FEDERAL REGISTER

VOLUME 19 NUMBER 178

Washington, Tuesday, September 14, 1954

TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10560

ADMINISTRATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

By virtue of the authority vested in me by section 301 of title 3 of the United States Code, 65 Stat. 713, and as President of the United States, it is ordered as follows:

SECTION 1. *Department of Agriculture.* Except as otherwise provided in this order, the functions conferred upon the President by Title I of the Agricultural Trade Development and Assistance Act of 1954 are hereby delegated to the Secretary of Agriculture.

SEC. 2. *Foreign Operations Administration.* The functions conferred upon the President by Title II of the Act are hereby delegated to the Director of the Foreign Operations Administration.

SEC. 3. *Department of State.* (a) The functions of negotiating and entering into agreements with friendly nations or organizations of friendly nations conferred upon the President by the Act are hereby delegated to the Secretary of State.

(b) All functions under the Act, however vested, delegated, or assigned, shall be subject to the responsibilities of the Secretary of State with respect to the foreign policy of the United States as such policy relates to the said functions.

(c) The provisions of Part III of Executive Order No. 10476 of August 1, 1953 (18 F. R. 4537, ff.) are hereby extended and made applicable to functions provided for in the Act and to United States agencies and personnel concerned with the administration abroad of the said functions.

SEC. 4. *Foreign currencies.* (a) There are hereby delegated to the Director of the Bureau of the Budget (1) so much of the functions conferred upon the President by the Act as consists of fixing from time to time the amounts of foreign currencies which accrue under Title I of the Act to be used for each of the several purposes described in paragraphs (a) to (h), inclusive, of section 104 of the Act, and (2) the function conferred upon the President by the last proviso in section 104 of the Act of waiving the applicability of section 1415 of the Supplemental Appropriation Act, 1953.

(b) The Secretary of the Treasury is hereby authorized to prescribe regulations governing the purchase, custody, deposit, transfer, and sale of foreign currencies received under the Act.

(c) The foregoing provisions of this section shall not limit section 3 of this order and the foregoing subsection (b) shall not limit subsection (a) above.

(d) Purposes described in the lettered paragraphs of section 104 of the Act shall be carried out, with foreign currencies made available pursuant to section 4 (a) of this order, as follows:

(1) Those under section 104 (a) of the Act by the Department of Agriculture.

(2) Those under section 104 (b) of the Act by the Office of Defense Mobilization. The function, conferred upon the President by that section, of determining from time to time materials to be purchased or contracted for for a supplemental stockpile is hereby delegated to the Director of the Office of Defense Mobilization.

(3) Those under section 104 (c) of the Act by the Department of Defense.

(4) Those under sections 104 (d) (e), and (g) of the Act by the Foreign Operations Administration. The function, conferred upon the President by section 104 (g) of the Act, of determining the manner in which the loans provided for in the said section 104 (g) shall be made, is hereby delegated to the Director of the Foreign Operations Administration.

(5) Those under section 104 (f) of the Act by the respective agencies of the Government having authority to pay United States obligations abroad.

(6) Those under section 104 (h) of the Act by the Department of State.

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EXECUTIVE AGENCIES

FEDERAL REGISTER

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CODIFICATION GUIDE

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.

SEC. 5. *Reports to Congress.* The functions under section 108 of the Act, with respect to making reports to Congress, are reserved to the President.

SEC. 6. *Definition.* As used in this order the term "the Act" means the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, approved July 10, 1954, 68 Stat. 454) and includes, except as may be inappropriate, the provisions thereof amending other laws.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
September 9, 1954.

[F. R. Doc. 54-7242; Filed, Sept. 13, 1954; 9:51 a. m.]

RULES AND REGULATIONS

TITLE 43—PUBLIC LANDS: INTERIOR

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

Appendix C—Public Land Orders

[Public Land Order 1007]

ARIZONA AND NEW MEXICO

PARTIAL REVOCATION OF EXECUTIVE ORDER OF APRIL 17, 1926, CREATING PUBLIC WATER RESERVE NO. 107

By virtue of the authority vested in the President by section 1 of the act of June 25, 1910 (36 Stat. 847; 43 U. S. C. 141) and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

1. The Executive order of April 17, 1926, creating Public Water Reserve No. 107, as construed by Department of the Interior Interpretation No. 131 of May 19, 1930 and No. 250 of February 6, 1939, is hereby revoked so far as it affects the following-described lands:

NEW MEXICO PRINCIPAL MERIDIAN

INTERPRETATION NO. 250

T. 10 S., R. 8 E.,
Sec. 30, SW¼NE¼.
T. 17 S., R. 8 E.,
Sec. 22, SW¼SW¼.
T. 23 S., R. 14 W.,
Sec. 35, NE¼SE¼.
T. 24 S., R. 14 W.,
Sec. 17, NW¼SW¼.

GILA AND SALT RIVER MERIDIAN

INTERPRETATION NO. 131

T. 4 S., R. 31 E.,
Sec. 32, SW¼NW¼.

The areas described aggregate 200 acres.

2. The lands in T. 10 S., R. 8 E., N. M. P. M., New Mexico, are withdrawn for the use of the Department of the Army by Public Land Order No. 833 of May 16, 1952.

The lands in T. 24 S., R. 14 W., N. M. P. M., New Mexico, are withdrawn by Executive Order No. 6276 of September 8, 1933, for the purpose of aiding the State of New Mexico in making exchange selections.

3. The lands in T. 17 S., R. 8 E., N. M. P. M., New Mexico, are rolling. The soil is a sandy loam supporting a scattered stand of mesquite. There is no timber on the lands. The lands in T. 23 S., R. 14 W., N. M. P. M., New Mexico, are hilly to the north, gradually sloping into grazing lands to the south, bearing a good stand of grasses. The lands in T. 4 S., R. 31 E., G. & S. R. M., Arizona, are rough and mountainous. The soil is rocky, with mixed grass and browse.

No application for these lands will be allowed under the homestead, desert-land, small tract, or any other nonmineral public-land law, unless the lands have already been classified as valuable or suitable for such type of application, or shall be so classified upon consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

4. This order shall not otherwise become effective to change the status of the lands described in paragraph 3 until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location and selection under the applicable public land laws, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference right filing period for veterans and others entitled to preference under the act of Septembr 27, 1944 (59 Stat. 747; 43 U. S. C. 279–284), as amended.

5. Veterans preference-right applications under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284) may be filed on or before 10:00 a. m., of the 35th day after the date of this order, and those covering the same land shall be treated as though simultaneously filed at that time. Applications filed under the act after that time and during the succeeding 91 days shall be considered in the order of filing. Applications by nonveterans under the public land laws, filed on or before 10:00 a. m., of the 126th day after the date of this order shall be treated as though simultaneously filed at that time, where the applications are for the same lands; otherwise, priority of filing shall govern.

Inquiries concerning the lands described in paragraph 3 shall be addressed to the Manager, Land Office, Bureau of Land Management, Phoenix, Arizona or Santa Fe, New Mexico, depending upon the state where the lands are located.

ORLIE LEWIS,
Assistant Secretary of the Interior.

SEPTEMBER 8, 1954.

[F. R. Doc. 54-7159; Filed, Sept. 13, 1954; 8:46 a. m.]

[Public Land Order 1008]

COLORADO

WITHDRAWING PUBLIC LANDS AND RESERVED MINERALS IN PATENTED LANDS FOR USE OF THE UNITED STATES ATOMIC ENERGY COMMISSION

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:

Subject to valid existing rights and the provisions of existing withdrawals, the public lands and the minerals reserved to the United States in patented lands in the following-described areas in Colorado are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved for the use of the United States Atomic Energy Commission:

NEW MEXICO MERIDIAN

T. 46 N., R. 17 W.,
Secs. 23, 25, 26, 35 and 36.
T. 45 N., R. 17 W.,
Secs. 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 35 and 36.
T. 44 N., R. 17 W.,
Secs. 1 to 23, inclusive, 34, 35 and 36.
T. 45 N., R. 19 W.,
Sec. 3, SW¼,
Secs. 4, 9, 10 and 11;
Sec. 12, SW¼,
Sec. 13;
Sec. 14, N½,
Sec. 15, N½.
T. 46 N., R. 19 W.,
Sec. 23, S½,
Sec. 33.
T. 44 N., R. 18 W.,
Secs. 3, 4, 5, and 13.
T. 45 N., R. 18 W.,
Sec. 18;
Sec. 23, S½,
Sec. 29, S½,
Secs. 32, 33, and 34.
T. 44 N., R. 16 W.,
Secs. 19, 30, and 31.

The areas described, including both public and non-public lands, aggregate 39,698.03.

This order shall take precedence over but not otherwise affect the Departmental Order of April 8, 1935, establishing Colorado Grazing District No. 4.

Notice of the withdrawal was published February 4, 1954, in 19 F. R. 657.

ORLIE LEWIS,
Assistant Secretary of the Interior

SEPTEMBER 8, 1954.

[F. R. Doc. 54-7160; Filed, Sept. 13, 1954; 8:46 a. m.]

TITLE 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

Subchapter D—Multifamily and Group Housing Insurance

PART 241—COOPERATIVE HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS FOR PROJECT MORTGAGE

DEFINITIONS

AUTHORITY: §§ 241.1 to 241.46 issued under sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 114, 64 Stat. 54; 12 U. S. C. 1715e.

DEFINITIONS

§ 241.1 *Definitions of terms as used in this part.* (a) The term "Management Type Project" means a cooperative housing project of which the mortgagor is a non-profit cooperative ownership housing corporation or trust, the permanent occupancy of the dwellings of which is restricted to the members of such corporation or to the beneficiaries of such trust.

(b) The term "Sales Type Project" means a non-profit housing project of which the mortgagor is a non-profit corporation or non-profit trust organized for the purpose of construction of homes for members of the corporation or for beneficiaries of the trust.

(c) The term "veteran" means a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, or on or after June 27, 1950, and prior to such date thereafter as shall be determined by the President.

(d) The term "Commissioner" means the Federal Housing Commissioner.

(e) The term "Act" means the National Housing Act, as amended.

APPLICATION AND COMMITMENT

§ 241.2 *Information for preliminary examination.* Prior to the filing of an application, the sponsors of a housing project under section 213 of the National Housing Act may request a preliminary analysis of the proposed project with respect to specific questions of eligibility, other than questions requiring a determination of the value of the property or project or the maximum insurable mortgage amount, and such preliminary analysis shall be given without the payment of a fee.

§ 241.3 *Application and commitment fees.* (a) Information required for the examination of a housing project under section 213 of this act shall be submitted in the form of an application for mortgage insurance by an approved mortgagee and by the sponsors of such project through the local Federal Housing Administration office, on approved FHA Application Form (executed in triplicate) No application will be considered unless the exhibits called for by such form are furnished and a fee of $1.50 per thousand of the face amount of the mortgage loan applied for (referred to as "application fee") is paid.

(b) (1) A further sum (referred to as commitment fee) which when added to the application fee will aggregate $3 per thousand of the face amount of the mortgage loan set forth in the commitment shall be paid within 30 days subsequent to the date of the commitment.

(2) In the case of a mortgagor of the character described in § 241.20 (b) the application and commitment fees to be paid under this section shall be fixed by the Commissioner, but shall not exceed three dollars ($3) per thousand of the original face amount of the mortgage.

(c) Upon application for an increase in the amount of an existing commitment, an additional application fee of $1.50 per thousand dollars shall be paid based upon the amount of the increase requested. Any increase in the amount of a commitment shall be subject to the payment of an additional commitment fee which, when added to the additional application fee, will aggregate $3 per thousand of the amount of the increase. If the amount of the insured mortgage is increased after insurance and prior to final endorsement either by amendment or by the substitution of a new insured mortgage the fees herein provided for shall be based upon the amount of such increase.

(d) If an application is rejected before it is assigned for processing by the Commissioner, the application fee will be returned to the applicant.

§ 241.4 *Issuance of commitment.* (a) Upon approval of an application a commitment will be issued setting forth the terms and conditions upon which the mortgage will be insured, including special requirements applicable to the project and requiring the submission in final form within a time specified of all appropriate documents, drawings, plans, specifications, and other instruments evidencing full compliance satisfactory to the Commissioner with the provisions of this part and with such terms and conditions.

(b) Such commitment may be on a form providing for advances of mortgage money during construction and the insurance of such advances as made, or it may be on a form providing for the insurance of the mortgage after completion of the improvements.

(c) No commitment shall be valid unless signed by the Commissioner or his agent authorized for that purpose, and shall, with respect to commitments to insure advances, be effective for a stated period, not in excess of 120 days, provided that the commitment fee shall have been paid as required. A commitment may be renewed in such manner as the Commissioner may from time to time specify.

(d) The mortgagee may collect from the mortgagor the amount of the application and commitment fees provided for in this section and may charge the mortgagor an initial service charge to reimburse itself for the cost of closing the transaction in an amount not to exceed 1½ percent of the original principal amount of the mortgage. Any additional charges shall be subject to prior approval of the Commissioner.

(e) An inspection fee computed at the rate of $5 per thousand dollars of the face amount of the commitment shall be paid as provided for in the commitment.

§ 241.5 *Information as to appraisals.* An application for mortgage insurance with respect to a mortgage to be executed by a mortgagor of a Sales Type Project must be accompanied by an agreement satisfactory to the Commissioner, executed by the seller, builder, sponsor, or

such other person as may be required by the Commissioner, whereby such person agrees that prior to any sale of the dwellings in the project or stock of the mortgagor corporation, the said person will deliver to the purchasers of such property or subscribers for such stock a written statement in form satisfactory to the Commissioner setting forth the amount of the appraised value of the property as determined by the Commissioner.

ELIGIBLE MORTGAGES

§ 241.6 *Mortgage forms.* The mortgage must be executed upon a printed form approved by the Commissioner for use in the jurisdiction in which the property covered by the mortgage is situated, by a mortgagor with the qualifications hereinafter set forth in this part, must be a first lien upon property that conforms with the property standards prescribed by the Commissioner, and the mortgagee must be obligated, as a part of the mortgage transaction, to disburse the principal amount of the mortgage to, or for the account of, the mortgagor in conformity with the terms of the commitment. Such mortgage shall provide that the mortgagor will not arrange for management of the property except in a manner and under an agreement approved by the mortgagee and the Commissioner in writing. Any changes in the printed form desired by the mortgagor and mortgagee must receive prior written approval of the Commissioner. The mortgage must secure a principal obligation in multiples of one hundred dollars ($100).

§ 241.7 *Insurable amounts.* (a) A mortgage executed by a mortgagor of a Management Type Project may involve a principal obligation not exceeding $5,000,000 or not exceeding $25,000,000 if the mortgage is executed by a mortgagor regulated or supervised under Federal or State laws or by political subdivisions of States or agencies thereof as to rents, charges and methods of operation, and not in excess of $2,250 per room (or $7,200 per family unit if the number of rooms in such property or project averages less than four per family unit) for such part of such property or project as may be attributable to dwelling use; and not in excess of ninety per centum (90%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed physical improvements are completed: *Provided,* That if at least 65 percent of the membership of the corporation or number of beneficiaries of the trust consists of veterans, the mortgage may involve a principal obligation not to exceed $2,375 per room (or $7,600 per family unit if the number of rooms in such property or project averages less than four per family unit) for such part of such property or project as may be attributable to dwelling use; and not to exceed ninety-five per centum (95%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed physical improvements are completed: *And provided, further* That as to projects which consist of elevator-type structures, and to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design, the aforesaid dollar amount limitations per room and per family unit may in the discretion of the Commissioner be increased within the following limits: (1) $2,250 per room not to exceed $2,700; (2) $2,375 per room not to exceed $2,850; (3) $7,200 per family unit not to exceed $7,600; (4) $7,600 per family unit not to exceed $8,100.

(b) A mortgage executed by a mortgagor of a Sales Type Project may involve a principal obligation not exceeding $5,000,000 and not in excess of the greater of the following amounts:

(1) A sum computed on the basis of a separate mortgage for each single-family dwelling (irrespective of whether such dwelling has a party wall or its otherwise physically connected with another dwelling or dwellings) comprising the property or project, equal to the total of each of the maximum principal obligations of such mortgages which would meet the requirements of section 203 (b) (2) of the act if the mortgagor were the owner and occupant who had made any required payment on account of the property described in such paragraph;

(2) A sum equal to the maximum amount which does not exceed $2,250 per room (or $7,200 per family unit if the number of rooms in such property or project averages less than four per family unit) for such part of such property or project as may be attributable to dwelling use; and not in excess of ninety per centum (90%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed physical improvements are completed: *Provided,* That if at least 65 percent of the membership of the corporation or number of beneficiaries of the trust consists of veterans, the mortgage may involve a principal obligation not to exceed $2,375 per room (or $7,600 per family unit if the number of rooms in such property or project averages less than four per family unit) for such part of such property or project as may be attributable to dwelling use; and not to exceed ninety-five per centum (95%) of the amount which the Commissioner estimates will be the value of the property or project when the proposed physical improvements are completed.

(c) The Commissioner may, if he finds that because of higher costs prevailing in Alaska, Guam, or Hawaii, it is not feasible to construct dwellings on property located in Alaska, Guam, or Hawaii without sacrifice of sound standards of construction, design or livability, within the limitations as to maximum mortgage amounts provided in paragraph (a) or (b) of this section, prescribe by regulation or otherwise with respect to dollar amount, a higher maximum for the principal obligation of mortgages covering property so located, in such amounts as he shall find necessary to compensate for such higher costs but not to exceed, in any event, the maximum otherwise applicable by more than one-half (½) thereof.

(d) The maximum mortgage amount based upon the limitations in paragraphs (a) (b) and (c) of this section is subject to reduction by an amount equal to the capitalized value of the ground rent in the event the mortgage is on a leasehold estate rather than on a fee simple holding.

(e) At the time a mortgage executed by a mortgagor of a Sales Type Project is insured, the mortgagor shall have paid on account of the property at least five percent (5%) of the Commissioner's estimate of the cost of acquisition or such larger amount as the Commissioner may determine in cash or its equivalent. The amount required for working capital specified in § 241.26 may be included in the 5 percent payment required by this paragraph. This paragraph shall not be effective as to any case in which a Statement of Eligibility was outstanding on July 5, 1954.

(f) The aggregate amount of any commitment or commitments issued and outstanding at any time with respect to a project or projects in the same area or locality and involving the same mortgagor (or substantially the same mortgagor, as determined by the Commissioner) shall not exceed the dollar amount limitations of $25,000,000 and $5,000,000, respectively, prescribed in paragraphs (a) and (b) of this section.

§ 241.8 *Amortization period.* The mortgage shall have a maturity satisfactory to the Commissioner, but not to exceed 40 years from the date of beginning of amortization of the mortgage, and shall contain complete amortization provisions satisfactory to the Commissioner.

§ 241.9 *Payment requirements.* The mortgage shall provide for monthly payments on the first day of each month by the mortgagor to the mortgagee on account of interest and principal. Such monthly payments may be on a level annuity or declining annuity basis as agreed upon by the mortgagor, the mortgagee and the Commissioner. Where the insured mortgage does not exceed $300,000 payments on account of principal shall begin not later than the first day of the twelfth month following execution of the mortgage. Where the mortgage does exceed $300,000 such principal payments shall begin not later than the first day of the twenty-fourth month following execution of the mortgage. Within the foregoing limitations, the Commissioner will estimate the time necessary to complete the project and will establish the date of the first payment to principal so that the lapse of time between completion of the project and commencement of amortization will not be longer than necessary to obtain occupancy. In cases where a commitment to insure upon completion has been issued, the respective dates for commencement of amortization will be figured on the same basis from the date the commitment is issued.

§ 241.10 *Interest rate.* The mortgage shall bear interest, not exceeding 4¼ percent per annum, on the amount of the principal obligation outstanding at any time, as may be agreed upon between the mortgagor and the mortgagee. All charges made in connection with the

mortgage transaction shall be subject to the approval of the Commissioner.

§ 241.11 *Mortgage to cover the entire property.* The mortgage shall cover the entire property included in the housing project.

§ 241.12 *Covenant against liens.* The mortgage shall, except as otherwise provided in this part, contain a covenant against the creation by the mortgagor of liens against the property superior or inferior to the lien of the mortgage.

§ 241.13 *Covenant for fire insurance.* The mortgage shall contain a covenant acceptable to the Commissioner binding the mortgagor to keep the property insured by a standard policy or policies against fire and such other hazards as the Commissioner, upon the insurance of the mortgage, may stipulate, in an amount which will comply with the coinsurance clause applicable to the location and character of the property, but not less than 80 percent of the actual cash value of the insurable improvements and equipment of the project. The initial coverage shall be in an amount estimated by the Commissioner at the time of completion of the entire project or units thereof. The policies evidencing such insurance shall have attached thereto a standard mortgagee clause making loss payable to the mortgagee and the Commissioner, as interests may appear.

§ 241.14 *Accumulation of accruals.* (a) The mortgage shall provide for payments by the mortgagor to the mortgagee on each interest payment date of an amount sufficient to accumulate in the hands of the mortgagee one payment period prior to its due date, the next annual mortgage insurance premium payable by the mortgagee to the Commissioner. Such payments shall continue only so long as the contract of insurance shall remain in effect.

(b) The mortgage shall provide for such equal monthly payments by the mortgagor to the mortgagee as will amortize the ground rents, if any, and the estimated amount of all taxes, water rates and special assessments, if any, and fire and other hazard insurance premiums, within a period ending one month prior to the dates on which the same become delinquent. The mortgage shall further provide that such payments shall be held by the mortgagee, for the purpose of paying such ground rents, taxes, water rates and assessments, and insurance premiums, before the same become delinquent. The mortgage must also make provision for adjustments, in case the estimated amount of such taxes, water rates and assessments, and insurance premiums shall prove to be more, or less, than the actual amount thereof so paid by the mortgagor.

§ 241.15 *Application of payments.* (a) The mortgage shall provide that all monthly payments to be made by the mortgagor to the mortgagee shall be added together and the aggregate amount thereof shall be paid by the mortgagor upon each monthly payment date in a single payment. The mortgagee shall apply the same to the following items in the order set forth:

(1) Premium charges under the contract of insurance;

(2) Ground rents, taxes, special assessments and fire and other hazard insurance premiums;

(3) Interest on the mortgage;

(4) Amortization of the principal of the mortgage.

(b) Any deficiency in the amount of any such aggregate monthly payment shall constitute an event of default. The mortgage shall further provide for a grace period of 30 days, within which time the default must be made good.

§ 241.16 *Mortgage covenant regarding racial restrictions and use of property.* (a) The mortgage shall contain a covenant by the mortgagor that until the mortgage has been paid in full, or the contract of insurance otherwise terminated, he will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed. Such covenant shall be binding upon the mortgagor and his assigns and shall provide that upon violation thereof, the mortgagee may, at its option, declare the unpaid balance of the mortgage immediately due and payable.

(b) The mortgage shall contain a covenant prohibiting the use of the property covered thereby for any purpose other than that for which it was intended at the date the mortgage was executed.

§ 241.17 *Mortgage release provisions.* A mortgage executed by a mortgagor of a Sales Type Project shall provide that at any time after the completion of the construction of the project, the property underlying such mortgage may be released, in whole or in part, upon payment of the unpaid balance of the blanket mortgage allocable to the property released. Where the mortgage does not contain release provisions, no property shall, except with the consent of the Commissioner, be released from the lien thereof so long as the mortgage insurance is in force.

§ 241.18 *Prepayment privilege and late charge.* The mortgage must contain a provision permitting the mortgagor to prepay the mortgage in whole or in part upon any interest payment date after giving to the mortgagee thirty (30) days' notice in writing in advance of its intention to so prepay. The mortgagee may however, include in the mortgage a provision for such additional charge in the event of prepayment of principal as may be agreed upon between the mortgagor and mortgagee; provided, however, that the mortgagor must be permitted to prepay up to fifteen per centum (15%) of the original principal amount of the mortgage in any one calendar year without any such additional charge, provided no such additional charge for prepayment may be made where such prepayment results from the release of individual properties in accordance with the provisions of a mortgage in a Sales Type Project; and provided further, that no such additional charge may be made in the event the mortgage balance is reduced by any payments required under § 241.36. The mortgage may provide for a charge by the mortgagee of a "late charge", not to exceed two cents for each dollar of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments. Late charges may not be deducted from any aggregate monthly payment if not collected.

§ 241.19 *Issuance of bonds.* In the event that bonds are to be issued as a part of the insured mortgage transaction, all arrangements with respect to the issuance and sale of such bonds shall be subject to approval by the Commissioner.

ELIGIBLE MORTGAGORS

§ 241.20 *Eligibility of mortgagors.* (a) In order to be eligible under this part, a mortgagor must be the mortgagor of a Management Type Project or a Sales Type Project, and must be a corporation or trust formed or created with the approval of the Commissioner, and regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return and methods of operation. Such regulation or restriction shall remain in effect until such time as the mortgage insurance contract terminates without obligation upon the Commissioner to issue debentures as a result of such termination. So long as such contract of insurance is in effect, the corporation or trust shall engage in no business other than the construction and operation of a housing project on a non-profit basis.

(b) Any corporation or trust of the character described in paragraph (a) of this section may be an eligible mortgagor without regulation or restriction by the Commissioner as to rents, sales, charges, capital structure, rate of return and methods of operation, if it is also a Federal or State instrumentality, a municipal corporate instrumentality of one or more States, or a limited dividend or redevelopment or housing corporation formed under and restricted by Federal or State laws or regulations of a State banking or insuring department as to rents, charges, capital structure, rate of return, or methods of operation.

SUPERVISION OF MORTGAGORS

§ 241.21 *Liens.* In the case of an eligible mortgagor which is regulated or restricted for the purposes and in the manner provided in § 241.20 (b), or if the Alaska Housing Authority or the Government of Guam or Hawaii or any agency or instrumentality thereof is the mortgagor, liens inferior to the lien of the insured mortgage may be allowed against properties of such mortgagors: *Provided,* That the mortgagor in any such case must have initial funds which may be considered in lieu of the equity required of other mortgagors, and such funds (which may be in the form of Government grants, loans, or subsidies, or in other form) if sufficient in amount, will be considered satisfactory provided they do not create a lien against the property prior to that of the insured mortgage.

§ 241.22 *Obligations of mortgagor* In all other cases a mortgagor must certify at final endorsement of the loan for insurance that the property covered by the mortgage is free and clear of all liens other than such mortgage, and that there are not outstanding any other unpaid obligations, except such obligations as have been approved by the Commissioner as to terms, form, and amount.

§ 241.23 *Regulation and restriction of mortgagors.* The regulation or restriction of mortgagors of the character described in § 241.20 (a) will be set forth in the certificate of incorporation or other instrument under which the mortgagor is created (hereinafter referred to as the "charter") and will be made effective through the issuance of certain shares of special stock (or other evidence of a beneficial interest in the mortgagor) which stock or interest will acquire majority voting rights in the event of default under the mortgage or violation of a provision of the charter, but only for a period coexistent with the duration of such default or violation, or until such time as the Commissioner is assured against future violations of a similar nature. Such special stock or interest issued to the Commissioner, his nominee or nominees and/or the Federal Housing Administration shall be in sufficient amount to constitute under the laws of the particular State a valid special class of stock or interest and shall be issued in consideration of the payment by the Commissioner of not exceeding in the aggregate one hundred dollars ($100) Such stock shall be represented by a certificate or certificates issued in the name of the Commissioner, and/or in the name of his nominee or nominees, and/or in the name of the Federal Housing Administration, as the Commissioner shall require. If, for any reason satisfactory to the Commissioner, such regulation or restriction is not feasible as to a particular mortgagor through the issuance of shares of special stock or other evidence of beneficial interest, such regulation or restriction shall be effected in such form and in such manner as shall be satisfactory to the Commissioner. Upon the termination of all obligations of the Commissioner under his contract of mortgage insurance or any succeeding contract or agreement covering the mortgage obligation, all regulation and restriction of the mortgagor shall cease. When the right of the Commissioner to regulate or restrict the mortgagor shall so terminate, the shares of special stock or other evidence of beneficial interest shall be surrendered by the Commissioner upon reimbursement of his payments therefor.

§ 241.24 *Issuance of stock.* (a) Such number of shares of capital stock, either with or without par value, in the case of a corporation, or such appropriate evidences of interest in the case of a trust, may be issued as the mortgagor may deem appropriate and as may be acceptable to the Commissioner. Such stock or interest, together with paid-in surplus, if any, shall represent the capital investment.

