the preceding month, or the pounds of skim milk and butterfat subtracted from Class I milk pursuant to § 963.44(a) (5) and the corresponding step of (b) for the month, whichever is less;

(2) An amount computed by multiplying the difference between the Class II price adjusted for butterfat differential and the Class I price adjusted for butterfat differential and location by the pounds of skim milk and butterfat subtracted from Class I pursuant to § 963.44 (a) (5) and the corresponding step of (b), which are in excess of the sum of (i) the pounds of skim milk and butter-

fat, respectively, on which a payment is applicable pursuant to subparagraph (1) of this § 963.70(d), and (ii) the pounds of skim milk and butterfat assigned in the preceding month to Class II pursuant to § 963.44(a) (4) and the corresponding step of § 963.44(b).

§ 963.71 Computation of the uniform price.

The market administrator shall compute the uniform price per hundredweight of producer milk of 3.5 percent butterfat content, as follows:

(a) Combine into one total the values computed pursuant to § 963.70 for the producer milk of all handlers who submitted reports prescribed in § 963.30 and who are not in default of payments pursuant to § 963.82;

(b) Subtract, if the average butterfat content of the producer milk included under paragraph (a) of this section is greater than 3.5 percent, or add, if such average butterfat content is less than 3.5 percent, an amount computed as follows: Multiply the amount by which the average butterfat content of such milk varies from 3.5 percent by the butterfat differential pursuant to § 963.72 and multiply the result by the total hundredweight of such milk;

(c) Add an amount equal to the sum of the deduction to be made from producer payments for location differentials pursuant to § 963.73;

(d) Add an amount equal to one-half of the unobligated balance on hand in the producer-settlement fund from prior periods;

(e) Divide the resulting amount by the total hundredweight of producer milk included under paragraph (a) of this section; and

(f) Subtract not less than 4 cents nor more than 5 cents to restore the balance in the producer-settlement fund. The resulting figure shall be the uniform price per hundredweight of producer milk of 3.5 percent butterfat content.

§ 963.72 Butterfat differential to producers.

The applicable uniform price to be paid each producer shall be increased or decreased for each one-tenth of one percent which the average butterfat content of his milk is above or below 3.5 percent, respectively, at the rate determined by multiplying the pounds of butterfat in producer milk allocated to each class by the appropriate butterfat differentials for such class as determined by § 963.52, dividing by the total butterfat in producer milk, and rounding to the nearest tenth of a cent.

§ 963.73 Location differentials to producers.

The applicable uniform prices to be paid for producer milk received at a pool plant shall be reduced according to the location of the pool plant at the rates set forth in § 963.53.

§ 963.74 Notification of handlers.

On or before the 12th day after the end of each month, the market administrator shall mail to each handler, at his last known address, a statement showing:

(a) The amount and value of his producer milk in each class and the total thereof;

(b) The uniform price computed pursuant to § 963.71 and the producer butterfat differential computed pursuant to § 963.72;

(c) The amounts to be paid by such handler pursuant to §§ 963.82, 963.85 and 963.86, and the amount due such handler pursuant to § 963.83.

PAYMENTS

§ 963.80 Time and method of payment for producer milk.

(a) Except as provided in paragraphs (b) or (d) of this section, each handler shall make payment to each producer from whom milk is received as follows:

(1) On or before the 17th day of the following month, an amount equal to not less than the uniform price per hundredweight pursuant to § 963.71 adjusted by the butterfat and location differentials to producers, subject to the following adjustments:

(i) Less marketing service deductions made pursuant to § 963.85;

(ii) Plus or minus adjustments for errors made in previous payments to such producer; and deductions authorized in writing by such producer: *Provided*, That if by the date specified, such handler has not received full payment from the market administrator pursuant to § 963.83 for such month, he may reduce pro rata his payments to producers by not more than the amount of such underpayment. Payments to producers shall be completed thereafter not later than the date for making payments pursuant to this paragraph next following after the receipt of the balance due from the market administrator;

(b) In the case of a cooperative association, which is authorized by its members to collect payment for their milk, and which has requested such payment from any handler in writing, such handler shall on or before the second day prior to the date payments are due to individual producers, pay the cooperative association for milk received during the month from the producer-members of such association, an amount equal to not less than the total due such producer-members as determined pursuant to paragraph (a) of this section: *Provided*, That the cooperative has provided the handler with a written promise to reimburse the handler the amount of any actual loss incurred by such handler because of any improper claim on the part of the cooperative association;

(c) Each handler who received milk from producers for which payment is to be made to a cooperative association pursuant to paragraph (b) of this section shall report to such cooperative association for each such producer on or before the 7th day of the following month, as follows:

(1) The total pounds of milk received during the month;

(2) The pounds of milk received each day, together with the butterfat content of such milk;

(3) The amount or rate and nature of any authorized deductions to be made from payments; and

(4) The amount and nature of payments due pursuant to § 963.84.

(d) On or before the second day prior to the date payments are due individual producers, each handler shall pay a cooperative association for milk received by him from such cooperative association for which the association is the handler not less than an amount computed by multiplying the minimum prices for milk in each class, subject to the applicable location adjustment provided in § 963.53 and the butterfat differentials provided by § 963.52, by the hundredweight of milk in each class pursuant to § 963.44.

§ 963.81 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 963.62, 963.82 and 963.84 and out of which he shall make all payments pursuant to §§ 963.83 and 963.84: *Provided*, That any payments due to any handler shall be offset by any payments due from such handler.

§ 963.82 Payments to the producer-settlement fund.

On or before the 14th day after the end of each month:

(a) Each handler shall pay to the market administrator any amount by which the value of his producer milk as computed pursuant to § 963.70 is greater than the amount owed by him for such milk at the appropriate uniform price determined pursuant to § 963.71, adjusted by the producer butterfat and location differentials.

§ 963.83 Payments out of the producer-settlement fund.

On or before the 15th day after the end of each month, the market administrator shall pay to each handler any amount by which the total value of his producer milk, computed pursuant to § 963.70, is less than the amount owed by him for such milk at the uniform price adjusted by the producer butterfat and location differentials. If at such time the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the funds are available.

§ 963.84 Adjustment of accounts.

Whenever audit by the market administrator of any reports, books, records, or accounts or other verification discloses errors resulting in moneys due (a) the market administrator from a handler; (b) a handler from the market administrator; or (c) any producer or cooperative association from a handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made on or before the next date for making payments set forth in the provisions under which such error occurred.

§ 963.85 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers for milk pursuant to § 963.80, shall deduct 6 cents

per hundredweight, or such lesser amount as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 14th day after the end of the month. Such money will be used by the market administrator to provide market information and to check the accuracy of the testing and weighing of their milk for producers who are not receiving such services from a cooperative association;

(b) In the case of producers who are members of a cooperative association which the Secretary has determined is actually performing the services set forth in paragraph (a) of this section, each handler shall make such deductions from the payments to be made to producers as may be authorized by the membership agreement or marketing contract between the cooperative association and its members. On or before the 15th day after the end of each month, the handler shall pay the aggregate amount of such deductions to the cooperative association, furnishing a statement showing the amount of the deductions and the quantity of milk on which the deduction was computed from each producer.

§ 963.86 Expense of administration.

On or before the 14th day after the end of each month, each handler shall pay to the market administrator 4 cents or such lesser amount as the Secretary may prescribe, for each hundredweight of butterfat and skim milk contained in:

- (a) Producer milk;
- (b) Other source milk allocated to Class I milk pursuant to § 963.44(a) (2) and (3) and the corresponding steps of § 963.44(b);
- (c) Class I milk disposed of on routes in the marketing area from a nonpool plant, which is subject to obligation pursuant to § 963.62.

§ 963.87 Termination of obligations.

The provisions of this section shall apply to any obligations under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the month during which the market administrator received the handler's utilization report on the milk involved in such obligation, unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

- (1) The amount of the obligation;
- (2) The months during which the milk, with respect to which the obligation exists, was received or handled; and
- (3) If the obligation is payable to one or more producers or to a cooperative association, the names of such producer or cooperative associations, or if the obligation is payable to the market administrator, the account for which it is to be paid;

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books and records required by this order to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representative;

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed; and

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the month during which the payment (including deduction or offset by the market administrator) was made by the handler, if a refund on such payment is claimed unless such handler, within the applicable period of time, files, pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION, OR TERMINATION

§ 963.90 Effective time.

The provisions of this part, or any amendment thereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 963.91 Suspension or termination.

The Secretary shall, whenever he finds that any or all provisions of this part, or any amendment thereto, obstruct or do not tend to effectuate the declared policy of the Act, terminate or suspend the operation of any or all provisions of this part or any amendment thereto.

§ 963.92 Continuing obligations.

If, upon the suspension or termination of any or all provisions of this part, or any amendment thereto, there are any obligations thereunder, the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 963.93 Liquidation.

Upon the suspension or termination of any or all provisions of this part, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the

market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books and records of the market administrator shall be transferred promptly to such liquidating agent. If upon such liquidation, the funds on hand exceed the amounts required to pay out-

standing obligations of the office of the market administrator and to pay necessary expenses of liquidating and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 963.110 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent and

representative in connection with any of the provisions of this part.

§ 963.111 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

[F.R. Doc. 59-7423; Filed, Sept. 4, 1959; 8:48 a.m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Office of the Secretary

IMPORTS OF FINISHED PRODUCTS OTHER THAN RESIDUAL FUEL OIL TO BE USED AS FUEL; PUERTO RICO

Adjustments in Maximum Level

Pursuant to paragraph (d) of section 2 of Presidential Proclamation 3279 (24 F.R. 1781), the maximum level of imports into Puerto Rico of finished products, other than residual fuel oil to be used as fuel, now in effect is modified to permit during the period September 10, 1959, through December 31, 1959, an increase of 1,500 barrels per day in the imports of naphtha to meet the increased demand for such product in Puerto Rico.

Increases in allocations, pursuant to this authorization, will be granted to those eligible importers who have satisfactorily demonstrated an increased need for this product.

FRED A. SEATON,
Secretary of the Interior.

SEPTEMBER 2, 1959.

[F.R. Doc. 59-7506; Filed, Sept. 4, 1959; 11:10 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

GRACE LINE INC.

Notice of Application

Notice is hereby given that Grace Line Inc. has applied for the privilege to carry cargo and passengers between U.S. Atlantic ports and Cuba on the SSs "Santa Rosa" and "Santa Paula" and the C-2 combination passenger/cargo vessels operating on Trade Route No. 4 between United States Atlantic ports and ports in the Caribbean.

Any person, firm or corporation having any interest in such application and desiring a hearing on issues pertinent to section 605(c) of the Merchant Marine Act, 1936, as amended, 46 U.S.C. 1175, should by the close of business on September 18, 1959, notify the Secretary,

Federal Maritime Board in writing in triplicate, and file petition for leave to intervene in accordance with the Rules of Practice and Procedure of the Federal Maritime Board.

If no request for hearing and petition for leave to intervene is received within the specified time, or if the Federal Maritime Board determines that petitions to intervene filed within the specified time do not demonstrate sufficient interest to warrant a hearing, the Federal Maritime Board will take such action as may be deemed appropriate.

Dated: September 3, 1959.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 59-7463; Filed, Sept. 4, 1959; 9:35 a.m.]

Office of the Secretary

JOSEPH P. CROSBY

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: Republic Natural Gas.
- B. Additions: Eastern Gas & Fuel, SIMCA.

This statement is made as of August 24, 1959.

Dated: August 24, 1959.

JOSEPH P. CROSBY.

[F.R. Doc. 59-7418; Filed, Sept. 4, 1959; 8:47 a.m.]

ALEXANDER D. THOMSON

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Pro-

duction Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests in the last six months.

- A. Deletions: Sun Oil Company.
- B. Additions: Central & South West Corporation, Parke-Davis & Company, Upjohn Company, Virginia Electric & Power Company.

This statement is made as of August 31, 1959.

Dated: August 31, 1959.

ALEXANDER D. THOMSON.

[F.R. Doc. 59-7419; Filed, Sept. 4, 1959; 8:47 a.m.]

PAUL BUTLER

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 in the last six months.

Additions: Estevez, Incorporated, I. C. Harbour Construction Company, Oak Brook Utility Company.

This statement is made as of August 1, 1959.

Dated: August 17, 1959.

PAUL BUTLER.

[F.R. Doc. 59-7420; Filed, Sept. 4, 1959; 8:48 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-147]

NORTH AMERICAN AVIATION, INC.

Notice of Application for Facility License

Please take notice that North American Aviation, Inc., through its Atomic International Division, under section 104c of the Atomic Energy Act of 1954,

as amended, has submitted an application dated August 18, 1959, for a license to construct and operate, on its site in Ventura County, California, a critical experiment facility to investigate epithermal neutron energy systems. A copy of the application is available for public inspection in the AEC's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Germantown, Md., this 31st day of August 1959.

For the Atomic Energy Commission.

R. L. KIRK,
Deputy Director, Division of
Licensing and Regulation.

[F.R. Doc. 59-7400; Filed, Sept. 4, 1959;
8:45 a.m.]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

RELIEF FROM EXCESS PROFITS TAX BECAUSE OF AN INADEQUATE EX- CESS PROFITS CREDIT

Allowance During Fiscal Year Ended June 30, 1959

Subchapter E of Chapter 2 of the 1939 Internal Revenue Code imposes an excess profits tax on corporations for taxable years beginning after December 31, 1939. Under the provisions of this subchapter excess profits are measured by comparing the earnings for the current taxable year with a statutory excess profits credit.

Section 722 of Subchapter E reflects the recognition by Congress of the desirability and necessity of granting relief in meritorious cases to corporations which bear an excessive burden because of an inadequate excess profits credit. This section provides for the recomputation of excess profits tax on the basis of a reconstructed excess profits credit.

As required by section 6105 of the 1954 Internal Revenue Code the following list, containing the cases arranged alphabetically by internal revenue districts, shows the name and address of each corporation to which relief has been allowed, business, taxable years involved, excess profits credit before allowance of relief, increase in excess profits credit claimed, increase in excess profits credit allowed, decrease in excess profits tax, and increase in income tax. Allowances pursuant to decisions entered by The Tax Court of the United States have been made in sixty-eight docketed cases. These are included in the list with appropriate notations. There are included as a supplemental to this list two cases in which relief was allowed by the Commissioner and two cases in which relief was allowed by The Tax Court of the United States during the fiscal year ended June 30, 1958. These cases were not included in the list of allowances made during the fiscal year 1958 previously published.

In order to determine the relief granted and the relevant data required to be published, intermediate computations of the excess profits tax and the income tax showing the amounts of taxes which would have been due without the benefits of section 722 were made. Comparison of the pertinent items and figures appearing in the application for relief and the tax computations after allowance of relief with those appearing in the intermediate tax computations developed the required data.

Explanations of certain items, as displayed in their respective column headings of the list, and the data evolved follow:

Business in which engaged, column 2. The business in which taxpayer is engaged is that reported in the income tax return of the corporation for the taxable year or years involved; therefore, it does not necessarily correspond with the business during the base period. In those instances where the return for the year involved failed to disclose the nature of the business, information from other sources was utilized. Moreover, since the nature of business shown usually represents a general description of the predominant business activity, it does not necessarily represent or reflect the business activity with respect to which an inadequate excess profits credit was established.

Excess profits credit before allowance of relief, column 4. The excess profits credit before allowance of relief is the credit originally claimed by the taxpayer, as corrected, whether based on income or invested capital.

Increase in the amount of excess profits credit claimed by taxpayer, column 5. The increase in the amount of excess profits credit claimed by taxpayer is the excess of the credit based on the constructive income claimed by the taxpayer over the credit before allowance of relief shown in column 4.

Increase in the amount of excess profits credit allowed, column 6. This increase in the amount of excess profits credit allowed is the excess of the recomputed credit based on constructive income finally allowed over the credit before allowance of relief shown in column 4.

Gross reduction in the excess profits tax, column 7.

Gross increase in the income tax, column 8. The gross reduction in the excess profits tax and the gross increase in the income tax resulting from the operation of section 722 are the difference between the gross taxes which would have been due without the benefits of section 722 and the gross taxes due after relief has been granted. The gross excess profits tax is the tax due prior to the deferment under section 710(a)(5), the foreign tax credit under section 729, the credit for debt retirement under section 783, the ten per cent credit under section 784, and the adjustment under section 734. The gross income tax is the tax prior to the foreign tax credit under section 131.

The changes in the income and excess profits taxes shown reflect the effect of the increase attributable to section 722 in the unused excess profits credit carried forward from prior taxable years as well as the effect of the increase in unused excess profits credit carried back from subsequent years to the extent that claims with respect to unused credit carry-overs and carry-backs determined under section 722 were allowed within the same fiscal year.

While the decrease in excess profits tax is directly related to the increase in excess profits credit allowed, a number of factors serve to invalidate a comparison of the relationship of these two items applicable to a corporation for different taxable years or to different corporations for the same taxable year. Among the most important factors affecting this comparison are (1) increase in excess profits tax rates, (2) changes in rate structure from a graduated to a flat rate system, (3) effect of unused excess profits credits of prior and subsequent years attributable to section 722, (4) variations of provisions applicable to fiscal years, (5) limitation of excess profits tax to the amount of which 80 percent of net income exceeds the income tax, applicable to certain taxable years, (6) relation of excess profits before the application of section 722 to the increase in excess profits credit allowed, and (7) reduction in excess profits net income due to change from invested capital method to income credit method.

For taxable years beginning after December 31, 1940, a portion of the amount by which the excess profits tax is reduced by reason of the application of section 722 is offset by an increase in income tax. This offset arises from the provisions which permit the deduction of the income subject to excess profits tax (or excess profits tax in certain taxable years) in arriving at income subject to income tax.

Lists containing the cases in which relief has been allowed for prior fiscal years have been published in the various issues of the FEDERAL REGISTER as follows:

Fiscal year ended—	Volume	Number	Date
June 30, 1942.....	9	194	Sept. 28, 1941
June 30, 1943.....	9	194	Sept. 28, 1941
June 30, 1944.....	9	219	Nov. 2, 1944
June 30, 1945.....	10	221	Nov. 15, 1945
June 30, 1946.....	11	196	Oct. 8, 1946
June 30, 1947.....	12	197	Oct. 8, 1947
June 30, 1948.....	13	206	Oct. 21, 1948
June 30, 1949.....	14	201	Oct. 18, 1949
June 30, 1950.....	15	205	Oct. 21, 1950
June 30, 1951.....	16	211	Oct. 30, 1951
June 30, 1952.....	17	175	Sept. 6, 1952
June 30, 1953.....	18	164	Aug. 21, 1953
June 30, 1954.....	19	185	Sept. 23, 1954
June 30, 1955.....	20	219	Nov. 9, 1955
June 30, 1956.....	21	183	Sept. 20, 1956
June 30, 1957.....	22	173	Sept. 6, 1957
June 30, 1958.....	23	168	Aug. 27, 1958

[SEAL]

CHARLES I. FOX,
Acting Commissioner
of Internal Revenue.