(b) The shares of stock or interest issued to the Commissioner shall be in sufficient amount to constitute, under the laws of the particular jurisdiction, a valid special class of stock or interest and shall be issued in consideration of the payment by the Commissioner of not exceeding one hundred dollars ($100).

§ 241.25 *Patronage refunds.* Since the act contemplates non-profit ownership, operation, or sale, it is not expected that dividends will be paid. However, in some instances it may be desirable for the mortgagor to be incorporated pursuant to general incorporation laws or under other laws which permit the payment of dividends, so that payment of dividends or provision therefor shall not be deemed to be precluded; provided such dividends shall not be paid in a manner inconsistent with a general nonprofit cooperative plan. It is contemplated (whether the dwelling units are built for occupancy by the members or for sale to the members after release from a Sales Type mortgage) that all surplus funds, after setting up reserves and after meeting all obligations of the mortgagor, shall be distributed to the members in the form of reduced carrying charges or reduced sales prices of the dwelling accommodations, or patronage refunds.

§ 241.26 *Working capital.* From its capital funds the mortgagor shall deposit with the mortgagee or in a depository satisfactory to the mortgagee and under control of the mortgagee, an amount equivalent to not less than two per centum (2%) of the original principal amount of the mortgage (1½ percent as to cases in which a Statement of Eligibility was outstanding as of the effective date of this part), primarily for allocation by the mortgagee during the course of construction to accruals for taxes, mortgage insurance premiums, hazard insurance premiums, and such other payments as may become necessary under the terms of the mortgage. Disbursements from this deposit in the discretion of the mortgagee may be made for the purpose of defraying the mortgagor's expenses incident to initial occupancy, such as purchase of office equipment and supplies, maintenance equipment, and administrative expense.

§ 241.27 *Assurances of completion.* (a) The mortgagor must establish in a manner satisfactory to the Commissioner that, in addition to the proceeds of the insured mortgage, the mortgagor has funds sufficient to assure completion of construction of the project and to pay all carrying charges, financing and organization expenses incidental to the construction of the project. Unless other provisions acceptable to the Commissioner are made, such funds shall be deposited with and held by the mortgagee in a special account or by an acceptable depository designated by the mortgagee under an appropriate agreement approved by the Commissioner which will require all such funds to be expended for work and material on the physical improvements and for other charges and expenses to be paid when due prior to the advance of any mortgage money.

(b) The Commissioner may require the deposit with the mortgagee or with an acceptable trustee or escrow agent designated by the mortgagee, under an appropriate agreement, of such cash as may be required for the completion of off-site public utilities and streets.

(c) The mortgagor and the mortgagee shall, prior to the insurance of the mortgage, execute an agreement acceptable to the Commissioner providing for the manner and conditions under which advances (if any) during construction are to be made by the mortgagee and approved for insurance by the Commissioner. Such agreement shall require the mortgagee to notify the Commissioner, through the insuring office having jurisdiction over the territory in which the property is situated, in writing, on an application form prescribed by the Commissioner, of the proposed date and the amount of the advance to be made, and the Commissioner shall deliver to the mortgagee within a reasonable time from the date of such notice a certificate executed on behalf of the Commissioner on a form prescribed by him setting forth the amount approved for insurance or advising the mortgagee of the Commissioner's nonapproval and setting forth the reasons therefor. Such agreement shall be set forth on a form prescribed by the Commissioner; shall contain such additional terms, conditions, and provisions as the Commissioner shall in the particular case prescribe or approve, and when properly executed by the Commissioner and the mortgagee, shall constitute a part of the mortgage insurance contract.

(d) Assurance for the completion of a project may be either a bond of a surety company satisfactory to the Commissioner on the standard form prescribed by the Commissioner with the mortgagor and mortgagee as joint obligees in the penal sum of at least ten percent of the cost of construction of the project; the personal undertaking or obligation in a form and by an obligor or obligors designated by the mortgagee and satisfactory to the Commissioner in an amount at least equal to 10 percent of the construction cost of the project; or an escrow deposit with the mortgagee, or with a depository satisfactory to the mortgagee and the Commissioner, of cash or securities of, or fully guaranteed as to principal and interest by, the United States of America, under a completion assurance agreement prescribed by the Commissioner, of an amount at least equal to ten percent of the estimated cost of construction of the project; or may be in such other form as may be recommended by the mortgagee and approved in writing by the Commissioner.

§ 241.28 *Labor standards and prevailing wage requirements.* (a) Any contract or subcontract executed for the performance of construction of the project shall comply with all applicable labor standards and provisions of the regulations of the Secretary of Labor, issued May 9, 1951, 29 CFR 5.1–5.12 (16 F. R. 4430).

(b) No construction contract shall be entered into with a general contractor or any subcontractor if such contractor or any such subcontractor or any firm, corporation, partnership or association in which such contractor or subcontractor has a substantial interest is included on the ineligible list of contractors or subcontractors established and maintained by the Comptroller General, pursuant to § 5.6 (b) of the regulations of the Secretary of Labor, issued May 9, 1951, 29 CFR 5.6 (b) (16 F R. 4431)

(c) No advance under the mortgage shall be eligible for insurance after notification from the Commissioner that the general contractor or any subcontractor or any firm, corporation, partnership or association in which such contractor or subcontractor has a substantial interest was, on the date the contract or subcontract was executed on the ineligible list established by the Comptroller General, pursuant to the provisions of the Secretary of Labor, issued May 9, 1951, 29 CFR 5.6 (b) (16 F R. 4431)

(d) No advance under any mortgage shall be eligible for insurance unless there is filed with the application for such advance a certificate or certificates in the form required by the Commissioner, supported by such other information as the Commissioner may prescribe, certifying that the laborers and mechanics employed in the construction of the dwelling or dwellings or housing project involved have been paid not less than the wages prevailing in the locality in which the work was performed for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor prior to the beginning of construction and after the date of filing of the application for insurance.

(e) Any contract or subcontract executed for the performance of construction of the project shall contain the provision that there shall be no discrimination against any employee, or applicant for employment, because of race, color, creed, or national origin.

(f) Compliance with the provisions of this section shall be evidenced at such time and in such manner as the Commissioner may prescribe.

§ 241.29 *Occupancy charges.* A schedule of charges to be made by the mortgagor corporation for the accommodations afforded by the project shall be filed with the Commissioner and approved in writing by him or his duly constituted representative prior to the opening of the project for occupancy. Such schedule shall not thereafter be changed except with the written approval of the Commissioner. The mortgagor corporation shall not permit occupancy except in accordance with the schedule of charges as so approved by the Commissioner and under an Occupancy Agreement or lease in a form approved by the Commissioner.

§ 241.30 *Methods of operation.* (a) Except with the prior written approval of the Commissioner, no compensation shall be paid by the corporation to its officers or directors, nor to any person or corporation for supervisory or managerial services. No compensation shall be paid by the corporation to any employee in excess of an amount agreed upon by the Commissioner and specified in the corporate charter. No officer, director, stockholder, agent, or employee of the corporation shall in any manner become indebted to the corporation, except on account of approved occupancy charges.

(b) The corporation shall maintain its project, the grounds, buildings, and equipment appurtenant thereto, in good repair and in such condition as will preserve the health and safety of its occupants.

(c) A Fund for Replacements shall be established and maintained with the mortgagee so long as the mortgage insurance is in force, and the amount and type of such fund and the conditions under which it shall be accumulated, replenished and used, shall be specified in the charter.

(d) A General Operating Reserve shall also be established and maintained so long as the mortgage insurance is in force, in a manner and for the purposes specified in the charter.

(e) The corporation shall not, without prior approval of the Commissioner, incur liabilities (other than the insured mortgage) in excess of an amount to be specified in the charter.

(f) The corporation, its property equipment, buildings, plans, offices, apparatus, devices, books, contracts, records, documents, and papers shall be subject to inspection and examination by the Commissioner or his duly authorized agent at all reasonable times.

(g) The mortgagor shall execute and deliver to the Commissioner a certificate that the books and accounts of the corporation will be established and maintained in a manner satisfactory to the Commissioner on the date the certificate is executed. Such certificate shall be to the effect that so long as the mortgage is insured by the Commissioner, the mortgagor's books and accounts will be kept in accordance with the requirements of the Commissioner, will be in such form as to permit a speedy and effective audit, and, as may otherwise be prescribed by the Commissioner, will be maintained for such periods of time as may be prescribed by the Commissioner and will be available to him for such examination and audits which he may desire to make. The corporation shall file with the Commissioner and mortgagee the following reports verified by the signature of such officers of the corporation as the Commissioner may designate and in such form as prescribed by the Commissioner:

(1) Monthly or quarterly operating reports as and when required by the Commissioner;

(2) A semi-annual financial statement within sixty (60) days after the semi-annual period when required by the Commissioner;

(3) Annual reports prepared by a certified public accountant or an independent public accountant, within sixty (60) days after the end of each fiscal year;

(4) Specific answers to questions upon which information is desired from time to time relative to the operation and condition of the property and the status of the insured mortgage;

(5) Copies of minutes of stockholders' meetings certified to by the Secretary of the corporation, within thirty (30) days after such meetings and, when requested by the Commissioner, copies of minutes of directors' meetings.

§ 241.31 *Mortgagors subject to regulation and restriction.* Except as in this section otherwise provided, all mortgagors shall be subject to regulation and restriction by the Commissioner with respect to the matters set forth in §§ 241.24 to 241.30, inclusive. A mortgagor of the character described in § 241.20 (b) shall not be subject to regulation and restriction by the Commissioner with respect to the matters set forth in §§ 241.24, 241.25, 241.29 and 241.30.

§ 241.32 *Certificate of mortgagor regarding use of property for transient or hotel purposes.* The mortgagor must certify under oath that, so long as the mortgage is insured by the Commissioner, the mortgagor will not rent, permit the rental, or permit the offering for rental, of the housing, or any part thereof, covered by such mortgage for transient or hotel purposes. The corporate charter of the mortgagor or a contract with the Commissioner shall provide that so long as the said mortgage is insured or held by the Commissioner it will not rent such housing, or any part thereof for hotel purposes. For the purpose of this certificate, rental for transient or hotel purposes shall mean (a) rental for any period less than 30 days, or (b) any rental, if the occupants of the housing accommodations are provided customary hotel services such as room service for food and beverages, maid service, furnishing and laundering of linen, and bellboy service.

ADJUSTMENT OF MORTGAGE AMOUNT

§ 241.33 *Certification of cost requirements.* Prior to initial endorsement for insurance of a mortgage executed by the mortgagor of a Management Type Project, the mortgagor, the mortgagee, and the Commissioner shall enter into an agreement in form and content satisfactory to the Commissioner for the purpose of precluding any excess of mortgage proceeds over statutory limitations. Under this agreement the mortgagor shall disclose its relationship with the builder, including any collateral agreement, and agree to enter into a construction contract the terms of which shall depend on whether or not there exists an identity of interest between the mortgagor and the builder. The agreement shall require that upon completion of all physical improvements on the mortgaged property the mortgagor must execute a certificate of actual costs. The agreement shall further require that any excess of mortgage proceeds over statutory limitations based on actual cost shall be applied to reduction of the outstanding balance of the principal of the mortgage.

§ 241.34 *Form of contract.* The form of contract between the mortgagor of a Management Type Project and builder shall be determined in accordance with the following:

(a) If it is established to the satisfaction of the Commissioner that neither the mortgagor nor any of the officers, directors, or stockholders of the mortgagor have any interest in the builder, contractor, or any subcontractor, there may be used a lump sum form of contract providing for payment of a specified amount.

(b) If it is determined by the Commissioner that the mortgagor, its officers, directors or stockholders have any interest, financial or otherwise, in the builder, contractor, or any subcontractor, the form of contract shall provide for payment of a builder's fixed fee in addition to the actual cost of construction, not to exceed an upset price. The builder's fixed fee shall be determined in accordance with customary practices in the area and approved by the Commissioner.

§ 241.35 *Certificate of actual cost.* The mortgagor's certificate of actual cost in a Management Type Project shall be submitted upon completion of physical improvements to the satisfaction of the Commissioner and prior to final endorsement. Its content and requirements regarding verification are as follows:

(a) When the work has been completed under a contract as described in § 241.34 (a) the mortgagor's certification shall be on the form prescribed therefor by the Commissioner and shall indicate the amount actually paid under the construction contract after deduction of any kickbacks, rebates, trade discounts, or other similar payments to the mortgagor corporation, or to any of its officers, directors or stockholders; plus the cost to the mortgagor of architects' fees, off-site public utilities and streets not included in the general contract, organizational and legal work, and other items of expense approved by the Commissioner. For verification of these amounts the mortgagor shall keep and maintain adequate records of all costs of any construction or other cost items not representing work under the general contract and shall make available for examination such records, including any collateral agreements, upon request by the Commissioner.

(b) When the work has been completed under a contract as described in § 241.34 (b) the mortgagor's certification shall be on the form prescribed therefor by the Commissioner and shall indicate all amounts as required in paragraph (a) of this section, plus the amount of the builder's fee. This form of certification shall be accompanied by a certification by the builder on the form prescribed therefor by the Commissioner, indicating all actual costs paid for labor, materials, and subcontract work under the general contract, exclusive of the builder's fee and less any kickbacks, rebates, trade discounts, or other similar payments to the builder or mortgagor corporation or any of its officers, directors or stockholders. The mortgagor shall keep records as required in paragraph (a) of this section and shall in turn require the builder to keep available similar records.

§ 241.36 *Adjustment resulting from cost certification.* Upon receipt of the mortgagor's certification of actual cost there shall be added to the total amount thereof the Commissioner's estimate of the fair market value of any land included in the mortgage security and owned by the mortgagor in fee, such value being prior to the construction of the improvements. In the event the land is held under a leasehold or other interest less than a fee, the cost, if any, of acquiring the leasehold or other interest is considered an allowable expense which may be added to actual cost provided that in no event such amount is in excess of the fair market value of such leasehold or other interest exclusive of proposed improvements. If the principal obligation of the mortgage exceeds the applicable statutory percentage of this total amount, the mortgage shall be reduced by the amount of such excess prior to final endorsement for insurance.

§ 241.37 *Rehabilitation projects.* (a) In the event the mortgage is to assist the financing of a project involving repair or rehabilitation, the mortgagor's actual cost of such repair or rehabilitation may include the items of expense permitted for new construction in accordance with either § 241.35 (a) or (b) and the applicable cost certification procedure described therein will be required. To such actual cost there shall be added the purchase price of land and existing improvements prior to such repair or rehabilitation if the purchase price of such land and improvements are to be refinanced with the proceeds of the mortgage: *Provided,* That the cost of the land and improvements shall in no event exceed the Commissioner's estimate of the fair market value of such land and improvements prior to the repair or rehabilitation. As provided in § 241.36, the statutory percentage shall be applied to the total thus obtained and the mortgage reduced accordingly if indicated.

(b) In case the land and existing improvements are owned by the mortgagor on the date the application is filed, and are subject to an outstanding indebtedness to be refinanced with part of the proceeds of the mortgage, the procedure set forth in paragraph (a) of this section shall be followed except that the full amount of the outstanding indebtedness shall be added after the statutory percentage has been applied to the total of the other costs: *Provided, however,* That in no event shall the amount thus obtained exceed the statutory percentage of the cost of repair or rehabilitation plus the Commissioner's estimate of the fair market value of land and improvements prior to the repair or rehabilitation.

§ 241.38 *Requisites of agreement and certification.* Any agreement, undertaking, statement or certification required in this section shall specifically state that it has been made, presented, and delivered for the purpose of influencing an official action of the Federal Housing Administration, and of the Federal Housing Commissioner, and may be relied upon by the Commissioner as a true statement of the facts contained therein.

ELIGIBLE MORTGAGEES

§ 241.39 *Qualification of lenders.* The provisions of §§ 221.1 to 221.8 of this chapter shall govern the eligibility, qualifications and requirements of mortgagees under this part.

PROPERTY REQUIREMENTS

§ 241.40 *Eligibility of property.* (a) A mortgage to be eligible for insurance must be on real estate held in fee simple, or in areas designated by the Commissioner, on the interest of the lessee under a lease for not less than ninety-nine years which is renewable or under a lease having a period of not less than seventy-five years to run from the date the mortgage is executed, or under a lease executed by a governmental agency for the maximum term consistent with its legal authority, provided such lease has a period of not less than fifty years to run from the date the mortgage is executed.

(b) The property constituting security for the mortgage must be held by an eligible mortgagor as herein defined and must at the time the mortgage is insured be free and clear of all liens other than that of such mortgage except as otherwise provided in this part.

§ 241.41 *Commercial and community facilities.* A property covered by a mortgage executed by a mortgagor of a Management Type Project may include such commercial and community facilities as the Commissioner deems adequate to serve the occupants.

§ 241.42 *Development of property.* At the time the mortgage is insured:

(a) The mortgagor shall be obligated to construct and complete new housing accommodations on the mortgaged property designed principally for residential use, conforming to standards satisfactory to the Commissioner, and consisting of not less than twelve (12) dwelling units and may be detached, semi-detached, or row houses, or multi-family structures: *Provided,* That in the case of a release clause project such units must be single-family dwellings constructed for sale to members of the mortgagor corporation: *And provided further That the* Commissioner may insure a mortgage on a completed project constructed pursuant to a Commitment.

(b) There shall be located on the mortgaged property a building or buildings which, upon completion of proposed improvements, shall provide housing accommodations designed principally for residential use, conforming to standards satisfactory to the Commissioner and containing at least twelve (12) dwelling units preferably but not necessarily contiguous.

(c) Such dwelling and other improvements, if any, must not violate any zoning or deed restrictions applicable to the project site (other than race restrictions) and must comply with all applicable building and other governmental regulations.

TITLE

§ 241.43 *Eligibility of title.* In order for the mortgaged property to be eligible for insurance, the Commissioner must determine that marketable title thereto

is vested in the mortgagor as of the date the mortgage is filed for record. The title evidence will be examined by the Commissioner and the original endorsement of the credit instrument for insurance will be evidence of its acceptability.

§ 241.44 *Title evidence.* Upon insurance of the mortgage, the mortgagee, without expense to the Commissioner, shall furnish to the Commissioner a survey satisfactory to him and a policy of title insurance, as provided in paragraph (a) of this section, or, if the mortgagee is unable to furnish such policy for reasons satisfactory to the Commissioner, the mortgagee, without expense to the Commissioner, shall furnish such evidence of title as provided in paragraphs (b) (c) or (d) of this section, as the Commissioner may require.

(a) A policy of title insurance with respect to such mortgage, issued by a company satisfactory to the Commissioner. Such policy shall comply with the "L. I. C. Standard Mortgagee Form," or the "A. T. A. Standard Mortgagee Form," or such other form as may be approved by the Commissioner; shall be payable to the mortgagee and the Commissioner as their respective interests may appear and shall become an owner's policy, running to the mortgagee as owner upon the acquisition of the property by the mortgagee in extinguishment of a debt through foreclosure or by other means, and to the Commissioner as owner upon the acquisition of the property by him pursuant to the mortgage insurance contract.

(b) An abstract of title satisfactory to the Commissioner, prepared by an abstract company or individual engaged in the business of preparing abstracts of title, accompanied by a legal opinion satisfactory to the Commissioner, as to the quality of such title, signed by an attorney at law experienced in the examination of titles.

(c) A Torrens or similar title certificate.

(d) Evidence of title conforming to the standards of a supervising branch of the Government of the United States of America, or of any State or Territory thereof.

OTHER ELIGIBLE MORTGAGES

§ 241.45 *Reinsurance of commissioner-held mortgages.* Notwithstanding any other provisions of this part, the Commissioner may insure any mortgage assigned to him in connection with payment under a contract of mortgage insurance, or executed in connection with a sale by him of any property acquired under Title II, Title VI, Title VII, Title VIII, or Title IX of the National Housing Act without regard to any limitation upon eligibility contained in this part.

EFFECTIVE DATE

§ 241.46 *Effective date.* Except as herein otherwise provided, the provisions of this part shall be effective as to all mortgages with respect to which a commitment to insure shall be issued on or after September 10, 1954.

PART 242—COOPERATIVE HOUSING INSURANCE; RIGHTS AND OBLIGATIONS OF MORTGAGEE UNDER INSURANCE CONTRACT—PROJECT MORTGAGES

DEFINITIONS

AUTHORITY: §§ 242.1 to 242.9 issued under sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 114, 64 Stat. 54; 12 U. S. C. 1715e.

DEFINITIONS

§ 242.1 *Definitions.* (a) The definitions in paragraphs (a) (b), (d) (e), (f) and (g) of § 233.1 of this subchapter shall apply to this part as fully as though set forth in this part.

(b) The term "mortgage" means a project mortgage as defined in paragraph (a) of § 243.1 of this subchapter and means such a first lien upon real estate and other property as is commonly given to secure advances on, or the unpaid purchase price of, real estate under the laws of the State, district or territory in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby.

PREMIUMS

§ 242.2 *First, second and third premiums.* The provisions of § 233.2 of this subchapter shall apply to this section.

§ 242.3 *Adjusted premium charge.* (a) In the event that the principal obligation of any mortgage accepted for insurance is paid in full prior to maturity, the mortgagee shall within thirty (30) days thereafter notify the Commissioner of the date of prepayment and shall, except with respect to a mortgage covering a Sales Type Project as defined in paragraph (b) of § 241.1 of this subchapter, pay to the Commissioner in the case of a mortgage prepaid within five (5) years from the date of the initial endorsement for insurance an adjusted premium charge in the nature of a prepayment premium of two per centum (2%) of the original face amount of the prepaid mortgage, and, in the event the mortgage is prepaid after five (5) years from the date of initial endorsement for insurance, an adjusted premium charge of one per centum (1%) of the original face amount of the prepaid mortgage, except that if at the time of any such prepayment there is placed on the mortgaged property a new insured mortgage, or mortgages, in an amount less than the original principal amount of the mortgage, the adjusted premium charge provided above shall be based upon the difference between such amounts.

(b) The provisions of paragraphs (b), (c) (d) and (e) of § 233.3 of this subchapter shall apply to this section.

INSURANCE ENDORSEMENT

§ 242.4 *Form of endorsement.* (a) Upon compliance satisfactory to the Commissioner with the terms and conditions of his commitment to insure, the Commissioner shall endorse the original credit instrument in form as follows:

No. ----------

Insured under section 213 of the National Housing Act and regulations thereunder of the Federal Housing Commissioner in effect on ---------- to the extent of advances approved by the Commissioner.

FEDERAL HOUSING COMMISSIONER,
By ----------
Authorized agent
Date ----------

(b) The provisions of paragraphs (b) and (c) of § 233.4 of this subchapter shall apply to this part.

RIGHTS AND DUTIES OF MORTGAGEE UNDER CONTRACT OF INSURANCE

§ 242.5 *Rights and duties of mortgagee under contract of insurance.* The provisions of §§ 233.5, 233.6, 233.7, 233.8, 233.9 and 233.10 of this subchapter shall apply to this part.

ASSIGNMENTS

§ 242.6 *Assignments of insured mortgages.* The provisions of § 233.11 of this subchapter shall apply to this part.

RIGHTS IN HOUSING FUND

§ 242.7 *No vested right.* Neither the mortgagee nor the mortgagor shall have any vested or other right in the Housing Insurance Fund.

AMENDMENTS

§ 242.8 *Amendments not to change contractual rights.* The regulations in this part may be amended by the Commissioner at any time and from time to time, in whole or in part, but such amendments shall not affect the contract of insurance on any mortgage already insured or to be insured on which the Commissioner has made a commitment to insure.

EFFECTIVE DATE

§ 242.9 *Effective date.* The regulations in this part shall be effective as to all mortgages with respect to which a commitment to insure is issued on or after September 10, 1954.

PART 243—COOPERATIVE HOUSING INSURANCE; ELIGIBILITY REQUIREMENTS FOR INDIVIDUAL MORTGAGES COVERING PROPERTIES RELEASED FROM LIEN OF PROJECT MORTGAGE

DEFINITIONS

Sec.
243.1 Definition of terms used in this part.

APPROVAL OF MORTGAGEES

243.2 Qualification of lenders.

APPLICATION AND COMMITMENT

243.3 Submission of application.
243.4 Form of application.
243.5 Approval and commitment.
243.6 Builders warranty.

ELIGIBLE MORTGAGES

243.7 Form, lien.
243.8 Executed in connection with release from project mortgage.
243.9 Maximum amount.
243.10 Payment and maturity dates.
243.11 Interest rate.
243.12 Amortization provisions.
243.13 Payment of insurance premiums or charges; prepayment premiums.
243.14 Payments to include other charges.
243.15 Payments, how applied.
243.16 Late charge.
243.17 Payments upon execution of mortgage.
243.18 Maximum charges and fees to be collected by mortgagee.
243.19 Covenant regarding racial restrictions.

ELIGIBLE MORTGAGORS

243.20 Mortgage lien.
243.21 Relationship of income to mortgage payments.
243.22 Credit standing.
243.23 Racial restrictions certificate.
243.24 Limitation on eligibility.

ELIGIBLE PROPERTIES

243.25 Nature of title to realty.
243.26 Dwelling unit located on property.
243.27 Standards for buildings.
243.28 Location of property.
243.29 Racial restrictions on property.

OPEN-END ADVANCES

243.30 Eligibility of open-end advances.

EFFECTIVE DATE

243.31 Effective date.

AUTHORITY: §§ 243.1 to 243.31 issued under sec. 211, 52 Stat. 23; 12 U. S. C. 1715b. Interpret or apply sec. 114, 64 Stat. 54; 12 U. S. C. 1715e.

DEFINITIONS

§ 243.1 *Definition of terms used in this part.* (a) The term "project mortgage" means a blanket mortgage insured under section 213 of the National Housing Act, covering a group of not less than twelve (12) single-family dwellings.

(b) The terms "mortgage" and "individual mortgage" mean a mortgage covering an individual single-family dwelling which has been released from the project mortgage.

APPROVAL OF MORTGAGEES

§ 243.2 *Qualification of lenders.* The provisions of §§ 221.1 to 221.8, inclusive, of this chapter, shall govern the eligibility, qualifications and requirements of mortgagees under this part.

APPLICATION AND COMMITMENT

§ 243.3 *Submission of application.* Any approved mortgagee may submit an application for insurance of a mortgage under this part.

§ 243.4 *Form of application.* The application must be made upon a standard form prescribed by the Commissioner.

§ 243.5 *Approval and commitment.* Upon approval of an application, acceptance of the mortgage for insurance will be evidenced by the issuance of a commitment setting forth, upon a form prescribed by the Commissioner, the terms and conditions upon which the mortgage will be insured.

§ 243.6 *Builders warranty.* With respect to commitments issued on or after October 1, 1954, applications relating to proposed construction must be accompanied by an agreement in form satisfactory to the Commissioner executed by the seller or builder or such other person as the Commissioner may require agreeing that in the event of any sale or conveyance of the dwelling within a period of one year beginning with the date of initial occupancy, the seller, builder, or such other person will at the time of such sale or conveyance deliver to the purchaser or owner of such property a warranty in form satisfactory to the Commissioner warranting that the dwelling is constructed in substantial conformity with the plans and specifications (including amendments thereof or changes and variations therein which have been approved in writing by the Commissioner) on which the Commissioner has based his valuation of the dwelling. Such agreement must provide that upon the sale or conveyance of the dwelling and delivery of the warranty, the seller, builder or such other person will promptly furnish the Commissioner with a conformed copy of the warranty establishing by the purchaser's receipt thereon that the original warranty has been delivered to the purchaser in accordance with this section.

ELIGIBLE MORTGAGES

§ 243.7 *Form, lien.* The mortgage must be executed upon a form approved by the Commissioner for use in the jurisdiction in which the property covered by the mortgage is situated, by a mortgagor with the qualifications set forth in this part, must be a first lien upon property that conforms with the property standards prescribed by the Commissioner, and the entire principal amount of the mortgage must have been disbursed to the mortgagor, or to his creditors for his account and with his consent.

§ 243.8 *Executed in connection with release from project mortgage.* The property covered by the mortgage must have been included as part of a Sales Type Project (as defined in § 241.1 (b)) of this subchapter and must have located thereon a single-family dwelling, and the mortgage must have been executed in connection with the release of such property from the lien of the project mortgage and to replace or refinance the project mortgage as to such property.

§ 243.9 *Maximum amount.* The mortgage must involve a principal obligation in multiples of $50 and must not exceed the unpaid balance of the project mortgage allocable to the property offered as security.