EXCESS PROFITS TAX RELIEF GRANTED UNDER SECTION 722 OF THE INTERNAL REVENUE CODE BY THE COMMISSIONER OF INTERNAL REVENUE, FISCAL YEAR ENDED JUNE 30, 1959

Name and address of taxpayer (arranged by Internal Revenue districts in which excess profits tax returns were filed)	Business in which engaged	Taxable year ended—	Excess profits credit before allowance of relief	Increase in the amount of excess profits credit claimed by taxpayer	Increase in the amount of excess profits credit allowed	Gross reduction in the excess profits (subch. E) tax resulting from the operation of Sec. 722	Gross increase in the income (ch. I) tax resulting from the operation of Sec. 722
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Birmingham</i>							
May Supply Co., a dissolved corporation, O. H. May, H. D. Kingston, J. R. Jones, and J. W. Naylor, liquidating trustees, 270 North Royal St., Mobile, Ala.	Wholesale plumbing supplies	Mar. 18, 1941 to Dec. 31, 1941 ¹	\$2,309.48	\$16,690.52	\$1,870.52	\$635.97	\$146.27
		Dec. 31, 1942 ¹	3,511.81	15,488.19	668.19	799.37	239.81
		Nov. 30, 1943 ¹	3,870.38	15,129.62	309.62	510.14	163.04
		Jan. 31, 1942 ¹	30,834.34	36,176.76	2,415.66	1,087.05	336.98
<i>Boston</i>							
Lowell Liquidation Corp., formerly: Merrimack Manufacturing Co., 53 State St., Boston, Mass.	Spinning, weaving and finishing cotton, wool and rayon fabrics.	Dec. 31, 1941 ¹	569,564.00	595,440.96	51,090.96	35,857.07	11,115.70
		Dec. 31, 1942 ¹	628,976.58	536,213.42	None	5,321.78	2,365.23
		Dec. 31, 1943 ¹	618,569.33	547,889.97	3,539.97	10,802.38	4,801.06
		Dec. 31, 1944 ¹	501,925.79	565,944.21	21,594.81	25,915.27	10,911.61
		Dec. 31, 1945 ¹	615,933.76	552,937.60	8,607.60	11,769.40	4,955.54
<i>Chicago</i>							
Boyar-Schultz Corp., 2110 Walnut St., Chicago 12, Ill.	Tool and die manufacturing	Dec. 31, 1940 ¹	38,513.64	106,670.11	4,711.36	1,648.98	None
		Dec. 31, 1941 ¹	51,000.45	123,931.47	7,617.27	3,803.63	1,180.63
		Dec. 31, 1941 ¹	610,902.78	336,753.92	38,422.22	10,328.52	3,201.84
		Dec. 31, 1942 ¹	606,846.21	526,890.74	35,353.79	70,989.28	31,550.81
		Dec. 31, 1943 ¹	621,517.07	512,219.88	26,382.93	23,744.64	10,553.17
		Dec. 31, 1941 ¹	207,468.72	242,976.71	24,331.28	12,165.64	3,771.34
		Dec. 31, 1942 ¹	207,468.72	242,976.70	24,331.28	21,893.15	9,732.51
		Dec. 31, 1943 ¹	207,468.72	249,232.45	24,331.28	21,893.16	9,732.51
		Dec. 31, 1944 ¹	207,468.72	249,232.45	24,331.28	23,114.72	9,732.51
		Dec. 31, 1945 ¹	207,468.72	249,232.45	24,331.28	23,114.72	9,732.51
Central Steel & Wire Co., 3000 West 51st St., Chicago 32, Ill.	Jobbers of steel	Dec. 31, 1940 ¹	362,149.55	168,731.36	96,341.36	34,005.09	None
		Dec. 31, 1941 ¹	419,608.15	304,883.76	146,946.26	88,167.76	27,331.99
		Dec. 31, 1942 ¹	520,348.96	366,802.29	41,130.54	37,017.48	16,452.22
		Dec. 31, 1943 ¹	519,829.68	366,802.29	41,130.54	37,017.48	16,452.22
		Dec. 31, 1944 ¹	516,501.86	366,947.52	41,275.77	39,211.98	16,510.31
		Dec. 31, 1941 ¹	5,435,560.15	8,909,287.43	793,053.51	28,985.51	8,985.51
Crane Co., 836 South Michigan Ave., Chicago 5, Ill.	Manufacture and distribution of plumbing and heating equipment.	Dec. 31, 1942 ¹	36,486.34	429,414.72	18,138.66	30,263.90	21,035.58
General Can Co., One North La Salle St., Chicago, Ill.	Can and cap manufacturer	Dec. 31, 1944 ¹	36,423.87	429,477.19	18,201.13	12,733.73	7,745.35
	do	Dec. 31, 1945 ¹	40,801.78	425,099.28	13,823.22	13,517.53	5,691.62
Jagues Manufacturing Co., transferee of General Can Co., One North La Salle St., Chicago, Ill.	Iron and steel products	Dec. 31, 1941 ¹	61,045.57	372,338.14	17,804.43	8,802.21	2,769.69
		Dec. 31, 1942 ¹	76,306.97	357,076.74	2,543.03	2,288.73	1,017.21
		Dec. 31, 1943 ¹	86,248.89	357,530.14	2,543.03	2,288.72	1,017.21
		Dec. 31, 1944 ¹	119,283.97	357,076.74	2,543.03	2,415.88	1,017.20
		Dec. 31, 1945 ¹	119,283.97	357,076.74	2,543.03	2,415.88	1,017.21
Jefferson Electric Co., 25th Ave. and Madison St., Bellwood, Ill.	Manufacture of electrical devices.	Dec. 31, 1940 ¹	300,610.43	462,276.93	46,139.57	15,852.58	None
		Dec. 31, 1941 ¹	356,935.13	463,049.34	108,564.87	57,811.97	17,921.71
		Dec. 31, 1942 ¹	437,531.93	382,453.39	37,468.92	11,470.76	5,098.12
		Dec. 31, 1943 ¹	439,341.36	374,534.21	35,658.64	32,022.78	14,263.46
		Dec. 31, 1945 ¹	430,921.05	452,218.07	44,078.95	41,875.00	17,631.53
Lever Brothers Co., transferee of The Pepsodent Co., transferor, 390 Park Ave., New York 22, N.Y.	Manufacturing	Dec. 31, 1942 ¹	503,716.06	1,268,098.68	109,983.94	93,985.54	45,933.57
		Dec. 31, 1943 ¹	503,716.06	1,491,283.94	109,983.94	110,460.64	53,083.63
		Dec. 31, 1944 ¹	441,376.69	1,491,283.94	109,983.94	104,484.74	43,963.57
National Jockey Club, 3301 South 52d St., Cicero, Ill.	Horse racing	Oct. 31, 1941 ¹	82,720.33	244,726.90	10,759.67	4,303.87	None
		Oct. 31, 1942 ¹	100,210.28	291,853.71	13,789.72	9,210.77	4,317.63
		Oct. 31, 1943 ¹	100,210.28	291,853.71	13,789.72	12,148.95	5,515.89
United States Gypsum Co., 300 West Adams St., Chicago 6, Ill.	Mining manufacturing and dealing in gypsum.	Dec. 31, 1941 ¹	5,653,278.34	4,484,337.91	474,221.66	284,533.00	88,205.23
		Dec. 31, 1942 ¹	5,666,777.41	4,394,226.09	460,722.59	414,650.33	184,289.03
		Dec. 31, 1943 ¹	5,666,777.41	4,394,226.09	460,722.59	414,650.33	184,289.03
		Dec. 31, 1944 ¹	5,666,777.41	4,394,226.09	460,722.59	437,686.47	184,289.03
		Dec. 31, 1945 ¹	5,666,777.41	4,394,226.09	460,722.59	437,686.46	184,289.03
Vapor Heating Corp., successor to Vapor Car Heating Co., Inc., 89 East Jackson Blvd., Chicago 4, Ill.	Assembly and sales—heating equipment and air conditioning controls for railroad passenger cars etc.	Dec. 31, 1940 ¹	325,031.20	230,756.00	31,218.80	8,369.81	None
		Dec. 31, 1941 ¹	393,610.24	275,057.28	48,139.76	28,883.85	8,953.99
The Wabash Screen Door Co., 310 South Michigan Ave., Chicago 4, Ill.	Manufacturing	Nov. 30, 1942 ¹	167,066.37	197,781.07	3,933.63	3,292.76	1,260.47
		Nov. 30, 1945 ¹	168,266.63	196,580.76	2,733.32	9,628.84	4,012.14
		Nov. 30, 1946 ¹	151,706.90	213,140.54	19,293.10	1,662.63	700.05
Walgreen Drug Stores Co. (Florida), 4300 Peterson Ave., Chicago 30, Ill.	Retail drugs	Sept. 30, 1943 ¹	215,125.56	204,223.31	88,625.54	79,762.99	35,450.21
		Sept. 30, 1944 ¹	215,125.56	259,302.62	88,625.54	83,080.39	35,450.21
		Sept. 30, 1945 ¹	215,125.56	259,302.62	88,625.54	84,194.26	35,450.21
		Sept. 30, 1946 ¹	215,125.56	259,302.62	88,625.54	21,221.56	8,935.40
Walgreen Drug Co. (Alabama), 4300 Peterson Ave., Chicago 30, Ill.	do	Sept. 30, 1943 ¹	6,607.69	76,809.50	36,522.31	25,818.71	16,066.82
		Sept. 30, 1944 ¹	6,607.69	76,809.50	36,522.31	24,853.01	16,063.44
		Sept. 30, 1945 ¹	10,071.18	72,746.01	32,453.82	23,152.67	16,428.78
		Sept. 30, 1946 ¹	11,791.35	71,625.84	17,210.25	4,591.95	2,255.94
Walgreen Co. (Illinois), 4300 Peterson Ave., Chicago 30, Ill.	do	Sept. 30, 1944 ¹	2,634,214.64	1,711,944.96	104,383.54	118,432.77	42,137.33
Walgreen Co. of New York Inc., 4300 Peterson Ave., Chicago, Ill.	do	Sept. 30, 1943 ¹	47,160.48	266,373.56	52,175.32	46,057.78	20,870.14
		Sept. 30, 1944 ¹	47,160.48	266,373.57	52,175.32	10,608.24	5,230.42
		Sept. 30, 1945 ¹	47,160.48	256,318.30	52,175.32	46,055.62	20,870.13
		Sept. 30, 1946 ¹	47,160.48	266,373.57	52,175.32	46,056.67	20,870.13
Walgreen Co. (Wisconsin), 4300 Peterson Ave., Chicago 30, Ill.	do	Sept. 30, 1943 ¹	129,635.63	90,548.67	22,764.32	20,487.89	9,105.73
		Sept. 30, 1944 ¹	129,635.63	10,056.19	22,764.32	20,208.84	9,213.73
		Sept. 30, 1945 ¹	129,635.63	132,476.43	22,764.32	21,626.10	9,105.73
		Sept. 30, 1946 ¹	129,635.63	132,476.43	22,764.32	5,450.96	2,295.16
Walgreen New England Co., 4300 Peterson Ave., Chicago 30, Ill.	do	Sept. 30, 1943 ¹	13,553.19	71,134.70	None	1,027.63	308.29
		Sept. 30, 1944 ¹	13,180.23	94,279.56	3,585.23	1,419.93	408.99
White Cap Co., 1819 North Major Ave., Chicago 13, Ill.	Manufacturing vacuum sealing caps and sealing machines.	Dec. 31, 1940 ¹	250,692.08	819,574.31	53,057.92	21,289.14	None
		Jan. 1, 1941 to Oct. 31, 1941 ¹	309,810.84	760,455.55	93,939.16	43,185.25	13,387.43
		Oct. 31, 1942 ¹	309,810.84	760,455.55	134,314.16	94,167.12	34,668.40
		Oct. 31, 1943 ¹	323,847.17	746,419.22	120,277.83	108,250.05	48,111.19
		Oct. 31, 1944 ¹	323,847.17	746,419.22	120,277.83	12,013.56	8,018.59