§ 243.10 *Payment and maturity dates.* The mortgage shall come due on the first of a month and must have a maturity satisfactory to the Commissioner, not more than the unexpired term of the project mortgage at the time of the release of the mortgaged property from such project mortgage. The amortization period shall be either 10, 15, 20, 25, 30, 35, or 40 years by providing for 120, 180, 240, 300, 360, 420, or 480 monthly amortization payments.

§ 243.11 *Interest rate.* The mortgage may bear interest at such rate as may be agreed upon between the mortgagee and the mortgagor but in no case shall such interest be in excess of four and one-half percentum (4½%) per annum computed on unpaid balances.

§ 243.12 *Amortization provisions.* The mortgage must contain complete amortization provisions satisfactory to the Commissioner, requiring monthly payments by the mortgagor sufficient to repay principal and interest in full at maturity.

§ 243.13 *Payment of insurance premiums or charges; prepayment premiums.* The mortgage may provide for monthly payments by the mortgagor to the mortgagee of an amount equal to one-twelfth (1/12) of the annual mortgage insurance premium payable by the mortgagee to the Commissioner. If the mortgage contains a provision permitting the holder to make future "open-end" advances or is amended or modified to include such a provision, the mortgage may provide for a monthly payment by the mortgagor of an amount equal to one-twelfth (1/12) of the annual charge, payable by the mortgagee to the Commissioner for insurance of such advances. Such payments shall continue only so long as the contract of insurance shall remain in effect. The mortgage shall provide that upon payment of the mortgage before maturity, the mortgagor shall pay the adjusted premium charge referred to in Part 244 of this subchapter, but shall not provide for the payment of any further charge on account of such prepayment.

§ 243.14 *Payments to include other charges.* The mortgage shall provide for such equal monthly payments by the mortgagor to the mortgagee as will amortize the ground rents, if any, and the estimated amount of all taxes, special assessments, if any, and fire and other hazard insurance premiums, within a period ending one month prior to the dates on which the same become delinquent. The mortgage shall further provide that such payments shall be held by the mortgagee in a manner satisfactory to the Commissioner, for the purpose of paying such ground rents, taxes, assessments, and insurance premiums, before the same become delinquent, for the benefit and account of the mortgagor. The mortgage must also make provision for adjustments in case the estimated amount of such taxes, assess-

ments, and insurance premiums shall prove to be more, or less, than the actual amount thereof so paid by the mortgagor.

§ 243.15 *Payments, how applied.* All monthly payments to be made by the mortgagor to the mortgagee, as hereinabove provided, shall be added together and the aggregate amount thereof shall be paid by the mortgagor each month in a single payment. The mortgagee shall apply the same to the following items in the order set forth:

(a) Premium charges under the contract of insurance, including charges for "open-end" advances;

(b) Ground rents, taxes, special assessments, and fire and other hazard insurance premiums;

(c) Interest on the mortgage; and

(d) Amortization of the principal of the mortgage.

Any deficiency in the amount of any such aggregate monthly payment shall, unless made good by the mortgagor prior to, or on, the due date of the next such payments, constitute an event of default under the mortgage.

§ 243.16 *Late charge.* The mortgage may provide for a charge by the mortgagee of a "late charge" not to exceed two cents for each dollar of each payment more than fifteen (15) days in arrears, to cover the extra expense involved in handling delinquent payments.

§ 243.17 *Payments upon execution of mortgage.* The mortgagor must pay to the mortgagee upon the execution of the mortgage a sum that will be sufficient to pay the ground rents, if any, and the estimated taxes, special assessments, and fire and other hazard insurance premiums for the period beginning on the date to which such ground rents, taxes, assessments, and insurance premiums were last paid and ending on the date of the first monthly payment under the mortgage, and may be required to pay a further sum equal to the first annual mortgage insurance premium, plus an amount sufficient to pay the mortgage insurance premium from the date of closing the loan to the date of the first monthly payment.

§ 243.18 *Maximum charges and fees to be collected by mortgagee.* (a) The mortgagee may charge the mortgagor an initial service charge to reimburse itself for the cost of closing the transaction, which service charge shall not exceed $20 or 1 percent of the original principal amount of the mortgage, whichever is the greater.

(b) In addition to the charges hereinabove mentioned, the mortgagee may collect from the mortgagor customary costs of title search, recording fees reasonable out of pocket appraisal and other fees which are approved by the Commissioner, and mortgage insurance premiums, together with other fees and charges which the mortgagee is required to pay to the Commissioner under this part. Nothing in this section shall be construed as prohibiting the mortgagor from dealing through a broker, who does not represent the mortgagee, if he prefers to do so, and paying such compensation as is satisfactory to the mortgagor.

§ 243.19 *Covenant regarding racial restrictions.* The mortgage shall contain a covenant by the mortgagor that until the mortgage has been paid in full, or the contract of insurance otherwise terminated, he will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color or creed. Such covenant shall be binding upon the mortgagor and his assigns and shall provide that upon violation thereof the mortgagee may, at its option, declare the unpaid balance of the mortgage immediately due and payable.

ELIGIBLE MORTGAGORS

§ 243.20 *Mortgage lien.* A mortgagor must establish that after the mortgage offered for insurance has been recorded, the mortgaged property will be free and clear of all liens other than such mortgage and that there will not be outstanding any other unpaid obligation contracted in connection with the mortgage transaction or the purchase of the mortgaged property, except obligations which are secured by property or collateral owned by the mortgagor independently of the mortgaged property.

§ 243.21 *Relationship of income to mortgage payments.* A mortgagor must establish that the periodic payments required in the mortgage submitted for insurance bear a proper relation to his present and anticipated income and expenses.

§ 243.22 *Credit standing.* A mortgagor must have a general credit standing satisfactory to the Commissioner.

§ 243.23 *Racial restrictions certificate.* A mortgagor must certify that until the mortgage has been paid in full, or the contract of insurance otherwise terminated, he will not file for record any restriction upon the sale or occupancy of the mortgaged property on the basis of race, color or creed or execute any agreement, lease or conveyance affecting the mortgaged property which imposes any such restriction upon its sale or occupancy.

§ 243.24 *Limitation on eligibility.* No person shall be eligible to be the mortgagor of more than one mortgage insured under this part at any one time, nor shall he be eligible if he is the mortgagor of a mortgage or mortgages covering four (4) or more single-family dwellings insured under this chapter.

ELIGIBLE PROPERTIES

§ 243.25 *Nature of title to realty.* A mortgage to be eligible for insurance must be on real estate held in fee simple, or on leasehold under a lease for not less than 99 years which is renewable, or under a lease with a period of not less than 50 years to run from the date the mortgage is executed.

§ 243.26 *Dwelling unit located on property.* At the time a mortgage is insured there must be located on the mortgaged property a dwelling unit designed principally for residential use for not more than one family. Such unit may be connected with other dwellings by a party wall or otherwise.

§ 243.27 *Standards for buildings.* The buildings on the mortgaged property must conform with the standards prescribed by the Commissioner.

§ 243.28 *Location of property.* The mortgaged property, if otherwise acceptable to the Commissioner, may be located in any community where the housing standards meet the requirements of the Commissioner.

§ 243.29 *Racial restrictions on property.* A mortgagee must establish that no restriction upon the sale or occupancy of the mortgaged property, on the basis of race, color or creed, has been filed of record at any time subsequent to February 15, 1950 and prior to the recording of the mortgage offered for insurance.

OPEN-END ADVANCES

§ 243.30 *Eligibility of open-end advances.* Any approved mortgagee may make advances, referred to in this part as "open-end" advances, in connection with the mortgages previously insured under this part or insured after the effective date of this part, subject to compliance with the requirements of this section:

(a) The proceeds of any open-end advance must be used for the purpose of improvements or repairs which in the Commissioner's discretion substantially protect or improve the basic livability or utility of the property involved. The proceeds of such advances shall not be used for the purpose of financing obligations previously incurred for such repairs or improvements.

(b) The mortgagee shall submit an application for insurance of open-end advances upon a standard form prescribed by the Commissioner.

(c) Applications filed must be accompanied by the mortgagee's remittance for the sum of $10 for processing of the application. If an application is refused as a result of preliminary examination by the Commissioner or in such other instances as the Commissioner may determine the entire fee will be returned to the applicant.

(d) In addition to the application fee required by paragraph (c) of this section, the mortgagee may charge the mortgagor a fee not to exceed $25 or 1 percent of the open-end advance, whichever is the lesser, and the amount of out-of-pocket expenditures made by the mortgagee for customary costs of title search and recording fees. The mortgagee may require the mortgagor to pay to the mortgagee all charges permitted under this section on or prior to the date of final disbursement of the open-end advance, together with a sum sufficient to pay the initial insurance charge provided for in Part 244 of this subchapter. No portion of such charges may be included in the principal amount of the open-end advance.

(e) Upon approval of an application, acceptance of the advance for insurance will be evidenced by the issuance of a commitment setting forth, upon a form prescribed by the Commisioner, the terms and conditions upon which the advance will be insured.

(f) The amount of such advance shall be added to the unpaid principal obli-

gation of the mortgage, whereupon the aggregate of the original unpaid principal and the amount of the open-end advance shall:

(1) Bear interest at the rate provided in such mortgage, payable in monthly installments on the principal then outstanding;

(2) Be payable in substantially equal monthly payments in an amount sufficient to amortize the aggregate principal amount within the remaining original term of the mortgage.

(g) The amount of any such advance (computed in even dollar amounts) when added to the unpaid balance of the original principal obligation of the mortgage shall not exceed the original principal obligation of the mortgage: *Provided,* That if the mortgagor certifies that the proceeds of such open-end advance will be used to finance the construction of an additional room or rooms or other additional enclosed space as a part of the dwelling, the aggregate amount of the unpaid balance of the original principal obligation, plus the amount of the open-end advance, may exceed the amount of the original principal obligation of the mortgage, but in no event shall such aggregate amount exceed the maximum amounts prescribed by the limitations of § 243.9.

(h) A mortgagee may amend or modify any approved FHA mortgage form by adding such provisions as it deems necessary for the purpose of making open end advances, by any rider or modification agreement which is valid and enforceable in the jurisdiction in which the property covered by the mortgage is located, provided such rider or modification agreement retains in the mortgagee the right to approve or disapprove additional advances on such terms and conditions as the mortgagee may prescribe. The mortgagee will have the sole responsibility for determining that any mortgage amended by an "open-end" rider or modification agreement will be a valid and enforceable instrument and will constitute a valid first lien on the property upon which the Commissioner based his valuation.

EFFECTIVE DATE

§ 243.31 *Effective date.* Unless otherwise specified in this part, the rules in this part are effective as to all individual mortgages on which a commitment to insure is issued to an approved mortgagee on or after September 10, 1954.

PART 244—COOPERATIVE HOUSING INSURANCE; RIGHTS AND OBLIGATIONS OF MORTGAGEE UNDER INSURANCE CONTRACT—INDIVIDUAL MORTGAGES

DEFINITIONS

Sec.
244.1 Definitions of terms used in this part.

INSURANCE PREMIUMS AND CHARGES

244.2 Insurance premiums and charges.

INSURANCE ENDORSEMENT

244.3 Form of endorsement.
244.4 Contract of insurance.

RIGHTS AND DUTIES OF MORTGAGEE UNDER THE CONTRACT OF INSURANCE

244.5 Rights and duties of an approved mortgagee under the contract of insurance.

ASSIGNMENT

244.6 Assignments.

AMENDMENTS

244.7 Amendments to regulations.

EFFECTIVE DATE

244.8 Effective date.

AUTHORITY: §§ 244.1 to 244.8 issued under sec. 211, 52 Stat. 23, as amended; 12 U. S. C. 1715b.

DEFINITIONS

§ 244.1 *Definition of terms used in this part.* (a) The definitions contained in paragraphs (a) (b) (d), (e), and (f) of § 222.1 of this chapter shall apply to this part.

(b) The term "mortgage" is an individual mortgage as defined in § 243.1 (b) of this subchapter and means such a first lien upon real estate as is commonly given to secure advances on, or the unpaid purchase price of, real estate under the laws of the jurisdiction where the real estate is situated, together with the credit instruments, if any, secured thereby.

(c) The term "contract of insurance" means the endorsement of the Commissioner upon the credit instrument given in connection with an insured mortgage, incorporating by reference the regulations in this part.

INSURANCE PREMIUMS AND CHARGES

§ 244.2 *Insurance premiums and charges.* The provisions of §§ 222.2, 222.3 and 222.4 of this chapter shall apply to this part, except that the reference in § 222.2 (a) to the Mutual Mortgage Insurance Fund shall be changed so as to refer to the Housing Insurance Fund and the reference in § 222.3 (c) (2) to § 221.43 shall be changed so as to refer to § 243.30 of this subchapter.

INSURANCE ENDORSEMENT

§ 244.3 *Form of endorsement.* Upon compliance satisfactory to the Commissioner with the terms of a commitment to insure, the Commissioner will—

(a) Endorse the original credit instrument as follows:

No. _____

Insured as an individual mortgage under section 213 of the National Housing Act and Regulations of the Federal Housing Commissioner thereunder, dated _____, 1954, as amended.

FEDERAL HOUSING COMMISSIONER,
By _____
(Authorized Agent)

Date _____

(b) Evidence insurance of an open-end advance by delivering to the mortgagee a certificate in form as follows:

No. _____

Insured as an additional advance in the principal amount of $_____ under section 213 of the National Housing Act and Regulations of the Federal Housing Commissioner thereunder, dated _____, 1954.

FEDERAL HOUSING COMMISSIONER,
By _____
(Authorized Agent)

Date _____

§ 244.4 *Contract of insurance.* The mortgage, including any open-end advances made thereunder and approved by the Commissioner, shall be an insured mortgage from the date of endorsement. The Commissioner and the mortgagee shall thereafter be bound by the regulations in this part with the same force and to the same extent as if a separate contract had been executed relating to the insured mortgage, including the provisions of the regulations in this part and of the National Housing Act.

RIGHTS AND DUTIES OF MORTGAGEE UNDER THE CONTRACT OF INSURANCE

§ 244.5 *Rights and duties of an approved mortgagee under the contract of insurance.* The provisions of §§ 222.10 to 222.14, inclusive, of this chapter, shall apply to this section, except that the reference in § 222.13 to the Mutual Mortgage Insurance Fund shall be changed to Housing Insurance Fund.

ASSIGNMENT

§ 244.6 *Assignments.* The provisions of §§ 222.15 and 222.16 of this chapter shall apply to this section.

AMENDMENTS

§ 244.7 *Amendments to regulations.* The regulations in this part may be amended by the Commissioner at any time and from time to time, in whole or in part, but such amendments shall not affect the contract of insurance on any mortgage already insured, or any mortgage or prospective mortgage on which the Commissioner has made a commitment to insure.

EFFECTIVE DATE

§ 244.8 *Effective date.* The regulations in this part are effective as to all mortgages on which a commitment to insure is issued to an approved mortgagee on or after the date hereof.

Issued at Washington, D. C., this 10th day of September 1954.

NORMAN P. MASON,
Federal Housing Commissioner

[P. R. Doc. 54-7201; Filed, Sept. 13, 1954; 8:53 a. m.]

TITLE 7—AGRICULTURE

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

Subchapter I—Determination of Prices

[Sugar Determination 874.7]

PART 874—SUGARCANE: LOUISIANA

FAIR AND REASONABLE PRICES FOR 1954 CROP

Pursuant to the provisions of section 301 (c) (2) of the Sugar Act of 1948, as amended, (herein referred to as "act") after investigation, and due consideration of the evidence presented at the public hearing held in Thibodaux, Louisiana, on July 28, 1954, the following determination is hereby issued:

§ 874.7. *Fair and reasonable prices for the 1954 crop of Louisiana sugarcane.* A producer of sugarcane in Louisiana who processes sugarcane pur-

chased from other producers referred to in this section as "processor") shall be deemed to have complied with the provisions of section 301 (c) (2) of the act with respect to the 1954 crop, if he has paid or has contracted to pay for such sugarcane in accordance with the following requirements.

(a) *Definitions.* For the purpose of this determination, the term:

(1) "Price of raw sugar" means the price of 96° raw sugar quoted by the Louisiana Sugar Exchange, Inc., except that if the Director of the Sugar Division determines that such price does not reflect the true market value of sugar, because of inadequate volume, failure to report sales in accordance with the rules of such Exchange or other factors, he may designate the price to be effective under this section.

(2) "Price of blackstrap molasses" means the price per gallon of blackstrap molasses quoted by the Louisiana Sugar Exchange, Inc., except that if the Director of the Sugar Division determines that such price does not reflect the true market value of blackstrap molasses, because of inadequate volume, failure to report sales in accordance with the rules of such Exchange or other factors, he may designate the price to be effective under this section.

(3) "Standard sugarcane" means sugarcane, free of trash, containing 12 percent sucrose in the normal juice with a purity of at least 76.50 but not more than 76.99.

(4) "Net sugarcane" means the quantity of sugarcane obtained by deducting the weight of trash from the combined weight of sugarcane and trash delivered by a producer.

(5) "Salvage sugarcane" means sugarcane containing either less than 9.5 percent sucrose in the normal juice or less than 68 purity in the normal juice.

(6) "Trash" means green or dried leaves, loose sugarcane tops, attached sugarcane tops at or above the green leaf roll, dirt and all other extraneous material which is representative of the quantity of sugarcane from which the sample for trash determination is taken.

(b) *Basic price.* (1) The basic price for standard sugarcane shall be not less than $1.06 per ton for each one-cent per pound of the average price of raw sugar determined in accordance with either of the following as agreed upon:

(i) The simple average of the daily prices of raw sugar for the week in which the sugarcane is delivered; or,

(ii) The simple average of the weekly prices of raw sugar for the period October 8, 1954 through February 24, 1955: *Provided,* That the average price of raw sugar as determined under this subdivision or subdivision (i) of this subparagraph may be reduced by not more than the following:

(*a*) 0.065 cent for mills located north of Bayou Goula between the Atchafalaya and Mississippi Rivers and southeast of New Iberia west of the Atchafalaya River; or

(*b*) 0.10 cent for mills located north and west of New Iberia west of the Atchafalaya River.

(2) The basic price for salvage sugarcane shall be as agreed upon between the processor and the producer.

(c) *Conversion of net sugarcane to standard sugarcane.* Net sugarcane (except for salvage sugarcane) shall be converted to standard sugarcane as follows:

(1) By multiplying the quantity of net sugarcane by the applicable quality factor in accordance with the following table:

Percent sucrose in normal juice of net sugarcane:	*Standard sugarcane quality factor* [1]
9.5	0.60
10.0	0.70
10.5	0.80
11.0	0.90
11.5	0.95
12.0	1.00
12.5	1.05
13.0	1.10
13.5	1.15
14.0	1.20
14.5	1.25

[1] The quality factor for sugarcane of intermediate percentages of sucrose in normal juice shall be interpolated and for sugarcane having more than 14.5 percent sucrose in the normal juice shall be computed in proportion to the immediately preceding interval.

and

(2) By multiplying the quantity determined pursuant to subparagraph (1) of this paragraph by the applicable purity factor in the following table:

STANDARD SUGARCANE PURITY FACTOR [1]

Purity of normal juice		Percent sucrose in normal juice															
		At least--9.50	9.70	9.90	10.10	10.30	10.50	11.00	11.50	12.00	12.50	13.00	13.50	14.00	14.50	15.00	15.50
At least—	But not more than—	But not more than--9.69	9.89	10.09	10.29	10.49	10.99	11.49	11.99	12.49	12.99	13.49	13.99	14.49	14.99	15.49	15.99
68.00	68.24	1.000	0.989	0.978	0.967	0.956	0.945	0.936	0.929	0.922	0.915	0.908	0.901	0.894	0.887	0.880	0.873
68.25	68.49	1.005	.993	.982	.971	.960	.949	.941	.934	.927	.920	.913	.906	.899	.892	.885	.878
68.50	68.99	1.010	.998	.987	.976	.965	.954	.946	.939	.932	.925	.918	.911	.905	.899	.893	.887
69.00	69.49	1.015	1.003	.992	.981	.970	.959	.950	.943	.936	.929	.922	.915	.909	.903	.897	.891
69.50	69.99	1.021	1.009	.997	.986	.975	.964	.955	.948	.941	.934	.927	.920	.914	.908	.902	.896
70.00	70.49	1.025	1.013	1.001	.990	.979	.968	.960	.953	.945	.938	.931	.924	.918	.912	.906	.900
70.50	70.99	1.030	1.018	1.006	.995	.984	.973	.965	.958	.950	.943	.936	.929	.923	.917	.911	.905
71.00	71.49	1.035	1.023	1.011	.999	.988	.977	.969	.962	.954	.947	.940	.933	.927	.921	.915	.909
71.50	71.99	1.040	1.028	1.016	1.004	.993	.982	.974	.966	.959	.951	.945	.938	.932	.926	.920	.914
72.00	72.49	1.045	1.033	1.021	1.009	.998	.987	.978	.970	.963	.955	.949	.942	.936	.930	.924	.918
72.50	72.99	1.050	1.038	1.026	1.014	1.003	.992	.983	.975	.967	.960	.954	.947	.940	.934	.928	.922
73.00	73.49	1.055	1.043	1.031	1.019	1.007	.996	.987	.979	.971	.964	.958	.951	.944	.938	.932	.926
73.50	73.99	1.060	1.048	1.036	1.024	1.012	1.000	.991	.984	.976	.968	.962	.955	.948	.942	.936	.930
74.00	74.49	1.065	1.052	1.040	1.028	1.016	1.004	.995	.988	.980	.972	.966	.959	.952	.946	.940	.934
74.50	74.99	----------	1.057	1.044	1.032	1.020	1.008	1.000	.992	.984	.977	.970	.963	.956	.950	.944	.938
75.00	75.49	----------	1.062	1.049	1.036	1.024	1.012	1.004	.996	.988	.981	.974	.967	.960	.954	.948	.942
75.50	75.99	----------	---------	1.054	1.041	1.028	1.016	1.008	1.000	.992	.985	.978	.971	.964	.958	.952	.946
76.00	76.49	----------	---------	1.059	1.046	1.033	1.020	1.011	1.004	.996	.988	.981	.974	.967	.961	.955	.949
76.50	76.99	----------	---------	---------	1.051	1.038	1.025	1.015	1.008	1.000	.992	.985	.978	.971	.965	.959	.953
77.00	77.49	----------	---------	---------	1.054	1.041	1.028	1.019	1.011	1.004	.996	.989	.981	.975	.969	.963	.957
77.50	77.99	----------	---------	---------	---------	1.045	1.032	1.023	1.015	1.008	1.000	.993	.985	.979	.973	.967	.961
78.00	78.49	----------	---------	---------	---------	1.049	1.035	1.027	1.019	1.011	1.003	.996	.989	.982	.976	.970	.964
78.50	78.99	----------	---------	---------	---------	---------	1.039	1.031	1.023	1.015	1.007	1.000	.993	.986	.980	.974	.968
79.00	79.49	----------	---------	---------	---------	---------	1.042	1.035	1.026	1.018	1.010	1.003	.996	.989	.983	.977	.971
79.50	79.99	----------	---------	---------	---------	---------	---------	1.039	1.030	1.022	1.014	1.007	1.000	.993	.987	.981	.976
80.00	80.49	----------	---------	---------	---------	---------	---------	1.043	1.033	1.025	1.017	1.010	1.003	.996	.990	.984	.978
80.50	80.99	----------	---------	---------	---------	---------	---------	---------	1.037	1.029	1.021	1.014	1.007	1.000	.994	.988	.982
81.00	81.49	----------	---------	---------	---------	---------	---------	---------	1.040	1.032	1.024	1.017	1.010	1.003	.997	.991	.985
81.50	81.99	----------	---------	---------	---------	---------	---------	---------	---------	1.036	1.028	1.021	1.014	1.006	1.000	.994	.988
82.00	82.49	----------	---------	---------	---------	---------	---------	---------	---------	1.039	1.032	1.024	1.017	1.009	1.003	.997	.991
82.50	82.99	----------	---------	---------	---------	---------	---------	---------	---------	---------	1.035	1.027	1.020	1.013	1.007	1.000	.995
83.00	83.49	----------	---------	---------	---------	---------	---------	---------	---------	---------	1.038	1.030	1.023	1.016	1.010	1.004	.998
83.50	83.99	----------	---------	---------	---------	---------	---------	---------	---------	---------	---------	1.033	1.027	1.019	1.013	1.007	1.000
84.00	84.49	----------	---------	---------	---------	---------	---------	---------	---------	---------	---------	1.036	1.030	1.022	1.016	1.010	1.001
84.50	84.99	----------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	1.033	1.025	1.019	1.013	1.007
85.00	85.49	----------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	1.023	1.022	1.016	1.010

[1] Factors applicable to higher sucrose and purity of the normal juice than shown in this table shall be determined by the same method of calculation used to compute the factors specified and shall be furnished by the Louisiana State ASC Office, Alexandria, La., upon request.

(d) *Molasses payment.* For each ton of net sugarcane (except salvage sugarcane) there shall be paid an amount equal to the product of 7.1 and one-half of the average price per gallon of blackstrap molasses in excess of 6 cents. The average price of blackstrap molasses shall be either the simple average of the daily prices for the week in which the sugarcane is delivered, or the simple average of the weekly prices of blackstrap molasses for the period October 8, 1954 through February 24, 1955, as agreed upon between the processor and the producer.

(e) *General.* (1) The sucrose and purity of the normal juice shall be determined by acceptable methods of analysis on sugarcane as delivered, such methods to be subject to the approval of the Louisiana State Agricultural Stabilization and Conservation Office (referred to in this section as "State Office").

(2) Because of decreased boiling house efficiency deductions may be made from the payment for frozen sugarcane accepted by the processor provided such deductions are at rates not in excess of 1.5 percent of the payment, computed without regard to the molasses payment, for each 0.1 cc. of acidity above 2.50 cc. of N/10 alkali per 10 cc. of juice but not in excess of 4.75 cc. (intervening fractions are to be computed to the nearest multiple of 0.05 cc.) Frozen sugarcane testing in excess of 4.75 cc. of acidity shall be considered as having no value. Sugarcane shall not be considered as frozen, even after being subjected to freezing temperature, unless and until there is evidence of damage having taken place because of the freeze, such evidence to be certified by the State Office.

(3) In the event a general freeze causes abnormally low recoveries of raw sugar by a processor in relation to the sucrose and purity tests of sugarcane, payment for such sugarcane may be made as mutually agreed upon between the producer and the processor, subject to approval by the State Office: *Provided,* That the payment for each ton of net sugarcane shall be not less than an amount equal to the total returns from raw sugar and molasses actually recovered from such sugarcane, determined on the basis of the simple average of the weekly prices of raw sugar and blackstrap molasses for the period October 8, 1954 through February 24, 1955, less an amount not to exceed $3.00 per gross ton of sugarcane for processing and less actual costs of hoisting, field weighing and transporting such sugarcane.

(4) A processor who paid the costs for hoisting and weighing sugarcane of the 1953 crop shall also pay such costs with respect to the 1954 crop: *Provided,* That nothing in this subparagraph shall be construed as prohibiting negotiations with respect to such costs, any change to be approved by the State Office.

(5) A processor who made allowances to producers for transporting sugarcane from the customary delivery points to the mill for the 1953 crop, shall also make such allowances for the 1954 crop: *Provided,* That nothing in this subparagraph shall be construed as requiring the processor to make allowances to producers in excess of the actual costs or rates charged by a commercial carrier for the customary method of transportation: *Provided further* That where the only available practicable means of transportation is by railroad and the distance to the nearest mill is in excess of 50 miles or where, because of unusual circumstances, the cost of transporting sugarcane is in excess of customary allowances, such costs may be shared by the processor and the producer by agreement, subject to the approval of the State Office.

(6) If a processor and the producers delivering sugarcane to such processor mutually agree upon a plan for improving harvesting and delivery operations, there may be deducted from the price per ton of sugarcane an amount equal to one-half of the cost of such plan. Such deduction may not be made until the plan has been approved by the State Office.

(7) The processor shall not reduce the returns to the producer below those determined herein through any subterfuge or device whatsoever.

(8) The Deputy Administrator for Production Adjustment of the Commodity Stabilization Service will issue such instructions to the State Office as may be necessary to effectuate the purpose of this section.

Statement of bases and considerations—(a) *General.* The foregoing determination provides fair and reasonable prices to be paid by a processor for sugarcane of the 1954 crop purchased from producers. It prescribes the minimum requirements with respect to prices which must be met as one of the conditions for payment under the act.

(b) *Requirements of the act.* In determining fair and reasonable prices, the act requires that public hearings be held and investigations be made. Accordingly, a public hearing was held in Thibodaux, Louisiana, on July 28, 1954, at which time interested persons presented testimony with respect to fair and reasonable prices for the 1954 crop of sugarcane. In addition, investigations have been made of conditions relating to the sugar industry in Louisiana.