See footnotes at end of table.

EXCESS PROFITS TAX RELIEF GRANTED UNDER SECTION 722 OF THE INTERNAL REVENUE CODE BY THE COMMISSIONER OF INTERNAL REVENUE, FISCAL YEAR ENDED JUNE 30, 1959—Continued

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Name and address of taxpayer (arranged by Internal Revenue districts in which excess profits tax returns were filed)	Business in which engaged	Taxable year ended—	Excess profits credit before allowance of relief	Increase in the amount of excess profits credit claimed by taxpayer	Increase in the amount of excess profits credit allowed	Gross reduction in the excess profits (subch. E) tax resulting from the operation of Sec. 722	Gross increase in the income (ch. 1) tax resulting from the operation of Sec. 722
<i>Cincinnati</i>							
Albers Super Markets, Inc., 266 West Mitchell Ave., Cincinnati, Ohio.	Retail grocers.....	Dec. 31, 1940 ¹	\$108,016.04	\$94,238.73	\$3,475.08	\$1,032.91	None
		Dec. 31, 1941 ¹	145,518.52	225,964.37	84,531.62	42,787.20	\$13,148.89
		Dec. 31, 1942 ¹	153,216.57	394,093.12	109,531.62	103,447.96	45,976.87
		Dec. 31, 1943 ¹	164,286.44	355,818.70	109,531.62	98,678.46	43,812.64
		Dec. 31, 1944 ¹	216,367.47	368,692.74	109,531.62	89,418.00	37,648.42
<i>Columbia</i>							
The Abney Mills, successor to Courtney Manufacturing Co., Newry, S.C. Easley Cotton Mills, Greenville, S.C.	Manufacturer of cotton and rayon cloth. Manufacturers of cotton goods.	Aug. 31, 1942 ¹	80,618.52	282,513.64	7,256.48	5,210.25	2,050.27
		Jan. 1, 1941 to Oct. 31, 1941 ¹	82,506.36	59,346.05	6,079.03	7,069.11	2,197.63
Greenwood Mills, successor to Mathews Mill, successor to Mathews Cotton Mill, Greenwood, S.C.	Manufacture of cotton and rayon cloth.	Oct. 31, 1942 ¹	88,674.60	53,177.81	None	1,723.50	744.24
		Aug. 31, 1941	407,383.54	565,354.65	208,216.46	97,098.37	None
		Aug. 31, 1942	492,525.98	480,212.21	267,474.02	174,114.59	59,473.03
		Aug. 31, 1943	553,145.67	419,592.52	206,854.33	186,168.90	106,989.61
		Dec. 31, 1941 ¹	233,885.80	240,640.12	14,677.90	15,690.26	3,113.98
Mills Mill, Greenville, S.C.	Cotton manufacturing. Manufacturing cotton goods.	Mar. 31, 1941	474,325.62	208,666.30	4,551.07	1,825.42	565.88
Pacolet Manufacturing Co., Pacolet, S.C.		to Nov. 30, 1941 ¹ Nov. 30, 1942 ¹	473,656.61	209,335.31	5,220.08	2,694.39	1,430.20
<i>Columbus</i>							
The Hydraulic Press Manufacturing Co., 820 Marion Road, Mount Gilead, Ohio.	Manufacturing.....	Dec. 31, 1941 ²	303,945.47	377,609.50	103,744.50	33,543.72	10,398.56
		Dec. 31, 1942 ²	304,082.37	359,339.94	101,239.59	174,854.16	80,591.68
		Dec. 31, 1943 ²	301,140.70	376,020.56	101,239.59	163,209.53	80,992.32
<i>Detroit</i>							
Kawneer Co., successor to the Kawneer Co., 1105 North Front St., Niles, Mich.	Manufacture of non-ferrous metal storefront construction.	Dec. 31, 1941 ¹	364,472.57	184,350.03	39,657.43	70,175.35	15,675.36
Plymouth Oil Co., 14105 Plymouth Road, Detroit 27, Mich.	Wholesale and retail gasoline, oil, etc.	Dec. 31, 1942 ¹	2,765.35	28,262.96	3,029.65	2,726.68	818.00
		Dec. 31, 1943 ¹	2,765.35	28,262.96	3,029.65	2,726.69	818.00
		Dec. 31, 1944 ¹	2,765.35	28,262.96	3,029.65	2,878.17	818.00
		Dec. 31, 1945 ¹	4,646.70	26,481.61	1,248.30	2,439.18	693.25
<i>Greensboro</i>							
Clark Publishing Co., 218 West Morehead St., Charlotte, N.C.	Publishers.....	Dec. 31, 1942 ¹	1,014.76	29,445.57	3,022.74	2,755.97	820.97
		Dec. 31, 1943 ¹	1,014.90	29,445.43	3,022.60	2,720.34	816.11
Marsh Furniture Co., High Point, N.C.	Furniture manufacturer.....	Dec. 31, 1944 ¹	1,018.04	14,277.77	3,019.46	2,868.49	815.26
		Dec. 31, 1940 ¹	17,797.41	34,937.73	3,577.59	894.40	None
		Dec. 31, 1941 ¹	20,576.33	52,396.66	8,873.67	3,993.16	1,237.88
		Dec. 31, 1942 ¹	25,720.40	47,252.59	3,729.60	3,356.64	1,976.68
		Dec. 31, 1943 ¹	25,720.40	47,252.59	3,729.60	3,074.06	1,810.46
		Dec. 31, 1944 ¹	25,720.40	47,252.59	3,729.60	3,543.12	3,058.83
		Dec. 31, 1945 ¹	25,720.40	66,996.69	3,729.60	3,543.12	1,976.68
		Sept. 30, 1941 ¹	38,646.92	145,200.28	None	1,361.46	None
<i>Little Rock</i>							
The Crossett Co., formerly: Crossett Lumber Co., Crossett, Ark.	Lumber and paper manufacturing.	Nov. 30, 1942 ¹	712,492.30	558,903.50	138,648.90	133,218.21	50,607.82
		Nov. 30, 1943 ¹	734,113.28	541,141.96	120,893.72	129,301.25	57,467.21
		Nov. 30, 1944 ¹	718,392.72	556,862.82	136,607.28	143,950.94	60,772.30
		Nov. 30, 1945 ¹	733,638.71	541,616.83	121,361.29	117,685.20	49,551.66
		Nov. 30, 1946 ¹	758,900.44	516,355.10	96,099.56	7,962.18	3,352.50
<i>Los Angeles</i>							
Don Baxter Inc., 1015 Grandview Ave., Glendale, Calif.	Pharmaceutical products.....	Nov. 30, 1942 ²	92,545.10	122,684.39	11,954.90	7,961.94	3,080.75
		Nov. 30, 1943 ²	92,119.63	123,109.86	12,380.37	11,142.33	4,952.15
		Nov. 30, 1944 ²	92,119.64	123,109.85	12,380.36	11,708.90	4,952.15
		Nov. 30, 1945 ²	90,843.60	116,885.89	13,656.40	12,973.58	5,462.56
		Nov. 30, 1946 ²	83,691.30	124,038.19	13,308.70	1,073.81	452.13
Marine Products Co., P.O. Box 431, San Diego 12, Calif.	Importers and exporters.....	Aug. 31, 1943 ¹	6,052.57	34,565.60	6,487.43	5,838.69	1,751.61
		Aug. 31, 1944 ¹	6,596.30	16,506.10	5,943.70	5,000.30	1,471.65
		Aug. 31, 1945 ¹	6,052.57	57,083.32	6,487.43	6,163.05	1,802.40
Utility Appliance Corp., 141 South El Camino Blvd., Beverly Hills, Calif.	Manufacturer of sheet metal products.	Dec. 31, 1944 ²	42,909.82	59,690.18	18,840.18	17,893.18	7,536.07
<i>Lower Manhattan</i>							
The Mohican Stores, Inc., 280 Broadway, New York 7, N.Y.	Chain retail food stores.....	Dec. 31, 1944	171,305.51	127,152.36	13,214.26	12,553.54	5,519.99
<i>Milwaukee</i>							
Marathon Corp., successor to Northern Paper Mills, by statutory merger, Green Bay, Wis.	Manufacture of paper.....	Dec. 31, 1941 ¹	375,927.67	462,671.06	47,772.33	61,615.63	19,100.84
		Dec. 31, 1942 ¹	390,233.48	448,365.25	32,793.36	73,695.61	32,753.60
<i>Newark</i>							
Breeze Corp., Inc., 700 Liberty Ave., Union, N.J.	Manufacturers of aircraft parts and accessories.	Dec. 31, 1940 ¹	288,683.75	844,803.33	3,441.25	1,548.56	None
		Dec. 31, 1941 ¹	352,711.24	780,854.34	31,737.28	19,042.37	5,904.13
		Dec. 31, 1940 ²	226,520.46	108,117.89	1,479.54	443.86	None
		Dec. 31, 1941 ²	273,035.81	762,709.24	40,464.19	24,278.51	7,526.35
		Dec. 31, 1942 ²	273,035.81	1,980,708.00	18,614.19	16,752.77	7,445.68
		Dec. 31, 1943 ²	273,035.81	1,743,208.00	18,614.19	16,752.77	7,445.68
		Dec. 31, 1944 ²	286,567.37	1,729,676.44	5,082.63	8,296.07	3,405.08
		Dec. 31, 1945 ²	301,772.92	1,714,470.59	None	5,437.76	2,285.98
<i>New Orleans</i>							
The Brown Paper Mill Co., Inc., P.O. Box 1472, Monroe, La.	Manufacture of paper and paper board.	Dec. 31, 1940 ²	915,675.26	1,445,673.24	180,905.35	90,452.68	None
		Dec. 31, 1941 ²	1,144,245.85	1,217,102.65	308,104.03	184,862.42	57,307.35
		Dec. 31, 1942 ²	1,418,236.37	976,953.03	48,128.00	43,315.20	19,251.20
		Dec. 31, 1943 ²	1,405,221.84	1,920,751.44	50,730.80	48,657.72	20,292.32
		Dec. 31, 1944 ²	1,405,888.51	1,920,094.77	50,597.47	48,067.59	20,238.99
Dec. 31, 1945 ²	1,406,353.62	1,919,619.66	47,085.40	44,731.13	18,844.55		