(c) *1954 price determination.* The 1954 price determination continues unchanged the provisions of the 1953 crop determination.

At the public hearing the Louisiana Grower-Processor Committee recommended that the provisions of the 1953 crop price determination be continued for the 1954 crop. The Committee representative stated that in reaching this decision all aspects of the determination had been considered. He stated further that a special committee had been appointed to give further study to questions of sugarcane purity, trash, better methods of harvesting and delivery of higher quality cane to mills. Pending such further study the Committee agreed that no change should be made in the price determination. A processor testified with respect to a recent increase in freight rates on sugarcane and raw sugar, recommending that the Department give consideration to the allowances for sugar freight differentials for the 1954 crop. The request was supported by two other processors in briefs submitted to the Department following the hearing.

In making this determination consideration has been given to recommendations made at the public hearing, to information obtained as a result of investigations and to returns, costs and profits data of the Louisiana sugar industry obtained by survey during prior years and restated in terms of prospective conditions for the 1954 crop. On the basis of analysis and examination of all pertinent factors it appears that an equitable sharing relationship between producers and processors will exist under anticipated conditions for the 1954 crop.

No change is made in the molasses settlement provision inasmuch as the average production of molasses per ton of cane during the last five-year period is the same as the average production for the previous period.

Prior fair price determinations have specified deductions for freight rate differentials in the calculation of settlements with producers. It is understood that the matter of increases in freight rates on sugar was considered by the Grower-Processor Committee but the Committee, except for one member who abstained from voting, preferred no change be made in the determination to reflect the higher rates since the matter was being contested in the Courts. Accordingly, no action has been taken in this determination to reflect rate changes in the freight differentials.

On the basis of analysis of all pertinent factors the provisions of this determination are deemed to be fair and reasonable.

Accordingly, I hereby find and conclude that the foregoing price determination is fair and reasonable and will effectuate the price provisions of the act.

(Sec. 403, 61 Stat. 932; 7 U. S. C. Sup. 1153. Interprets or applies Sec. 301, 61 Stat. 929; 7 U. S. C. Sup. 1131)

Issued this 9th day of September 1954.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 54-7193; Filed, Sept. 13, 1954; 8:52 a. m.]

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

[Lemon Reg. 553, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 18 F. R. 6767), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement

Act of 1937, as amended, 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 the quantity of such lemons which may be handled, 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 and engage in public rule-making procedure, and postpone the effective date of this amendment 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 amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in the State of California or in the State of Arizona.

Order as amended. The provisions in paragraph (b) (1) (ii) of § 953.660 (Lemon Regulation 553; 19 F. R. 5638) are hereby amended to read as follows:

(ii) District 2: 325 carloads.

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

Dated: September 9, 1954.

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

[F. R. Doc. 54-7193; Filed, Sept. 13, 1954; 8:51 a. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

FEDERAL CIVIL DEFENSE ADMINISTRATION

Effective upon publication in the FEDERAL REGISTER, paragraph (g) is added to § 6.157, paragraph (k) of § 6.357 is revoked, and paragraph (m) is added to § 6.357 as set out below.

§ 6.157 *Federal Civil Defense Administration.* * * *

(g) One Assistant Administrator, Inspection.

§ 6.357 *Federal Civil Defense Administration.* * * *

(m) One Courier, Office of the Administrator.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633; E. O. 10440, 18 F. R. 1823, 3 CFR 1953 Supp.)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 54-7191; Filed, Sept. 13, 1954; 8:51 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 38]

PART 600—DESIGNATION OF CIVIL AIRWAYS

ALTERATIONS

The civil airway alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted to become effective when indicated in order to promote safety to the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest and therefore is not required.

Part 600 is amended as follows:

1. Section 600.102 *Amber civil airway No. 2 (Long Beach, Calif., to Umiat, Alaska)* is amended before "Daggett, Calif., radio range station" to read: "From the intersection of the southwest course of the Long Beach, Calif., radio range and the south course of the Los Angeles, Calif., VHF VAR radio range via the Long Beach, Calif., radio range station; the intersection of the northeast course of the Long Beach, Calif., radio range and the east course of the Los Angeles, Calif., radio range; Daggett, Calif., radio range station;"

2. Section 600.202 is amended by changing caption to read: *"Red civil airway No. 2 (Whitehall, Mont., to Rapid City, S. Dak.)"* and by changing first portion to read: "From the Whitehall, Mont., radio range station to the Bozeman, Mont., radio range station."

3. Section 600.220 *Red civil airway No. 20 (Lansing, Mich., to Washington, D. C.)* is amended between Lansing and Flint, Mich., to read: "That airspace over United States territory from the Lansing, Mich., radio range station via the Flint, Mich., ILS outer marker; the intersection of the northwest course of the Selfridge, Mich., AFB radio range and the northwest course of the Windsor, Ont., Can., radio range;"

4. Section 600.248 is amended to read:

§ 600.248 *Red civil airway No. 48 (Helena, Mont., to Livingston, Mont.)* From the intersection of the southeast course of the Helena, Mont., radio range and the northwest course of the Bozeman, Mont., radio range via a point located at Lat. 46°15'00" Long. 111°00' 00" to the Livingston, Mont., radio range station.

5. Section 600.265 is amended to read:

§ 600.265 *Red civil airway No. 65 (Oceanside, Calif., to Blythe, Calif.)* From the intersection of the southwest course of the Long Beach, Calif., radio range and the south course of the Los Angeles, Calif., VHF VAR radio range via the Oceanside, Calif., nondirectional radio beacon; Julian, Calif., nondirectional radio beacon to the Hayfield Lake, Calif., nondirectional radio beacon.

6. Section 600.616 is amended to read:

§ 600.613 *Blue civil airway No. 16 (Helena, Mont., to Great Falls, Mont.)* From the intersection of the west course of the Helena, Mont., radio range and the southwest course of the Great Falls, Mont., radio range to the intersection of the southwest course of the Great Falls, Mont., radio range and the north course of the Helena, Mont., radio range.

7. Section 600.624 *Blue civil airway No. 24 (El Centro, Calif., to Daggett, Calif.)* is revoked.

8. Section 600.658 is added to read:

§ 600.658 *Blue civil airway No. 58 (Nantucket, Mass., to Squantum, Mass.)* From the Nantucket, Mass., nondirectional radio beacon via the Hyannis, Mass., nondirectional radio beacon; the intersection of a line bearing 346° True from the Hyannis, Mass., nondirectional beacon and the southeast course of the Squantum, Mass., radio range to the Squantum, Mass., radio range station, excluding the portion in conflict with Cotuit danger area (D-79)

9. Section 600.6004 *VOR civil airway No. 4 (Seattle, Wash., to Washington, D. C.)* is amended by changing all between the St. Louis, Mo., omnirange station and the Evansville, Ind., omnirange station to read: "St. Louis, Mo., omnirange station, including a north and a south alternate; Centralia, Ill., omnirange station, including a north and a south alternate; Evansville, Ind., omnirange station, including a south alternate;"

10. Section 600.6012 *VOR civil airway No. 12 (Palmdale, Calif., to Philadelphia, Pa.)* is amended by changing the portion between the Anthony, Kans., omnirange station and the Emporia, Kans., omnirange station to read: "Anthony, Kans., omnirange station, including a north alternate; Wichita, Kans., omnirange station, including a north alternate via the intersection of the Anthony omnirange 030° True and the Wichita omnirange 253° True radials and also a south alternate via the intersection of the Anthony omnirange 078° True and the Wichita omnirange 194° True radials; Emporia, Kans., omnirange station, including a north alternate via the intersection of the Wichita omnirange 045° True and the Emporia omnirange 259° True radials;" and by changing all after the Pittsburgh, Pa., omnirange station to read: "Pittsburgh, Pa., omnirange station; Harrisburg, Pa., omnirange station to the West Chester, Pa., omnirange station, including a north alternate via the intersection of the Harrisburg omnirange 086° True and the West Chester omnirange 304° True radials."

11. Section 600.6021 *VOR civil airway No. 21 (Long Beach, Calif., to United States-Canadian Border)* is amended by changing all before the Daggett, Calif., omnirange station to read: "From the point of intersection of the Long Beach omnirange 225° True radial and the Los Angeles, Calif., VAR south course via the Long Beach, Calif., omnirange station; Ontario, Calif., omnirange

station; Daggett, Calif., omnirange station;"

12. Section 600.6023 *VOR civil airway No. 23 (San Diego, Calif., to Bellingham, Wash.)* is amended between the Fort Jones, Calif., omnirange station and the Eugene, Oreg., omnirange station to read: "Fort Jones, Calif., omnirange station; Medford, Oreg., omnirange station, including an east alternate via the intersection of the Fort Jones omnirange 042° True and the Medford omnirange 157° True radials; Eugene, Oreg., omnirange station;"

13. Section 600.6064 is amended to read:

§ 600.6064 *VOR civil airway No. 64 (Long Beach, Calif., to Blythe, Calif.)* From the point of intersection of the Long Beach omnirange 271° True radial and the Los Angeles, Calif., VAR south course via the Long Beach, Calif., omnirange station; Thermal, Calif., omnirange station to the Blythe, Calif., omnirange station.

14. Section 600.6067 is amended to read:

§ 600.6067 *VOR civil airway No. 67 (Mason City, Iowa, to Rochester, Minn.)*. From the Mason City, Iowa, omnirange station to the Rochester, Minn., omnirange station, including a west alternate.

15. Section 600.6116 is amended to read:

§ 600.6116 *VOR civil airway No. 116 (Chicago, Ill., to New York, N. Y.)* From the Naperville, Ill., omnirange station via the South Bend, Ind., omnirange station; Litchfield, Mich., omnirange station, including a north alternate; Detroit, Mich., omnirange station, including a north alternate via the intersection of the Litchfield omnirange 061° True and the Detroit omnirange 276° True radials; Erie, Pa., omnirange station; Bradford, Pa., omnirange station; Wilkes-Barre-Scranton, Pa., omnirange station; intersection of the Wilkes-Barre-Scranton omnirange 117° True and the Allentown, Pa., omnirange 053° True radials; to the point of intersection of the Wilkes-Barre-Scranton omnirange 117° True and the Wilton, Conn., omnirange 233° True radials.

16. Section 600.6117 is added to read:

§ 600.6117 *VOR civil airway No. 117 (El Centro, Calif., to Daggett, Calif.)* From the El Centro, Calif., LF radio range station via the intersection of the El Centro radio range northwest course and the Thermal omnirange 158° True radial; Thermal, Calif., omnirange station; to the Daggett, Calif., omnirange station.

17. Section 600.6141 is amended to read:

§ 600.6141 *VOR civil airway No. 141 (Nantucket, Mass., to Plattsburg, N. Y.)* From the Nantucket, Mass., omnirange station via the intersection of the Nantucket omnirange 339° True and the Boston omnirange 133° True radials; Boston, Mass., omnirange station; Concord, N. H., omnirange station; Lebanon, N. H., nondirectional radio beacon to the Plattsburg, N. Y., omnirange station.

18. Section 600.6164 is added to read:

§ 600.6164 *VOR civil airway No. 164 (Canton, Pa., to New York, N. Y.)* From the point of intersection of the Elmira, N. Y., omnirange 168° True radial and a line bearing 290° True from the Wilkes-Barre-Scranton, Pa., LF radio range station via the Wilkes-Barre-Scranton, Pa., LF radio range station; to the Caldwell, N. J., omnirange station.

19. Section 600.6165 is added to read:

§ 600.6165 *VOR civil airway No. 165 (Long Beach, Calif., to Palmdale, Calif.)*. From the Long Beach, Calif., omnirange station via the intersection of the Long Beach omnirange 346° True and the Palmdale omnirange 200° True radials to the Palmdale, Calif., omnirange station.

(Sec. 205, 52 Stat. 984, amended; 49 U. S. C. 425. Interpret or apply sec. 302, 52 Stat. 985, as amended; 49 U. S. C. 452)

This amendment shall become effective 0001 e. s. t., September 14, 1954.

[SEAL] S. A. KEMP,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 54-7119; Filed, Sept. 13, 1954; 8:45 a. m.]

[Amdt. 38]

PART 601—DESIGNATION OF CONTROL AREAS, CONTROL ZONES, AND REPORTING POINTS

ALTERATIONS

The control area, control zone and reporting point alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, airspace Subcommittee, and are adopted to become effective when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to public interest and therefore is not required.

Part 601 is amended as follows:

1. Section 601.202 is amended to read:

§ 601.202 *Red civil airway No. 2 control areas (Whitehall, Mont., to Rapid City, S. Dak.)*. All of Red civil airway No. 2.

2. Section 601.248 is amended to read:

§ 601.248 *Red civil airway No. 48 control area (Helena, Mont., to Livingston, Mont.)*. All of Red civil airway No. 48.

3. Section 601.616 is amended to read:

§ 601.616 *Blue civil airway No. 16 control area (Helena, Mont., to Great Falls, Mont.)*. All of Blue civil airway No. 16.

4. Section 601,624 *Blue civil airway No. 24 control areas (El Centro, Calif., to Daggett, Calif.)* is revoked.

5. Section 601.658 is added to read:

§ 601.658 *Blue civil airway No. 58 control areas (Nantucket, Mass., to Squantum, Mass.)*. All of Blue civil airway No. 58.

6. Section 601.1037 is amended to read:

§ 601.1037 *Control area extension (Pensacola, Fla.)* That airspace within 10 miles east of the north and south courses of the Pensacola, Fla., radio range extending from Red civil airway No. 30 on the north to a point 12 miles south of the radio range station and within 5 miles west of the south course of the Pensacola radio range extending from the radio range station to a point 12 miles south.

7. Section 601.1038 *Control area extension (Great Falls, Mont.)* is amended by adding the following to present control area extension: "including the airspace within a 30 mile radius of the Great Falls omnirange station which lies within the north quadrant of the Great Falls low frequency radio range."

8. Section 601.1159 is amended to read:

§ 601.1159 *Control area extension (Moline, Ill.)* That airspace within a 15 mile radius of the Moline omnirange station, within 5 miles either side of the Moline ILS localizer west course extending from the localizer to a point 35 miles west of the Quad City Airport, and the airspace east of Moline bounded on the north by Green civil airway No. 3, on the south by a line 5 miles south of and parallel to the Moline ILS localizer east course, on the east by Long. 90° 02' 00" and on the west by VOR civil airway No. 63.

9. Section 601.1191 is amended to read:

§ 601.1191 *Control area extension (Thermal, Calif.)* Within 5 miles either side of the 80° True radial of the Thermal omnirange extending from the omnirange station to the Hayfield Lake, Calif., nondirectional radio beacon.

10. Section 601.1350 is added to read:

§ 601.1350 *Control area extension (Kodiak, Alaska)* Within 5 miles either side of the south course of the Kodiak radio range extending from the radio range station to a point 20 miles south.

11. Section 601.1351 is added to read:

§ 601.1351 *Control area extension (Philadelphia, Pa.)* That airspace within a 25 mile radius of the Philadelphia International Airport.

12. Section 601.1352 is added to read:

§ 601.1352 *Control area extension (Sedalia, Mo.)*. That airspace within a 35 mile radius of the Sedalia Air Force Base excluding the portion north of Sedalia bounded on the south by VOR civil airway Nos. 4–S and 12–S, excluding the portion northwest of Sedalia bounded on the east by Long. 93° 45' 00" and on the south by Lat. 38° 54' 00", and excluding the portion northeast of Sedalia bounded on the west by Long. 93° 15' 00" and on the south by Lat. 38° 45' 00".

13. Section 601.1353 is added to read:

§ 601.1353 *Control area extension (Charleston, W Va.)* That airspace within a 30 mile radius of Kanawha County Airport, Charleston, W. Va.

14. Section 601.1354 is added to read:

§ 601.1354 *Control area extension (Salem, Oreg.)* Within 5 miles either side of a line bearing 150° True from the Salem-McNary Airport extending from the airport to a point 25 miles southeast.

15. Section 601.1983 *Three mile radius zones* is amended by deleting the following airport:

Gooding, Idaho: Gooding Municipal Airport.

16. Section 601.1984 *Five mile radius zones* is amended by deleting the following airport:

Nantucket, Mass.. Nantucket Memorial Airport.

17. Section 601.2024 is amended to read:

§ 601.2024 *Amarillo, Tex., control zone.* Within a 5 mile radius of Amarillo Air Terminal, within 2 miles either side of the west course of the Amarillo radio range extending from the radio range station to a point 5 miles west, and within 2 miles either side of the east course of the radio range extending from the radio range station to its intersection with the northwest course of the Clarendon, Tex., radio range.

18. Section 601.2025 is amended to read:

§ 601.2025 *Big Spring, Tex., control zone.* Within a 5 mile radius of Webb Air Force Base and within 2 miles either side of the west course of the Big Spring radio range extending from the radio range station to a point 10 miles west.

19. Section 601.2035 is amended to read:

§ 601.2035 *New Orleans, La., control zone.* Within a 5 mile radius of Moisant International Airport, within 2 miles either side of the 221° True radial of the New Orleans omnirange extending from the omnirange station to a point 10 miles southwest, within 2 miles either side of the ILS localizer course extending from the localizer to a point 14½ miles west, within 2 miles either side of the west course of the radio range extending from the radio range station to a point 17¼ miles west, and within 2 miles either side of the east course of the radio range extending from the radio range station to the boundary of the New Orleans Airport 5 mile radius control zone.

20. Section 601.2038 is amended to read:

§ 601.2038 *Shreveport, La., control zone.* Within a 5 mile radius of Shreveport Downtown Airport, within 5 miles either side of the northwest course of the Shreveport radio range extending from the radio range station to a point 10 miles northwest, within a 7 mile radius of Barksdale Air Force Base and within 5 miles either side of the southeast course of the Barksdale AFB radio range extending from the Air Force Base to the Elm Grove fan marker.

21. Section 601.2044 is amended to read:

601.2044 *Cheyenne, Wyo., control zone.* Within a 5 mile radius of the Cheyenne Municipal Airport, within 2 miles either side of the northwest course of the Cheyenne radio range extending from the radio range station to a point 12 miles northwest, within 2 miles either side of the east course of the radio range extending from the radio range station to a point 11½ miles east, within 2 miles either side of the ILS localizer course extending from the localizer to a point 10 miles east of the airport, and within 2 miles either side of the 32° True radial of the Cheyenne omnirange extending from the omnirange station to a point 10 miles northeast.

22. Section 601.2066 is amended to read:

§ 601.2066 *Pueblo, Colo., control zone.* Within a 5 mile radius of Pueblo Municipal Airport, within 5 miles either side of a direct line extending from the center of Pueblo Municipal Airport to the Pueblo radio range station to include a 5 mile radius of the Pueblo radio range station, within 2 miles either side of the southeast course of the radio range extending from the radio range station to a point 10 miles southeast, and within 2 miles either side of the 181° True radial of the Pueblo omnirange extending from the omnirange station to a point 10 miles south.

23. Section 601.2156 is amended to read:

§ 601.2156 *Miami, Fla., control zone.* Within a 5 mile radius of Miami International Airport and within 2 miles either side of the east and west courses of the Miami radio range extending from the five mile radius zone to a point 10 miles west of the radio range station.

24. Section 601.2165 is amended to read:

§ 601.2165 *Savannah, Ga., control zone.* Within a 5 mile radius of Travis Field including the airspace within a 5 mile radius of Hunter Air Force Base, within 2 miles either side of the centerline of the east-west runway of Hunter AFB extending from the end of the runway to a point 10 miles east, within 2 miles either side of the centerline of the east-west runway of Travis Field extending from the end of the runway to a point 10 miles west, within 2 miles either side of the northwest and southeast courses of the Savannah radio range extending from the Travis Field control zone to a point 10 miles southeast of the radio range station, and within 2 miles either side of the 245° True and 65° True radials of the Savannah omnirange extending from Travis Field to a point 10 miles northeast of the omnirange station.

25. Section 601.2223 *Charleston, W Va., control zone* is amended by adding the following portion to present control zone: "and within 2 miles either side of a line bearing 245° True from the Kanawha County Airport extending to a point 10 miles southwest of the Charleston omnirange station."

26. Section 601.2247 *Abilene, Tex., control zone* is amended by changing the portion on the north course of the radio range to read: "and within 2 miles either side of the north course of the Abilene radio range extending from the radio range station to a point 10 miles north;"

27. Section 601.2253 is added to read:

§ 601.2253 *Sedalia, Mo., control zone.* Within a 5 mile radius of Sedalia Air Force Base and within 2 miles either side of a line bearing 191° True from the Air Force Base extending to a point 20 miles southwest of the AFB.

28. Section 601.2287 is amended to read:

§ 601.2287 *San Antonio, Tex., control zone.* Within a 5 mile radius of Randolph Air Force Base and within 5 miles either side of a line extending from the Air Force Base to the La Vernia nondirectional radio beacon.

29. Section 601.2294 is added to read:

§ 601.2294 *Nantucket, Mass., control zone.* Within a 5 mile radius of Nantucket Memorial Airport and within 2 miles either side of the 45° True radial of the Nantucket omnirange extending from the omnirange station to a point 10 miles northeast.

30. Section 601.4014 *Green civil airway No. 4 (Los Angeles, Calif., to Philadelphia, Pa.)* is amended after "Amarillo, Tex., radio range station;" by adding the following reporting point: "the intersection of the east course of the Amarillo, Tex., radio range and the northwest course of the Clarendon, Tex., radio range;"

31. Section 601.4015 *Green civil airway No. 5 (Los Angeles, Calif., to Boston, Mass.)* is amended after "Riverside, Calif., radio range station;" by adding the following reporting point: "The intersection of the east course of the Riverside, Calif., radio range and the southeast course of the Daggett, Calif., radio range";

32. Section 601.4202 is amended to read:

§ 601.4202 *Red civil airway No. 2 (Whitehall, Mont., to Rapid City, S. Dak.)* Rapid City, S. Dak., radio range station.

33. Section 601.4214 *Red civil airway No. 14 (Lone Rock, Wis., to Louisville, Ky.)* is amended by changing the reporting point which reads: "the intersection of the northeast course of the Lafayette, Ind., radio range and the northwest course of the Indianapolis, Ind., radio range." to read: "the intersection of a line bearing 52° True from the Lafayette, Ind., nondirectional radio beacon and the northwest course of the Indianapolis, Ind., radio range."

34. Section 601.4248 is amended to read:

§ 601.4248 *Red civil airway No. 48 (Helena, Mont., to Livingston, Mont.).* No reporting point designation.

35. Section 601.4263 is amended to read:

§ 601.4263 *Red civil airway No. 63 (Battle Creek, Mich., to United States-Canadian Border).* No reporting point designation.

36. Section 601.4616 is amended to read:

§ 601.4616 *Blue civil airway No. 16 (Helena, Mont., to Great Falls, Mont.)* No reporting point designation.

37. Section 601.4624 *Blue civil airway No. 24 (El Centro, Calif., to Daggett, Calif.)* is revoked.

38. Section 601.4658 is added to read:

§ 601.4658 *Blue civil airway No. 58 (Nantucket, Mass., to Squantum, Mass.).* No reporting point designation.

39. Section 601.5001 *Other reporting points* is amended by changing the heading of the Balsa Intersection to read: "Snapper Intersection:"

40. Section 601.6067 is amended to read:

§ 601.6067 *VOR civil airway No. 67 control areas (Mason City, Iowa, to Rochester Minn.).* All of VOR civil airway No. 67 including a west alternate.

41. Section 601.6116 is amended to read:

§ 601.6116 *VOR civil airway No. 116 control areas (Chicago, Ill., to New York, N. Y.)* All of VOR civil airway No. 116 including north alternates.

42. Section 601.6117 is added to read:

§ 601.6117 *VOR civil airway No. 117 control areas (El Centro, Calif., to Daggett, Calif.)* All of VOR civil airway No. 117.

43. Section 601.6141 is amended to read:

§ 601.6141 *VOR civil airway No. 141 control areas (Nantucket, Mass., to Plattsburg, N. Y.).* All of VOR civil airway No. 141.

44. Section 601.6164 is added to read:

§ 601.6164 *VOR civil airway No. 164 control areas (Canton, Pa., to New York, N. Y.)* All of VOR civil airway No. 164.

45. Section 601.6165 is added to read:

§ 601.6165 *VOR civil airway No. 165 control areas (Long Beach, Calif., to Palmdale, Calif.)* All of VOR civil airway No. 165.

46. Section 601.7001 *Domestic VOR reporting points* is amended by adding the following reporting point to read:

Saratoga Intersection: The intersection of the San Francisco, Calif., omnirange 218° True and the Salinas, Calif., omnirange 319° True radials.

and by changing the Richmond Intersection to read:

Richmond Intersection: The intersection of the Oakland, Calif., omnirange 330° True and the Sacramento, Calif., omnirange 232° True radials.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1107, as amended; 49 U. S. C. 551)

This amendment shall become effective 0001 e. s. t., September 14, 1954.

[SEAL] S. A. KELLY,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 54-7120; Filed, Sept. 13, 1954; 8:45 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VI—Department of the Navy

Subchapter E—Claims

PART 751—NAVY PERSONNEL CLAIMS

MISCELLANEOUS AMENDMENTS

1. Section 751.2 is revised to read as follows:

§ 751.2 *Statutory provisions.* The substance of the pertinent statutory provisions is incorporated herein for information as to the effect of section 1 of the act of May 29, 1945, as amended July 3, 1952, and as amended August 1, 1953 (31 U. S. C. 222c) authorizing the Secretary of the Navy, and such other officer or officers as he may designate for such purposes, and under such regulations as he may prescribe, to consider, ascertain, adjust, determine, settle, and pay any claim, not in excess of $2500.00 against the United States, including claims not heretofore satisfied, arising on or after December 7, 1939, of military personnel and civilian employees of the Department of the Navy or of the Navy, when such claim is substantiated, and the property determined to be reasonable, useful, necessary, or proper under the attendant circumstances, in such manner as the Secretary of the Navy may by regulation prescribe, for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service, or to replace such personal property in kind; with the exception that the damage to or loss, destruction, capture, or abandonment of property shall not have been caused in whole or in part by any negligent or wrongful act on the part of the claimant, his agent, or employee, and shall not have occurred at quarters occupied by the claimant, within continental United States (excluding Alaska) which are not assigned to him or otherwise provided in kind by the Government. In the event of the death of any person among such military personnel or civilian employees, any claim otherwise cognizable under this act, presented by the survivor of such person, may be considered and settled in accordance with the provisions of the amendatory act regardless of whether the damage, loss, destruction, capture, or abandonment of the personal property occurred concurrently with or subsequent to such death. Survivor means surviving spouse, child, or children, father and/or mother, or brothers and/or sisters of the deceased naval establishment personnel. Claims of survivors are settled and paid in this order of precedence. No claim is authorized to be settled under the act of May 29, 1945, as amended (31 U. S. C. 222c) unless presented in writing within two years after such claim accrues or within one year after July 3, 1952; whichever is later; it is provided, however, that if a claim accrues in time of war, or in time of armed conflict in which armed forces of the United States are engaged, or if war or such armed conflict intervenes within two years after the date of accrual, it may, on good cause shown, be presented within two years after such good cause ceases to exist, but not later than two years after peace is established or the armed conflict terminates. Any claim cognizable under the act of May 29, 1945, as amended (31 U. S. C. 222c) which has not previously been presented for consideration, or has been presented for consideration and disapproved because the claimant did not file such claim within the authorized time, or any claim of a survivor, cognizable under the act of May 29, 1945, as amended (31 U. S. C. 222c) not previously presented, or previously presented and disapproved for the reason that survivors previously had no right of recovery under the act of May 29, 1945, may, on written request of a claimant made prior to July 3, 1953, be considered or reconsidered and settled in accordance with the amendment of August 1, 1953. Any settlement made by the Secretary of the Navy, or his designee, under the authority of the act of May 29, 1945, as amended (31 U. S. C. 222c) and such regulations as he may prescribe hereunder, shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary. Appropriations available to the Navy Department are made available for the settlement of such claims by the Secretary of the Navy.

2. Section 751.4 (k) is revised to read as follows:

(k) *Transportation losses.* Where property, including baggage checked or in personal custody, and including household effects, is damaged, lost, or destroyed incident to transportation by a carrier, an agent or agency of the Government, or private conveyance (1) when shipped under orders; or (2) in connection with travel under orders irrespective of the purpose of such travel; or (3) in connection with travel in performance of military duty with or without troops. Such claims may be approved only to the extent of the weight limit of the claimant's regulation allowance of baggage permitted to be shipped at Government expense. Claims for motor vehicles are allowable to the extent of any damage or loss which occurs while the vehicles are in the custody of the government for shipment.

3. Section 751.5 (f) is revised to read as follows:

(f) *Nonpersonal items.* Property not personal to the use of the claimant, such as wearing apparel of other members of the claimant's household, except for cases coming within the scope of § 751.4 (j) or (k).

4. Section 751.5 (g) is revised to read as follows:

(g) *Motor vehicles.* Claims for motor vehicles, except as cognizable under

§ 751.4 (k) will ordinarily not be paid unless the damage, loss, destruction, capture, or abandonment occurred prior to July 1, 1942. Meritorious claims for damage, loss, destruction, capture or abandonment of motor vehicles occurring on or subsequent to July 1, 1942, not cognizable under § 751.4 (k) may be recommended to the Secretary of the Navy for consideration, and may be approved by the Secretary for payment in proper cases.

5. Section 751.8 is revised to read as follows:

§ 751.8 *Statute of limitations.* No claim may be paid under the provisions of the regulations in this part unless presented in writing within 2 years after such claim accrues or within 1 year after July 3, 1952, whichever is later: *Provided,* That if the claim accrues in time of war, or in time of armed conflict in which armed forces of the United States are engaged, or if war or such armed conflict intervenes within 2 years after date of accrual, it may, if good cause for delay is shown, be presented within 2 years after such good cause ceases to exist, but not later than 2 years after peace is established or armed conflict terminates. "In time of war," as applied to World War II existed between December 7, 1941, and April 28, 1952. "In time of armed conflict," as applied to the Korean conflict, existed between June 27, 1950, and such terminal date as shall be established by concurrent resolution of Congress or by determination of the President.

6. Section 751.19 is revised to read as follows:

§ 751.19 *Claimants.* Claims may be presented by the military personnel or civilian employee (his survivor or duly authorized agent or legal representative) incident to whose service the property was damaged, lost, captured, destroyed, or abandoned.

(a) *Death subsequent to incident out of which claim arose.* The claim, if filed by an agent or legal representative should show the title or capacity of the person signing and be accompanied by evidence of the appointment of such person as agent, executor, administrator, or other fiduciary. In the event of the death of the military personnel or civilian employees subsequent to the accident or incident out of which the claim arose and prior to his filing a claim in person (or by a duly authorized agent) the claim may be presented by any of the following persons provided there is no person who falls within any of the categories appearing above his classification.

(1) A duly appointed executor or administrator.

(2) The widow or widower of the decedent;

(3) Any child or other descendant of the decedent;

(4) The father or mother of the decedent; or

(5) Any brother or sister, or any descendant of any brother or sister of the decedent.

(b) *Death concurrent with or prior to incident out of which claim arose.* A claim cognizable under the act of May 29, 1945, as amended (31 U. S. C. 222c) may be filed by a survivor, where the damage to, loss, destruction, capture or abandonment of the personal property occurred concurently with or subsequent to such death. A survivor's claim may be presented by any of the following persons provided there is no person who falls within any of the categories appearing above his classification:

(1) Spouse.
(2) Child.
(3) Father or mother.
(4) Sister or brother.

7. Section 751.20 is revised to read as follows:

§ 751.20 *Form of claim.* Claim will be submitted by presenting a detailed statement in triplicate, signed by or on behalf of the claimant, on form NAVEXOS 2662A, except when such forms are not available through normal distribution channels, in which case a claim may be accepted on a form containing the information necessary to substantiate the claim. Attention is directed to the provisions of § 751.21 outlining specific types of evidence required in particular classes of claims, careful compliance with such requirements is essential to avoid delays resulting from the necessity of returning the claim for amplification.

8. Section 751.23 (e) is revised to read as follows:

(e) *Forwarding of claim to adjudicating authority.* The investigating officer's report in triplicate (except when replacement in kind of all items claimed is made as permitted under § 751.25) will be forwarded with the original and two copies of the claim and one copy of each supporting document or paper, directly to the cognizant adjudicating authority (see §§ 751.25, 751.26, 751.27)

9. Section 751.24 is revised to read as follows:

§ 751.24 *Form of investigating officer's report.* (a) Report by the investigating officer (see § 751.23 (b)), will be submitted on form NAVEXOS 2662B, except when such form is not available through normal distribution channels, in which case the report should set forth substantially the information indicated by the form.

10. Section 751.25 (a) is revised to read as follows:

(a) *Claims.* The Chief of Naval Personnel; Deputy Chief of Naval Personnel; Director, Comptroller Division, Bureau of Naval Personnel; Head Claims Branch, Comptroller Division, Bureau of Naval Personnel; Director, Assistant Director, and Technical Assistant, Enlisted Services and Records Division, Bureau of Naval Personnel; and such other officers as may be specifically designated by the Secretary of the Navy are hereby designated and authorized to consider, adjust, and determine claims of Navy service personnel for reimbursement in cash filed under the provisions of this part.

11. Section 751.25 (c) is revised to read as follows:

(c) *Reimbursement.* Upon approval of claims, reimbursement shall be made by payment by the U. S. Navy Regional Accounts Office, Washington 25, D. C., from such appropriation as may be designated, or by reimbursement in kind by supply officers of the Navy, as provided in instructions issued by the Chief of Naval Personnel.

12. Section 751.26 (b) is revised to read as follows:

(b) *Reimbursement in kind.* Officers of or above the rank of major who are (1) commanding officers, or (2) in higher echelons of command, including the officers specified in paragraph (a) of this section, or (3) officers below the rank of major, when such officers are in command of separate companies, batteries, squadrons, detachments, posts, and stations, or (4) senior officers present, and such other officers as may be specifically designated by the Secretary of the Navy are hereby designated and authorized to consider, ascertain, adjust, and determine claims of Marine Corps enlisted personnel for reimbursement in kind filed under the provisions of §§ 751.1 to 751.32.

13. Section 751.26 (c) is revised to read as follows:

(c) *Reimbursement.* Upon approval of claims, reimbursement shall be made by payment by the Quartermaster General of the Marine Corps, from such appropriation as may be designated, or by reimbursement in kind as provided in instructions issued by the Commandant of the Marine Corps.

14. Section 751.27 (b) is revised to read as follows:

(b) *Reimbursement.* Upon approval of claims, reimbursement shall be made by payment by the U. S. Navy Regional Accounts Office, Washington 25, D. C., from such appropriation as may be designated for this purpose, or by reimbursement in kind, as provided in instructions issued by the Judge Advocate General of the Navy.

15. Section 751.29 is revised to read as follows:

§ 751.29 *Meritorious claims not otherwise provided for* Meritorious claims within the scope of the act of May 29, 1945, as amended (31 U. S. C. 222c), which are not specifically enumerated in this part including claims for money or currency not meeting the requirements of § 751.5 (a) may be forwarded via official channels to the Secretary of the Navy (Judge Advocate General) for consideration, and may be approved by the Secretary of the Navy for payment in proper cases.

(Sec. 2, 59 Stat. 662; 31 U. S. C. 222c)

J. H. SMITH, Jr.,
Assistant Secretary of the Navy for Air

SEPTEMBER 2, 1954.

[F. R. Doc. 54-7162; Filed, Sept. 13, 1954; 8:46 a. m.]

Chapter XII—National Advisory Committee for Aeronautics

PART 1210—DEVELOPMENT WORK FOR INDUSTRY IN NACA WIND TUNNELS AND ENGINE TEST FACILITIES

Sec.
1210.1 Introduction.
1210.2 General classes of work.
1210.3 Priorities and schedules.
1210.4 Company projects.
1210.5 Government projects.
1210.6 Model preparations and conduct of tests.

AUTHORITY: §§ 1210.1 to 1210.6 issued under R. S. 161; 5 U. S. C. 22. Interpret or apply 63 Stat. 936; 50 U. S. C. 511.

§ 1210.1 *Introduction*—(a) *Authority.* The regulations in this part are promulgated under authority of the Unitary Wind Tunnel Plan Act of 1949, Public Law 415, 81st Congress (63 Stat. 936, 50 U. S. C. sec. 511) This statute states that "The facilities authorized * * * shall be operated and staffed by the Committee but shall be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. Such tests shall be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time shall be made in accordance with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs."

(b) *NACA policy.* (1) In accordance with present NACA policy other NACA facilities, used primarily for research, may also be used for development work when it is in the public interest.

(2) It is the policy of the NACA not to compete with commercial facilities. Development work will be undertaken in NACA facilities only when it cannot be done in an available commercial facility.

§ 1210.2 *General classes of work.* Development work in the NACA facilities shall be divided into company projects and Government projects:

(a) *Company projects.* Work for industry on (1) projects which are neither under contract with nor supported by a letter of intent from a Government agency, and (2) tests desired by a company which are related to a Government project as defined in paragraph (b) of this section but are beyond the scope of the tests requested by a Government agency. The fee charged the company for this work will be the actual operating cost to the NACA. By law such fees are deposited in the U. S. Treasury as miscellaneous receipts and are not available for expenditure by NACA.

(b) *Government projects.* Work for industry on projects which are either under contract with or supported by a letter of intent from a Government agency. The work must be requested by the Government agency. No fee will be charged for this type of work.

§ 1210.3 *Priorities and schedules*—(a) *Priority.* Development work shall have first priority in the use of the three Unitary wind tunnels. In addition, research proposed by the military services, NACA technical committees, or NACA staff and considered by the NACA to be in the public interest will be conducted on a "fill-in" basis. Research work shall have first priority in other NACA facilities.

(b) *Schedules.* Schedules showing the allocation of testing time for company projects and Government projects for each Unitary wind tunnel will be established each month for the ensuing six-month period and released to parties concerned by the 20th day of each month.

§ 1210.4 *Company projects*—(a) *Initiation of company projects.* Company projects shall be initiated by a written request to NACA Headquarters stating the purpose and general range of desired tests. The NACA Headquarters will arrange a conference with representatives of the requesting company to establish the test program, model and equipment requirements, and test schedule.

(b) *Scheduling of tests.* During the first year of operation of each Unitary wind tunnel, 60 working days will be reserved for company projects. This time will be divided into four approximately equal blocks not running consecutively. After this initial operating period the total reserved time and the length of each block will be adjusted to meet the future estimated work load. In scheduling the time set aside for company projects consideration will be given to the order of receipt at the NACA Headquarters of written requests for testing time as well as time previously scheduled for the company. No more than one-fourth of the annual time allocated for company projects in any facility shall be assigned to a single company if there are other bona fide requests for the remaining time.

(c) *Fees for company projects.* (1) The fee for a company project will be the cost to the NACA and will include the following charges: (i) For facility occupancy time, (ii) for electric power, and (iii) for reducing the test data and preparation of the standard data report. Any additional computation and data analysis requested by the company will be at extra cost.

(2) The occupancy time will be computed from the scheduled date for starting the installation of the test article in the wind tunnel test section through the day on which the test article is removed from the test section and the test section restored to its original condition.

(3) The occupancy time rate will be computed from the sum of the annual cost of the operating crew plus the estimated annual maintenance cost of the facility. The annual cost of the operating crew will be determined from direct wages plus appropriate indirect charges for technical supervision and clerical and administrative services. The annual maintenance cost shall consist of the estimated cost of maintaining and repairing the facility proper and apparatus plus normal replacement of test equipment and necessary services rendered the facility.

(4) The sum of the annual cost for the operating crew and the estimated annual maintenance cost divided by 46 gives the weekly occupancy rate. This fee will be charged per basic week of five days, each day to be ⅕ week. The remaining six weeks over 46 for each year are the estimated maintenance reserve and holiday allowance; hence no charge will be made for a holiday occurring during a test period.

(5) The charge for electric power will be determined from the energy consumed during the tests and the cost of power to the NACA.

(6) The cost of data reduction and the data report will include labor, materials, computing machine rental and appropriate indirect charges.

(7) The billing for work in NACA facilities will be made, so far as may be possible, at the time when the data report is forwarded to the company. The Director of the NACA may, however, at his discretion, require a covering deposit before work is started on a project.

(8) Upon determination of a test schedule by the representatives of the company and of the NACA, it becomes the responsibility of the company to meet this schedule. Cancellation of a project may be made by the company without charge on 60 days' notice and may also be made without charge on less than 60 days' notice dependent upon the readiness of succeeding projects. In the event subsequently scheduled work cannot be scheduled in lieu of the company's work, when cancelled with less than 60 days' notice, the company shall be liable for the occupancy time charge for the scheduled test period or for the period the facility test section is idle due to the cancellation, whichever results in the smaller charge. Curtailment of a project under way before the end of the scheduled test period may be made by the company. In this event the company shall be liable for the occupancy charge for the time scheduled or for the idle time of the test section, whichever is the smaller.

(9) Unavailability of adequate power or economic considerations may on occasion delay high powered test runs. The company shall cooperate with the facility staff in scheduling low powered runs during periods when large blocks of power are unavailable. However, should rescheduling of test runs to accommodate power shortages be impractical, occupancy time charge credits will be made for time lost arising from such shortages. These credits, which will also be made for delays due to breakdown or malfunction of Government furnished equipment or instrumentation, or due to other reasons beyond the control of the company, will be made on the occupancy time rate. Delays less than one-quarter hour will not be counted for credit purposes. Extension of time allotted for the program may be made to offset delays in lieu of refund.

(d) *Test data reports.* (1) The basic report for company projects will consist of plotted curves or tabulated data without detailed analysis but with adequate description of methods and techniques employed to permit proper interpretation of the data.

(2) The original test data will be held in secured files by the NACA for a period of two years, after which disposition will be determined by conference with the

company. The data will not be released in any form without the concurrence of the company.

(e) *Model preparations and conduct of tests.* (See § 1210.6.)

§ 1210.5 *Government projects*—(a) *Projects allocation and priority groups.* For coordinating Government projects there shall be two groups established jointly by the Department of Defense and the NACA. Each group will consist of one representative each from the Air Force, Army, Navy, and NACA, competent to determine military priorities in the use of the NACA and other Government-owned facilities. One group shall be known as the Aircraft and Missile Projects Allocation and Priority Group and the other as the Propulsion Projects Allocation and Priority Group.

(b) *Initiation of Government projects.* On request from a Government agency for the NACA to undertake a given project, NACA Headquarters will, if necessary, arrange a conference between representatives of the company, the sponsoring Government agency, and the NACA staff. This conference will review the objectives and scope of the work, the required models and instrumentation, and the availability of facility time; and then if so desired by the sponsoring Government agency will recommend a test schedule consistent with those factors. Recommended test programs and schedules will be forwarded to the allocation and priority group concerned for approval of the allocation request and for assignment of appropriate priority when in conflict with the demands of other programs.

(c) *Scheduling of tests.* Government projects will be scheduled with due consideration of the priorities established by the projects allocation and priority groups.

(d) *Test data reports.* (1) As for company projects the basic report for Government projects will consist of plotted curves or tabulated data without detailed analysis but with adequate description of methods and techniques employed to permit the proper interpretation of the data.

(2) For Government projects, extended analysis and general dissemination of information of a basic nature may be made with the concurrence of the sponsoring Government agency.

§ 1210.6 *Model preparations and conduct of tests*—(a) *Programming by company.* In development testing in the Unitary wind tunnels, the company will be given the greatest possible freedom within the objectives of the scheduled program to obtain the precise information it requires, to determine the sequence and number of test runs to be made, and to make modifications to the program arising from the results currently being obtained, subject only to requirements of safety, practicability and the total time assigned.

(b) *Instrumentation.* Each facility will provide standard instrumentation suitable for the test range of the respective facility and computing equipment for the reduction of test data. Information will be furnished for each facility on the permissible size of model, standard balances, safety margins to be used in the construction of models, model mounting details, and other pertinent factors. In the case of models of aircraft and missiles, the model should be designed to contain one of the standard balances if possible and to fit the model support. If the standard instrumentation furnished by the facility does not meet the test requirements, the company will provide suitable instrumentation which will be calibrated by the facility staff to insure accuracy of measurement. Serious delays arising from inaccuracies in company supplied instrumentation, if occurring during the scheduled test period, may result in reassignment of the position of the tests on the facility schedule. Detailed specifications and arrangements for special instrumentation will be established by mutual agreement. Necessary drawings of the article to be tested will be furnished the facility staff for their use in preparing for the test as soon as possible and in no case less than two months prior to the scheduled starting date of the tests.

(c) *Test program.* All tests will be conducted under NACA supervision. By agreement between company representatives and the laboratory staff changes in the test program within the objectives of the scheduled program may be made where warranted and time is available and extensions may be made in the originally scheduled test period not exceeding 15 percent.

(d) *Handling test data.* The NACA staff will be responsible for the obtaining of all test data, its reduction to suitable coefficient form, and its accuracy, but the NACA will assume no responsibility for the interpretation of the data by others. Transmittal of the data will be made as rapidly as possible. For company projects the data will be transmitted as directed by the company. The data for Government projects will be transmitted simultaneously to the sponsoring Government agency and the contractor, unless otherwise directed by the sponsoring agency.

(e) *Shops and office space.* During the conduct of development testing the NACA will furnish private shops and office space to companies whose projects are under test. Proprietary information will be held in confidence by the NACA.

Approved by The National Advisory Committee for Aeronautics, July 15, 1954.

Issued: August 16, 1954.

HUGH L. DRYDEN,
Director

[F. R. Doc. 54-7228; Filed, Sept. 10, 1954; 3:50 p. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[FCC 54-1155]

PART 3—RADIO BROADCAST SERVICES

USE OF BROADCAST FACILITIES BY CANDIDATES FOR PUBLIC OFFICE

SEPTEMBER 8, 1954.

In accordance with the mandate of section 315 of the Communications Act of 1934, as amended, the Commission on September 2, 1954, revised its rules relating to rates charged for political broadcasts coming within the provisions of section 315 (Docket No. 11092) We believe it is appropriate, at this time, as an aid to licensees in handling various questions which may arise under section 315 of the act to recapitulate in this document the provisions of the act and the Commission's rules adopted in implementation thereof, together with a brief summary of some of the more important questions which have been raised by interested parties in recent years with respect to the obligations of licensees under this section and the Commission's determinations thereon.

The information contained herein does not purport to be a discussion of every problem that may arise in the political broadcast field. It is rather a codification of the determinations of the Commission with respect to the problems which have been presented to it and which appear likely to be involved in future campaigns. The purpose of this report is the clarification of licensee responsibility and course of action when situations discussed herein are encountered. In this way, resort to the Commission may be obviated in many instances, and time—which is of such importance in political campaigns—will be conserved. We do not mean to preclude inquiries to the Commission when there is a bona fide doubt as to a licensee's obligations under section 315. But it is believed that the following discussion will, in many instances, remove the need for such inquiries and that licensees will be able to take the necessary prompt action in these cases involving election campaigns in accordance with the interpretations and positions set forth below.

It is to be emphasized that this discussion relates solely to obligations of broadcast licensees under section 315 of the Communications Act and is not intended to treat with the wholly separate question of the treatment by broadcast licensees in the public interest of political or other controversial programs or discussions not falling within the specific provisions of that section. With respect to the responsibilities of broadcast stations for insuring fair and balanced presentation of programs not coming within section 315, but relating to important public issues of a controversial nature including political broadcasts,

licensees are referred to the Commission's Report, "Editorializing by Broadcast Licensees" (Release No. 215, June 2, 1949) and the cases cited therein. In this respect it is particularly important that licensees recognize that the special obligations imposed upon them by the provisions of section 315 of the Communications Act with respect to certain types of political broadcasts do not in any way limit the applicability of general public interest concepts to political broadcasts not falling within the provisions of section 315 of the Communications Act. On the contrary, in view of the obvious importance of such programming to our system of representative government it is clear that these precepts, as set forth in the Report referred to above are of particular applicability to such programming.

We have adopted a question-and-answer format as an appropriate means of delineating the section 315 problems. Wherever possible,[1] references to Commission decisions or rulings are made so that the researcher may, if he desires, profit by the more thorough or expansive statement of the Commission's position found in such decisions. Copies of rulings not otherwise available may be found in a "Political Broadcast" folder kept in the Commission's Public Reference Room.

I. *The Statute.* Section 315 of the Communications Act of 1934, as amended, provided as follows:

SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided,* That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate.

(b) The charges made for the use of any broadcasting station for any of the purposes set forth in this section shall not exceed the charges made for comparable use of such station for other purposes.

(c) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section.

II. *The Commission's rules and regulations with respect to political broadcasts.* The Commission's rules and regulations with respect to political broadcasts coming within section 315 of the Communications Act are set forth in §§ 3.190 (AM) 3.290 (FM) 3.590 (Non-Commercial Educational FM) and 3.657 (TV), respectively. These provisions are identical (except for elimination of any discussion of charges in § 3.590 relating to non-commercial educational FM stations) and read as follows:

Broadcasts by candidates for public office—

(a) *Definitions.* A "legally qualified candidate means any person who has publicly announced that he is a candidate for nomination by a convention of a political party or for nomination or election in a primary, special, or general election, municipal, county, state or national, and who meets the qualifications prescribed by the applicable laws to hold the office for which he is a candidate, so that he may be voted for by the electorate directly or by means of delegates or electors, and who

(1) Has qualified for a place on the ballot or

(2) Is eligible under the applicable law to be voted for by sticker, by writing in his name on the ballot, or other method, and

(i) Has been duly nominated by a political party which is commonly known and regarded as such, or

(ii) Makes a substantial showing that he is a bona fide candidate for nomination of office, as the case may be.

(b) *General requirements.* No station licensee is required to permit the use of its facilities by any legally qualified candidate for public office, but if any licensee shall permit any such candidate to use its facilities, it shall afford equal opportunities to all such other candidates for that office to use such facilities; provided, that such licensee shall have no power of censorship over the material broadcast by any such candidate.

(c) *Rates and practices.* (1) The rates, if any, charged all such candidates for the same office shall be uniform and shall not be rebated by any means direct or indirect. A candidate shall, in each case, be charged no more than the rate the station would charge if the candidate were a commercial advertiser whose advertising was directed to promoting its business within the same area as that encompassed by the particular office for which such person is a candidate. All discount privileges otherwise offered by a station to commercial advertisers shall be available upon equal terms to all candidates for public office.

(2) In making time available to candidates for public office no licensee shall make any discrimination between candidates in charges, practices, regulations, facilities, or services for or in connection with the service rendered pursuant to this part, or make or give any preference to any candidate for public office or subject any such candidate to any prejudice or disadvantage; nor shall any licensee make any contract or other agreement which shall have the effect of permitting any legally qualified candidate for any public office to broadcast to the exclusion of other legally qualified candidates for the same public office.

(d) *Records; inspection.* Every licensee shall keep and permit public inspection of a complete record of all requests for broadcast time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the licensee of such requests, and the changes made, if any, if request is granted.

In addition, the attention of licensees is directed to the provisions of §§ 3.189 (b) 3.289 (b) and 3.654 (b) which provide in identical language:

(b) In the case of any political program or any program involving the discussion of public controversial issues for which any records, transcriptions, talent, scripts, or other material or services of any kind are furnished, either directly or indirectly, to a station as an inducement to the broadcasting of such program, an announcement shall be made both at the beginning and conclusion of such program on which such material or services are used that such records, transcriptions, talent, scripts, or other material or services have been furnished to such station in connection with the broadcasting of such program: provided, however, that only one such announcement need be made in the case of any such program of five minutes' duration or less, which announcement may be made either at the beginning or the conclusion of the program.

III. *Programs coming within section 315.* In general, any use of broadcast facilities by a legally qualified candidate for public office, imposes an obligation on licensees to afford equal opportunities to all other such candidates for the same office.

A. *Types of users.*

1. Q. Does section 315 apply to one speaking for or on behalf of the candidate, as contrasted with the candidate himself?

A. No. The section applies only to legally qualified candidates. Candidate A has no legal right under section 315 to demand time where B, not a candidate, has spoken against A or in behalf of another candidate. (Felix v. Westinghouse Radio Stations 162 F. 2d 1, cert. den. 333 U. S. 870).

2. Q. Where time has been afforded to a party for political talks by non-candidates, must a request for time by spokesmen for another party be honored under section 315?

A. No. Section 315 affords a personal right to candidates only and is not concerned with parties, as such. Idem.

3. Q. Do the provisions of section 315 require stations to afford equal opportunities in the use of their facilities in support of or in opposition to a public question to be voted upon in any election?

A. No. The language and legislative history of section 315 clearly limit the application of this section to legally qualified candidates for public office.

B. *What constitutes a "use" of broadcast facilities entitling opposing candidates to equal opportunities?*

4. Q. If a legally qualified candidate secures air time but does not discuss matters directly related to his candidacy, is this a use of facilities under section 315?

A. Yes. Section 315 does not distinguish between the uses of broadcast time by a candidate, and the licensee is not authorized to pass on requests for time by opposing candidates on the basis of the licensee's evaluation of whether the original use was or was not in aid of a candidacy. (WMCA, Inc. 7 R. R. 1132.)

5. Q. Must a broadcaster give equal time to a candidate whose opponent has broadcast in some other capacity than as a candidate?

A. Yes. For example, a weekly report of a Congressman to his constituents via radio or television is a broadcast by a legally qualified candidate for public office as soon as he becomes a candidate for reelection, and his opponent must be given equal opportunity for time on the air. Any "use" of a station by a candidate, in whatever capacity, entitled his opponent to "equal opportunities." (Station HIGS, 7 R. R. 1139.)

6. Q. If a candidate appears on a variety program for a very brief bow or statement, are his opponents entitled to "equal opportunities" on the basis of this brief appearance?

A. Yes. All appearances of a candidate, no matter how brief or perfunctory, are a "use" of a station's facilities within section 315.

7. Q. If a candidate is accorded station time for a speech in connection with a ceremonial activity or other public service, is an opposing candidate entitled to equal utilization of the station's facilities?

A. Yes. Section 315 contains no exception with respect to broadcasts by legally qualified candidates carried "in the public interest" or as a "public service." It follows that the station's broadcast of the candidate's speech was a "use" of the facilities of the station by a legally qualified candidate giving rise to an obligation by the

[1] A few of the questions taken up within have been presented to the Commission informally—that is, through telephone conversations or conferences with station representatives. They are set out in this Report because of the likelihood of their reoccurrence and the fact that no extended Commission discussion is necessary to dispose of them; the answer in each case is clear from the language of section 315.

station under section 315 to afford equal opportunity to other legally qualified candidates for the same office. (Letter to CBS (WBBM), dated October 31, 1952; Letter to KFI, dated October 31, 1952.)

8. Q. If a station arranges for a debate between the candidates of two parties, or presents the candidates of two parties in a press conference format or so-called forum program, is the station required to make equal time available to other candidates?

A. Yes. The appearance of candidates on the above types of programs constitutes a "use" of the licensee's facilities by legally qualified candidates and, therefore, other candidates for the same office are entitled to "equal opportunities." (Letter to Harold Oliver, dated October 31, 1952; Letter to Julius F. Brauner, dated October 31, 1952.)

9. Q. Are acceptance speeches by successful candidates for nomination for the candidacy of a particular party for a given office, a use by a legally qualified candidate for election to that office?

A. Yes. Where the successful candidate for nomination becomes legally qualified as a candidate for election as a result of the nomination. (Progressive Party, 7 R. R. 1300.)

IV *Who is a legally qualified candidate?*

10. Q. How can a station know which candidates are "legally qualified"?

A. The determination as to who is a legally qualified candidate for a particular public office within the meaning of section 315 and the Commission's rules must be determined by reference to the law of the state in which the election is being held. In general, a candidate is legally qualified if he can be voted for in the state or district in which the election is being held, and, if elected, is eligible to serve in the office in question.

11. Q. Need a candidate be on the ballot to be legally qualified?

A. Not always. The term "legally qualified candidate" is not restricted to persons whose names appear on the printed ballot; the term may embrace persons not listed on the ballot if such persons are making a bona fide race for the office involved and the names of such persons, or their electors can, under applicable law, be written in by voters so as to result in their valid election. The Commission recognizes, however, that the mere fact that any name may be written in does not entitle all persons who may publicly announce themselves as candidates to demand time under section 315; broadcast stations may make suitable and reasonable requirements with respect to proof of the bona fide nature of any candidacy on the part of applicants for the use of facilities under section 315. (Sections 3.190, 3.290, 3.657; Socialist Labor Party, 7 R. R. 766; Columbia Broadcasting System, Inc., 7 R. R. 1189; Press Release of November 26, 1941 (Mimeo 55732).)

12. Q. May a station deny a candidate "equal opportunity" because it believes that the candidate has no possibility of being elected or nominated?