See footnotes at end of table.

EXCESS PROFITS TAX RELIEF GRANTED UNDER SECTION 722 OF THE INTERNAL REVENUE CODE BY THE COMMISSIONER OF INTERNAL REVENUE, FISCAL YEAR ENDED JUNE 30, 1959—Continued

Name and address of taxpayer (arranged by Internal Revenue districts in which excess profits tax returns were filed)	Business in which engaged	Taxable year ended—	Excess profits credit before allowance of relief	Increase in the amount of excess profits credit claimed by taxpayer	Increase in the amount of excess profits credit allowed	Gross reduction in the excess profits (subch. E) tax resulting from the operation of Sec. 722	Gross increase in the income (ch. 1) tax resulting from the operation of Sec. 722
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Omaha</i>							
Peoples Natural Gas Co., 223 Dodge St., Omaha, Nebr.	Natural gas utility.....	Dec. 31, 1941 ¹ Dec. 31, 1942 ¹ Dec. 31, 1943 ¹ Dec. 31, 1944 ¹	\$213,314.60 216,921.15 218,150.05 218,321.84	\$78,184.21 75,820.82 77,886.25 77,714.46	\$47,935.40 45,572.01 47,637.44 47,465.69	\$28,191.41 40,829.10 54,011.20 56,848.62	\$8,739.34 17,803.30 24,004.88 23,935.27
<i>Philadelphia</i>							
Scott Paper Co., Front and Market Sts., Chester, Pa.	Manufacture and sale of toilet tissue and paper towels.	Dec. 31, 1941 ¹ Dec. 31, 1942 ¹ Dec. 31, 1943 ¹	2,322,430.40 2,077,822.73 2,070,946.75	1,113,345.84 1,113,345.84 1,113,345.84	123,819.60 123,819.60 123,819.60	59,243.53 111,437.64 111,437.64	18,365.49 49,527.84 49,527.84
<i>Pittsburgh</i>							
Rockwell Manufacturing Co., successor to Nordstrom Valve Co., formerly: Merco Nordstrom Valve Co., 409 North Lexington Ave., Pittsburgh, Pa.	Sale of valves and accessories..	Nov. 30, 1942 ¹	584,822.22	74,362.09	12,764.91	39,532.99	515.54
<i>Richmond</i>							
Reynolds Metals Co. and subsidiaries, Richmond 19, Va.	Manufacture and conversion of nonferrous metals, etc.	Dec. 31, 1940 ¹ Dec. 31, 1941 ¹ Dec. 31, 1942 ¹ Dec. 31, 1943 ¹ Dec. 31, 1944 ¹ Dec. 31, 1945 ¹	1,276,659.80 2,257,750.70 2,095,162.29 3,120,689.66 1,242,135.02 1,242,630.88	2,232,691.39 2,810,938.14 3,885,162.88 2,861,692.84 3,574,020.06 3,574,362.06	281,523.14 739,499.30 1,044,587.71 16,685.34 942,864.93 942,369.12	171,596.18 169,100.87 1,538,375.71 1,871,605.19 150,337.51 457,232.49	None None 741,241.99 873,415.75 63,316.85 192,518.95
<i>Springfield</i>							
Fred W. Amend Co., 805 North Griffin St., Danville, Ill.	Candy manufacturing.....	Dec. 31, 1941 ¹	26,257.87	157,194.05	4,379.63	1,514.41	666.35
Jerry Anderson, Inc., formerly: Faries Manufacturing Co., 1035 East Grand Ave., Decatur, Ill.	Manufacturer lamps, electrical fixtures, metal and electrical specialties.	June 30, 1942 ² June 30, 1943 ²	157,338.08 173,444.72	111,997.83 95,651.09	61,038.07 44,741.33	31,869.82 106,642.63	9,879.64 47,395.73
<i>Syracuse</i>							
The Garlock Packing Co., 402 East Main St., Palmyra, N.Y.	Mechanical packings.....	Dec. 31, 1941 ¹	953,350.68	318,448.83	12,998.82	7,799.29	2,417.78
The New York Air Brake Co., Starbuck Ave., Watertown, N.Y.	Manufacture and sale of air brakes for railway trains.	Dec. 31, 1940 ¹ Dec. 31, 1941 ¹	634,010.08 773,846.91	1,820,851.67 2,167,786.87	78,774.92 93,808.62	39,387.46 56,285.17	None 17,448.40
<i>Toledo</i>							
The Aro Equipment Corp., Enterprise St., Bryan, Ohio.	Manufacturing of lubrication equipment and aircraft products.	Nov. 30, 1941 ¹ Nov. 30, 1942 ¹ Nov. 30, 1946 ¹	241,972.41 241,972.41 384,916.94	682,495.39 682,495.39 682,135.98	31,627.59 66,777.59 66,418.18	12,842.57 48,464.05 5,358.95	3,981.20 18,410.87 2,256.42
<i>Upper Manhattan</i>							
Arcrods Corp., 150 East 42d St., New York 17, N.Y.	Manufacturers of welding rods and electrodes.	Dec. 31, 1940 ¹ Dec. 31, 1941 ¹ Dec. 31, 1942 ¹ Dec. 31, 1943 ¹ Dec. 31, 1944 ¹ Dec. 31, 1945 ¹	60,836.81 79,749.33 104,511.47 116,822.10 132,751.28 141,004.74	130,623.45 131,415.87 108,653.73 94,343.10 78,413.92 70,160.46	52,500.45 101,737.87 76,975.73 64,665.10 48,735.92 40,482.46	20,377.11 56,290.00 53,078.08 34,457.79 47,733.85 39,541.93	None 17,449.90 31,876.05 26,683.64 20,093.46 16,649.23
The Connecticut Theatrical Corp., 1585 Broadway, New York 36, N.Y.	Amusement enterprise.....	Aug. 31, 1943 Aug. 31, 1944 Aug. 31, 1945 Aug. 31, 1946	270,189.80 270,189.80 270,189.80 270,189.80	83,692.80 83,692.80 83,692.80 83,692.80	19,560.20 19,560.20 19,560.20 19,560.20	17,604.18 18,256.19 18,532.19 4,765.46	7,824.08 7,824.09 7,824.08 2,615.17
Feature Publications, Inc., 1790 Broadway, New York 19, N.Y.	Publishers of periodicals.....	Oct. 31, 1943 ² Oct. 31, 1944 ²	944.65 1,425.37	32,007.05 31,526.33	6,940.35 6,459.63	7,434.54 6,032.80	2,230.36 1,752.02
Manhattan Soap Co., Inc., 441 Lexington Ave., New York, N.Y.	Soap manufacturing.....	Dec. 31, 1940 ¹ Dec. 31, 1941 ¹ Dec. 31, 1942 ¹ Dec. 31, 1943 ¹ Dec. 31, 1944 ¹ Dec. 31, 1945 ¹	78,879.85 97,382.52 97,328.83 75,185.00 74,944.79	537,356.54 663,403.15 663,403.12 663,403.12 663,403.12	57,445.15 116,367.43 140,171.17 140,117.46 140,117.46	22,978.06 64,838.48 115,250.77 112,180.93 122,617.22	None 20,099.93 53,871.89 56,046.98 51,623.31
Royal Frocks Inc., 463 Seventh Ave., New York, N.Y.	Manufacturer of ladies dresses.	June 30, 1943 ² June 30, 1944 ²	24,849.39 24,849.39	48,914.61 48,914.61	20,300.61 20,300.61	18,270.55 18,775.28	10,739.82 10,416.60
<i>Wilmington</i>							
Roth Manufacturing Co., 1600 South Kilbourn Ave., Chicago 23, Ill.	Manufacturers of brass and iron specialties.	Dec. 31, 1940 ¹ Dec. 31, 1941 ¹	192,790.33 236,876.86	109,393.29 71,546.13	7,093.83 15,781.05	2,123.15 7,890.52	None 2,440.07