A. No. Section 315 does not permit any such subjective determination by the station with respect to a candidate's chances of nomination or election. (Columbia Broadcasting System, Inc., 7 R. R. 1189.)

13. Q. May a person be considered to be a legally qualified candidate where he has made only a public announcement of his candidacy and has not yet filed the required forms or paid the required fees for securing a place on the ballot in either the primary or general elections?

A. The answer depends on applicable state law. In some states persons may be voted for by electorate whether or not they have gone through the procedures required for getting their names placed on the ballot itself. In such a state, the announcement of a person's candidacy—if determined to be bona fide—is sufficient to bring him within the purview of section 315. In other states, however, candidates may not be "legally qualified" until they have fulfilled certain prescribed procedures. The applicable state laws and the particular facts surrounding the announcement of the candidacy are determinatives. (Letter to Senator Earle C. Clements, dated February 2, 1954.)

14. Q. Must a station make time available upon demand to a candidate of the Communist Party, or a candidate who is a member of the Communist Party, if it has afforded time to that candidate's opponents for the office in question?

A. If the person involved is a legally qualified candidate for the office he is seeking, Section 315 requires "that equal opportunities" be afforded him. It will be recognized that who is a legally qualified candidate is dependent upon federal, state, and local law pertaining to the elective process and is not based upon provision of the Communications Act or the Rules of the Commission. The question of the specific applicability of these principles, in the light of the enactment of the Communist Control Act of 1954, to candidates of the Communist Party or who are members of the Communist Party has not yet been determined.

15. Q. When is a person a legally qualified candidate for nomination as the candidate of a party for President or Vice-President of the United States?

A. In view of the fact that a person may be nominated for these offices by the conventions of his party without having appeared on the ballot of any state having presidential primary elections, or having any pledged votes prior to the convention, or even announcing his willingness to be a candidate, no fixed rule can be promulgated in answer to this question. Whether a person so claiming is in fact a bona fide candidate will depend on the particular facts of each situation, including consideration of what efforts, if any, he has taken to secure delegates or preferential votes in state primaries. It cannot, however, turn on the licensee's evaluation of the claimant's chances for success. (Letter of May 28, 1952 to Julius F. Brauner)

V *When are candidates opposing candidates?*

16. Q. What public offices are included within the meaning of section 315?

A. Under the Commission's rules section 315 is applicable to both primary and general elections, and public offices include all offices filed by special or general election on a municipal, county, state or national level as well as the nomination by any recognized party as a candidate for such an office.

17. Q. May the station under section 315 make time available to all candidates for one office and refuse all candidates for another office?

A. Yes. The "equal opportunity" requirement of section 315 is limited to all legally qualified candidates for the same office.

18. Q. If the station makes time available to candidates seeking the nomination of one party for a particular office, does section 315 require that it make equal time available to the candidates seeking the nomination of other parties for the same office?

A. No, the Commission has held that while both primary elections or nominating conventions and general elections are comprehended within the terms of section 315, the primary elections or conventions held by one party are to be considered separately from the primary elections or conventions of other parties, and therefore, insofar as section 315 is concerned, "equal opportunities" need only be afforded legally qualified candidates for nomination for the same office at the same party's primary or nominating convention. (KWFT, Inc., 4 R. R. 885; Letter to Arnold Petersen, May 13, 1952; Letter to WCDL, April 3, 1953.)

19. Q. If the station makes time available to all candidates of one party for nomination for a particular office, including the successful candidate, may candidates of other parties in the general election demand an equal amount of time under section 315?

A. No. For the reason given above. (KWFT, Inc., 4 R. R. 885.)

VI. *What constitutes equal opportunities?*

20. Q. Generally speaking, what constitutes equal opportunities?

A. Under section 315 and §§ 3.190, 3.290, and 3.657 of the Commission's rules, no licensee shall make any discrimination in charges, practices, regulations, facilities, or services rendered to candidates for a particular office.

21. Q. Is a licensee required or allowed to give time free to one candidate where it had sold time to an opposing candidate?

A. The licensee is not permitted to discriminate between the candidates in any way. With respect to any particular election it may adopt a policy of selling time, or of giving time to the candidates free of charge, or of giving them some time and selling them additional time. But whatever policy it adopts it must treat all candidates for the same office alike with respect to the time they may secure free and that for which they must pay.

22. Q. Is a station's obligation under section 315 met if it offers a candidate the same amount of time an opposing candidate has received, where the time of the day or week afforded the first candidate is superior to that offered his opponent?

A. No. The station is providing equal opportunities must consider the desirability of the time segment allotted as well as its length. And while there is no requirement that a station afford candidate B exactly the same time of day on exactly the same day of the week as candidate A, the time segments offered must be comparable as to desirability.

23. Q. Is it necessary for a station to advise a candidate or a political party that time has been sold to other candidates?

A. No. The law does not require that this be done. If a candidate inquires, however, the facts must be given him. It should be noted here that a station is required to keep a public record of all requests for time by or on behalf of political candidates, together with a record of the disposition and the charges made, if any, for each broadcast. (Sections 3.190 (d), 3.290 (d), 3.657 (d).)

24. Q. If one political candidate buys station facilities more heavily than another, is a station required to call a halt to such sales because of the resulting unbalance?

A. No. Section 315 requires only that all candidates be afforded an equal opportunity to use the facilities of the station. (Letter to Mrs. M. R. Oliver, dated October 23, 1952.)

25. Q. If the candidate has received free time for a period of time and subsequently a second candidate announces his candidacy, is the second candidate entitled to equal facilities retroactive to the date when the first candidate announced his candidacy?

A. Normally yes. Once the station has made time available to one qualified candidate, its obligation to provide equal facilities to future candidates begins. A candidate cannot, however, delay his request for time and expect to use the "equal opportunities" provision to force a station to turn over most of the last few pre-election days to him in order to "saturate" pre-election broadcast time. (Letter to Congressman Hunter, dated May 28, 1952; Letter to Congressman Frelinghuysen, dated March 2, 1954.)

26. Q. If a station has a policy of confining political broadcasts to sustaining time, but has so many requests for political time that it cannot handle them all within its sustaining schedule, may it refuse time to a candidate whose opponent has already been granted time on the basis of its established policy of not cancelling commercial programs in favor of political broadcasts?

A. No. The station cannot rely upon its policy if the latter conflicts with the "equal opportunity" requirement of section 315. (Stephens Bctg. Co., 3 R. R. 1.)

27. Q. If one candidate has been nominated by Parties A, B, and C, while a second candidate for the same office is nominated only by Party D, how should time be allocated as between the two candidates?

A. Section 315 has reference only to the use of facilities by persons who are candidates for public office and not to the political parties which may have nominated such candidates. Accordingly, if broadcast time is made available for the use of a candidate for public office, the provisions of section 315 require that equal opportunity be afforded each person who is a candidate for the same office, without regard to the number of nominations that any particular candidate may have. (Letter to Thomas W. Wilson, dated October 31, 1946.)

28. Q. If a station broadcasts a program sponsored by a commercial advertiser which includes one or more qualified candidates as speakers or guests, what are its obligations with respect to affording equal opportunities to other candidates for the same office?

A. If candidates are permitted to appear, without cost to themselves, on programs sponsored by commercial advertisers, opposing candidates are entitled to receive comparable time, also at no cost. (Letter to Senator Monroney, dated October 9, 1952.)

29. Q. Where a candidate for office in a state or local election appears on a national network program, is an opposing candidate for the same office entitled to equal facilities over stations which carried the original program and serve the area in which the election campaign is occurring?

A. Yes. Under such circumstances an opposing candidate would be entitled to time on such stations. (Letter to Senator Monroney, dated October 9, 1952.)

30. Q. Where a candidate appears on a particular program—such as a regular series of forum programs, are opposing candidates entitled on demand to appear on the same program?

A. Not necessarily. The mechanics of the problem of "equal opportunities" must be left to resolution of the parties. And while factors such as the size of the potential audience because of the appearance of the first candidate on an established or popular program might very well be a matter for consideration by the parties, it cannot be said, in the abstract, that equal opportunities could only be provided by giving opposing parties time on the same program. (Letter to Harold Oliver, dated October 31, 1952; Letter to Julius F. Brauner, dated October 31, 1952.)

VII. *What limitations can be put on the use of facilities by a candidate?*

31. Q. May a station delete material in a broadcast under section 315 because it believes the material contained therein is or may be libelous?

A. No. Any such action would entail censorship which is expressly prohibited by section 315 of the Communications Act. (Port Huron Bctg. Co., 4 R. R. 1; WDSU Bctg. Co., 7 R. R. 769.)

32. Q. If a legally qualified candidate does make libelous or slanderous remarks is the station liable therefor?

A. The Commission has expressed its opinion in Port Huron Bctg. Co., 4 R. R. 1., that licensees not directly participating in the libel might be absolved from any liability they might otherwise have under state law, because of the operation of Section 315 which precludes them from preventing its utterance. But this is a matter which in the absence of any amendment to the law will have to be definitely decided by the courts. So far there have been no clear judicial holdings on this matter, but only dicta or lower court opinions supporting both positions. It should be noted, however, that many states have passed laws which wholly or partially exempt licensees from liability under these circumstances.

33. Q. If a candidate secures time under section 315, must he talk about a subject directly related to his candidacy?

A. No. The candidate may use the time as he deems best. To deny a person time on the ground that he was not using it in furtherance of his candidacy would be an exercise of censorship prohibited by section 315 (WMCA, Inc., 7 R. R. 1132).

34. Q. If a station makes time available to an office holder who is also a legally qualified candidate for re-election and the office holder limits his talks to non-partisan and informative material, may other legally qualified candidates who obtain time be limited to the same subjects or the same type of broadcast?

A. No. Other qualified candidates may use the facilities as they deem best in their own interest. (Letter to Congressman Allen Oakley Hunter, May 28, 1952.)

35. Q. May a station require an advance script of a candidate's speech?

A. Yes, provided that the practice is uniformly applied to all candidates for the same office using the station's facilities, and the station does not undertake to censor the candidate's talk. (Letter of July 9, 1952, to H. A. Rosenberg, Louisville, Ky.)

36. Q. May a station have a practice of requiring a candidate to record his proposed broadcast at his own expense?

A. Yes. Provided again that the procedures adopted are applied without discrimination as between candidates for the same office and no censorship is attempted. (Letter of July 9, 1952, to H. A. Rosenberg, Louisville, Ky.)

VIII. *What rates can be charged candidates for programs under section 315?*

37. Q. May a station charge premium rates for political broadcasts?

A. No. Section 315, as amended, provides that the charges made for the use of a station by a candidate "shall not exceed the charges made for comparable use of such stations for other purposes."

38. Q. May a station with both "national" and "local" rates charge a candidate for local office its "national" rate?

A. No. Under §§ 3.190, 3.290 and 3.657 of the Commission's Rules a station may not charge a candidate more than the rate the station would charge if the candidate were a commercial advertiser whose advertising was directed to promoting its business within the same area as that within which persons may vote for the particular office for which such person is a candidate.

39. Q. Is a political candidate entitled to receive discounts?

A. Yes. Under §§ 3.190, 3.290 and 3.657 of the Commission's Rules political candidates are entitled to the same discounts that would be accorded persons other than candidates for public office under the conditions specified, as well as to such special discounts for programs coming within section 315 as the station may choose to give on a nondiscriminatory basis.

40. Q. If candidate A purchases ten time segments over a station which offers a discount rate for purchase of that amount of time, is candidate B entitled to the discount rate if he purchases less time than the minimum to which discounts are applicable?

A. No. A station is under such circumstances only required to make available the discount privileges to each legally qualified candidate on the same basis.

41. Q. If a station has a "spot" rate of two dollars per "spot" announcement, with a rate reduction to one dollar if 100 or more such "spots" are purchased on a bulk time sales contract, and if one candidate arranges with an advertiser having such a bulk time contract to utilize five of these spots at the one dollar rate, is the station obligated to sell the candidates of other parties for the same office time at the same one dollar rate?

A. Yes. Other legally qualified candidates are entitled to take advantage of the same reduced rate. (Letter to Senator Monroney, dated October 16, 1952.)

42. Q. Where a group of candidates for different offices pool their resources to purchase a block of time at a discount, and an individual candidate opposing one of the group seeks time on the station, to what rate is he entitled?

A. He is entitled to be charged the same rate as his opponent, since the provisions of section 315 run to the candidates themselves and they are entitled to be treated equally with their individual opponents. (Report and Order, Docket 11032.)

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

[F. R. Doc. 54-7189; Filed, Sept. 13, 1954; 8:59 a. m.]

PROPOSED RULE MAKING

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 2]

[Docket No. 10200; FCC 54-1130]

DELETION OF USES BY DOMESTIC FIXED SERVICE OF CERTAIN FREQUENCIES FOR PURPOSES OTHER THAN SAFETY OF LIFE AND PROPERTY

ORDER SCHEDULING ORAL ARGUMENT

In the matter of amendment of § 2.104 (a) (1) (d) of Part 2 of the Commission's rules and regulations to delete certain uses by the Domestic Fixed Service of frequencies below 25 Mc. for purposes other than the safety of life and property; Docket No. 10200.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 2d day of September 1954;

The Commission having under consideration the above-entitled proceeding;

It is ordered, That oral argument is scheduled for Tuesday, September 21, 1954, at 10:00 a. m. in the offices of the Commission in Washington, D. C.

Released: September 8, 1954.

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

[F. R. Doc. 54-7187; Filed, Sept. 13, 1954; 8:59 a. m.]

[47 CFR Parts 2, 3]

[Docket No. 11116; FCC 54-1151]

CLASS B FM BROADCAST STATIONS

REVISED TENTATIVE ALLOCATION PLAN

In the matter of amendment of the Revised Tentative Allocation Plan for Class B FM Broadcast Stations; Docket No. 11116.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 8th day of September 1954,

The Commission having under consideration a proposal to amend the Revised Tentative Allocation Plan for Class B FM Broadcast Stations; and

It appearing that notice of proposed rule making (FCC 54-962) setting forth the above amendment was issued by the Commission on July 30, 1954, and was duly published in the FEDERAL REGISTER (19 F R. 4880) which notice provided that interested parties might file statements or briefs with respect to the said amendment on or before August 27, 1954; and

It further appearing that no comments were received either favoring or opposing the adoption of the proposed reallocation; and

It further appearing that the immediate adoption of the proposed reallocation would facilitate consideration of a pending application requesting a Class B assignment in Jasper, Indiana, and

It further appearing that authority for the adoption of the proposed amendment is contained in sections 4 (i) 301, 303 (c), (d) (f) and (r), and 307 (b) of the Communications Act of 1934, as amended;

It is ordered, That effective immediately, the Revised Tentative Allocation Plan for Class B FM Broadcast Stations is amended as follows:

General area	Channels	
	Delete	Add
Jasper, Ind.		284
Louisville, Ky.	284	

Released: September 9, 1954.

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

[F. R. Doc. 54-7188; Filed, Sept. 13, 1954; 8:50 a. m.]

FEDERAL POWER COMMISSION

[18 CFR Parts 154, 157]

[Docket No. R-138]

CERTIFICATE AND RATE REQUIREMENTS

ORDER GRANTING ORAL ARGUMENT ON PETITIONS FOR REHEARING OF ORDER NO. 174-A AND DENYING STAY

In the matter of compliance by natural-gas producers and gatherers with certificate and rate requirements, Docket No. R-138.

On July 16, 1954, upon finding that effective rules under the Natural Gas Act pertaining to natural-gas companies might be onerous if imposed upon producers and gatherers, the Commission issued as Order No. 174 rules applicable to producers and gatherers of natural gas which are also natural-gas companies under the Natural Gas Act pursuant to the decision of the United States Supreme Court on June 7, 1954, in Phillips Petroleum Company v. Wisconsin, et al. 374 U. S. 672. To clarify these rules, the Commission on August 6, 1954 issued Order No. 174-A to supersede Order No. 174.

Petitions for rehearing respecting Order No. 174-A have been filed on behalf of the persons named in the attached list.

These petitions variously assert that issuance of Order No. 174-A, without notice and hearing constitutes a deprivation of procedural due process and a violation of section 4 of the Administrative Procedure Act; that the provisions of Order No. 174-A deprive petitioners of substantive rights guaranteed by due process of law; that the rules provided by Order No. 174-A transgress the rights reserved to the States by the 10th Amendment to the Constitution; and that rules under Order No. 174-A assume authority not delegated to the Commission by the Natural Gas Act. We seek the benefit of all worthwhile advice and assistance to the end that our rules may be reasonable, workable and afford to all every reasonable guarantee of substantive and procedural rights.

In the absence of the rules provided by Order No. 174-A, the more stringent rules generally in effect and applicable to all natural-gas companies would be applicable to producers and gatherers who are also natural-gas companies under the Natural Gas Act (18 CFR, Chap. I, Parts 154 and 157) Accordingly, request for stay of Order No. 174-A is without reasonable justification and must be denied.

However, to provide full opportunity to all petitioners, who have questioned the lawfulness of Order No. 174-A, we will review our determination in this regard by affording to petitioners the right to support their claims of error by briefs to be filed not later than September 20, 1954. Further, we will thereafter on September 22, 1954, hear oral argument upon the matters and issues presented. Counsel so appearing should consolidate their arguments, where possible, to avoid undue repetition.

The Commission orders:

(A) Oral argument be heard on September 22, 1954, commencing at 10:00 a. m., e. d. s. t., in a hearing room of the Commission, 441 G Street NW., Washington, D. C., on behalf of persons who by September 7, 1954, filed petitions for rehearing in this docket respecting the specific matters and issues presented in said petitions.

(B) Persons desiring to be heard on oral argument shall advise the Secretary by September 20, 1954, of the time requested, and time allotted will be announced on the day of argument.

(C) All requests for stay of Order No. 174-A are hereby denied.

Adopted: September 8, 1954.

Issued: September 8, 1954.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

Ohio Oil Company.
Magnolia Petroleum Company.
Humble Oil & Refining Company.
American Republics Corporation.
Houston Oil Company.
Union Producing Company.
George J. Darnelle.
Kerr-McGee Oil Industries, Inc.
Gulf Oil Corporation and Gulf Refining Company.
Tide Water Associated Oil Company.
Oil and Gas Property Management, Inc.
Llano Grande Corporation.
Frank W. Michaux.
Eastern States Petroleum Co., Inc.
H. S. Cole, Jr.
Continental Oil Company.
Heep Oil Corporation and Herman F. Heep.
The Texas Company.
Shell Oil Company.
Dorchester Corporation.
Stanolind Oil and Gas Company.
Mobil Producing Company.
Pure Oil Company.
Skelly Oil Company.
Elm Oil and Gas Corporation.
Progress Petroleum, Inc.
Texas Pacific Coal and Oil Company.
Mule Creek Oil Company.
Adams & Haggarty.
Progress Petroleum Co. of Texas.
Gulfshore Oil Company and K. D. Owen.
P. R. Rutherford.
Texas Gulf Producing Company.
Superior Oil Company.
Sinclair Oil & Gas Company.
C. H. Murphy, Jr.
Shamrock Oil and Gas Corporation.
General Petroleum Corporation.
Lion Oil Company.
Murphy Corporation.
Salt Dome Production Company.
Bertie W. Murphy and C. H. Murphy, Jr. (Executors for C. H. Murphy).
The Carter Oil Company.
Rowan Oil Company, Rowan Drilling Company, Inc., A. H. and C. L. Rowan.
Haroldson L. Hunt, Jr. Trust Estate.
William Herbert Hunt Trust Estate.
Caroline Hunt Sands.
Nelson Bunker Hunt Trust Estate.
Hassie Hunt Trust.
H. L. Hunt.
Lamar Hunt Trust Estate.
Hunt Oil Company.
Union Oil Company of California and Louisiana Land and Exploration Company.
Burnett & Cornelius.
Navajo National Gas Corporation.
Cities Service Oil Company.
Austral Oil Exploration Company, Incorporated.
The California Company.
Jake L. Hamon.
Argo Oil Corporation.
R. A. Burnett.
Federal Drilling Corporation.
Le Cuno Oil Company.
Hydrocarbon Production Company, Inc.
Columbian Carbon Company.
Sunray Oil Corporation.
Columbian Fuel Corporation.
Coltexo Corporation.
Lamar Hunt.
W. H. Hunt.
N. B. Hunt.
R. Lacy, Inc.
Phillips Petroleum Company.
Amerada Petroleum Corporation.
Leonard Oil Company.

Seaboard Oil Company.
Standard Oil Co. of Texas.
Union Sulphur & Oil Corp.
Pan American Production Company.
Placid Oil Company.
Bright & Schiff.
Oil Drilling, Inc., et al.
W. N. Price.
Baker & Taylor Drilling Company.
Danube Oil Company.
Palo Duro Oil Company.
Rip C. Underwood.
J. R. Frankel and Berkshire Oil Company.
New Ulm Corporation.
Crown Central Petroleum Corporation.
White Eagle Oil Company.
Dalport Oil Corporation, et al.
L. E. Elliott, et al.
G. Scott Hammonds.
J. I. Roberts and C. H. Murphy, Jr., doing business as Roberts and Murphy.
N. C. Ginther, et al.
The British-American Oil Producing Company.
Republic Natural Gas Company.
Spartan Drilling Company, et al.
Delta Gulf Drilling Company and Delta Drilling Company.
Wesley West.
Union Pacific Railroad Company.
L. H. Puckett and L. E. Wertz.
L. H. Puckett, J. R. McGill, W. J. Fellers, Leon L. Hoy, Jr., and D. W. White.
Midstates Oil Corporation.
J. R. McGill, Leon L. Hoyt, Jr., and W. J. Fellers.
Plymouth Oil Company.

[F. R. Doc. 54-7178; Filed, Sept. 13, 1954; 8:49 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[Order 2696, Amdt. 3]

HEADS OF BUREAUS AND AGENCIES

REDELEGATION OF AUTHORITY TO TRANSFER, DONATE, OR DISPOSE OF EXCESS OR SURPLUS REAL PROPERTY

SEPTEMBER 7, 1954.

Paragraph (a) of section 4 of Order No. 2696, as amended (17 F R. 6796, 18 F R. 366) is further amended to read as follows:

SEC. 4 *Authority redelegated.* (a) Authority delegated to the Secretary of the Interior or to the Department of the Interior to transfer, donate, or dispose of excess or surplus real property and related personal property in accordance with the Federal Property and Administrative Services Act of 1949, as amended, and regulations issued thereunder, is redelegated to the head of each bureau and agency with respect to property under his jurisdiction. The provisions of this paragraph shall apply with respect to any such delegation of authority heretofore or hereafter made, except where the delegation is to the Secretary of the Interior expressly and authority for redelegation is not included in such delegation.

DOUGLAS MACKAY,
Secretary of the Interior

[F. R. Doc. 54-7161; Filed, Sept. 13, 1954; 8:46 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 11122, 11123; FCC 54-1121]

BLACKWATER VALLEY BROADCASTERS AND MULESHOE BROADCASTING CO.

CORRECTED ORDER[1] DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Theodore Rozzell d/b as Blackwater Valley Broadcasters, Muleshoe, Texas, Docket No. 11122, File No. BP-9055; B. C. Dyess, Ed Holmes, and R. I. McLeroy d/b as Muleshoe Broadcasting Company, Muleshoe, Texas, Docket No. 11123, File No. BP-9203; for construction permits.

[1] Adopted: September 2, 1954.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 4th day of August 1954;

The Commission having under consideration the above-entitled applications of Theodore Rozzell d/b as Blackwater Valley Broadcasters and B. C. Dyess, Ed Holmes, and R. I. McLeroy d/b as Muleshoe Broadcasting Company, both seeking to operate on 1570 kc with a power of 250 watts, daytime only in Muleshoe, Texas; and

It appearing that both applicants are legally, financially, technically, and otherwise qualified to operate their proposed stations, but that the operation of both stations as proposed would result in mutually prohibitive interference with each other; and

It further appearing that pursuant to section 309 (b) of the Communications Act of 1934, as amended, the Commission in a letter dated June 10, 1954, advised both applicants that operation of both stations as proposed would result in mutually destructive interference with each other, and that, accordingly both applications could not be granted and that they must be designated for hearing to determine, on a comparative basis, which would better serve the public interest; and

It further appearing, that Muleshoe Broadcasting Company replied in a letter dated June 25, 1954 that it would appear at a hearing; and

It further appearing that Blackwater Valley Broadcasters answered the Commission in a letter dated June 24, 1954; and

It further appearing that the Commission, after consideration of the replies, is of the opinion that a hearing is necessary

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

1. To determine, on a comparative basis, which of the operations proposed in the above-entitled applications would better serve the public interest, convenience, or necessity in the light of the evidence adduced under the foregoing issues and the record made with respect to the significant differences between the applicants as to:

a. The background and experience of each of the above-named applicants to own and operate the proposed stations.

b. The proposals of each of the above-named applicants with respect to the management and operation of the proposed stations.

c. The programming service proposed in each of the above-mentioned applications.

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

Released: September 9, 1954.

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

[F. R. Doc. 54-7180; Filed, Sept. 13, 1954; 8:51 a. m.]

[Docket Nos. 11132, 11133; FCC 54-1040 (Corrected)]

NEWTON BROADCASTING CO. AND TRENTON BROADCASTING CO.

ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Richard C. Brandt, William M. Bryan, William C. Brandt, and Eddie Erlbacher, d/b as Newton Broadcasting Company, Newton, Iowa, Docket No. 11133, File No. BP-9226; S. W. Arnold, Samuel A. Burk and Sam M. Arnold, a partnership d/b as Trenton Broadcasting Company, Trenton, Missouri, Docket No. 11132, File No. BP-9093; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 12th day of August 1954;

The Commission having under consideration the above applications for construction permit by Newton Broadcasting Company for a new standard broadcast station at Newton, Iowa to operate on 1490 kilocycles with a power of 100 watts, unlimited time (File No. BP-9226), and Trenton Broadcasting

Company for a new standard broadcast station at Trenton, Missouri to operate on 1490 kilocycles with a power of 100 watts, unlimited time (File No. BP-9093)

It appearing that the applicants are legally, technically, financially and otherwise qualified to operate their proposed stations, but that the operation by both applicants as proposed would result in interference to each other's proposed operation; and

It further appearing that the application of Newton Broadcasting Company would cause daytime interference to Station KRIB, operating on 1490 kilocycles with a power of 250 watts, unlimited time, at Mason City, Iowa; KLEE, operating on a frequency of 1480 kilocycles with a power of 500 watts, daytime at Ottumwa, Iowa; and KBUR, operating on a frequency of 1490 kilocycles with a power of 250 watts, unlimited time at Burlington, Iowa, and that interference will be received by the proposed operation from each of the above stations and also from Station WDBQ, operating on a frequency of 1490 kilocycles with a power of 250 watts, unlimited time at Dubuque, Iowa; and

It further appearing that the proposed operation of Trenton Broadcasting Company would cause daytime interference to Stations KDRO, operating on a power of 1490 kilocycles with a power of 250 watts, unlimited time at Sedalia, Missouri; and KTOP operating on a frequency of 1490 kilocycles with a power of 250 watts, unlimited time at Topeka, Kansas; and that interference will be received by the proposed operation from Stations KDRO, KTOP KBUR, and KBON, operating on a frequency of 1490 kilocycles with a power of 250 watts, unlimited time at Omaha, Nebraska; and

It further appearing that, pursuant to section 309 (b) of the Communications Act of 1934, as amended, the subject applicants were advised by letter dated June 16, 1954, of the aforementioned deficiencies and that the Commission was unable to conclude that a grant of either application would be in the public interest; and

It further appearing that Trenton Broadcasting Company did not reply to the Commission's letter, but that Newton Broadcasting Company stated in a reply dated June 25, 1954, that mutual interference problems between the two applicants had been resolved and that other interference was of a minor nature; and

It further appearing that timely letters of opposition to the Trenton proposal were received from Stations KTOP and KDRO and that timely letters of opposition to the proposal of Newton Broadcasting Company were received by the Commission from Stations KLEE, KRIB, and KBUR; and

It further appearing that the Commission, after consideration of the replies, is of the opinion that a hearing is necessary·

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

1. To determine the areas and populations which may be expected to gain or lose primary service from the operation of the proposed stations, and the availability of other primary service to such areas and populations, including a determination as to whether the proposed operations cause interference to each other.

2. To determine whether the proposed operation of Newton Broadcasting Company will cause objectionable daytime interference to Stations KRIB, Mason City, Iowa, KLEE, Ottumwa, Iowa; and KBUR, Burlington, Iowa, and if so, the nature and extent thereof, the areas and populations affected thereby and the availability of other primary service to such areas and populations.