Supplemental list for fiscal year ended June 30, 1958

<i>Brooklyn</i>							
Garrett & Company Inc., 882 Third Ave., Brooklyn 32, N.Y.	Wine manufacturers and growers.	June 30, 1944	\$183,618.15	\$1,134,259.85	\$7,455.35	\$4,856.16	\$2,982.17
<i>Chicago</i>							
G. J. Aigner Co., 426 South Clinton St., Chicago, Ill.	Manufacturers and printers of loose leaf devices.	Dec. 31, 1941 ¹	13,050.21	5,243.41	804.79	281.67	86.81
<i>Newark</i>							
Aridye Corp., c/o Interchemical Corp., transferee, 67 West 44th St., New York 36, N.Y.	Manufacture and sale of colors for textiles.	Dec. 31, 1942	19,158.79	109,336.56	58,443.89	47,888.24	30,001.12
<i>Upper Manhattan</i>							
The Crowell Collier Publishing Co., 640 Fifth Ave., New York 17, N.Y.	Printing and publishing of magazines.	Dec. 31, 1943 ²	2,744,512.71	1,208,545.26	418,833.16	748,412.00	332,627.55

¹ Allowance in accordance with decision of Tax Court of the United States based on agreed settlement of parties. No previous allowance by the Commissioner.² Allowance in accordance with decision of the Tax Court of the United States after hearing on the merits. No previous allowance by the Commissioner.³ Allowance made during fiscal year ended June 30, 1959, represents addition to relief previously allowed and published.

CIVIL AERONAUTICS BOARD

[Docket No. 8748]

AMERICAN SHIPPERS, INC.; ENFORCEMENT PROCEEDING**Notice of Postponement of Hearing**

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, that the hearing in the above-entitled proceeding, now assigned for September 9, 1959, is postponed to October 12, 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 Ralph L. Wiser.

Dated at Washington, D.C., September 2, 1959.

[SEAL] THOMAS L. WRENN,
Associate Chief Examiner.

[F.R. Doc. 59-7432; Filed, Sept. 4, 1959; 8:50 a.m.]

[Docket No. 10755]

EAGLE AIRWAYS (BAHAMAS) LTD.**Notice of Postponement of Hearing**

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

Notice is hereby given that the hearing in the above-entitled proceeding heretofore assigned to be held on September 11, 1959, is postponed to September 14, 1959, at 10:00 a.m., e.d.s.t., in Room 911, Universal Building, Connecticut and Florida Avenues NW, Washington, D.C., before Examiner Ferdinand D. Moran.

Dated at Washington, D.C., September 1, 1959.

[SEAL] THOMAS L. WRENN,
Associate Chief Examiner.

[F.R. Doc. 59-7433; Filed, Sept. 4, 1959; 8:50 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-9418, etc.]

RALPH R. GILSTER ET AL.**Notice of Applications and Date of Hearing**

SEPTEMBER 1, 1959.

In the matters of Ralph R. Gilster, et al., Docket No. G-9418; John Franks, Operator, et al., Docket No. G-14159; Harvey Broyles, Operator, et al., Docket No. G-15467.

Take notice that Frank R. Gilster, et al., (Gilster, et al.) filed on January 2, 1958, and July 14, 1958, petitions to amend the order of the Commission issued February 7, 1956, in the Matters of Robert Mosbacher, et al., Docket Nos. G-8459, et al., to delete therefrom authorization therein granted to Gilster, et al., in Docket No. G-9418, to sell gas pro-

duced from certain acreage to Texas Eastern Transmission Corporation (Texas Eastern) which acreage has since been farmed out to John Franks, or which is now being operated by Harvey Broyles.

Take further notice that John Franks, Operator, et al., (Franks, et al.) filed an application on January 2, 1958, in Docket No. G-14159 and Harvey Broyles, Operator, et al., (Broyles, et al.) filed an application on July 14, 1958, in Docket No. G-15467 for certificates of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act, authorizing the sale of natural gas as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the applications which are on file with the Commission and open to public inspection.

By order issued February 7, 1956, in the Matters of Robert Mosbacher, et al., Docket Nos. G-8459, et al., Gilster, et al., were granted a certificate of public convenience and necessity in Docket No. G-9418, authorizing the sale of natural gas produced from the Bethany-Longstreet Field, Caddo and DeSoto Parishes, Louisiana, to Texas Eastern Transmission Corporation (Texas Eastern) under a sales contract dated August 15, 1955, as amended, on file as Ralph R. Gilster, et al., FPC Gas Rate Schedule No. 2.

On January 2, 1958, Gilster, et al.,¹ filed a petition requesting amendment of the above-referred to certificate to delete therefrom acreage in Section 9, Township 14 North, Range 15 West, farmed out to John Franks (Franks, et al.).

On July 14, 1958, Gilster, et al.,² filed a further petition to amend the aforementioned certificate to delete therefrom the Hill Zone of the Rodessa Formation underlying Section 16, 21, 27 and 28, Township 14 North, Range 15 West.

The petition of January 2, 1958, states that Franks, as operator, completed a well on the John Franks-Fisher Unit. The subsequent petition of July 14, 1958, states that Gilster, et al., with other interest owners completed the following wells producing from the Hill Zone of the Rodessa Formation: (1) the Jones-O'Brien, Inc., et al.—Fisher No. 2H Well (Section 16), (2) the Harvey Broyles, et al.—Keatchie Townsite Unit No. 1 (Section 21), (3) the John Franks, et al.—Wilson No. 1 Well (Section 27), and (4) the M. F. McCain, et al.—Bazemore Unit No. 1 (Section 28). Both Franks and Gilster, et al., state that the aforementioned wells have insufficient pressure for injection into Texas Eastern's field lines, and that the available quantity of gas, in addition to the cost involved in constructing compression and facilities required for delivery to Texas Eastern, dictated the need of seeking another market.

On January 2, 1958, Franks, et al.,³ in Docket No. G-14159 and on July 14, 1958,

¹"Et al." parties are James E. Kemp (Kemp) and Jones-O'Brien, Inc. (Jones-O'Brien).

²"Et al." parties are James E. Kemp (Kemp) and Jones-O'Brien, Inc. (Jones-O'Brien).

³Franks filed individually and as operator for 13 co-owners.

Broyles, et al.,⁴ in Docket No. G-15467 filed applications, pursuant to section 7(c) of the Act, to render service to Arkansas Louisiana from the aforementioned units. The service will be rendered by Franks, et al., pursuant to a sales contract dated November 18, 1957, between Franks, et al., and Arkansas Louisiana, on file as John Franks, Operator, et al., FPC Gas Rate Schedule No. 1. The Broyles et al.—Arkansas Louisiana contract dated June 3, 1958, is on file as the Harvey Broyles, Operator, et al., FPC Gas Rate Schedule No. 1.

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 section 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on October 6, 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 24, 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.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7406; Filed, Sept. 4, 1959; 8:46 a.m.]

[Docket No. G-6251]

EDWIN M. JONES OIL CO.**Notice of Application and Date of Hearing**

SEPTEMBER 1, 1959.

Take notice that Henrietta Yerger Jones d/b/a Edwin M. Jones Oil Company (Applicant), an independent producer with its principal place of business in San Antonio, Texas, filed on November 29, 1954, an application for a certificate of public convenience and necessity, pursuant to section 7(c) of the Natural

⁴Applicants are Broyles, Jones-O'Brien, Franks, and M. F. McCain, all operators filing individually and on behalf of the co-owners in each of the above four units and wells thereon.

Gas Act, authorizing the Applicant to continue to sell natural gas as herein-after described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant proposes to continue the sale of natural gas to Transcontinental Gas Pipe Line Corporation from production in the Greta Field, Refugio County, Texas, for transportation in interstate commerce for resale for ultimate public consumption, made on and since June 7, 1954.

This matter is one that should be 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 October 13, 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 application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) 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 Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 22, 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.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7407; Filed, Sept. 4, 1959;
8:46 a.m.]

[Docket No. G-18606]

NORTHERN NATURAL GAS CO.

Notice of Application and Date of Hearing

SEPTEMBER 1, 1959.

Take notice that on May 21, 1959, Northern Natural Gas Company (Applicant) filed an application in Docket No. G-18606, as supplemented on June 26, 1959, pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the construction and operation of natural gas transmission facilities to perform a transportation service for an existing customer, Metropolitan Utilities District of Omaha, Nebraska (District),

and for American Gas Company (American), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct and operate 1.1 miles of 6 $\frac{3}{8}$ -inch O.D. gas pipeline extending from a point in Omaha, Nebraska, eastward across the Nebraska-Iowa boundary, through the community of Carter Lake, Iowa, again crossing the Nebraska-Iowa boundary to a final termination in East Omaha, Nebraska.

Applicant proposes to receive the total natural gas requirements of Carter Lake and East Omaha from District at a point in Omaha, to transport this gas to Carter Lake, there delivering American's portion of the gas, and to transport the remainder across the Iowa-Nebraska boundary, delivering it to District in East Omaha.

Applicant estimates the total requirements of Carter Lake, Iowa, and East Omaha, Nebraska to be as follows (Mcf at 14.73 psia):

	1st year	2d year	3d year
Carter Lake, Iowa:			
Peak day.....	633	823	928
Annual.....	61,635	74,174	83,285
East Omaha, Nebr.:			
Peak day.....	567	667	767
Annual.....	74,480	88,430	102,480

The estimated cost of the pipeline and appurtenant facilities is \$30,500, which will be financed from funds on hand.

This matter is one that should be 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 October 8, 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 application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) 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 Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 28, 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.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7408; Filed, Sept. 4, 1959;
8:46 a.m.]

[Docket No. G-17564]

INDIANA NATURAL GAS CORP.

Notice of Application and Date of Hearing

JULY 28, 1959.

Take notice that Indiana Natural Gas Corporation (Applicant), an Indiana corporation, having its principal place of business in Indianapolis, Indiana, filed on January 19, 1959, an application and on February 13, 1959, March 30, May 20 and June 8, 1959 supplements thereto, pursuant to section 7(a) of the Natural Gas Act, for an order directing Texas Gas Transmission Corporation (Texas Gas) to establish physical connection of its transportation facilities with the facilities which Applicant proposes to construct and to sell and deliver to Applicant natural gas for resale to the public in the towns of Paoli and Orleans, Indiana and their environs, all as more fully represented in the application, which is on file with the Commission and open for public inspection.

Applicant proposes to construct and operate two 4-inch laterals, approximately 2.5 and 4.3 miles in length, extending westward from two points of connection with Texas Gas' 16-inch pipeline to the town border stations of said towns. Applicant also plans to construct and operate the necessary distribution facilities.

Applicant estimates its natural gas requirements for the two communities as follows:

Year	Requirements in Mcf @15,025 psia	
	Peak day	Annual
1.....	2,053	184,894
2.....	2,076	282,103
3.....	2,797	294,640
4.....	2,945	310,045
5.....	3,170	329,899

Applicant estimates the cost of construction during the first year will be \$369,518, and with additions will amount to \$429,260 in the sixth year of operation. Applicant proposes to finance this construction by the sale of 6 $\frac{1}{4}$ percent twenty-year first mortgage bonds in the amount of \$225,000, plus a bonus of 5 percent or 1,500 shares of the common stock, and also by the sale to the public of 28,500 shares of Applicant's no par common stock at a price of \$5.00 per share.

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 10, 1959, at 10:00 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 application.

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 27, 1959.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7435; Filed, Sept. 4, 1959;
8:50 a.m.]

[Docket No. G-18141]

SOUTHERN PETROLEUM EXPLORATION, INC.

Notice of Application and Date of Hearing

SEPTEMBER 1, 1959.

Take notice that Southern Petroleum Exploration, Inc. (Applicant), an independent producer having its principal place of business in Sistersville, West Virginia, filed on March 23, 1959, an application for a certificate of public convenience and necessity and an amendment thereto on July 20, 1959 pursuant to section 7(c) of the Natural Gas Act authorizing Applicant to sell natural gas as hereinafter described, all as more fully represented in the application, as amended, which is on file with the Commission and open to public inspection.

Applicant proposes to sell natural gas to El Paso Natural Gas Company for transportation in interstate commerce for resale, from production in the San Juan Basin in Rio Arriba County, New Mexico. The sales will be made pursuant to the terms of sale contracts dated May 9, 1955, as amended, and December 11, 1958 which are on file with the Commission as Applicant's FPC Gas Rate Schedule Nos. 12 and 14, respectively.

This matter is one that should be 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 October 6, 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 application as amended: *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 Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 24, 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 inter-

No. 175—8

mediate decision procedure in cases where a request therefor is made.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7409; Filed, Sept. 4, 1959;
8:46 a.m.]

[Docket No. G-16846]

SUN OIL CO.

Notice of Application and Date of Hearing

AUGUST 31, 1959.

Take notice that on October 31, 1958, Sun Oil Company (Applicant), an independent producer, filed in Docket No. G-16846 an application for a certificate of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act authorizing the sale of natural gas to Texas Illinois Natural Gas Pipeline Company (Texas Illinois), subject to the jurisdiction of the Commission, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant seeks authorization to sell natural gas attributable to its interest in Townsite Unit in the La Gloria Area, Jim Wells and Brooks Counties, Texas, pursuant to a basic gas sales contract dated January 25, 1950, as amended. Applicant owns a 9.634 percent working interest in said unit and is a signatory party to the gas sales contract.

This matter is one that should be 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 October 8, 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 application: *Provided, however*, That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) 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 Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before September 28, 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.

MICHAEL J. FARRELL,
Acting Secretary.

[F.R. Doc. 59-7410; Filed, Sept. 4, 1959;
8:46 a.m.]

FEDERAL RESERVE SYSTEM

MARINE CORP.

Order Approving Application Under Bank Holding Company Act

In the matter of the application of The Marine Corporation for prior approval of acquisition of voting shares of Pewaukee State Bank, Pewaukee, Wisconsin.

There having come before the Board of Governors pursuant to section 3(a) (2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) and section 4 (a) (2) of the Board's Regulation Y (12 CFR 222.4(a) (2)), an application on behalf of The Marine Corporation whose principal office is in Milwaukee, Wisconsin, for the Board's prior approval of the acquisition of 2,400 or more of the 3,000 outstanding voting shares of Pewaukee State Bank, Pewaukee, Wisconsin; a Notice of Tentative Decision referring to a Tentative Statement on said application having been published in the FEDERAL REGISTER on August 11, 1959 (24 F.R. 6465); the said Notice having provided interested persons an opportunity, before issuance of the Board's final Order, to file objections or comments upon the facts stated and the reasons indicated in the Tentative Statement; and the time for filing such objections and comments having expired and no such objections or comments having been filed;

It is hereby ordered, For the reasons set forth in the Board's Statement¹ of this date, that the said application be, and hereby is, granted, and the acquisition by The Marine Corporation of 2,400 or more of the 3,000 outstanding voting shares of Pewaukee State Bank is hereby approved, provided that such acquisition is completed within three months from the date hereof.

Dated at Washington, D.C., this 31st day of August 1959.

By order of the Board of Governors.
[SEAL] KENNETH A. KENYON,
Assistant Secretary.

[F.R. Doc. 59-7411; Filed, Sept. 4, 1959;
8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

SEABOARD ALLIED MILLING CORP.

Notice of Application To Withdraw From Listing and Registration, and Opportunity for Hearing

SEPTEMBER 1, 1959.

In the matter of Seaboard Allied Milling Corporation, Common Stock; File No. 1-3390.

The above named issuer, pursuant to section 12(d) of the Securities Exchange

¹Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington 25, D.C., or to any Federal Reserve Bank.

Act of 1934 and Rule 12d2-1(b) promulgated thereunder, has made application to withdraw the specified security from listing and registration on the Boston Stock Exchange.

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

The stock is listed and has most of its exchange volume on the American Stock Exchange. The corporation states that its principal business is no longer in the New England area and that it wishes to save the labor and expense of dual listing.

Upon receipt of a request, on or before September 15, 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. 59-7417; Filed, Sept. 4, 1959;
8:47 a.m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AKSEL LUNDGAARD BECK

Notice of Intention To Return Vested Property

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Aksel Lundgaard Beck, Copenhagen, Denmark; Claim No. 45969; \$2,943.91 in the Treasury of the United States. Vesting Order No. 7974.

Executed at Washington, D.C., on August 20, 1959.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F.R. Doc. 59-7426; Filed, Sept. 4, 1959;
8:49 a.m.]

ELIZABETH WILHELMINA SCHMIEDELL

Notice of Intention To Return Vested Property

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Elizabeth Wilhelmina Schmiedell, Bergen aan Zee, Holland; Claim No. 42289; \$44,186.40 in the Treasury of the United States. Vesting Order No. 8964.

Executed at Washington, D.C., August 27, 1959.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F.R. Doc. 59-7427; Filed, Sept. 4, 1959;
8:49 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 184]

MOTOR CARRIER TRANSFER PROCEEDINGS

SEPTEMBER 2, 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 62132. By order of August 31, 1959, the Transfer Board approved the transfer to Tilton Transfer & Storage Co., A Corporation, Westerville, Ohio, of Certificate No. MC 20780, issued May 19, 1954, to Tilton Transfer & Storage, Inc., Delaware, Ohio, authorizing the transportation of general commodities, excluding household goods, as defined by the Commission, commodities in bulk, and other specified commodities, between Delaware, Ohio, on the one hand, and, on the other, points within 15 miles of Delaware, including Delaware. Walter E. Shaeffer, 44 East Broad Street, Columbus 15, Ohio, for applicants.

No. MC-FC 62301. By order of August 31, 1959, the Transfer Board approved the transfer to Leon D. Moon, doing business as Moon's Bus Line, Wedowee,

Ala., of Certificate No. MC 109921, issued May 5, 1949, to Troy Gay, doing business as Gay Bus Line, Roanoke, Ala., authorizing the transportation of: Passengers and their baggage, between Omaha, Ala., and La Grange, Ga., with service authorized to and from all intermediate points along the designated routes, except those between Welch and the Alabama-Georgia State line, including Welch. Paul J. Hooton, Box 129, Roanoke, Ala., for applicants.