3. To determine whether the proposed operation of Newton Broadcasting Company will receive interference from Stations KRIB, Mason City, Iowa, KLEE, Ottumwa, Iowa; KBUR, Burlington, Iowa; and WDBQ, Dubuque, Iowa, and if so, whether because of such interference the proposed Newton operation would not provide the recommended minimum of interference-free service within its normally protected daytime (0.5 mv/m) contour.

4. To determine whether the proposed operation of Trenton Broadcasting Company will cause objectionable daytime interference to Stations KDRO, Sedalia, Missouri, and KTOP, Topeka, Kansas, and if so, the nature and extent thereof, the areas and populations affected thereby and the availability of other primary service to such areas and populations.

5. To determine whether the proposed operation of Trenton Broadcasting Company will receive interference from Stations KDRO, KTOP KBON, Omaha, Nebraska, and KBUR, Burlington, Iowa, and if so, whether, because of such interference, the proposed Trenton operation would not provide the recommended minimum of interference-free service within its normally protected daytime (0.5 mv/m) contour.

6. To determine, in the light of section 307 (b) of the Communications Act of 1934, as amended, which of these applicants would provide the more fair, efficient, and equitable distribution of radio service.

7. To determine, on a comparative basis, if both applications cannot be granted, which of the operations proposed in the above-entitled applications would best serve the public interest, convenience, or necessity in the light of the evidence adduced under the foregoing issues and the record made with respect to the significant differences between the applicants as to:

(a) The background and experience of the above-named applicants to own and operate the proposed stations.

(b) The proposals of each of the above-named applicants with respect to the management and operation of the proposed stations.

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

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

It is further ordered, That William G. Kelly, licensee of Station KRIB, Mason City, Iowa, Lee E. Baker, licensee of Station KLEE, Ottumwa, Iowa; Burlington Broadcasting Company, licensee of Station KBUR, Burlington, Iowa, Milton J. Hinlein, licensee of Station KDRO, Sedalia, Missouri; and Charles B. Axton, licensee of Station KTOP, Topeka, Kansas, are made parties to the proceeding.

Released: September 9, 1954.

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

[F. R. Doc. 54-7189; Filed, Sept. 13, 1954; 8:50 a. m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

SALES OF CERTAIN COMMODITIES AT FIXED PRICES

SEPTEMBER 1954 DOMESTIC AND EXPORT PRICE LIST

Pursuant to the Pricing Policy of Commodity Credit Corporation issued March 22, 1950, as amended January 9, 1953 (15 F. R. 1593, 18 F R. 176) and subject to the conditions stated therein, the following commodities are available for sale in the quantities and at the prices stated:

SEPTEMBER 1954 EXPORT PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Export sales list
Dairy products	F. a. s. U. S. port of export, or "in store"[2] at location of stocks at f. a. s. price less export freight rate to agreed port of export.
Cheddar cheese,[1] cheddars, flats, twins and rindless blocks (standard moisture basis, in carload lots only), 425,000,000 pounds.	U. S. Grade A: 25.5 cents per pound basis port of export. U. S. Grade B: 24.5 cents per pound basis port of export.
Nonfat dry milk solids[1] (in carload lots only), 210,000,000 pounds, spray; 45,000,000 pounds, roller.	Spray process—11.75 cents per pound basis port of export. Roller process—10 cents per pound basis port of export.
Salted creamery butter[1] (in carload lots only), 460,000,000 pounds.	U. S. Grade A: Not less than 41 cents per pound basis port of export. U. S Grade B: Not less than 39 cents per pound basis port of export.
	Any of the above commodities are available through the Livestock and Dairy Division, CSS, USDA, Washington 25, D. C.

See footnotes at end of table.

SEPTEMBER 1954 EXPORT PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Export sales list
Wheat, bulk [1]	Sales made for export pursuant to Announcement GR 261 and 262 at prices announced daily. Available Dallas, Chicago, Kansas City, Minneapolis, and Portland CSS Commodity offices. Sales also made for delivery at U. S ports under GR 212 at market price on date of sale at points of delivery Available Dallas Chicago and Portland CSS Commodity offices.
Corn bulk [1]	The domestic market price as determined by CCC for grade, class and quality at point of delivery at time of sale, less an export allowance of 15 cents per bushel until close of business September 30, 1954, pursuant to GR 275 as revised July 13, 1954. Allowance not applicable on sales for export to Canada. Available Kansas City, Chicago and Minneapolis CSS Commodity offices.
Barley, bulk [1]	Price as determined by CCC on date of sale at point of delivery Available Chicago, Kansas City Minneapolis, and Portland CSS Commodity offices.
Rye [1]	Price as determined by CCC on date of sale at point of delivery. Available Minneapolis, Chicago Portland, and Kansas City CSS Commodity offices.
Oats [1]	Price as determined by CCC on date of sale at point of delivery. Available Minneapolis Chicago Kansas City Portland and Dallas CSS Commodity offices.
Cottonseed oil,[1] crude, 3,700,000 pounds	Bid basis, in store at point of export or f. o. b. tankcars or tankwagons at producers' mills. On in store sales, if buyer and CCC agree in writing CCC will effect loading of oil into vessel or tankcars or tankwagons, with buyer compensating for all costs incurred Available New Orleans CSS Commodity office.
Pinto beans,[1] 1953 crop (bagged), 525 000 hundredweight	$7.25 per 100 pounds U. S. No 1 grade, basis West Coast, Gulf, and Mexico border points. Available Portland office for shipment to West Coast port (CCC s option) and Mexico border points Nogales and West. Dallas office, Nogales to El Paso inclusive Kansas City office for shipment to West Gulf ports and Mexico Texas border points U S No 2 grade, 25 cents discount

[1] These same lots also are available from the domestic list announced today Where no quantity is specified, quantity available is indefinite.
[2] "In store" means at the processors plant or warehouse but with any prepaid storage and outhandling charges for the benefit of the buyer.

SEPTEMBER 1954 DOMESTIC PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Domestic sales list
Nonfat dry milk solids [1] (in carload lots only), 210,000,000 pounds, spray; 45,000 000 pounds, roller.	Spray process, U. S. Extra Grade, 17 cents per pound Roller process, U S Extra Grade, 15 25 cents per pound. Prices apply "in store" at location of stock [2] Available through Cincinnati, Minneapolis and Portland CSS Commodity offices.
Salted creamery butter [1] (in carload lots only), 460 000,000 pounds.	U. S. Grade A and higher: All States except those listed below, 69 5 cents per pound. New York New Jersey, Pennsylvania, New England and other States bordering the Atlantic Ocean and Gulf of Mexico 61.25 cents per pound U. S. Grade B: 2 cents per pound less than Grade A prices. Available Cincinnati, Minneapolis, and Portland CSS Commodity offices. Prices apply "in store" at location of stocks [2]
Cheddar cheese,[1] chedlars, flats, twins, and rindless blocks (standard moisture basis in carload lots only), 422 000,000 pounds	U. S. Grade A and higher: All States except those listed below 35¼ cents per pound New York, New Jersey, Pennsylvania, New England and other States bordering the Atlantic and Pacific Oceans and Gulf of Mexico 39¼ cents per pound. U. S. Grade B 1 cent per pound less than Grade A prices Available Cincinnati, Minneapolis, and Portland CSS Commodity offices. All prices are subject to usual adjustment for moisture content Prices apply "in store" at location of stocks [2]
Cottonseed oil, crude,[1] 3,700,000 pounds	Market price but not less than 15 cents per pound prime, Valley basis, f. o. b. tankcars or tankwagons at producers' mills, subject to premiums or discounts comparable to those in Bulletin 3 of the 1954 crop cottonseed price support program. Price will not be reduced during period ending Aug 31, 1955 Available New Orleans CSS Commodity office.
Cottonseed oil, refined 759 000 000 pounds	Market price but not less than the minimum crude price, with appropriate adjustments for refining, location and quality f. o b. tankcars or tankwagons at points of storage locations. Price will not be reduced during period ending Aug. 31 1955 Available New Orleans CSS Commodity office and Oils and Peanut Division, CSS, Washington 25 D. C
Linseed oil raw 60,200 000 pounds	Market price on date of sale, but not less than equivalent of the 1953 price support for flaxseed No change in pricing policy during the period ending Oct. 31, 1954 Available Cincinnati Portland and Minneapolis CSS Commodity offices

See footnotes at end of table

SEPTEMBER 1954 DOMESTIC PRICE LIST—Continued

Commodity and approximate quantity available (subject to prior sale)	Domestic sales list
Peanuts farmers stock 2 500 tons	Bid basis, f. o b. points of storage locations, subject to the terms and conditions of Announcement CCC Peanut Form 40. In addition, farmers' stock peanuts from CCC stocks, may be offered under separate announcements for domestic crushing subject to the terms and conditions of CCC Peanut Form 34. Available Dallas CSS Commodity office
Wool, shorn and pulled grease (including some scoured) 113 000,000 pounds	The higher of (1) the market value, or (2) 103 percent of the 1954 schedule of loan rates per pound plus an allowance for sales commission Boston basis, adjusted for net freight on wool stored outside the Boston storage area. Sales will be made ex warehouse where stored Available Boston CSS Commodity office.
Dry edible beans (bagged)	Prices listed below, on all beans, are at point of production Amount of paid in freight to be added, as applicable. For other grades of all beans, adjust by market differentials.
Large lima beans, 1953 crop 100,000 hundredweight.	$11 46 per 100 pounds for U. S. No. 1 basis California points of production Available Portland CSS Commodity office.
Pinto beans,[1] 1953 crop, 525 000 hundredweight	$7.60 per 100 pounds for U. S. No. 1, f. o. b points of production, Denver rate area For other locations, adjust by 1954 support price differentials. Available Kansas City, Minneapolis, Dallas and Portland CSS Commodity offices.
Small red beans, 1953 crop, 47 000 hundredweight.	$8.46 per 100 pounds for U. S. No. 1, f. o. b. Idaho, Washington points of production. Available Portland CSS Commodity office.
Pink beans, 1953 crop, 40 000 hundredweight	$8 30 per 100 pounds for U. S. No. 1, f o b California points of production Available Portland CSS Commodity office
Corn bulk: 1,000,000 bushels (1948-49 crop)	At points of production, basis in store, 1948 and 1949 crops and out of condition corn of any crop year in CCC bins may be sold at the higher of (1) local cash market price, or (2) the applicable terminal cash market price adjusted to the point of storage. The price may be reduced by the regular U. S. A. handling charge of 4½ cents per bushel in those cases where an eligible local purchasing warehouseman takes the grain into his facilities for subsequent outloading.
50,000,000 bushels [1] (1950, 1951, 1952 and 1953 crops)	110 percent of applicable county support rate, in store at point of country storage. At other locations, the foregoing plus average paid in freight. *Examples of minimum price per bushel* (No. 3 yellow): Faribault County, Minn, $1.68; Pike County, Ill. $1.78; Knox County, Ky., $1.63. Available Chicago, Kansas City, Dallas, and Minneapolis CSS Commodity offices
Wheat [1]	Basis in store, the market price but not less than the domestic minimum price. Minimum price, 1954 loan rate for class, grade, quality and location, plus: (1) 24 cents per bushel if received by truck, or (2) 18 cents per bushel if received by rail or barge. Examples of minimum price per bushel (ex rail or barge): Kansas City, No 1 H. W. $2.72; Minneapolis, No 1 D. N. S, $2.75; Chicago, No 1 R. W., $2.72. Available Dallas, Kansas City, Chicago, Minneapolis, and Portland CSS Commodity.
Barley, bulk [1]	110 percent of applicable support rate in store at point of storage Examples of minimum price per bushel (No. 2 or better): Adams County, N Dak, $1 16; Yorkton County, S Dak, $1.27; Alameda County, Calif, $1 43. Available Chicago, Minneapolis, Kansas City, and Portland CSS Commodity offices
Rye, bulk: [1] (Unrestricted use) ..	Market price at point of production, basis in store, but not less than the applicable 1954 loan rate plus: (1) 19 cents per bushel if received by truck or (2) 13 cents per bushel if received by rail or barge. Example of minimum price per bushel (ex rail or barge): Minneapolis No 2 or better, $1.77.
(For feed only) ..	Market price for feed only, basis in store. Available Minneapolis Kansas City, Chicago, Portland, and Dallas CSS Commodity offices
Oats, bulk: [1] (Unrestricted use)	110 percent of applicable county support rate in store at point of country storage. For other locations, the foregoing plus average paid in freight Examples of minimum price per bushel (No. 3 or better): Carver County, Minn, $0.70; Jackson County, Ohio $0 69; All counties, Ga, $1 62.
(For feed only) 1952 crop or older and 1953 crop from Alabama, Arkansas, Georgia, Louisiana, Mississippi, Florida, South Carolina, North Carolina, and Tennessee	Market price for feed, basis in store. Available Minneapolis, Chicago, Dallas, Portland, and Kansas City CSS Commodity Offices.

See footnotes at end of table

SEPTEMBER 1954 DOMESTIC PRICE LIST—Continued

Commodity and approximate quantity available (subject to prior sale)	Domestic sales list
Grain sorghums, bulk	110 percent of applicable support rate, in store at point of storage.
Flaxseed, bulk	Examples of minimum price per hundredweight (No. 2 or better): Texas County, Okla., $2.37; Trego County, Kans., $2.52; Bee County, Tex., $2.87. Available Minneapolis, Dallas, and Kansas City CSS Commodity offices.
(For crushing only)	On less-than-carload lots, market price on date of sale basis in store.
	On all other storable lots sales will not be made at less than the 1953 support price during the period ending Oct. 31, 1954. Available Minneapolis and Chicago CSS Commodity offices.
Seeds (bagged)	All sales are f. o. b. point of production, plus any paid-in freight as applicable basis current freight rate at time of sale. Prices are for seed of basic specifications.
	On all seeds except Ladino: Offers will not be accepted for less than warehouse receipt lot or minimum weight carlot as prescribed by railroad carrier's regulation at point of storage.
Red clover seed [4] (uncertified), 77,200 hundredweight.	$35 per 100 pounds. Available Portland, Chicago, Kansas City, Minneapolis, and Dallas CSS Commodity offices.[3]
Red clover seed (certified): Cumberland, 1,016 hundredweight; Midland, 625 hundredweight.	$35 per 100 pounds. Cumberland available Portland, Kansas City, and Minneapolis; Midland available at Portland only, CSS Commodity offices.[3]
Red clover seed (Kenland certified), 140 hundredweight.	$40 per 100 pounds. Available Portland CSS Commodity office.[3]
Ladino clover seed (certified), 12,240 hundredweight.	$55 per 100 pounds. Available Portland, Minneapolis, and Kansas City CSS Commodity offices.[3]
Crimson clover seed, 17,960 hundredweight.	$18 per 100 pounds. Available Portland and Dallas CSS Commodity offices.
Reseeding crimson clover, 1953 crop (certified), 4,160 hundredweight.	$20.75 per 100 pounds. Available Portland CSS Commodity office.
Biennial sweet clover seed,[4] 9,760 hundredweight.	$10 per 100 pounds. Available Kansas City, Minneapolis, and Chicago CSS Commodity offices.[3]
Alsike clover seed,[4] 18,410 hundredweight.	$25 per 100 pounds. Available Portland, Kansas City, Chicago, and Minneapolis CSS Commodity offices.[3]
Hairy vetch seed, 27,892 hundredweight.	1953 county support rates, ranging from $11.65 to $12.40 plus $1 per 100 pounds. Available Portland, Dallas, and Chicago CSS Commodity offices.
Birdsfoot trefoil seed, 1,169 hundredweight.	$70 per 100 pounds. Available Portland CSS Commodity office.
Alfalfa seed, Northern, 186,000 hundredweight.	$35 per 100 pounds. Available Portland, Chicago, Minneapolis, and Kansas City CSS Commodity offices.[3]
Alfalfa seed, central, 18,600 hundredweight.	$30 per 100 pounds. Available Portland and Kansas City CSS Commodity offices.[3]
Alfalfa seed (certified): Ranger, 74,200 hundredweight; Ladak, 8,600 hundredweight; Grimm, 5,750 hundredweight; Buffalo, 36,160 hundredweight; Atlantic, 3,290 hundredweight.	$40 per 100 pounds. All available in Portland and Kansas City; all but Buffalo and Atlantic in Minneapolis and only Atlantic in Dallas CSS Commodity offices.[3]
Tall fescue seed [4] (common), 37,180 hundredweight.	$20 per 100 pounds. Available Portland, Dallas, Kansas City, and Chicago CSS Commodity offices.[3]
Tall fescue seed [4] (certified), 90,920 hundredweight.	$22 per 100 pounds. Available Portland, Dallas, Chicago, and Minneapolis CSS Commodity offices.[3]
Rough peas, 228 hundredweight.	$6.50 per 100 pounds. Available Dallas CSS Commodity office.

[1] These same lots also are available at export sales prices announced today. Where no quantity is specified, quantity available is indefinite.
[2] "In store" means at the processors' plant or warehouse but with any prepaid storage and outhandling charges for the benefit of the buyer.
[3] Prices will not be reduced during the period ending June 30, 1955.
[4] Sales of these items will begin on September 2 after acceptances are made under GR-282, Supplement 1, and announced quantities will be reduced by the amount of sales made thereunder.

(Sec. 407, 63 Stat. 1051)

Issued: September 9, 1954.

[SEAL] J. A. MCCONNELL,
Executive Vice President,
Commodity Credit Corporation.

[F. R. Doc. 54-7195; Filed, Sept. 13, 1954; 8:51 a. m.]

Office of the Secretary

COLORADO AND OKLAHOMA

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREAS

Pursuant to Public Law 875, 81st Congress, the President determined on the dates indicated that a major disaster occasioned by drought existed in the following States:

Colorado ..... July 1, 1953.
Oklahoma ..... August 2, 1954.

Pursuant to the authority delegated to me by the Administrator, Federal Civil Defense Administration, (18 F R. 4609; 19 F R. 2148) as further amended on July 30, 1954, and for the purposes of section 2 (d) of Public Law 36, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law 480, 83d Congress, certain counties in the States of Colorado and Oklahoma were on August 10, 1954 (19 F R. 5155) determined to be the area affected by the major disaster drought.

Pursuant to the aforesaid delegation the Delineation and Certification of Counties in Drought Areas, dated August 10, 1954 (19 F R. 5155) is herewith amended by adding the counties set forth below, on the dates indicated, to the major disaster area in the designated States:

STATE OF COLORADO

August 30, 1954

Washington County.

STATE OF OKLAHOMA

August 30, 1954

Beaver County, Osage County, Pawnee County, Payne County.

Done at Washington, D. C., this 9th day of September 1954.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 54-7198; Filed, Sept. 13, 1954; 8:52 a. m.]

KANSAS

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREAS

Pursuant to Public Law 875, 81st Congress, the President on August 26, 1954 determined that a major disaster occasioned by drought existed in the State of Kansas.

Pursuant to the authority delegated to me by the Administrator, Federal Civil Defense Administration (18 F R. 4609; 19 F R. 2148) as further amended on July 30, 1954, and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law 480, 83d Congress, the counties set forth below have been determined to be the aforesaid major disaster area in the State of Kansas.

STATE OF KANSAS

August 26, 1954

Allen.	Harper.
Anderson.	Harvey.
Barber.	Johnson.
Bourbon.	Kingman.
Butler.	Kiowa.
Chautauqua.	Labette.
Cherokee.	Linn.
Clark.	Meade.
Comanche.	Miami.
Cowley.	Montgomery.
Crawford.	Neosho.
Douglas.	Sedgwick.
Elk.	Sumner.
Franklin.	Wilson.
Greenwood.	Woodson.

This delineation and certification shall supersede all prior delineations and certifications with respect to the aforesaid major disasters.

Done at Washington, D. C., this 9th day of September 1954.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 54-7200; Filed, Sept. 13, 1954; 8:53 a. m.]

NEW MEXICO

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN THE DROUGHT AREAS

Pursuant to Public Law 875, 81st Congress, the President on July 1, 1953, determined that a major disaster occasioned by drought existed in the State of New Mexico.

Pursuant to the authority delegated to me by the Administrator, Federal Civil Defense Administration (18 F R. 4609; 19 F. R. 2148), as further amended on July 30, 1954, and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law

480, 83d Congress certain counties in the State of New Mexico were on August 10, 1954 (19 F. R. 5155) determined to be the area affected by the major disaster by drought.

Pursuant to the aforesaid delegation the Delineation and Certification of Counties Contained in Drought Areas, dated August 10, 1954 (19 F. R. 5155) is herewith amended by adding those portions of Colfax and Union Counties, which were excepted therein, on August 27, 1954, to the major disaster area in the designated States.

Done this 9th day of September 1954.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 54-7197; Filed, Sept. 13, 1954; 8:52 a. m.]

TEXAS

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREAS

Pursuant to Public Law 875, 81st Congress, the President on July 21, 1954 determined that a major disaster occasioned by drought existed in the State of Texas.

Pursuant to the authority delegated to me by the Administrator, Federal Civil Defense Administration (18 F. R. 4609; 19 F. R. 2148), as further amended on July 30, 1954, and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, and section 301 of Public Law 480, 83d Congress, certain counties in the State of Texas were on August 10, 1954 (19 F. R. 5155) determined to be the area affected by the major disaster by drought.

Pursuant to the aforesaid delegation the Delineation and Certification of Counties Contained in the Drought Areas, dated August 10, 1954 (19 F. R. 5155) is herewith amended by adding the counties set forth below, on the date indicated, to the major disaster area in the designated State.

STATE OF TEXAS

August 26, 1954

Anderson.	McLennan.
Angelina.	Madison.
Burleson.	Milam.
Caldwell.	Macogdoches.
Cherokee.	Navarro.
Ellis.	Palo Pinto.
Falls.	Parker.
Fayette.	Rains.
Freestone.	Roberston.
Gonzales.	Rusk.
Hill.	Somervell.
Hood.	Smith.
Johnson.	Tarrant.
Kerr.	Washington.
Lavaca.	Wise.
Leon.	Wood.
Limestone.	

Done at Washington, D. C., this 9th day of September 1954.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 54-7199; Filed, Sept. 13, 1954; 8:53 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 5756, et al.]

STATES-ALASKA CASE

NOTICE OF POSTPONEMENT OF ORAL ARGUMENT

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that the oral argument in the above-entitled proceeding now assigned to be held on September 28, 1954, is hereby postponed to October 12, 1954, 10:00 a. m., e. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., September 9, 1954.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 54-7182; Filed, Sept. 13, 1954; 8:50 a. m.]

DEPARTMENT OF COMMERCE

Civil Aeronautics Administration

[Amdt. 3]

ORGANIZATIONS AND FUNCTIONS

AVIATION SAFETY DISTRICT OFFICES AND INTERNATIONAL DISTRICT AND FIELD OFFICES

In accordance with the public information requirements of the Administrative Procedure Act, the description of Organization and Functions of the Civil Aeronautics Administration is hereby amended. The purpose of the amendment is to publish revised addresses for certain Aviation Safety District Offices and to publish the areas served by the various international district and field offices.

1. Section 22 (b) as published on April 10, 1954, in 19 F. R. 2101, is revised by rescinding the tables of addresses contained therein and inserting a new address list as follows:

SEC. 22. *Aviation Safety District Offices.* * * *

(b) *Locations and specialties.* * * *

REGION I

State	City	Location	Mailing address	Specialty
Connecticut	Bridgeport	Sikorsky Aircraft Corp	Care Sikorsky Aircraft Corp	(F)
	Windsor Locks	Bldg. 229, Bradley Field	Care Kaman Aircraft Corp., P. O. Box 73, Bloomfield.	(F)
Delaware	New Castle	Bellanca Aircraft Corp	Care Bellanca Aircraft Corp., Bellanca Airport.	(F)
District of Columbia.	Washington	Hangar Six, Washington National Airport.	Hangar Six, Washington National Airport.	(C)
Kentucky	Louisville	Administration Bldg., Bowman Field.	Administration Bldg., Bowman Field.	(G)
Maine	Portland	Municipal Airport	Municipal Airport	(G)
Maryland	Baltimore	Glenn L. Martin Co., 19 B Bldg. Balcony, Middle River.	Care Glenn L. Martin Co., 19 B Bldg. Balcony, Baltimore 3.	(F)
Massachusetts	Boston	287 East Marginal St	287 East Marginal St., East Boston 28.	(C)
	Norwood	Municipal Airport	Municipal Airport	(G)
	Westfield	Barnes Westfield Airport	P. O. Box 464	(G)
New Hampshire	Concord	Municipal Airport	Municipal Airport	(G)
New Jersey	Haddonfield	Echelon Airport	P. O. Box 154	(G)
	Newark	Room 221, Old Administration Bldg., Newark Airport.	Room 221, Old Administration Bldg., Newark Airport.	(C)
	Teterboro	Teterboro Air Terminal	Teterboro Air Terminal	(G) (C) (F)
New York	Albany	Albany Airport, Watervliet	P. O. Box 577, Latham	(G)
	Ithaca	Cornell University Airport	Cornell University Airport	(C)
	New York	Terminal Bldg., La Guardia Field.	P. O. Box 575, La Guardia Airport Station, Flushing 71.	(C)
	do	Room 102-103, Federal Bldg., International Airport.	Room 102-103, Federal Bldg., International Airport, Jamaica.	(C) (F)
	Lindenhurst	Zahn's Airport, North Wellwood Ave.	Zahn's Airport, North Wellwood Ave.	(G)
	Rochester	Rochester Municipal Airport	Rochester Municipal Airport	(G)
Ohio	Cincinnati	Administration Bldg., Lunken Airport.	Administration Bldg., Lunken Airport.	(G)
	Cleveland	Cleveland Hopkins Airport	Cleveland Hopkins Airport, 6200 Rocky River Dr., Cleveland 11.	(G)
	Columbus	Room 220-223, Administration Bldg., Port Columbus Airport.	Room 220-223, Administration Bldg., Port Columbus Airport.	(G)
	Middletown	Aeronca Manufacturing Corp	Care Aeronca Manufacturing Corp.	(F)
Oklahoma	Tulsa	American Airlines Bldg., Municipal Field.	P. O. Box 8186	(C)
Pennsylvania	Allentown	Allentown-Bethlehem-Easton Airport.	Allentown-Bethlehem-Easton Airport.	(G)
	Harrisburg	Harrisburg State Airport, New Cumberland.	Harrisburg State Airport, New Cumberland.	(G)
	Pittsburgh	Room 303, Administration Bldg., Greater Pittsburgh Airport.	Room 303, Administration Bldg., Greater Pittsburgh Airport.	(C)
	do	Allegheny County Airport, Dravosburg.	Allegheny County Airport, Dravosburg.	(G)
	Williamsport	Lycoming Division, Aviation Corp.	P. O. Box 928	(F)
Virginia	Alexandria	Beacon Field, 2013 Richmond Highway.	Beacon Field, 2013 Richmond Highway.	(G)
	Richmond	Byrd Field, Sandston	Byrd Field, Sandston	(G)
West Virginia	Charleston	Kanawha County Airport	P. O. Box 5276, Capitol Station	(G)

REGION II

Alabama	Birmingham	Municipal Airport	Municipal Airport	(G)
Arkansas	Little Rock	Adams Field	R. F. D. 77	(G)
Florida	Jacksonville	Rm. 221-225, U. S. Post Office and Court House Bldg., 311 West Monroe St.	P. O. Box 1504, Jacksonville 1.	(G)