No. MC-FC 62335. By order of August 31, 1959, the Transfer Board approved the transfer to Darvey A. Johnson, Grantsburg, Wis., of Certificates in Nos. MC 89310 and MC 89310 Sub 2, issued June 14, 1949, and July 20, 1951, respectively, to Russell Swenson, Grantsburg, Wis., authorizing the transportation of: *Livestock, livestock feed, fertilizer, seeds, and farm machinery*, between specified points in Minnesota and Wisconsin. A. R. Fowler, 2288 University Avenue, St. Paul 14, Minn., for applicants.

No. MC-FC 62367. By order of August 31, 1959, the Transfer Board approved the transfer to Antonette Dorothy D'Alessandro, doing business as A and D Trucking Co., Reading, Mass., of Certificate No. MC 48766, issued January 24, 1956, to Ford Bros., Inc., South Boston, Mass., authorizing the transportation of: *Glue stock, from Boston, Mass., to Peabody, Billerica, and Franklin, Mass.; and paper, rags, fibers, and cordage mill waste, between Boston, Mass., and points in Massachusetts within five miles of Boston, on the one hand, and, on the other, Phillipsdale, Providence, and Woonsocket, R.I., and Milton and Troy, N.H.* Harry P. Haveles, 6 Beacon Street, Boston, Mass., for applicants.

No. MC-FC 62454. By order of August 31, 1959, the Transfer Board approved the transfer to Coronet Enterprises, Inc., Spokane, Wash., of the operating rights in Certificate No. MC 112570 and MC 112570 Sub 1, issued July 23, 1951, and October 7, 1952, respectively, to John L. Spohn, doing business as Pete's Auto Wrecking, Spokane, Wash., authorizing the transportation of wrecked and disabled motor vehicles, and recovered, stolen or repossessed automobiles, in truckaway service, over irregular routes, between Spokane, Wash., on the one hand, and, on the other, points in Idaho, and wrecked and disabled motor vehicles, trucks, trailers, and busses, and recovered, stolen or repossessed automobiles, trailers, and busses, over irregular routes, between Spokane, Wash., on the one hand, and, on the other, points in fourteen specified Montana counties, and between Spokane, Wash., on the one hand, and, on the other, ports of entry at the boundary of the United States and Canada at or near Oroville, Laurier, Northport, and Metaline Falls, Wash. Joseph L. Thomas, 711 Old National Bank Building, Spokane 1, Washington, for applicants.

No. MC-FC 62480. By order of August 31, 1959, the Transfer Board approved the transfer to Ward King and Frank King, Jr., a Partnership, doing business as King Truck Line, Route No. 3, Hiawatha, Kansas, of a Certificate in No. MC

51359, issued September 25, 1958, to Walter Chase, doing business as Chase Truck Line, Fairview, Kansas, authorizing the transportation of specified commodities, from, to, and between, specified points in Kansas and Missouri.

No. MC-FC 62493. By order of August 31, 1959, the Transfer Board approved the transfer to Shirley Zucker and Robert J. Zucker, a Partnership, doing business as Park East Movers, New York, N.Y., of the operating rights in Certificates Nos. MC 47511 and MC 47511 Sub 1, issued January 20, 1942 and June 19, 1947, respectively, to James Zucker, Shirley Zucker, Executrix, doing business as Park-East Movers, New York, N.Y., authorizing the transportation, over irregular routes, of household goods, between New York, N.Y., on the one hand, and, on the other, points in New York and New Jersey. Emanuel M. Virshup, 67 West 44th Street, New York 36, N.Y., for applicants.

No. MC-FC 62507. By order of August 31, 1959, the Transfer Board approved the transfer to Anna B. Monteiro, doing business as Monteiro Trucking Company, Fall River, Mass., of Certificate No. MC 2312 issued June 20, 1952, in the name

of Leo Mestdagh, Blanche Mestdagh, Administratrix, doing business as Valcourt Trucking Co., Fall River, Mass., authorizing the transportation of building materials, over irregular routes, between Fall River, Norwood, and Walpole, Mass., on the one hand, and, on the other, points in Massachusetts and Rhode Island; and between Portsmouth and Providence, R.I., on the one hand, and, on the other, points in Massachusetts east of a line beginning at Boston and extending along Massachusetts Highway 1-A to North Attleboro, thence along U.S. Highway 1 to the Massachusetts-Rhode Island State line, including points on the indicated portions of the highways specified. J. Edward Lahoie, 57 North Main Street, Fall River, Mass., for applicants.

No. MC-FC 62511. By order of August 31, 1959, the Transfer Board approved the transfer to Arden Transport, Inc., Trenton, N.J., of a portion of Certificate No. MC 18138, issued December 28, 1950, in the name of Anderson Brothers, Inc., Red Bank, N.J., authorizing the transportation of general commodities, excluding household goods, commodities in bulk, and other specified commodities,

over irregular routes, between points in Monmouth and Ocean Counties, N.J., on the one hand, and, on the other, New York, N.Y., points in Westchester County, N.Y., and Philadelphia, Pa., and points within 25 miles of Philadelphia. Jacob Polin, 314 Old Lancaster Road, Merion, Pa., for applicants.

No. MC-FC 62513. By order of August 31, 1959, the Transfer Board approved the transfer to W. A. Givens, Akron, Ohio, of a permit in No. MC 106608 issued August 6, 1958, to Jones Van & Storage, Inc., Akron, Ohio, authorizing the transportation of electrical household appliances and parts thereof, die castings, advertising matter, office furniture, supplies, and equipment, and machinery, supplies, equipment, and materials, used in the manufacture of electrical household appliances, electrical household appliance parts, and die castings, between North Canton, Ohio, and Chicago, Ill., serving no intermediate points. John R. Meeke, 607 Copley Road, Akron 20, Ohio, for applicants.

[SEAL] HAROLD D. McCoy,
Secretary.

[F.R. Doc. 59-7421; Filed, Sept. 4, 1959; 8:48 a.m.]

CUMULATIVE CODIFICATION GUIDE—SEPTEMBER

A numerical list of the parts of the Code of Federal Regulations affected by documents published to date during September. Proposed rules, as opposed to final actions, are identified as such.

3 CFR	Page
<i>Executive orders:</i>	
5904	7143
5 CFR	
6	7087, 7127, 7162
6 CFR	
331	7089
421	7090, 7092
484	7092
7 CFR	
48	7127
722	7055, 7058
903	7198
905	7198
906	7198
907	7198
908	7198
911	7198
912	7198
913	7198
916	7198
917	7198
918	7198
919	7198
921	7198
922	7198
923	7198
924	7198
925	7198
928	7198
929	7198
930	7198
931	7198
932	7198
933	7199
935	7198
941	7198
942	7198
943	7198

7 CFR—Continued	Page
944	7198
946	7198
948	7198
949	7198
952	7198
953	7059, 7199
954	7198
956	7198
965	7198
966	7198
967	7198
968	7059, 7198
971	7198
972	7198
974	7198
975	7198
976	7198
977	7198
978	7198
980	7198
982	7198
985	7198
986	7198
987	7198
988	7198
991	7198
994	7198
995	7198
998	7198
1000	7198
1002	7198
1004	7198
1005	7198
1008	7198
1009	7198
1011	7198
1012	7198
1013	7198
1014	7198
1016	7198

7 CFR—Continued	Page
1018	7198
1023	7198
<i>Proposed rules:</i>	
319	7107
351	7108
909	7107
924	7163
958	7107
963	7207
1024	7138
12 CFR	
217	7062
219	7062
224	7062
329	7062
13 CFR	
128	7063
14 CFR	
1	7065
3	7065
4b	7067
6	7072
7	7074
13	7076
60	7129
225	7155
298	7155
600	7130-7132
601	7130-7132
609	7157, 7158
<i>Proposed rules:</i>	
1	7204
3	7204
4b	7204
5	7204
6	7204
7	7204

14 CFR—Continued	Page	26 (1954) CFR	Page	46 CFR—Continued	Page
<i>Proposed rules—Continued</i>		<i>Proposed rules:</i>		56	7188
8	7204	1	7103	57	7190
9	7204	27 CFR		61	7190
10	7204	5	7078	71	7190
13	7204	30 CFR		76	7191
14	7204	<i>Proposed rules:</i>		91	7191
60	7164	33	7135	95	7191
221	7163	32 CFR		110	7192
507	7164	45	7134	111	7192
514	7165	83	7134	112	7194
600	7081, 7083, 7138, 7165-7167	146	7134	113	7194
601	7082, 7083, 7165-7167, 7205, 7206	148	7134	161	7195
602	7206	211	7134	167	7196
15 CFR		836	7162	172	7197
361	7087	1621	7078	176	7197
371	7200	39 CFR		181	7197
373	7200	22	7162	183	7197
374	7200	43 CFR		308	7103
379	7200	<i>Public land orders:</i>		<i>Proposed rules:</i>	
382	7200	82	7200	201-360	7138
385	7200	1621	7200	47 CFR	
399	7201	1964	7079	3	7162
16 CFR		1965	7200	<i>Proposed rules:</i>	
13	7059-7061, 7098, 7099, 7133	46 CFR		3	7110
<i>Proposed rules:</i>		12	7177	7	7110
1-310	7083	30	7179	8	7110
21 CFR		32	7179	9	7110
120	7102	33	7179	10	7110
146	7103	34	7179	11	7110
<i>Proposed rules:</i>		35	7181	16	7110
53	7110	43	7181	19	7110
120	7167	44	7182	49 CFR	
121	7168	45	7182	95	7103
25 CFR		51	7183	50 CFR	
121	7100	52	7184	6	7079
<i>Proposed rules:</i>		54	7185	<i>Proposed rules:</i>	
221	7163	55	7187	31	7105, 7203, 7204
				32	7106, 7204
				34	7106