REGION II—Continued

State	City	Location	Mailing address	Specialty
	Miami	International Airport	P O. Box 226, International Airport Branch Miami 48	(G) (C) (F) (E)
	Tampa	Peter O. Knight Airport	P O Box 2112	(G)
Georgia	Atlanta	Bldg No 5 Municipal Air port.	P. O. Box 738 Municipal Air port.	(C)
	do	3999 Gordon Rd Fulton County Airport	3999 Gordon Rd	(G) (C)
Louisiana	New Orleans	New Orleans Airport	P. O. Box 8068, Gentilly Branch, New Orleans Air port	(G) (C)
	Shreveport	Administration Bldg, Down Town Airport	P O. Box 86, Down Town Airport.	(G)
Mississippi	Jackson	Army Air Base	P O Box 1727	(G)
North Carolina	Charlotte	1315 Independence Bldg	P O Box 508	(G)
	Raleigh	506-507 Commercial Bldg	P. O. Box 1858	(G)
	Winston Salem	Terminal Bldg, Smith Reyn olds Airport	Terminal Bldg Smith Reyn olds Airport	(C)
Oklahoma	Bethany	Tulakes Airport	Care Aero Design and Engi neering Co., P. O. Box 118.	(F)
	Oklahoma City	Municipal Airport	P O Box 5168, Farley Station	(G)
	Tulsa	do	P O Box 8186	(G)
South Carolina	Columbia	Capital Airport	P O Box 368, West Columbia	(G)
Tennessee	Memphis	2488 Winchester	P. O. Box 7097	(C)
	Nashville	Berry Field	Berry Field	(G)
Texas	Amarillo	Tradewind Airport	P. O. Box 2306	(G)
	Brownsville	Rio Grande International Air port	Administration Bldg, Inter national Airport.	(G) (C)
	Dallas	Room 241, Terminal Bldg, Love Field.	Room 241, Terminal Bldg, Love Field.	(G) (F)
	do	Room 244, Terminal Bldg, Love Field.	Room 244, Terminal Bldg, Love Field.	(C)
	Fort Worth	Meacham Field	P O Box 1689, Meacham Field	(G)
	do	Amon Carter Field	P O Box 2506	(C)
	Garland	Temco Aircraft Corp, Gar land Plant	P O Box 397	(F)
	Hurst	Bell Aircraft Corp	Care Bell Aircraft Corp P O Box 486, Fort Worth	(F)
	Houston	Second Floor, National Guard Hangar, Municipal Airport	Second Floor, National Guard Hangar, Municipal Airport	(G)
	do	Room 204, Administration Bldg.	P O Box 12387	(C)
	Midland	Midland Air Terminal	P. O Box 198, Terminal, Texas	(G) (C)
	San Antonio	International Airport	International Airport	(G)

REGION III

Illinois	Chicago	6013 South Central Ave	6013 South Central Ave Chi cago 38.	(C)
	do	Du Page County Airport St Charles.	P O Box 337 West Chicago	(G) (E)
	Springfield	Capital Airport	P O. Box 197	(G)
Indiana	Indianapolis	Administration Bldg., Weir Cook Municipal Airport	Administration Bldg., Weir Cook Municipal Airport	(G) (C)
	South Bend	Bendix Field	Bendix Field	(G)
Iowa	Cedar Rapids	Administration Bldg Mu nicipal Airport.	P O Box 1907	(G)
	Des Moines	223 Administration Bldg Municipal Airport	223 Administration Bldg Municipal Airport	(G)
Kansas	Dodge City	Municipal Airport	P. O. Box 550	(G)
	Kansas City	Third Floor, Administration Bldg, Fairfax Airport.	Third Floor, Administration Bldg., Fairfax Airport.	(C) (E) (G)
	Wichita	Third Floor, Tower Bldg New Municipal Airport	P. O Box 2497, West Wichita Station, Wichita 13.	(G)
	do	Beech Aircraft Corp	Care Beech Aircraft Corp	(F)
	do	Cessna Aircraft Co	Care Cessna Aircraft Co	(F)
Michigan	Grand Rapids	Kent County Airport	Kent County Airport	(G)
	Detroit	Administration Bldg., De troit-Wayne Major Airport Inkster.	Administration Bldg., De troit Wayne Major Airport, Inkster.	(G)
	Muskegon	Continental Aviation & Engineering Corp.	P O Box 533	(F)
Minnesota	Minneapolis	Administration Bldg., Wold-Chamberlain Field.	Box 1, Administration Bldg Wold Chamberlain Field.	(G)
	do	6355 34th Ave. S. Wold-Chamberlain Field.	6355 34th Ave. S., Wold-Chamberlain Field.	(C) (E)

REGION III—Continued

State	City	Location	Mailing address	Specialty
Missouri	Springfield	Municipal Airport Route 6	Box 502A, Municipal Airport Route 6.	(G)
	St Louis	Administration Bldg Lam bert Field.	Box 127, Lambert Field St Louis 21.	(G) (C)
Nebraska	Lincoln	Terminal Bldg., Municipal Airport (Union)	P. O. Box 1743, Terminal Bldg., Municipal Airport (Union)	(G)
	North Platte	128 Administration Bldg, Municipal Airport	P. O Box 581	(G)
North Dakota	Bismarck	Municipal Airport	P O Box 207	(G)
	Fargo	Administration Bldg Hector Airport.	P O Box 1756	(G)
South Dakota	Huron	Municipal Airport	P O Box 96	(G)
	Rapid City	do	P O Box 27	(G)
Wisconsin	Milwaukee	General Mitchell Field	General Mitchell Field Mil waukee, 7.	(G)
	Wausau	Wausau Municipal Airport	Wausau Municipal Airport	(G)

REGION IV

Arizona	Phoenix	Sky Harbor Airport	3000 Sky Harbor Blvd, Sky Harbor Airport.	(G)
California	Burbank	Hangar No 4 Lockheed Air Terminal	Hangar No 4 Lockheed Air Terminal.	(C)
	do	Lockheed Aircraft Corp Plant A-1, Bldg. 19	Care Lockheed Aircraft Corp, Plant A-1, Bldg 19	(F)
	Fresno	Fresno Air Terminal	P. O. Box 591	(G)
	Long Beach	Administration Bldg, Mu nicipal Airport.	Administration Bldg, Mu nicipal Airport.	(G)
	Los Angeles	5651 West Manchester Ave	5651 West Manchester Ave, Los Angeles 45.	(G) (C)
	Oakland	Municipal Airport	Municipal Airport, Oakland 14.	(G)
	Ontario	Administration Bldg, On tario International Airport	Administration Bldg., On tario International Airport	(G)
	Palo Alto	Municipal Airport	P. O Box 1240	(G)
	do	Hiller Helicopters 1350 Wil low Rd.	Care Hiller Helicopters, 1350 Willow Rd.	(F)
	Sacramento	Municipal Airport	Municipal Airport	(G)
	San Diego	Administration Bldg Lind bergh Field.	Administration Bldg Lind bergh Field	(G)
	do	Consolidated Vultee Aircraft Corp Bldg 33 Lindbergh Field.	Care Consolidated Vultee Aircraft Corp., Bldg. 33, Lind bergh Field, San Diego, 12	(F)
	Santa Monica	Douglas Aircraft Co., Inc, 3000 Ocean Park Blvd.	Care Douglas Aircraft Co. Inc., 3000 Ocean Park Blvd	(F)
	San Francisco	Rm. 404, Terminal Bldg, International Airport	Rm. 404, Terminal Bldg., International Airport South San Francisco.	(C)
	Van Nuys	7550 Hayvenhurst Ave, San Fernando Valley Airport	7550 Hayvenhurst Ave., San Fernando Valley Airport	(G)
Colorado	Denver	CAA District Office Bldg, Stapleton Airfield	CAA District Office Bldg, Stapleton Airfield	(G) (C)
	Grand Junction	Walker Field	P. O. Box 1046	(G)
Idaho	Boise	1412 Idaho St	1412 Idaho St	(G)
Montana	Billings	Administration Bldg (Second Floor), Municipal Airport	P O Box 1698	(G)
	Helena	Municipal Airport	P O Box 1167	(G)
Nevada	Las Vegas	Administration Bldg McCar ran Field	P O Box 1752	(C)
	Reno	323 Gazette Bldg	P. O. Box 493	(G)
New Mexico	Albuquerque	2029 Yale Blvd	2029 Yale Blvd SE	(G)
Oregon	Medford	Municipal Airport	P. O. Box 832	(G)
	Portland	Service Office Bldg., 5410 Northeast Marine Dr.	Service Office Bldg., 5410 Northeast Marine Dr Port land 13.	(G)
Utah	Salt Lake City	Municipal Airport No 1	Municipal Airport No 1 Salt Lake City 3.	(G)
Washington	Seattle	CAA Bldg., Boeing Field	P O Box 18 Seattle 8	(G)
	do	do	P O. Box 17 Seattle 8	(C) (F) (E)
	Spokane	Administration Bldg Felts Field.	P. O. Box 247 Parkwater Station.	(G)
	Yakima	2200 West Washington Ave	2200 West Washington Ave	(G)
Wyoming	Cheyenne	Municipal Airport 3301 Evans Ave.	Box 2008 Airport Station	(G)

REGION V

Alaska	Anchorage	Communications Bldg., Merrill Field.	P. O. Box 449	(C)
	do	Anchorage International Airport Terminal Bldg., Ramp Level.	P. O. Box 449	(C)
	Fairbanks	Wien Alaska Airlines Hangar, Fairbanks Airport.	P. O. Box 519	(C) (O)
	Juneau	McKinley Bldg.	P. O. Box 2149	(C) (O)

2. Section 27 (b) and (c) as published on April 10, 1954, in 19 F. R. 2106 and 2107, is revised as follows:

SEC. 27. *International District and Field Offices.* * * *

(b) *Locations and areas of responsibility of CAA International District Offices.*

Location	Mail address	Areas of responsibility
Fort Worth, Tex., Bldg. 1, Room 103, Second Regional Office.	P. O. Box 1689	Mexico.
Kansas City, Kans., Administration Bldg., Rooms 310-313, Fairfax Airport.	Administration Bldg., Fairfax Airport.	No geographical area assigned.
Miami, Fla., 656 East Dr., Miami Springs, Fla.	P. O. Box 234, International Airport, Miami 48.	Bahama Islands, Cuba, Jamaica, Guatemala, El Salvador, Honduras, British Honduras, Nicaragua, Costa Rica, Colombia (Barranquilla and Cartagena only).
Minneapolis, Minn., 6201 34th Ave. S., Wold-Chamberlain Field.	6355 34th Ave. S., Wold-Chamberlain Field.	Western Canada.
New York, N. Y., Federal Bldg., N. Y. International Airport, Jamaica, Long Island, N. Y.	Federal Bldg., New York International Airport, Jamaica, Long Island, N. Y.	Iceland, Eastern Canada, Newfoundland, Labrador, Bermuda, Azores,[1] Dakar, Liberia,[1] Accra,[1] Leopoldville,[1] Johannesburg.[1]
San Francisco, Calif., Rooms 101-107, International Terminal Bldg., International Airport, South San Francisco.	Room 101, International Terminal Bldg., International Airport, South San Francisco.	Solomons, New Guinea, New Zealand, Samoa, New Hebrides, Tasmania, Australia, Fiji Islands, New Caledonia, Norfolk Island.

[1] Primary operational coverage.

(c) *Locations and areas of responsibility of CAA International Field Offices.*

Location	Mail address	Areas of responsibility
Bangkok, Thailand, U. S. Embassy, 95 Wireless Road.	Care U. S. Embassy, Bangkok.	Thailand, Malay States, [2] French Indo-China, Burma, India,[1] Pakistan.[1]
Beirut, Lebanon, American Embassy No. 7.	Care American Embassy	Iran, Trans-Jordan, Saudi Arabia, Yemen, Pakistan,[1] India,[1] Egypt, Sudan, Eritrea, Ceylon, Ethiopia, Libya, French Somaliland, British Somaliland, Uganda, Kenya, Tanganyika, Aden, Afghanistan.
Buenos Aires, Argentina Florida 935, 2C.	Care U. S. Embassy, Avda. R. S. Pena 567.	Argentina, Uruguay, Paraguay, Chile.
Lima, Peru, CORPAC Terminal Bldg., Limatambo Airport.	Care U. S. Embassy	Peru, Bolivia, Ecuador, Colombia (except Barranquilla and Cartagena), Panama, Canal Zone.
London, England, U. S. Embassy, No. 1 Grosvener Sq., London, W.1.	Care U. S. Embassy	Sweden, Norway, Denmark, Finland, Netherlands, Great Britain, Ireland, Austria, Yugoslavia, Belgium, Germany.
Manila, P. I., Embassy Compound, Quonset No. 3.	Care U. S. Embassy, A. P. O. 928, care Postmaster, San Francisco, Calif.	Philippine Islands, Celebes, Borneo, Java, Sumatra, Formosa, Hong Kong, Guam, Marianas, Marcus Island.
Paris, France, Room 321, Embassy F, 1 Rue de Poesbourg, United States Embassy.	A. P. O. 230, care Postmaster, New York, N. Y.	Sicily, France, Algeria, Corsica, Portugal, Italy, Sardinia, Spain, Switzerland, Tunisia, Morocco (French-Spanish), Israel, Luxembourg, Tangier, Greece.
Rio de Janiero, Brazil, United States Embassy, Av. Presidente Wilson 147, Room 411.	Care U. S. Embassy	Brazil.
San Juan, P. R., Isla Grande Airport	P. O. Box 4764	Haiti, Dominican Republic, Puerto Rico, Virgin Islands, Lesser Antilles, Netherlands West Indies, Venezuela, British Guiana, French Guiana, Surinam.
Tokyo, Japan, American Embassy Annex, Room 206, Mantetsu Bldg., No. 2, Akasaka Aoi-cho, Minato-ku.	Care American Embassy, A. P. O. 500, care Postmaster, San Francisco, Calif.	Japan, Korea, Kurile Islands, Okinawa, Volcano Islands.

[2] Shared with Beirut IFO by agreement.

This notice shall become effective upon publication in the FEDERAL REGISTER.

[SEAL]

S. A. KEMP,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 54-7117; Filed, Sept. 13, 1954; 8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1630]

GENERAL DYNAMICS CORPORATION

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 8th day of September A. D. 1954.

In the matter of application by the Los Angeles Stock Exchange for unlisted trading privileges in General Dynamics Corporation, Common Stock, $3 Par Value.

The Los Angeles Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, $3 Par Value, of General Dynamics Corporation, a security listed and registered on the New York Stock Exchange and on the San Francisco Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to September 29, 1954, the Commission will set this matter down for hearing. 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, 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 this matter.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 54-7176; Filed, Sept. 13, 1954; 8:49 a. m.]

[File No. 54-191]

STANDARD GAS AND ELECTRIC CO. AND PHILADELPHIA CO.

MEMORANDUM OPINION AND SUPPLEMENTAL ORDER RELEASING JURISDICTION OVER FEE AND EXPENSES FOR LEGAL SERVICES

SEPTEMBER 8, 1954.

On May 14, 1954, the Commission issued an order for hearing (Holding Company Act Release No. 12496) with respect to certain applications for fees and expenses rendered in connection with various proceedings, including the above-entitled matter, involving the reorganization of Standard Power and Light Corporation ("Standard Power") a registered holding company, and its subsidiary companies pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935. Among the applications noticed for hearing was that of Gates, Levitt & Notkins ("Notkins"), who requested a fee allowance of $30,000 and reimbursement of expenses in the amount of $956.53 for legal services rendered as counsel for certain common stockholders of Standard Power in connection with the settlement of various intercompany claims between Standard Power and its subsidiary, Standard Gas and Electric Company, also a registered holding company.

An adjourned hearing was held in New York City on July 13, 1954, with respect to the Notkins application, at which Marvin M. Notkins, a member of the firm, testified in support of the application. He was cross-examined by counsel for Standard Power and by counsel for our Division of Corporate Regulation. After the hearing was closed,

Notkins reached an agreement with Standard Power to settle his firm's claim for a fee of $7,500 plus $956.53 in reimbursement of expenses, and on September 1, 1954, the firm filed an amended application requesting our approval of such agreement. Standard Power has filed a supplemental statement confirming the agreement and expressing its willingness to pay the amounts stipulated therein in full settlement of all claims of the firm for compensation and reimbursement of expenses for services rendered in the proceedings.

We have reviewed the record with respect to this application and are of the opinion that the amounts agreed upon are not unreasonable and are for necessary services, that an order should be entered approving and directing the payment thereof, and that the jurisdiction heretofore reserved with respect to such fee and expenses should be released.

It is therefore ordered, That the application, as amended, for an allowance for services and reimbursement of expenses filed by Gates, Levitt & Notkins be, and hereby is, approved, and Standard Power and Light Corporation is directed to pay the amounts hereinabove specified.

It is further ordered, That the jurisdiction heretofore reserved with respect to the fee and expenses of Gates, Levitt & Notkins be, and hereby is, released.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7175; Filed, Sept. 13, 1954; 8:49 a. m.]

[File No. 70-3284]

UTAH POWER & LIGHT CO.

ORDER AUTHORIZING BANK BORROWINGS

SEPTEMBER 8, 1954.

Utah Power & Light Company ("Company") a registered holding company which is also a public-utility operating company, has filed a declaration and an amendment thereto pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("act") regarding the following proposed transactions:

Pursuant to a Credit Agreement to be made with seventeen lending banks, the Company proposes to borrow not to exceed $20,000,000 during the period ending August 31, 1955. Under the terms of the Agreement, the Company will borrow from said banks from time to time during the period as its construction program requires, such borrowings to be evidenced by notes payable on October 1, 1955, with the right of prepayment in whole or in part at any time. The notes will bear interest at the prime commercial rate of The Chase National Bank of the City of New York at the time each loan is made.

The proceeds from these bank loans, together with other available cash, will be used to carry on (but will not be sufficient to complete) the 1954-1955 construction program of the Company and its wholly owned subsidiary The Western Colorado Power Company, which program will require, according to present estimates, approximately $25,300,000 in 1954 and $21,900,000 in 1955. It is the Company's intention to issue and sell, during the second half of 1955, such additional securities as may be required to provide funds for paying the bank loans and financing in part the remainder of the 1955 program, maintaining approximately the present debt-equity ratio.

The Idaho Public Utilities Commission, the regulatory commission of one of the three States in which the Company operates, has approved the proposed borrowings. In the opinion of the Company's counsel, no other State commission nor any Federal commission other than this Commission has jurisdiction in the premises.

Due notice of the filing of said declaration having been given in the manner prescribed by Rule U-23, and no hearing having been requested of or ordered by the Commission; and the Commission finding that the applicable standards of the act and the rules thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that the declaration as amended be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration as amended be, and hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7173; Filed, Sept. 13, 1954; 8:48 a. m.]

[File No. 70-3291]

MIDDLE SOUTH UTILITIES, INC.

NOTICE OF FILING PURSUANT TO RULE U-23 CONCERNING ISSUANCE AND SALE OF COMMON STOCK PURSUANT TO RIGHTS OFFERING

SEPTEMBER 8, 1954.

Notice is hereby given that Middle South Utilities, Inc. ("Middle South") a registered holding company, has filed a declaration pursuant to the Public Utility Holding Company Act of 1935, and has designated sections 6 (a) and 7 thereof as applicable to the proposed transactions, which are summarized as follows:

Middle South proposes to issue and sell, without an underwriting 475,000 additional shares of its authorized but unissued $10 par value common stock pursuant to a rights offering to its stockholders on the basis of one share of additional common stock for each 15 shares held as of the record date, at a price to be fixed prior to the offering. The additional shares are to be offered to stockholders of record at the close of business on September 22, 1954. The subscription period will expire at 3:30 p. m., New York time, on October 8, 1954. The subscription rights will be evidenced by transferable warrants to be mailed September 23, 1954, which will afford the holder the privilege of subscribing for one new share for each 15 shares held ("primary rights") and of subscribing, subject to allotment, for such additional number of shares as the warrant holder may elect ("additional rights") No fractional shares will be issued. If a holder of record on September 22, 1954 receives a warrant which is for a number of shares not evenly divisible by 15, such holder will be entitled to purchase one full share with the primary rights which are either in excess of a multiple of 15 or which total less than 15, such privilege, however, to be non-transferable. Should there be insufficient shares to fill all subscriptions under the primary rights, subscriptions will first be filled on the basis of 15 primary rights and exact multiples thereof, then on the basis of 14 primary rights, then on the basis of 13 primary rights, and then successively on the basis of 12, 11 and so on to one primary right, in that order. Should it be possible to fill some but not all subscriptions in any one of these groups, subscriptions will be filled in the order of their receipt.

Additional rights under a warrant may be exercised only if all full shares possible have been subscribed for pursuant to the primary rights represented by such warrant. In the event that the aggregate number of shares subscribed for by all warrant holders exceeds 475,000 shares, the number of shares remaining after providing for the issuance of shares subscribed for pursuant to the primary rights will be alloted pro rata as nearly as practicable among warrant holders exercising additional rights in accordance with the respective number of shares subscribed for my such holders pursuant to primary rights.

Warrants issued to common stockholders whose addresses are outside the continental United States or Canada will not be mailed but will be held by the agent for their accounts until 12:00 o'clock noon, New York time, October 7, 1954, when, if no instructions are received, they will be sold to the extent practicable, together with warrants sent to other stockholders and returned unclaimed. The net proceeds from any such sales are to be held for the account of such stockholders.

The declaration states that the proceeds from the proposed sale of stock will be used by Middle South to repay the $12,000,000 which has been borrowed and is outstanding under its credit agreement dated May 12, 1952, with five banks. If such proceeds should not be sufficient for such purpose, they will be applied toward the partial repayment of such $12,000,000 or to the extent that they are more than sufficient, will be used for other corporate purposes.

Notice is further given that any interested person may, not later than September 21, 1954, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by the said declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should

be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after September 21, 1954, said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rule U-100 thereof. All interested persons are referred to said declaration which is on file at the offices of this Commission for a statement of the transactions therein proposed.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7174; Filed, Sept. 13, 1954; 8:49 a. m.]

[File No. 70-3292]

METROPOLITAN EDISON CO.

NOTICE OF PROPOSED ISSUANCE AND SALE OF PRINCIPAL AMOUNT OF FIRST MORTGAGE BONDS

SEPTEMBER 8, 1954.

Notice is hereby given that an application has been filed with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("act") by Metropolitan Edison Company ("Meted") a public utility subsidiary of General Public Utilities Corporation, a registered holding company. Applicant has designated the third sentence of section 6 (b) of the act and Rule U-50 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to said application which is on file in the office of this Commission for a statement of the transactions therein proposed, which are summarized as follows:

Meted proposes to issue and sell, pursuant to the competitive bidding requirements of Rule U-50, $15,000,000 principal amount of First Mortgage Bonds, ___ Percent Series, due 1984. The bonds will be issued under and secured by the company's Mortgage Indenture dated November 1, 1944, as heretofore supplemented and as to be further supplemented by a Supplemental Indenture to be dated October 1, 1954.

The application states that the net proceeds from the sale of the bonds will be used to redeem $8,000,000 principal amount of First Mortgage Bonds 3⅞ percent Series due 1983; $3,600,000 will be applied to the prepayment of the principal of the Company's presently outstanding 3 percent notes due December 30, 1954; and the balance will be applied against the cost of Meted's construction program, it being represented in the filing that this construction program will require approximately $17,000,000 for the year 1954.

The filing states that authority to issue and sell the bonds is being sought from the Pennsylvania Public Utility Commission. The filing further states that no other State and no Federal regulatory body, other than Securities and Exchange Commission, has jurisdiction in the premises.

Meted proposes to amortize over the remainder (approximately 29 years) of the original life of the 1983 Series Bonds that portion of the call premium arising from the redemption of such bonds which remains after charging to income the portions of the call premium equal to the estimated reduction in Federal and Pennsylvania income taxes attributable thereto. The total amount of the call premium (exclusive of accrued interest) as at the expected redemption date is $336,000, the amount to be charged to income is estimated at approximately $166,000, and the amount to be amortized is estimated at approximately $170,000. The filing expressly provides that in the event the Commission determines not to exercise any jurisdiction it may have over the proposed accounting treatment for the transactions which are the subject of this application "* * * the Company * * * consents to the nonexercise of jurisdiction with respect to such accounting."

Meted estimates that fees and expenses to be paid by the company applicable to the proposed issuance and sale of bonds will aggregate $76,000, including printing and engraving in the amount of $27,000 and legal fees and expenses of $12,000.

Notice is further given that any interested person may, not later than September 23, 1954, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said application which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after September 23, 1954, said application, as filed or as amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7172; Filed, Sept. 13, 1954; 8:48 a. m.]

[File No. 811-75]

PLYMOUTH FUND, INC.

NOTICE OF MOTION TO TERMINATE REGISTRATION

SEPTEMBER 8, 1954.

Notice is hereby given that the Securities and Exchange Commission ("Commission") on its own motion, is proposing to declare by order, pursuant to section 8 (f) of the Investment Company Act of 1940 ("act") that Plymouth Fund, Inc., a registered investment company, has ceased to be an investment company.

The Commission has been advised that Plymouth Fund, Inc. has been dissolved, that all of the assets have been liquidated, that all liabilities have been paid, and that all of the proceeds have been distributed to stockholders except $383.31 which is being held in a Distribution Account by the Trust Company of New Jersey, 35 Journal Square, Jersey City, New Jersey, for stockholders who have not yet surrendered their stock for final liquidation payment.

All interested persons are referred to File No. 811-75 which is on file at the Washington, D. C., office of this Commission for a more detailed statement of the matters of fact and law therein asserted.

Notice is further given that any interested person may, not later than September 24, 1954, at 5:30 p. m., submit to the Commission in writing any facts bearing upon the desirability of a hearing on the matter and may request that a hearing be held, such request stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the Commission may, acting on its own motion declare that Plymouth Fund, Inc., has ceased to be an investment company, by order as provided in Rule N-5 of the rules and regulations promulgated under the act.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 54-7171; Filed, Sept. 13, 1954; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 23659]

GRAIN FROM MINNEAPOLIS, MINN., AND POINTS GROUPED THEREWITH TO OMAHA, NEBR., AND POINTS TAKING SAME RATES

APPLICATION FOR RELIEF

SEPTEMBER 9, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: W. J. Prueter, Agent, for the Chicago Great Western Railway Company and Fort Dodge, Des Moines and Southern Railway Company.

Commodities involved: Grain, grain products and related articles, carloads.

From: Minneapolis, Minn., and points taking same rates.

To: Omaha, Nebr., and points taking same rates.

Grounds for relief: Rail competition, and circuitous routes.

Schedules filed containing proposed rates: W J. Prueter, Agent, I. C. C. No. A-3866, supp. 66.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed

to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-7163; Filed, Sept. 13, 1954; 8:47 a. m.]

[4th Sec. Application 29660]

FRESH MEATS AND PACKING HOUSE PRODUCTS FROM COLUMBUS, IND., TO SOUTHERN TERRITORY

APPLICATION FOR RELIEF

SEPTEMBER 9, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by H. R. Hinsch, Agent, for carriers parties to schedules listed below.

Commodities involved: Fresh meats and packing house products, carloads.

From: Columbus, Ind.

To: Points in southern territory.

Grounds for relief: Rail competition, circuity, and to maintain grouping.

Schedules filed containing proposed rates: H. R. Hinsch, Agent, I. C. C. No. 4510, supp. 54: H. R. Hinsch, Agent, I. C. C. No. 4367, supp. 65.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-7164; Filed, Sept. 13, 1954; 8:47 a. m.]

[4th Sec. Application 29661]

SUPERPHOSPHATE FROM THE SOUTHWEST TO WESTERN TRUNK LINE TERRITORY

APPLICATION FOR RELIEF

SEPTEMBER 9, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Superphosphate (acid phosphate) other than ammoniated or defluorinated, in bulk, carloads.

From: Points in southwestern territory.

To: Points in western trunk-line territory.

Grounds for relief: Rail competition, circuity, market competition, and rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: F C. Kratzmeir, Agent, I. C. C. No. 4112, supp. 11.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD, *Secretary.*

[F. R. Doc. 54-7165; Filed, Sept. 13, 1954; 8:47 a. m.]

[4th Sec. Application 29662]

SULPHURIC ACID FROM LITTLE ROCK AND NORTH LITTLE ROCK, ARK., TO MOBILE, ALA., GULFPORT AND OTHER POINTS IN MISSISSIPPI

APPLICATION FOR RELIEF

SEPTEMBER 9, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Sulphuric acid, in tank-car loads.

From: Little Rock and North Little Rock, Ark.

To: Mobile, Ala., Gulfport, Miss., and other points in Mississippi.

Grounds for relief: Competition with rail carriers, circuity, and market competition.

Schedules filed containing proposed rates: F C. Kratzmeir, Agent, I. C. C. No. 3908, supp. 203.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD, *Secretary.*

[F R. Doc. 54-7166; Filed, Sept. 13, 1954 8:47 a. m.]

[4th Sec. Application 29663]

LUMBER FROM LOUISIANA TO LOUISVILLE, KY.

APPLICATION FOR RELIEF

SEPTEMBER 9, 1954.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by F C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Lumber and related articles, carloads.

From: Points in Louisiana (west of Mississippi River)

To: Louisville, Ky.

Grounds for relief: Competition with rail carriers, and to maintain grouping.

Schedules filed containing proposed rates: F C. Kratzmeir, Agent, I. C. C. No. 3948, supp. 66.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W LAIRD, *Secretary.*

[F. R. Doc. 54-7167; Filed, Sept. 13, 1954; 8:47 a. m.]